

ASX ANNOUNCEMENT 21 JUNE, 2023

## Trading Update

- Gumtree, Carsguide & Autotrader continues to perform strongly.
- Notable one-off costs linked to legal proceedings and redundancies following Strategic Review.
- Focus remains on sustainable growth, reducing costs and delivering strong operational EBITDA performance on core business activities.

The Board of The Market Herald Limited (ASX:TMH “**The Market Herald**” or “**Company**”) wishes to provide an update on the Company’s trading and earnings guidance following the acquisition of Gumtree, Carsguide and Autotrader (**GCA**).

The GCA business continues to perform in line with expectations generating significant revenue and contributions to EBITDA with the Canadian subsidiary also performing well.

However, costs associated with redundancies at the Perth office and significant legal expenses associated with the Takeovers Panel process and prior management issues are likely to result in the Company not meeting its earlier earnings guidance.

On 19 January 2023, the Company confirmed its earlier guidance provided from the 2022 Annual General Meeting, being potential revenue and EBITDA for FY23 of \$95.0m and statutory EBITDA of \$20.7m. The guidance included 9 months of trading with the GCA business included following acquisition.

The Company wishes to provide an updated guidance of total revenue of \$86m (down 9.5%) and normalised EBITDA\* of \$17.7m (down 14.7%) for the full year ending 30 June 2023.

Commenting on the update, CEO Tommy Logtenberg said “*The Company has experienced some softness in its advertising revenues next to a lower demand in the capital markets division. The biggest contribution to the reduced EBITDA has come from the significant one-off legal expenses associated with the Takeovers Panel process, redundancies and writing off of bad debts. We see these as one-off expenses which do not detract from our strategic roadmap to improve our top-line results, and profitability of the Company.*”



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\* Normalised EBITDA excludes costs mainly related to the acquisition of GCA, cost for the refinancing process and termination benefits to previous management (not replaced).

Yours faithfully

Tommy Logtenberg  
Chief Executive Officer

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This announcement has been authorised for release by the Board of Directors.