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Domain Group

Annual Report 2023

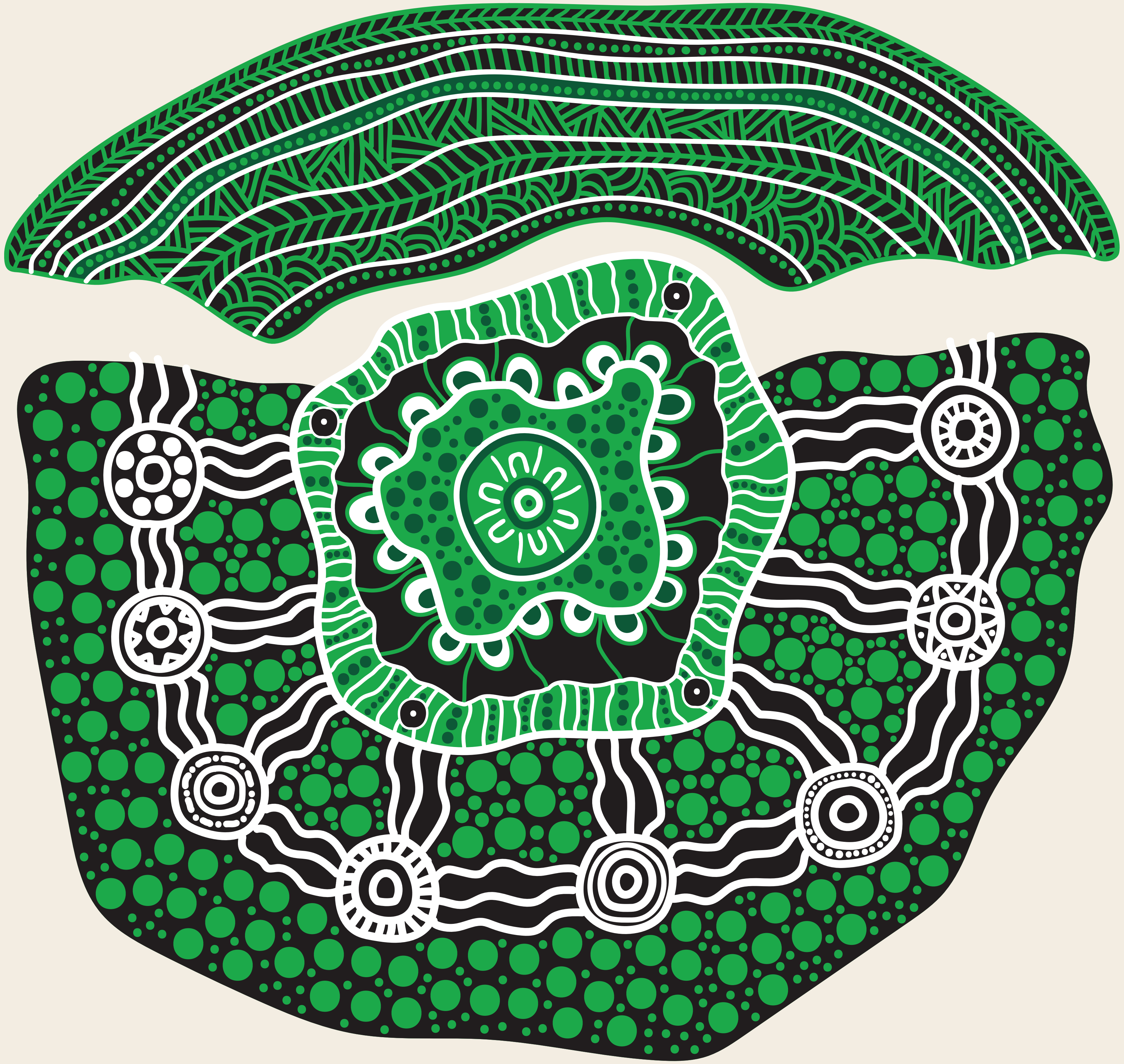

Melbourne School
Buy
Under $1.4m
9 Properties
Inspiring confidence in life’s property decisions

Contents

ACKNOWLEDGEMENT OF COUNTRY

Domain Group acknowledges the Traditional Custodians of the lands on which it operates. We recognise their enduring connection to the land and waters, and that this continent always was and always will be Aboriginal land.

Domain's headquarters are located on Eora Country. We acknowledge and pay our respects to the Gadigal People of the Eora Nation as the Traditional Custodians of this land. We extend this respect to Elders past and present, and to any Aboriginal and Torres Strait Islander peoples reading this Annual Report. We acknowledge that sovereignty was never ceded.



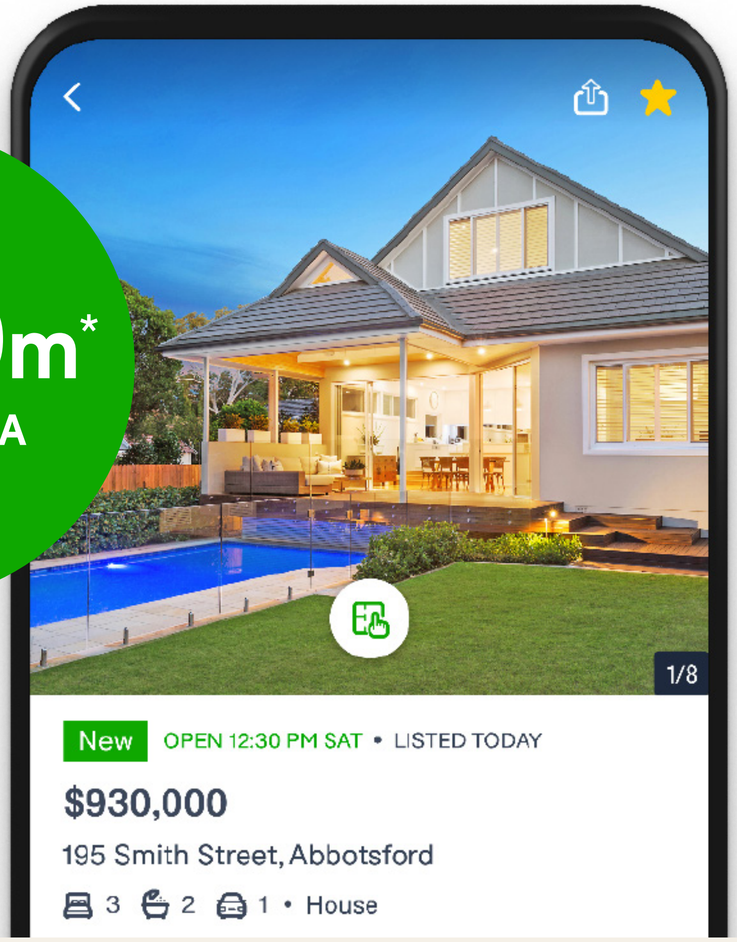
"With open hearts and minds, together we grow." Artwork by Wakka Wakka artist, David Williams.

Introduction

Business Performance Overview

$328.9m*
FY23 Revenue

$135.0m*
FY23 EBITDA



CORE DIGITAL

Core Digital includes Residential; Media, Developers & Commercial; Agent Solutions; and Domain Insight (formerly referred to as Property Data Solutions). Domain connects agents and corporates with a quality engaged audience, providing subscriptions, premium (depth) listings and other services at every stage of the property lifecycle.

Residential

Residential revenues are derived from listings of 'for sale' and rental properties on Domain's web, mobile and social platforms. The largest proportion of revenue is generated from premium (depth) listings, with the balance coming from monthly subscriptions.

Residential revenue reduced 7% year-on-year, reflecting the challenging economic backdrop and pace of interest rate increases. National property listings declined 14%, with particularly large declines in Domain's highest yielding markets in Sydney and Melbourne.

Notwithstanding the economic environment, Domain delivered another year of record depth penetration, benefiting from its targeted micro market strategy. The business was active with new product development, launching its Social Boost All tier early in the year, and Platinum Edge add-on at the end of the year. These initiatives are designed to increase the value Domain provides to agents and consumers and to support higher yield through pricing upside and depth uptake.

Media, Developers & Commercial

Media's digital advertising provides a platform for advertisers to connect with Domain's quality consumer audiences. The Developers business provides listings and advertising opportunities to residential property developers. Commercial Real Estate (CRE) provides subscription, depth listing and display advertising to a range of sectors including industrial, office and retail.

Revenue declined 3% year-on-year, with a mixed performance across the three verticals. CRE was once again the best performing business, with solid year-on-year revenue growth of 6%, despite a challenging listings backdrop. Depth penetration continued to perform strongly, reaching a new record for both sale and lease activities, with the second half benefiting from the implementation of a new pricing model. The Developers business has been negatively impacted by increased building and funding costs combined with reduced buyer activity, which have resulted in the deferral of new projects. Media saw a downturn in H2 after a stable H1, reflecting the impact of the macroeconomic environment on the broader advertising market.

