

oOh!media Limited  
ABN 69 602 195 380

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## ASX Announcement



### **oOh! acquires Junkee Media for next chapter of its digital strategy**

Diversified location based media company oOh!media Limited (ASX: OML) advises that it has entered into an agreement to acquire privately-owned on-line content and publishing company Junkee Media Pty Limited.

The acquisition reflects oOh!'s end to end digital strategy to increase consumer engagement and drive advertiser return on investment.

Junkee Media is one of Australia's fastest growing and most innovative Millennial focused new media companies. Its online publications – news sites *Junkee*, *inthemix*, *FasterLouder* and native content platforms *AWOL* and *The Cusp* - attract more than 1.25 million Australian unique visitors a month and reaches more than 5.5 million Millennials through its social channels every week.

The agreement will see oOh! acquire 85% of Junkee Media for \$11.05m (equivalent to a valuation of \$13.0m for 100% of the company), with a right to acquire the remaining 15% of shares from the three remaining Junkee Media shareholders.

The acquisition is subject to satisfaction of customary conditions precedent and will be fully funded by debt using oOh!'s existing facilities and is expected to be Adjusted EPS accretive within the first year excluding transaction costs.

oOh! Chief Executive Brendon Cook said oOh! has been acquiring assets that not only provide advertisers more targeted audiences but also build on its content capabilities as part of its digital and data strategy. The strategy was developed three years ago to deliver clients a media channel that combined the unmissability of Out Of Home advertising with an integrated mobile, online and social digital offering.

Mr Cook said: "Native advertising is increasing in importance each year in Australia. This reflects trends in the US, where native advertising is growing at 17% per annum\*.

"We started this journey with the launch of content platform Q-view and we later added Hijacked.com.au and ShortPress.com.au to deliver advertisers a 360-degree offline and online marketing channel to reach specific audiences.

"These content platforms have generated new revenue from advertisers, in categories including telco, B2B, travel, tourism and government, who have invested in campaigns that combined Out Of Home advertising with native content running across the social, online and mobile platforms.

"The acquisition of Junkee Media was the natural next step for oOh! as it is a clear market leader and has set the benchmark for native content engagement in a mobile and social world.

"Junkee Media has superior online real estate, a track-record in connecting with the desirable Millennial audience, is among the best in the business when it comes to developing native content that works and has proven its ability to amplify advertisers messages through social channels.

"With the rapid growth of short form social mobile video content and Junkee Media's clear expertise in delivering this content, we are excited about the possibilities of delivering the best content across our market leading digital signage network in environments designed to engage with audiences."

Junkee Media CEO Neil Ackland said "We are very excited to become a part of oOh!, a company that clearly shares our ambition to be at the forefront of digital innovation and content. The media landscape is changing at an incredible pace, and together we are uniquely positioned to benefit from the disruption."

Mr Cook said Junkee Media would be maintained as a stand-alone enterprise with its existing management team including Mr Ackland, Publisher Tim Duggan, Junkee Studio General Manager Josh Rich and CIO Ian Grant remaining in place.

As part of the transaction, oOh! has elected to maintain the advisory agreement in place between Junkee Media and Tony Faure, a director of oOh!media. This agreement has been negotiated at arm's length through advisors for each party and, for the purposes of listing rule 3.16.4, the material aspects of the arrangement are:

- Tony will provide advisory and strategic assistance to Junkee Media, and on particular initiatives and campaigns;
- the arrangement is for a term of up to 3 years, with each party having the right to terminate without cause on the giving of 3 months written notice;
- a services fee payable of \$90,000 per annum.

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\* Business Insider Native advertising report May 2016

**About oOh!:** oOh! is a leading operator in Australia and New Zealand's fast-growing Out Of Home advertising industry. We create deep engagement between people and brands through Unmissable location-based media solutions. Our network is unparalleled, with a diverse portfolio of static and digital signs across roadside, retail, airport and place based media offering in CBD office towers, cafés, fitness venues, bars and universities. We combine this extensive reach with sophisticated data, industry leading insights and world leading digital innovation, integrating our physical inventory with social and mobile online channels to provide clients with greater connections with consumers.

**About Junkee Media:** Junkee Media is one of Australia's fastest growing and most innovative new media companies, reaching over 5.5 million engaged Millennial consumers each week. Formerly known as the Sound Alliance, Junkee Media's titles include Junkee, inthemix, FasterLouder, AWOL, and The Cusp. Junkee Media is a leader in native content, social, mobile and video.