

The Manager
Company Announcements Office
ASX Limited
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ACQUISITION OF 4KQ 693AM RADIO LICENCE (Brisbane)

Sports Entertainment Group Limited (**SEG**) has signed an agreement with ARN Communications Pty Ltd (**ARN**), a subsidiary of HT&E Limited (**ASX:HTI**) to acquire the business and assets relating to the 4KQ commercial radio broadcasting licence (**4KQ**). The sale of 4KQ was required by the Australian Communications and Media Authority (**ACMA**) following HT&E's acquisition of the licence from Grant Broadcasters in January 2022.

The acquisition of 4KQ expands SEG's owned radio platform and audience reach into Brisbane, and now completes the key components of our national footprint strategy with 35 stations now in operation in all capital cities and states.

OUR AUDIO DISTRIBUTION FOOTPRINT

Our Coverage Is Unique And Unmatched

Syndicated markets distribution

Owned markets distribution

VICTORIA

- Melbourne SEN 1116AM & DAB+
- Melbourne SENTrack 1593AM & DAB+
- Sunraysia/Mildura SENTrack 89.1FM
- La Trobe Valley SENTrack 91.9FM
- South West Gippsland SENTrack 91.3FM
- Melbourne SEN Fanatic & DAB +
- Bendigo App Channel
- Ballarat App Channel
- Geelong App Channel

NEW SOUTH WALES

- Sydney SEN 1170AM & DAB+
- Sydney SENTrack 1539AM & DAB+
- Illawarra SENTrack 1575AM
- Central Coast SENTrack 801AM
- Griffith SENTrack 90.3FM

SOUTH AUSTRALIA

- Adelaide SEN SA 1629AM
- Mt Gambier SEN Mt Gambier 1629AM

QUEENSLAND

- Brisbane SENQ – 693AM – NEW!!**
- Gold Coast SEN 1620AM
- Brisbane SENTrack 1053AM
- Atherton SENTrack 99.1FM
- Ingham SENTrack 96.9FM
- Kingaroy SENTrack 96.3FM
- Darling Downs SENTrack 91.5FM

WESTERN AUSTRALIA

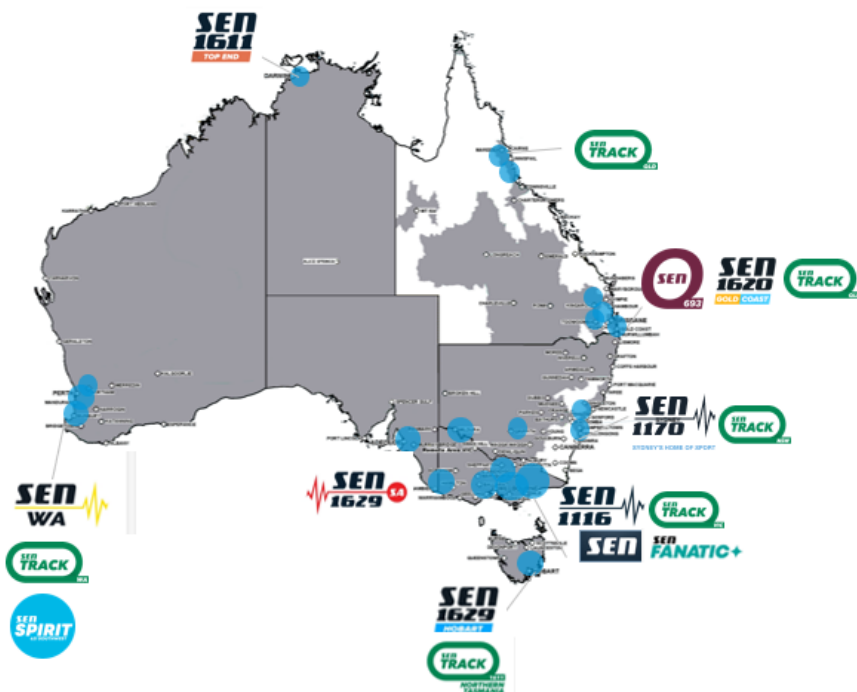
- Perth SENTrack 657AM
- Bunbury SEN Spirit 621AM
- SEN WA App Channel
- SEN Peel Mandurah DAB+

TASMANIA

- Hobart SEN 1629AM
- Northern TAS SENTrack 1611AM

NORTHERN TERRITORY

- Darwin SEN Top End 1611AM



SEG's "Whole of Sport" strategy will mean a change from the classic hits music format currently operated by ARN to a 24/7 sports/talk format under the Group's SEN brand dubbed "693 SENQ".

The addition of **SENQ – Queensland's Home of Sport** enhances SEG's existing owned platforms in Queensland making it the flagship station to complement:

- SEN Gold Coast 1620AM
- SENTrack Brisbane 1053AM
- SENTrack Atherton 99.1FM
- SENTrack Ingham 96.9FM
- SENTrack Kingaroy 96.3FM
- SENTrack Darling Downs 91.5FM

Craig Hutchison, SEG's Managing Director said "We know Queenslanders love their sport. **693 SENQ** will provide a unique offering and constant sporting content like never before as Queensland's only dedicated sports station. We already have great momentum with **'Breakfast with Pat & Heals'** and I look forward to announcing more Queensland specific content in the coming months. Our business model is sport, and parochial sport is at the heart of that. Queenslanders love their state and its teams and we are excited to play our role in amplifying that passion."

The acquisition is a continuation of SEG's strategy for growth, investing in assets that are underpinned by infrastructure or licence value. 4KQ strengthens SEG's eastern seaboard reach and provides opportunities for SEG to generate attractive returns on capital by leveraging existing investments (costs) in national sales teams, broadcast rights, unique content portfolio and high-profile talent.

The purchase price payable for 4KQ is \$12.0 million cash before completion adjustments and will be funded as follows:

- \$5.0 million via a placement of 25,000,000 new SEG shares to existing shareholder Oceania Capital Partners Limited at a deemed issue price of \$0.20 per share subject to approval from the Foreign Investment Review Board (FIRB) ("**OCP Placement**"); and
- \$7.0 million via surplus operating cashflows and existing debt facilities.

4KQ is expected to deliver an incrementally positive yet immaterial contribution to earnings in its first 12 months. The acquisition is subject to conditions precedent including relevant ACMA approvals and FIRB approval of the OCP placement. Completion is expected to occur on 1 July 2022.

-ENDS-

Authorised by the Board of Sports Entertainment Group Limited.

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