Agent Solutions

Agent Solutions provides a suite of innovative digital workflow solutions that support agents to build profitable and sustainable businesses. Pricefinder delivers property data, insights and reporting tools; Real Time Agent (RTA) supplies digital agency agreements, auction solutions and contracts; Realbase is the leading real estate campaign management platform in Australia and New Zealand, with digital proposal and social media solutions; and Homepass supports open-for-inspections with registration and database tools.

Revenue increased 86% year-on-year, and 6% on an underlying basis excluding the Realbase acquisition. Pricefinder (Agent) delivered solid growth in subscribers due to investment in product initiatives, offset by title search, which was impacted by lower market listings. RTA delivered accelerating subscriber momentum, with revenue up 25% year-on-year despite the negative impact of the listings environment on contract volumes. Realbase delivered strong underlying subscription revenue growth, however transaction revenue was impacted by its high exposure to Sydney and Melbourne, which experienced a disproportionate decline in listings volumes.

Domain Insight

Domain Insight (previously referred to as Property Data Solutions) services agents, consumers, government, financial institutions and corporates with high quality property data and insights. Pricefinder (non-Agent) is a property data platform with extensive insights and reporting tools; Australian Property Monitors (APM) provides automated and real-time property valuation models and research; Insight Data Solutions (IDS) provides land and property valuation, insights and analytics services to the government and financial institution sectors.

Revenue increased 16% year-on-year and 4% on an underlying basis, excluding the IDS acquisition in October 2021. Pricefinder revenues increased year-on-year, although market-wide listing volume declines impacted on private and title search revenues. APM delivered a solid performance, underpinned by strong growth in research. IDS made progress in both government and financial institution markets, winning the contract to supply the Western Australian (WA) Land Information Authority (which values all properties in WA) with precise and independent property valuations.

* Excluding significant items and discontinued operations.

CONSUMER SOLUTIONS

Consumer Solutions delivers direct-to-consumer services related to the property journey, building on Domain's highly engaged audiences. Products such as Home Price Guide and Domain for Owners provide consumers with data, insights and confidence in relation to their property decisions.

Domain's consumer-facing home loan broking business, Domain Home Loans (**DHL**), operated as a 60%-owned joint venture, outperformed a soft lending market. Domain sees much greater potential than has been able to be achieved through the joint venture and has made a decision to pursue a sale exit of the business. DHL is being held for sale, and treated as a discontinued operation, and is therefore excluded from trading results. Domain remains very confident about the future role that home loans can play in driving the Marketplace strategy.

PRINT

Domain services print audiences with property listings and editorial through the Domain, Domain Prestige, Allhomes and Domain Review magazines.

Domain and Domain Prestige magazines are distributed through Nine's leading publications The Sydney Morning Herald, The Age and The Australian Financial Review. The Allhomes magazine is distributed through the Canberra Times. Domain Review, a free premium lifestyle and property listings publication, is distributed in affluent Melbourne suburbs.

Print revenue declined 24% year-on-year, reflecting the significant listings declines in high value inner Sydney and Melbourne suburbs, which are the key markets for Domain's print titles. The EBITDA contribution of $2.3 million reduced year-on-year, due to the revenue decline and increased printing costs. Despite structural challenges, Domain delivers a substantial print audience which has minimal overlap with digital audiences. Agents continue to value the high intent and exceptional quality audience which Domain's magazines deliver. This audience quality was recently recognised with a Roy Morgan Premium Brand Award.

$16.6m*
FY23 Revenue

$2.3m*
FY23 EBITDA

* Excluding significant items and discontinued operations.

Chairman's Report

Nick Falloon

"We have long recognised the strategic value of data and data infrastructure, and its central role in supporting customers and consumers at more points of their property journeys.

The investments we have undertaken in recent years in machine learning and AI, position Domain strongly for the next wave of technology disruption resulting from the capability stepchange of Artificial Intelligence technologies."

Thank you to our shareholders for your ongoing support. During FY23, Domain experienced a significantly more challenging macroeconomic backdrop than was anticipated a year ago, with interest rates increasing at an unprecedented pace. As a consequence, the property market saw substantial declines in new listings, particularly in the key markets of Sydney and Melbourne.

Our approach has been consistent with our disciplined strategy through the volatility of recent years. We have balanced a cost-focused response to short term market conditions, with ongoing investment to support our longer term aspirations to play a much larger role in the property ecosystem in Australia. Our cost initiatives resulted in a significant decline in operating expenses in the second half of FY23, while we maintained our commitment to foundational investment to support long term growth. As a result, Domain is in a strong position to benefit as property listings return to normal levels.

$345.7m* Revenue	**$38.6m*** Underlying net profit after tax	**$108.6m*** EBITDA
6.0c Total dividend per share	**6.1c*** Earnings per share	**1.92x*** Net debt to EBITDA

* reflects trading performance excluding significant items and discontinued operations.

FINANCIAL PERFORMANCE

Domain's FY23 trading results (excluding significant items and discontinued operations) delivered revenue of $345.7 million, a 0.5% decline from the prior year, reflecting the challenging market backdrop. Expenses increased 6.5% on a reported basis, and 10.4% adjusted for the FY22 impact of JobKeeper and Project Zipline, Domain's voluntary employee and director program, implemented in the early stages of the COVID-19 pandemic. FY23 H2 expenses reduced 18% from H1 as the Company responded to the substantial change in market conditions experienced in early Q2.

Earnings before interest, tax, depreciation and amortisation (**EBITDA**) of $108.6 million declined 13% on a reported basis, and 18% adjusted for JobKeeper and Zipline.

Underlying net profit after tax (NPAT) attributable to members declined 28% to $38.6 million. Domain reported a statutory net profit of $26.1 million after taking into account significant items and discontinued operations. Significant items of $(5.2) million related to restructuring charges, costs incurred in relation to acquisitions and disposals, loss on contingent consideration payable and minor impairment charges. The loss from discontinued operations attributable to members of $7.3 million reflects our planned sale exit from our Domain Home Loans (**DHL**) joint venture.

Underlying earnings per share were 6.1 cents, and total dividends were 6.0 cents, 100% franked.

Domain's balance sheet is strong, ending the year with net debt of $185.8 million, which represents a leverage ratio of 1.92 times EBITDA.

MARKETPLACE STRATEGY

In recent years my reports to shareholders have outlined Domain's Marketplace strategy, and our vision of using our data and insights to provide more valuable and richer user experiences. We have long recognised the strategic value of data and data infrastructure, and its central role in supporting customers and consumers at more points of their property journeys. The investments we have undertaken in recent years in machine learning and AI position Domain strongly for the next wave of technology disruption resulting from the capability stepchange of Artificial Intelligence technologies.

Domain's property Marketplace comprises:

- Core Listings, which connects agents and corporates with Domain's quality, engaged audience across digital, print and social;
- Agent Solutions, which provides an end-to-end digital workflow that supports agents to build profitable and sustainable businesses;
- Consumer Solutions, which delivers direct-to-consumer services related to the property journey; and
- Domain Insight, which provides agents, consumers, government, financial institutions and corporates with a broad array of high quality and actionable property data.

Our Marketplace model is designed to make our solutions work better together, and expand the addressable markets for our services. The FY22 acquisitions of IDS and Realbase have brought new revenue opportunities, with IDS expanding its land valuation footprint to include Western Australia, and a number of new financial institution clients. While Realbase has experienced the impact of the unprecedented listings downturn, the strategic rationale for the acquisition remains compelling, and we see significant benefits from its recent full integration into Domain.

In Consumer Solutions, we have recently made the decision to pursue a sale exit from our DHL joint venture. We aspire to a business that has the ability to scale and achieve profitable growth. Given our large and highly engaged audience, and what we have learned to date, we remain very confident that home loans can play a key role in our Marketplace strategy over the longer term.

Agent Solutions, Consumer Solutions and Domain Insight each leverage the strength of our Core Listings business. Notwithstanding the impact of the difficult market backdrop on listing volumes, we have seen continued expansion in the proportion of depth (premium) listings and yield, a reflection of the value Domain delivers to customers and consumers.

OUR COMPANY

Domain remains committed to progressing our Environmental, Social and Governance practices. As I outlined in my 2022 report, we have been exploring ways in which Domain can use our platform for good, and progress our journey to carbon neutrality. We are committed to delivering increased transparency on these initiatives, and aligning our reporting with global standards. We are optimistic about the role Domain can play in becoming a thought leader on sustainability in the housing market. Further details are highlighted in the Environmental, Social and Governance section on pages 18-27 of this Annual Report.

I would like to express my appreciation to my fellow Board members for the important role they play in providing guidance and wise counsel. Shareholders benefit greatly from their expertise and commitment. The directors look forward to speaking with shareholders at our Annual General Meeting, to be held on 8 November.

On behalf of the Board I would like to thank our people for their dedication, hard work and resilience in fulfilling our purpose to inspire confidence in life's property decisions. I would particularly like to acknowledge Jason Pellegrino and his leadership team for navigating the challenging circumstances of FY23, while remaining focused on delivering our vision of a property Marketplace. Domain is well positioned to deliver on the opportunities that lie ahead.

Nick Falloon
Chairman

CEO's Report

Jason Pellegrino

"Domain's Marketplace Strategy builds on our mission to inspire confidence in life's property decisions. We are leveraging the strength of our core listings business with additional solutions that add value to customers and consumers, and support them throughout the entirety of their property journeys.

The long-term investment we have undertaken in machine learning and AI is allowing us to leverage these new technologies with internal and market-facing products that provide new commercial applications to futureproof the business."

Through the challenging market environment of FY23, Domain's Marketplace strategy and our talented and hardworking team have served us well.

We have maintained our commitment to our long-term business evolution, while responding to market circumstances with appropriate cost initiatives. We made the strategic decision to continue the foundational investment which can deliver transformational commercialisation opportunities for the future.

The critical importance of taking this long-term approach is demonstrated by the recent and rapid emergence of Predictive AI, Generative AI and large language models. Domain's investment in machine learning and AI commenced in FY17, and our unique data assets, analytics and integrated distribution channels are embedded as central to our Marketplace strategy.

8%
Growth in residential yield

Increased
Number of depth contracts and record depth penetration

25%
YoY growth in Real Time Agent revenue

IDS
Secures WA Land Information Authority contract

Powerful
New reimagined search functionality

MARKETPLACE STRATEGY

Domain's Marketplace Strategy builds on our mission to inspire confidence in life's property decisions. We are leveraging the strength of our core listings business with additional solutions that add value to customers and consumers, and support them throughout the entirety of their property journeys.

The long-term investment we have undertaken in machine learning and AI is allowing us to leverage these new technologies with internal and market-facing products that provide new commercial applications to futureproof the business. Examples include our internal AI-powered data quality and fraud detection tools; Leadscope for Agents, which helps our customers with powerful prospecting intelligence; and Social Boost, which is driving new revenues based on AI-driven audience segmentation.

During FY23, we continued this commitment to building for the long-term with investment in the three priority areas of Platforms, Personalisation and Privacy. Each of these pillars contribute to Domain's data quality, user experience and ability to monetise new solutions.

In our Platforms pillar we are working to simplify and standardise our products to support the business to scale, digitise and automate the user experience. Implementing flexible technology solutions is allowing us to create new Marketplace solutions at much greater velocity. Our investment during the year in modernising our mobile technology stack supported the launch of our new reimagined search functionality, which marks the most significant improvement in the user experience since the launch of the Domain mobile app in 2009.

In our Personalisation pillar, we are improving the user experience through technology that will enable personalisation at scale. We want to provide the next right action to the right customer, on the right platform, at the right time. During the year, we invested in additional data science and AI resources to develop a sophisticated decisioning engine to personalise user experiences, with new SMS and push notification channels. We delivered a 10% uplift in the proportion of Domain's audience receiving personalised experiences.

In our Privacy pillar, we are building a framework to comply with future privacy legislation, and maintain consumer and customer trust in how Domain uses personal data. The large number of recent high profile data breaches highlights the critical nature of investing in privacy, appropriate data governance and cybersecurity. During the year, we established a new privacy policy that provides additional transparency on how we use the data we collect, and launched an internal data cataloguing governance tool.

Despite the difficult market backdrop, we made pleasing progress in advancing Domain's Marketplace strategy:

- In Core Listings, we achieved an 8% increase in controllable residential yield. Depth penetration reached a new peak and we delivered pleasing attachment rates for our new Social Boost All tier. During year-end price negotiations 15% of all customers upgraded to higher tier subscription or depth listing products for FY24.
- In Agent Solutions, we saw continued strong momentum at Real Time Agent (RTA), with revenue growth of 25% along with a solid performance from Pricefinder's agent subscribers. We achieved the accelerated structural integration of Realbase and early benefits from sales and product synergies. And our powerful agent prospecting tool, Leadscope, developed from prototype to full commercialisation.
- In Consumer Solutions, Domain delivers a large and quality audience, reaching 1 in 3 Australians aged 25-64*, who are highly engaged in the home purchase journey. While we are pursuing a sale exit from Domain Home Loans (**DHL**), this audience reach underpins our confidence in the potential for future opportunities that can scale fast and achieve profitable growth.
- In Domain Insight (formerly Property Data Solutions), Insight Data Solutions (**IDS**) was successful in securing the Western Australian Land Information Authority contract and is seeing strong momentum in new financial client wins. Our 'Single View of Property' is contributing to listings completeness at Home Price Guide.

* Roy Morgan Apr 22 – Mar 23, Domain Group Print Average Issue Readership (AIR) (Domain NSW/VIC + Allhomes + Review + Prestige) & Domain Group Digital, last 4 weeks.

FY23 PERFORMANCE

(excluding significant items and discontinued operations)

Core Digital

Core Digital revenues increased 1% to $328.9 million. Earnings before interest, tax, depreciation and amortisation (**EBITDA**) of $135.0 million declined 12% on a reported basis and 14% adjusted for JobKeeper and Project Zipline (Domain's voluntary employee and director program, implemented in response to the COVID-19 pandemic) in FY22.

Residential

Residential revenue declined 7% to $223.1 million, reflecting the decline in new 'for sale' property listings of 13.8% year-on-year. Controllable yield was 8% higher, supported by price increases, record depth penetration and the launch of our new 'Social Boost All' depth tier. This result is all the more impressive given the disproportionate listing volume declines of more than 21% and 16% respectively in Domain's highest yielding markets of Sydney and Melbourne. Despite the market backdrop, the business made significant progress with our strategic objectives, building on Domain's differentiated micro market approach, which is driving strong yield gains in less mature markets. And the addition of a new depth tier, 'Platinum Edge' supported a successful price review at year-end. The significant uptake of new and upgraded depth contracts provides a strong revenue foundation as the property market improves.

Media, Developers & Commercial

The 3% revenue decline to $47.8 million reflected a mixed performance across the three verticals. Commercial Real Estate remained the best performing business, outperforming a weak market with 6% revenue growth. The business benefited from a new pricing model introduced in H2, ongoing success in new depth contract adoption and record depth penetration. Developers experienced a challenging environment with increased interest rates and higher construction costs. Market conditions have resulted in declines in new projects and deferrals of existing projects, although increases in listing duration have provided some offset.

Agent Solutions

Revenue increased 86% year-on-year to $40.7 million, with underlying growth of 6%, excluding the impact of the Realbase acquisition. Product development and integration initiatives yielded subscriber gains at RTA and Pricefinder, despite the market impact on transaction volumes. RTA increased revenue by 25% with increasing momentum in H2 benefiting from new customer acquisition, increased product take-up from existing customers and new revenue streams. Recently acquired Realbase achieved full integration of its people with Domain, with early benefits from new cross-sell opportunities and product integration with RTA. Realbase is continuing to migrate clients from its legacy Campaigntrack platform to Realhub, with associated efficiency and cost savings opportunities. And while Realbase has felt the effect of the listings pressure in inner Sydney and Melbourne, and natural disaster impacts in New Zealand, it is strongly positioned to benefit when listings return. We remain very excited about the valuable contribution it can make to our Marketplace strategy. Domain's prospecting tool, LeadScope, developed in close collaboration with early adopters, achieved full commercialisation, bringing new opportunities to further empower agents to build profitable and sustainable businesses.

Domain Insight

Domain Insight revenue increased by 18%, with underlying growth of 4%, excluding the contribution of IDS which was acquired in mid-October 2021. Pricefinder (non-agent) delivered higher subscription revenue, while private and title search transactions were impacted by market conditions. Australian Property Monitors (APM) delivered a solid performance, with stable valuations and strong growth in research products. IDS has delivered momentum in Automated Valuation Model (AVM) financial client wins, underpinning a significant year-on-year uplift in revenue. In the government sector, IDS was successful in securing the Western Australian Land Information Authority contract, with revenue benefits to come in FY24.

Consumer Solutions

In Consumer Solutions, while our 60%-owned joint venture DHL continued to outperform the broader lending market, Domain sees much greater potential than has been able to be achieved through the joint venture. After an extensive period of discussions with our Joint Venture partner, Domain has made a decision to pursue a sale exit of the business. Given our large and highly engaged audience, we remain very confident that home loans can play a key role in our Marketplace strategy in the future. Domain considers that the ability to scale a business and achieve profitable growth are critical. Looking ahead, Domain sees the potential for future opportunities with alternative solutions that allow for a material degree of integration, low cost structure, and alignment on future direction that will support a profitable contribution to our Marketplace. DHL is being held for sale and treated as a discontinued operation, and is therefore excluded from our trading results.

Print

Print revenues declined 24% year-on-year, reflecting the challenging listings environment in the high value markets in which Domain's print publications circulate. Print's EBITDA contracted to $2.3 million from $5.7 million in FY22, as a result of the revenue declines, with operating costs down year-on-year despite higher printing costs. Despite this backdrop, Domain's print readership increased year-on-year, delivering a high quality and exclusive audience that agents continue to value.

OUR PEOPLE

Through the difficult market circumstances of the past year, our talented team has demonstrated significant resilience. I would like to express my appreciation for their relentless focus on innovation and product excellence, which is at the core of Domain's culture. The Board, led by Nick Falloon, provides valuable insights and wise counsel, and I thank them for providing their expertise and experience in guiding our Marketplace strategy. I would also like to thank our shareholders for their support, and the confidence they display in our Company.

Our Marketplace foundations are strong, and we are confident in the significant upside opportunity as the property environment improves.

Jason Pellegrino
Chief Executive Officer

Environmental, Social and Governance

ESG AT DOMAIN

As a leading property marketplace, Domain is committed to progressing our Environmental, Social and Governance (**ESG**) practices to deliver sustainable value to all stakeholders.

This is reflected through our efforts to minimise our environmental footprint, support our employees and the communities in which we operate, and embrace sustainable business and governance initiatives.

Domain's Board is responsible for the Company's environmental, social and governance related strategies. The People, Culture and Sustainability Committee, a sub-committee of Domain's Board, provides support and makes recommendations to the Board in relation to Domain's ESG risks and opportunities, and oversees the development and implementation of initiatives such as Domain's ESG Plan and ESG Policy, which are available on Domain's ESG website at domain.com.au/group/esg

This section sets out details of Domain's ESG initiatives and activities for the financial year ended 30 June 2023 (**FY23**).

ENVIRONMENTAL

Domain approaches our responsibility to the environment through the lens of our Purpose: to inspire confidence in life's property decisions. We want to ensure Australia remains a great place to live and that starts by understanding how we can reduce our impact on the environment and support those around us to do the same.

Domain's footprint

In FY23, Domain furthered our understanding of the environmental impact of our business operations. This information has been important to guide Domain in where to focus our action in FY24 and beyond.

As a digital business, Domain's emissions profile is small, with the greater contribution of emissions coming from outside of core business operations. More information regarding Domain's environmental footprint can be found in the 'Emissions' section below.

Shared knowledge

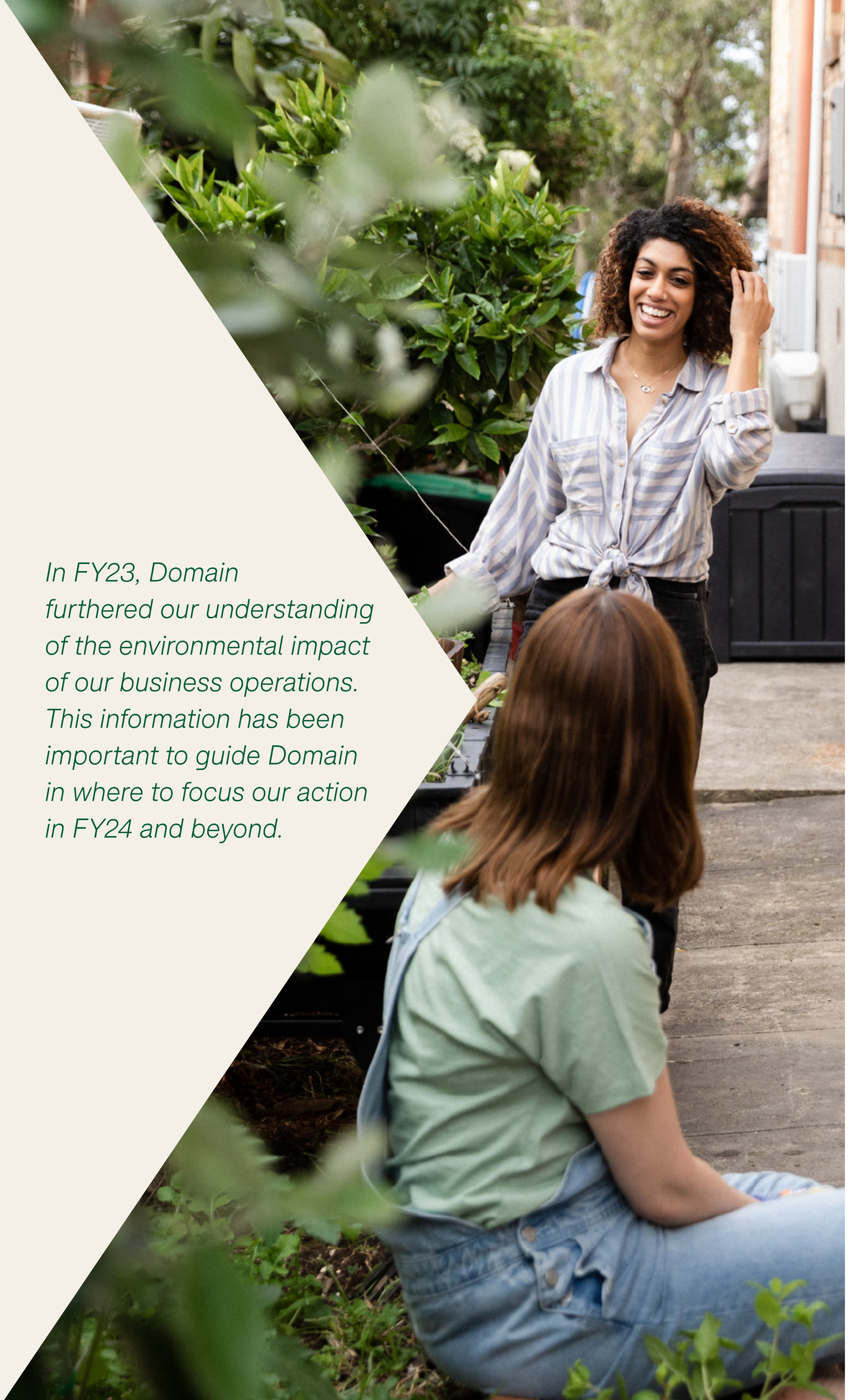
Domain publicly shares insights on consumer trends with regard to sustainability in property. In doing so, Domain seeks to demonstrate the importance of sustainability in the property decision-making process to a wide range of customer groups, from vendors, seekers and agents through to policy makers and enterprise customers.

Key insights shared in FY23:

- Buyer search behaviour across Domain shows a rising demand for sustainable homes. This is seen through increased usage of search terms associated with sustainability, such as "north-facing", "solar" and "ecohomes". The use of such energy-efficient (**EE**) keywords trended up in 2022 and reaching an all-time high in December 2022, peaking at a similar level again in April 2023.
- Agents and vendors are increasingly considering consumers' preferences for greener living and marketing properties with reference to them. The proportion of homes for sale that contained EE keywords within the listing reached an all-time high of 61% in April 2023.
- Listings for houses and units that include EE keywords have a higher volume of views than their non-energy-efficient counterparts. In April 2023, sustainable homes continued to have greater buyer interest, with 16% more views for houses and 37% more for units.

Further information on the data we share with our customers can be found in Domain Insight chart packs, available at insight.domain.com.au/chart-pack

In FY23, Domain furthered our understanding of the environmental impact of our business operations. This information has been important to guide Domain in where to focus our action in FY24 and beyond.



Emissions

Domain is committed to measuring and understanding our emissions, and for the second year has commissioned Cushman & Wakefield to measure Scope 1 and 2 greenhouse gas (GHG) emissions.

In FY23, Domain maintained a low emission profile, reporting no Scope 1 and a small increase in Scope 2 emissions. The increase in Scope 2 emissions was attributed to air-conditioning usage in the Victorian office which is on-charged by the landlord. As this electricity is purchased by the landlord, it is not covered by Domain's low carbon GreenPower purchasing contracts and has a higher emissions profile than energy purchased directly by Domain. Domain utilises green power across all offices for the power-usage in our direct control.

Overall, Domain achieved a 16% reduction in electricity usage from FY22 to FY23. This decrease was driven by a reduction in tenancy space at the New South Wales office (corresponding to a 21% decline in electricity) and a 32% decrease in electricity usage in the Western Australia office.

In FY23, Domain also measured Scope 3 emissions. This is the second year Domain has measured Scope 3, as we continue to work towards understanding the business' full emissions profile.

Domain continues to review our office management processes to identify emission reduction opportunities. Further detail on this can be found in the 'Sustainable Office Management' section below.

Figure 1: Domain Group Energy Consumption (kWh) Total Usage

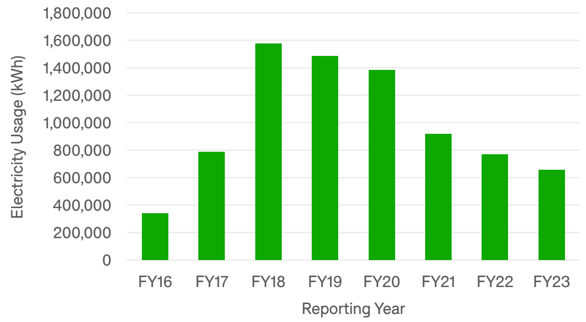
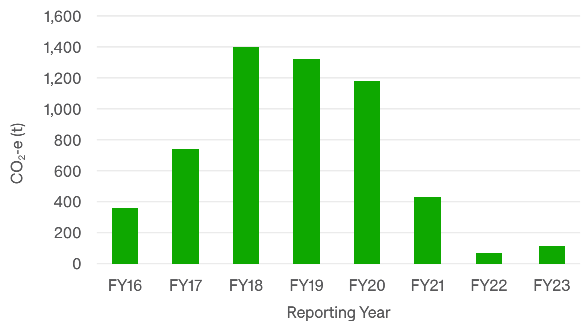


Figure 2: Domain Group GHG Emissions (Scope 2, market-based)



Sustainable office management

Domain remains committed to creating an office environment that supports sustainable practices. The pillars of FY23 activity have included delivering a consistent program of office waste education, e-waste reduction and recycling, combined with the business' participation in the Green Office program, led by CitySwitch.

NABERS is the national rating system that measures the environmental performance of Australian buildings and tenancies. It measures the energy efficiency, water usage, waste management and indoor environment quality of a building and its impact on the environment.

FY23 saw Domain's Sydney headquarters, for the second consecutive year, achieve a NABERS energy rating of 6 stars, the highest rating available.

Domain has been participating in the CitySwitch Green Office program since 2019, and in 2023 we became a signatory of the CitySwitch pathway to net zero program. This is a national program that assists businesses to reduce their emissions by mapping a pathway to net zero, and connecting them with other businesses on similar journeys. As a signatory, Domain has pledged to measure our Scope 1, 2 & 3 emissions annually, report on our Scope 1 & 2 emissions annually, and assist other businesses in their efforts to achieve net zero.

Domain was invited by CitySwitch to share our experiences of embracing renewable energy. Domain's ESG representative was privileged to speak with over 200 individuals on the processes, challenges and benefits Domain encountered when switching our offices to renewable energy. Domain remains committed to building networks and sharing learnings on sustainability to support progress across the industry.

Industry innovation

Domain's Agent Solutions business unit enables real-estate agents and agencies to digitise their workflows. Domain is proud of the positive impact this has on minimising agencies', and the broader industry's, environmental footprint. In FY23:

- through 'RealTime Agent' Domain has enabled the transition of over 129,000 contracts and authority documents from print to digital; and
- close to 30 million document pages required to facilitate the transacting of properties have been moved to digital formats.

We continue to partner with agents to transform their workflow, delivering better business outcomes for our agent clients, and better environmental outcomes for the industry.

SOCIAL

Diversity & inclusion

Domain is committed to championing diversity throughout the entire organisation, and creating a workplace that is inclusive and free from discrimination.

Our diverse and inclusive workplace celebrates and respects all employees, regardless of their race, gender or cultural background. Diversity is an area of ongoing commitment at Domain, which we regularly review to identify any need or opportunity to evolve.

Key achievements for FY23

Gender diversity

In FY22 Domain became a signatory of the 40:40 Vision, an investor-led initiative which aims to achieve gender balance within executive leadership teams across Australia's largest listed companies. Domain maintained its commitment to the 40:40 Vision through FY23. In addition, in FY23, Domain was endorsed by Work180 as a preferred employer. Work180 is a global jobs network that operates with the primary purpose of empowering every woman to choose inclusive workplaces. This is achieved by providing applicants with a transparent directory of endorsed employers who support diversity, inclusion and equality.

Parents and carers

Domain continues to partner with Circle In, to help create a family-inclusive workplace that supports parents and caregivers at every life stage. Our Parental Leave policy provides twenty weeks of paid gender neutral parental leave for the primary carer, and four weeks for the secondary carer. Secondary carers who subsequently become primary carers are eligible to swap to primary carer within two years of the birth, adoption or fostering of a child.

LGBTQIA+

'Pride @ Domain' is an employee committee that champions and provides support to those within the business who identify as part of the LGBTQIA+ community. In FY23, the committee continued to grow and build upon initiatives from previous years, centred around education and awareness.

Indigenous reconciliation

During FY23, Domain delivered initiatives set out in the 'Reflect' Reconciliation Action Plan (**RAP**). 'Reflect' is the first tier of Reconciliation acknowledgement and action. Domain recognises the importance of foundational education and understanding in Reconciliation, as new employees join our business, and as our understanding of Reconciliation grows. In FY24 Domain will renew the Reflect RAP with Reconciliation Australia.

CareerTrackers

Domain continued our partnership with CareerTrackers to support emerging Indigenous talent with paid work placements at Domain.

Employee engagement

Our employees are at the core of our operations, and are one of our greatest assets. In FY23, we continued our practice of conducting bi-annual employee engagement surveys to gain a deeper understanding of their sentiments and perspectives. These surveys provide invaluable insights that help us create a better working environment, ensuring our team's satisfaction, growth and performance.

Our annual engagement survey was conducted in November 2022, with an abbreviated pulse survey conducted in May 2023. The surveys attracted participation rates of 83% and 80% respectively. Highlights from the two surveys include:

- 92% of our people feel that the Domain Group values diversity and belonging;
- 87% agree that the Domain Group builds teams that are diverse;
- 86% feel their manager keeps them informed about what is happening at the Domain Group;
- 81% know how their work directly contributes to delivering on the Domain Group's Marketplace strategy; and
- 74% of our people are proud to work for the Domain Group.

Engagement surveys provide Domain with critical insights into how our people are feeling. This has been especially important through FY23, a year of unprecedented macroeconomic conditions which impacted the Australian property market, as well as global issues that added to a sentiment of instability and uncertainty. The results of our employee engagement surveys are used to drive future improvements to ensure we continue to meet the needs and expectations of our employees, and enable them to take Domain forward and deliver on our Marketplace strategy.

In FY23, we identified connection, communication and context as areas we will improve on, with the aim of increasing our employees' engagement at Domain. We will do this while continuing to invest in existing initiatives aimed at enhancing the diverse and inclusive environment our employees value.

Learning

In FY23, we continued our focus on leadership development and supporting our leaders to execute Domain's strategy. We did this through a combination of formal programs, 360 feedback and coaching support, including:

- our frontline leadership program, "Leading @ Domain", which was completed by 94 leaders and aspiring leaders across Australia and the Philippines; and
- our "Leadership Presence" program which continued for the third year, supporting another 22 senior leaders.

In addition to the above, Domain continues to provide employees with access to online learning resources (including technology skills and web development learning platforms), as well as the opportunity to participate in an annual company-wide mentoring program.

Talent attraction & retention

Domain is dedicated to fostering a positive workplace culture that attracts, retains and develops talent in a highly competitive job market.

In FY23, we supported this objective through the following initiatives.

Employee Value Proposition (EVP): Domain continues to communicate the unique value proposition offered by our employees to the external market and key talent pools through our social media channels.

Reward & Recognition (R&R): Our pulse survey included specific questions on R&R to help us more deeply understand our offerings in the eyes of our people, giving us the best chance of attracting and retaining top talent.

Uplifting Processes: We have continued the work on our multi-year talent and capability plan, which aims to help our people understand the capabilities the business needs now and in the future. This helps us attract the right talent, develop our people and create internal pathways and mobility to grow and retain our people.

Workplace health & safety

Domain is committed to providing a healthy and safe workplace for all people involved in our business operations, whether they are employees, contractors, labour hire, volunteers or visitors to our premises or events.

We fulfil this commitment by implementing measures to support compliance with applicable work health and safety legislation, as well as industry and best practice standards.

Wellbeing

Wellbeing continues to be a focus for Domain. Wellbeing conversations are held year-round, and Domain's Wellbeing Month creates a dedicated time for all team members to focus on wellbeing at work. Wellbeing Month creates a space for connecting and learning more about the four pillars of wellbeing: psychological, physical, financial and social.

Domain has continued our partnership with Assure for our Employee Assistance Program (**EAP**). Assure is one of Australia's leading mental health organisations, which delivers holistic counselling, wellbeing coaching and development programs to assist individuals, teams and organisations. Under the partnership, employees are entitled to four sessions of counselling, wellbeing coaching, financial coaching and dietary advice, and one session of introductory legal advice. All employees also have access to the 'Wellbeing Gateway', an on-demand wellbeing and psychological support app. Managers are also offered access to a 'Manager Support Program', which is designed to help the performance and wellbeing of all teams at Domain. The program is tailored to help with a range of topics including concerns for staff wellbeing, workplace conflict and how to conduct difficult conversations.

In addition to employee entitlements, Domain has renewed our Agent EAP to support all agent customers of Domain with free confidential coaching and counselling sessions.

In an effort to both manage our leave liabilities and encourage our employees to take time off, Domain offers 'Wellbeing Leave'. This leave benefit provides employees with an additional five days of special 'Wellbeing Leave' for use in the next financial year. Employees are eligible for Wellbeing Leave if they have utilised their full annual leave balance in the previous financial year. In FY23, 96% of eligible Domain employees utilised Wellbeing Leave.

Community

At Domain, we believe we have a responsibility to support the communities in which we operate. We demonstrate this through a range of partnerships and programs, and by encouraging employees to support initiatives close to their hearts, through our volunteering guidelines.

OzHarvest

Since 2021, Domain has focused our charitable efforts on OzHarvest. OzHarvest is Australia's leading food rescue charity, collecting quality excess food from commercial outlets and delivering it to more than 1,300 fellow charities.

Highlights of our partnership in FY23 include:

- raising a total of $100,000 for OzHarvest, which was achieved through various initiatives and fundraising events over the financial year;
- strong participation in our national charity partnership from Domain employees, who have taken up volunteering initiatives such as collecting and distributing food waste as van assistants and participating in packing food hampers;
- a silent auction fundraising event at Domain's employee Connect Conference in July 2022 which raised over $11,000; and
- a team of 10 Domain employees from across Australia joined OzHarvest chefs to learn food rescue skills and prepare meals for local shelters and vulnerable communities suffering from food instability.

Internship opportunities

Domain has continued our partnership with Hatch, a program that pairs employers with university students to provide students with real, hands-on experience in their field of study. Hatch continues to be a valued partner to Domain, and has enabled us to simultaneously fill positions within the business and foster young talent.

In FY23, Domain also partnered with CareerTrackers, a national purpose-driven organisation that supports pre-professional Indigenous students with paid, multi-year internships. In the first year of our partnership, we were successful in working with two interns during their summer vacation period. Both interns received offers for extended opportunities within the business. We look forward to continuing this partnership into FY24.

GOVERNANCE

Board and ESG

Domain's Board continues to be committed to progressing our ESG practices across the business, in order to positively impact the communities in which we operate. In FY23, resources were dedicated to revising how Domain delivers on ESG internally and in the communities that we operate. This resulted in the creation of a three-year ESG impact program that aims to leverage our platform for good, and enable Domain to become a thought leader on sustainability in the housing market.

Domain's People, Culture and Sustainability Committee is responsible for overseeing the development and implementation of Domain's ESG strategy and related policies, as well as fostering a workplace culture that values sustainability. Other sustainability matters (such as modern slavery and cyber security) are considered by Domain's Audit and Risk Committee.

Modern slavery

Domain recognises that modern slavery can occur in different ways and can take many forms. We acknowledge that freedom from servitude is a fundamental human right and we conduct our activities in a manner that supports human rights across all of our operations. Domain is a reporting entity under the *Modern Slavery Act 2018* (Cth) (the **Act**).

Domain complies with our reporting requirements under that Act and has prepared a Modern Slavery Statement for FY23, which will be made available to coincide with the release of this Annual Report and will be published on Domain's ESG (Social) website at domain.com.au/group/esg/social.

Domain's Supplier Code of Conduct sets out minimum standards that the Domain Group expects of our suppliers, including that they not engage in or tolerate the threat or use of slavery, human trafficking, forced, bonded or compulsory labour, physical or other punishments, physical, sexual or psychological abuse or inhumane treatment of workers. The Supplier Code of Conduct is available on Domain's Shareholder Centre website at shareholders.domain.com.au.

ESG reporting

Domain understands the importance of transparency and reporting publicly on our ESG activities. In FY23, Domain followed the Sustainability Accounting Standards Board (SASB) recommendations to disclose information on our ESG practices. Moving forward, we will be transitioning to the International Sustainability Standards Board (ISSB) reporting framework, once it is released.

As part of our commitment to transparency, we have participated in the following external ESG surveys:

- Carbon Disclosure Project (CDP);
- S&P Global Corporate Sustainability Assessment (CSA);
- ISS-Oekom ESG Corporate Rating;
- Sustainalytics;
- Moody's ESG (previously Vigeo Eiris Sustainability);
- FTSE Russell ESG Ratings; and
- Equileap.

We continually monitor and assess investor surveys, to ensure we are participating in disclosures which are relevant to our business and the industry in which we operate.

Cyber security

Domain understands the importance of building and fostering trust with our customers, in order for them to therefore feel confident when making their property decisions. Our information systems are critically important to achieving this.

As Domain operates in a rapidly evolving technological environment, cyber security threats remain a key risk to the business. Domain is committed to continually improving our cyber resilience in order to protect our information assets, reputation and customers' privacy.

In FY23, we continued the development of our Cyber Security Program and enhanced our alignment with the ISO/IEC 27001 Information Security Management System and the National Institute of Standards and Technology (NIST) Cybersecurity Framework. These frameworks are internationally recognised standards against which Domain measures our maturity in addressing cyber risk.

Domain's Chief Information Security Officer is responsible for developing and implementing our Cyber Security Program. The cyber security control environment is monitored in accordance with Domain's Enterprise Risk Management Framework. Domain's Audit and Risk Committee is responsible for overseeing cyber security as one of Domain's key risks and is regularly briefed on cyber security risks and mitigation measures.

Domain's continuously improving Cyber Security Program is designed to maintain trust in our services and provide ongoing defences against cyber threats, while maintaining confidentiality, integrity and the availability of Domain's information assets.

Domain's enterprise risk aligned Cyber Security Program provides a systematic approach for the maintenance and improvement of our cyber security capabilities, to facilitate the effective decision making that is necessary for achieving our business objectives.

Data governance

Domain acknowledges the trust our customers, employees and stakeholders place in us to appropriately manage their personal and sensitive information. Data is at the core of our operations, and we seek to ensure it is understood, protected and managed appropriately.

The following internal committees, practices and initiatives were operational during FY23 and supported our broader commitments to appropriately managing data and information.

- **Data Governance Council**: a formal committee which meets monthly to make recommendations and implement tactical and strategic decisions in relation to data.
- **Domain Data Sources Register**: a register which provides a comprehensive view of the data we own at Domain and allows us to have a seamless process for both adding new data sources and keeping our existing data sources up-to-date, whilst ensuring transparency across all functions.
- **Data Governance Express Workshops:** workshops available to all members of staff which enhance employee exposure to and understanding of Domain's policies in relation to data governance, privacy and risk, and promote awareness about Domain's structured approach to the management, measurement and control of data risk.
- **Data Onboarding Process**: end-to-end protocols for when new data enters and exits Domain, including escalation forums (e.g. Data Governance Council).
- **Data On-Ramp**: resources which are provided to new starters to ensure privacy and data governance are part of the week 1 conversation at Domain.
- **Data Policies and Processes**: documents and frameworks which are created and implemented to explain why data behaviours are important at Domain and the processes and standards in place to secure and manage our data.

Domain's data governance policies and processes apply to all forms of data that enter and exit Domain. We are continually working on strengthening our policies and processes through various initiatives, including data discoverability, de-identification, data sharing and release, data quality. Domain has also implemented an enterprise-wide information management tool (a data catalogue). Together, these initiatives will ensure:

- data is onboarded/managed securely (including data at rest and in transit);
- data principles/guidelines are adhered to;
- information about data is easily accessible and understandable (speaking one data language at Domain); and
- data sharing requests are reviewed and approved by Data Governance Council members.

Data privacy

Domain continues to focus on managing the potential impact of impending reforms to the *Privacy Act 1988* (Cth). A dedicated working group has been established to oversee the proposed reforms. Domain's Legal department works closely with key functional teams including Product, Tech, Data and Marketing to ensure Domain is well prepared for the legislative reforms. An external consultant was also engaged to provide an independent assessment and recommendations on our overall privacy strategy.

The Domain Privacy Policy was updated in FY23 to consolidate privacy policies across the Domain Group and to provide greater detail and clarity and therefore transparency to customers on the use of personal information.

Additional guidelines were also developed to support our existing Data Breach Response Plan, enabling Domain to respond to any potential incidents quickly in an agile and proactive way.

Domain employees are required to complete a data privacy module when joining the business and are then asked to repeat the module every 12 months.

Contents

Directors' Report

Directors' Report

The Board of Directors of Domain Holdings Australia Limited (**Company** or **Domain**) presents its report (**Directors' Report**) together with the financial report and the auditor's report thereon.

For the purposes of section 299(2) and 299A(2) of the *Corporations Act 2001* (Cth) (**Corporations Act**), the entity reported on is the **Domain Group**, being the consolidated entity comprised of the Company and its controlled entities, for the period from 1 July 2022 to 30 June 2023 (**FY23**).

This Directors' Report is made on 17 August 2023.

Directors

The Directors of the Company during FY23 and the period from 1 July 2023 to the date of this Directors' Report, and any special responsibilities held by those Directors, are detailed below.

All of the persons listed below served as Directors for all of FY23 and the period from 1 July 2023 to the date of this Directors' Report, other than Rebecca Haagsma, who served as a Director from 1 September 2022 to the date of this Directors' Report.

Nick Falloon

Non-Executive Director and Chairman
Appointed 16 November 2017

Committee Membership

- Audit and Risk Committee
- Nomination Committee
- People, Culture and Sustainability Committee

Diana Eilert

Non-Executive Independent Director and Chair of People, Culture and Sustainability Committee
Appointed 16 November 2017

Committee Membership

- Audit and Risk Committee
- Nomination Committee
- People, Culture and Sustainability Committee

Greg Ellis

Non-Executive Independent Director
Appointed 16 November 2017

Rebecca Haagsma

Non-Executive Director
Appointed 1 September 2022

Geoff Kleemann

Non-Executive Independent Director, Chair of Audit and Risk Committee and Chair of Nomination Committee
Appointed 16 November 2017

Committee Membership

- Audit and Risk Committee
- Nomination Committee
- People, Culture and Sustainability Committee

Jason Pellegrino

Managing Director and Chief Executive Officer
Appointed 27 August 2018

Mike Sneesby

Non-Executive Director
Appointed 21 April 2021

A profile of each Director holding office at the date of this Directors' Report is set out from page 34.

Company Secretary

Catriona McGregor is Domain's Chief Legal & Transformation Officer. She also holds the position of Company Secretary and is Domain's Privacy Officer. She is responsible for legal, regulatory and governance matters across the Domain Group, and leads Domain's new Project Governance and Advisory function. Catriona has a Bachelor of Laws with Honours and a Diploma in Legal Practice from the University of Glasgow, Scotland and she has also studied law at the University of Tilburg in the Netherlands and the University of Sydney. She is dual-qualified as a solicitor in the UK and NSW and is admitted to the Supreme Court of New South Wales. In addition, she is a graduate of the Australian Institute of Company Directors and has been accredited by the Association of Corporate Counsel Australia.

Amy Spira is Domain's Head of Legal, Group Corporate. She was appointed to the position of Deputy Company Secretary on 1 September 2022. Amy is responsible for managing corporate legal and governance matters for the Domain Group, including Board matters where required. Amy has a Bachelor of Laws with First Class Honours from the University of Sydney and a Graduate Diploma of Legal Practice from the College of Law NSW. She has also studied law at New York University and is admitted to the Supreme Court of New South Wales and the High Court of Australia.

Director Profiles

Nick Falloon

Chairman

Nick Falloon is the Chairman of Domain. He was Chairman of Fairfax Media Limited from 2015 to 2018 and became Deputy Chairman of Nine Entertainment Co. Holdings Limited (**Nine**) on 7 December 2018 following the merger between Nine and Fairfax in 2018. He has 30 years' experience in the media industry, including 19 years working for the Packer-owned media interests from 1982 until 2001.

Nick Falloon served as Chief Executive Officer of Publishing and Broadcasting Limited (**PBL**) from 1998 to 2001 and before that as Chief Executive Officer of PBL Enterprises and Group Financial Director of PBL. This experience provided a strong background in television, pay TV, magazines, radio and the internet. From 2002, he spent nine years as Executive Chairman and CEO of Ten Network Holdings.

Nick Falloon holds a Bachelor of Management Studies (BMS) from Waikato University in New Zealand.

Directorships of listed entities other than Domain (last 3 years)

- **Nine Entertainment Co. Holdings Limited**
  Director, Deputy Chairman
  (7 December 2018 to 9 November 2022)

Greg Ellis

Independent Non-Executive Director

Greg Ellis has been involved in the digital sector for the past 20 years. During that time he has held a variety of senior executive roles in Australia and overseas. In September 2019 he commenced as Chief Executive Officer of online business management solutions business, MYOB.

Previously he was the Chief Executive Officer of Scout24, a Frankfurt Stock Exchange listed online classifieds business from April 2014 until December 2018, and Chief Executive Officer and Managing Director of REA Group Ltd from 2008 to 2014. He was previously a Non-Executive Director of Sportsbet Pty Ltd.

Greg Ellis holds a Bachelor of Business Management from Queensland University of Technology.

Diana Eilert

Independent Non-Executive Director

Diana Eilert is currently a Non-Executive Director of ASX-listed companies Keypath Education International Inc. (appointed May 2021) and Elders Limited (appointed November 2017) and has previously been a Non-Executive Director of Super Retail Group Limited (October 2015 to January 2021) and Navitas Limited (July 2014 to July 2019). She is also a member of the Australian Competition Tribunal.

Diana has extensive experience as a director of ASX-listed companies, having held roles as a Non-Executive Director, Board Chair, Committee Chair, CEO or Group Executive of more than 10 listed entities during her career. With an executive career spanning more than 25 years, Diana's experience includes large operational and profit centre roles such as Group Executive for Suncorp's entire insurance business, subsequently Group Executive for Technology, People and Marketing and various roles during 10 years with Citibank.

Diana's strategy skills were developed in positions including Head of Strategy and Corporate Development for News Limited, as a Principal with Kearney and as a Partner with IBM.

Diana Eilert holds a Bachelor of Science (Pure Mathematics) from The University of Sydney and a Master of Commerce from The University of New South Wales.

Directorships of listed entities other than Domain (last 3 years)

- **Elders Limited**
  Non-Executive Director
  (appointed 14 November 2017)
- **Keypath Education International Inc.**
  Non-Executive Director
  (appointed 11 May 2021)
- **Navitas Limited**
  Non-Executive Director
  (28 July 2014 to 5 July 2019)
- **Super Retail Group Limited**
  Non-Executive Director
  (21 October 2015 to 31 January 2021)

Geoff Kleemann
Independent Non-Executive Director

Geoff Kleemann commenced his career at Deloitte, and subsequently completed approximately 20 years as a senior executive in a listed environment, as Chief Financial Officer for Crown Limited, Publishing and Broadcasting Limited, Woolworths Limited and Pioneer International Limited.

He was previously Non-Executive Director and chair of the Audit Committee of Asciano Limited from 2009 to 2016, and Non-Executive Director and Chair of the Audit Committee of Broadspectrum Limited from 2014 to 2016. He was also a Non-Executive Director of Investa Listed Funds Management Limited, the responsible entity for Investa Office Fund, from 2016 to 2018 and the NSW Telco Authority until May 2020.

Geoff Kleemann is a member of the Institute of Chartered Accountants.

Directorships of listed entities other than Domain (last 3 years)
- **Optima Technology Group Ltd (formerly Bill Identity Limited)**
  Non-Executive Director
  (1 September 2019 to 6 March 2023)

Rebecca Haagsma
Non-Executive Director

Rebecca is an experienced senior executive with a depth of transformation, media, and telecommunications experience. She is currently Chief Product Officer of Nine Entertainment Co. Holdings Limited (**Nine**).

Rebecca joined Nine in July 2022 from Telstra, where she had held a number of senior executive roles over a period of over 6 years, between February 2016 and July 2022. During her time at Telstra, Rebecca was Director of Product for Telstra's media business, before leading Strategic Partnerships, Devices and Telstra's media interests across sports and entertainment. Prior to her time at Telstra, between January 2010 and January 2016, Rebecca held leadership roles across the wider Nine business, including as Head of Lifestyle at ninemsn, Head of Mobile, Head of Product and as a Director of 9Now and Digital.

Rebecca has also been Digital Director of ACP Magazines and worked in the B2B publishing space as Publisher of Architecture, Building and Construction, and Media and Marketing industries at Reed Elsevier, where she was responsible for digital transformation across a range of industry verticals including healthcare, financial planning, travel and mining.

She holds a Master of Arts degree (Political Science) from the University of New South Wales, and in 2018 completed a Global Women in Leadership Strategic course at Harvard Business School. In addition, Rebecca is a graduate of the Australian Institute of Company Directors.

Jason Pellegrino
Managing Director and Chief Executive Officer

Jason Pellegrino joined Domain as Managing Director and Chief Executive Officer in August 2018.

He was previously Google's Managing Director Australia and New Zealand and a member of the Asia-Pacific regional leadership team. He joined Google in 2008 and held leadership positions including Managing Director of Asia-Pacific Sales Operations & Strategy, Sales Director, Australia, and Head of Sales and Operations and Strategy for Google's Australia & New Zealand business.

Prior to Google, Jason Pellegrino worked in several roles over 15 years spanning corporate strategy, mergers and acquisitions and finance at Dakota Capital Partners, LEK Consulting, PepsiCo International and KPMG.

He holds a Bachelor of Commerce degree from the University of Wollongong and an MBA from London Business School.

Mike Sneesby
Non-Executive Director

Mr Sneesby was appointed Chief Executive, and Director of Nine in March 2021. Prior to this, Mike was the CEO of Nine's subscription streaming business, Stan, since its inception in 2013.

Mike's executive experience spans Media, Telecommunications and Technology, having held senior roles in Australia and overseas. Mike was previously Vice President of IPTV for the digital media venture Intigral, where he was responsible for establishing the Invision IPTV service in Dubai. Before joining Intigral, he headed Corporate Strategy and Business Development at ninemsn, where he led the company's corporate strategy function and established a portfolio of high growth digital media businesses. Prior to ninemsn, Mike led a company-wide program for Optus, rolling out and launching their national ADSL broadband network.

Mike is currently an external member on the Wollongong University Council, serving a four year term from 1 May 2022.

Mike spent his earlier career in leadership and consulting positions gaining broad experience in digital media, technology and telecommunications in Australia, Asia and the USA. He holds a Bachelor of Engineering (Electrical) from the University of Wollongong and an MBA from the Macquarie Graduate School of Management.

Directorships of listed entities other than Domain (last 3 years)
- **Nine Entertainment Co. Holdings Limited**
  Managing Director, CEO
  (appointed 1 April 2021)

Directors' Report

MEETINGS OF BOARD OF DIRECTORS & BOARD COMMITTEES

The table below shows the number of Board and Board Committee meetings held during FY23 and the number attended by each Director or Committee member.

	Meetings							
	Board meetings		Audit and Risk Committee meetings		Nomination Committee meetings		People, Culture and Sustainability Committee meetings	
	No. Held*	No. Attended	No. Held*	No. Attended	No. Held*	No. Attended	No. Held*	No. Attended
Nick Falloon	8	8	4	4	2	2	4	4
Diana Eilert	8	8	4	4	2	2	4	4
Greg Ellis	8	8	N/A	–	N/A	–	N/A	–
Rebecca Haagsma	7^	7^	N/A	3**	N/A	1**	N/A	3**
Geoff Kleemann	8	8	4	4	2	2	4	4
Jason Pellegrino	8	8	N/A	4**	N/A	2**	N/A	4**
Mike Sneesby	8	8	N/A	4**	N/A	1**	N/A	4**

N/A Indicates that the Director was not a member of the relevant Committee during FY23.
– Indicates a Director did not attend any relevant meeting at any time during FY23.
* The number of meetings held refers to the number of meetings held while the Director was a member of the Board or relevant Board Committee.
** Indicates the Director attended these meetings as an invitee of the Committee, rather than as a member.
^ Rebecca Haagsma was appointed as a Director part way through FY23 and attended all 7 Board meetings from her appointment date.

Corporate Structure

Domain is a public company limited by shares that is incorporated and domiciled in Australia.

Principal Activities

Domain is an online property marketplace that provides a range of solutions, services and data to consumers, agents and other stakeholders with an interest in the Australian residential and commercial property markets.

Domain has a unique breadth and depth of property and consumer data, and capabilities in technology and AI product development which underpin many of the products, services and data solutions available in the market through Domain and its sub-brands.

Domain's Core Digital business comprises:

- **Residential:** Provides consumers with access to Domain's leading web and mobile platforms to search for, and enquire about, properties, track property values and access property and property lifestyle content.
- **Media, Developers & Commercial:** Domain's Developers business showcases listings and advertising opportunities for residential property developments and its Commercial services provide digital subscription, depth listings and display advertising to consumers, for a range of sectors including industrial, office, retail and developers. Domain's Media business designs personalised advertising campaigns for clients that leverage the Domain Group's many media channels including print, digital and social,
- **Agent Solutions:** Provides agents with property marketing solutions to support sale and leasing activities. These solutions are intended to empower agents, and support them to operate with greater efficacy. From prospecting through to selling and settling, Domain's Agent Solutions business digitises the agent workflow delivering greater levels of transparency, efficiency and intelligence to business operations.
- **Domain Insight (formerly Property Data Solutions):** A property data and advisory business which offers valuable data tools to governments, financial institutions and consumers. Domain Insight's product suite includes property valuation software, market and valuation intelligence and user engagement metrics to provide a 360° view of Australia's property market.

Domain's Consumer Solutions business leverages its highly engaged audiences to deliver direct-to-consumer services related to the property journey. At year-end, the decision was made to pursue a sale exit of Domain's consumer facing home loan broking business Domain Home Loans (**DHL**), operated as a joint venture with specialist provider Lendi.

Domain's Print business services audiences with property listings and editorials through the Domain, Domain Prestige, Allhomes and Domain Review magazines.

Review of Operations

Statutory revenue for the Domain Group from continuing operations for FY23 was lower than the prior year at $345.8 million (FY22: $347.8 million). After adjusting for significant items of $ $5.2 million expense (FY22: $19.3 million expense), the Domain Group generated a net profit after tax attributable to members of $31.3 million (FY22: $51.6 million), and earnings per share were 4.97 cents (FY22: 8.70 cents).

As above, at year-end, the Domain Group made a decision to pursue a sale exit of its interest in DHL. The results have therefore been adjusted to reflect that DHL is held for sale and is presented as a discontinued operation.

In FY23 and FY22, the Domain Group did not dispose of any material long term assets which would be recognised as disposals, and accordingly the FY23 results have not been adjusted for disposals.

Further information in relation to the Domain Group's performance in FY23 is provided in the Management Discussion and Analysis Report on pages 89-93 of this Annual Report.

Significant Changes in the State of Affairs

Significant changes in the state of affairs of the consolidated entity during FY23 were as follows:

- On 12 August 2022, the Company announced the appointment of Rebecca Haagsma as a Non-Executive Director, effective 1 September 2022.
- On 14 December 2022, the Company announced that:
  - John Bonicioll will be joining the Company as its new Chief Financial Officer, effective 6 February 2023; and
  - Rob Doyle, the then-Chief Financial Officer, would be leaving Domain.
- On 20 December 2022, the Company announced an update on trading conditions and FY23 cost expectations, including the implementation of cost savings.

Further information in relation to each of the above matters is set out in the announcement lodged with ASX by the Company on the relevant date.

In addition, on 22 June 2023 the Board of the Company resolved to pursue a sale exit from DHL. As at the date of this Annual Report, no transaction to effect Domain's sale exit from DHL has been entered into.

Consolidated Result

The statutory profit attributable to the members of the Company for FY23 was $26.1 million (FY22: profit $32.3 million).

Dividends and Distributions

The following dividends or distribution were declared and paid by Domain during FY23:

- On 13 September 2022, the Company paid a dividend of 4.0 cents per fully paid ordinary share, 100% franked at the corporate tax rate of 30%.
- On 14 March 2023, the Company paid a dividend of 2.0 cents per fully paid ordinary share, 100% franked at the corporate tax rate of 30%.

Since the end of FY23, the Directors have resolved to declare a dividend of 4.0 cents per fully paid ordinary share, 100% franked at the corporate tax rate of 30%. Further information is set out in Note 17 to the Financial Report on pages 133-134 of this Annual Report.

Events Subsequent to Reporting Date

On 7 August 2023, the Company announced the resignation of its Chief Financial Officer, John Boniciolli, to take effect in early November 2023. Further information is set out in the announcement lodged with ASX by the Company on 7 August 2023.

There are no other matters or circumstances that have arisen since the end of FY23 and the date of this Directors' Report that have significantly affected or may significantly affect the Domain Group's operations in future financial years, the results of those operations in future financial years or the consolidated entity's operations in future financial years.

Likely Developments and Expected Results, Business Strategies and Prospects

The Domain Group's prospects and strategic direction are discussed in the Management Discussion and Analysis Report on pages 89-93 of this Annual Report.

Further information about likely developments in the operations of the Domain Group in future financial years and the expected results of those operations, and business strategies and prospects for future years of the Domain Group, have not been included in this Directors' Report because they are commercially confidential and disclosure of the information would be likely to result in unreasonable prejudice to the Domain Group or entities that are part of the Domain Group.

Environmental Regulation and Performance

The Domain Group takes seriously its responsibility to care for and protect the environment in which it operates.

In FY23, Domain has not received or been subject to any environmental breach notice, improvement notice, fine or non-compliance notice from any regulatory bodies and, based on reasonable enquiries, the Board is not aware of any significant environmental breaches as a result of business operations.

Whilst Domain's business is subject to environmental laws generally, the operations of the Domain Group are not subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Remuneration Report

A Remuneration Report is set out on pages 45-67 of this Annual Report and forms part of this Directors' Report.

Directors' Interests

The relevant interests of each Director in the equity of the Company and related bodies corporate as at the date of this Directors' Report are disclosed in the Remuneration Report on pages 45-67 of this Annual Report.

Indemnification and Insurance of Officers

The Directors and any alternate directors or executive officers (as defined by the Constitution of the Company), and such other officers or former officers of the Company or its related bodies corporate as the Directors determine, are entitled to receive the benefit of an indemnity contained in the Constitution of the Company to the extent allowed by the Corporations Act, including against liabilities incurred by them in their respective capacities in successfully defending proceedings against them.

During FY23 and the period from 1 July 2023 to the date of this Directors' Report, the Company has paid premiums under contracts insuring the Directors and officers of the Company and its controlled entities against liability incurred in that capacity to the extent allowed by the Corporations Act. The terms of the policies prohibit disclosure of the details of the liability and the premium paid.

Each current Director has entered into a Deed of Access, Disclosure, Insurance and Indemnity which provides for indemnity by the Company against liability as a Director to the extent allowed by the law. The Deeds of Access, Disclosure, Insurance and Indemnity were reviewed and updated during FY23 with each Director entering into a new and updated Deed.

No indemnification payment has been made to a current or former officer during FY23 or the period from 1 July 2023 to the date of this Directors' Report.

Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No indemnification payment has been made to Ernst & Young during FY23 or the period from 1 July 2023 to the date of this Directors' Report.

The Company has not paid or agreed to pay premiums under contracts insuring its auditors.

No Officers are Former Auditors

No officer of the Company has been a partner in an audit firm or a director of an audit company that is the auditor of the Domain Group and was such a partner or director at a time when the audit firm or the audit company undertook an audit of the Domain Group.

No Individual or Registered Company Auditor Plays Significant Role Under Corporations Act Approvals or Declarations

No individual plays a significant role in the audit of the Company for FY23 in reliance on an approval granted under section 324DAA of the Corporations Act.

No registered company auditor plays a significant role in the audit of the Company for FY23 in reliance on a declaration made under section 342A of the Corporations Act.

Non-Audit Services

Under its Charter of Audit Independence (as set out in Attachment 3 to the Charter of the Audit and Risk Committee, available at Domain's Shareholder Centre website at shareholders.domain.com.au), the Company may employ the auditor to provide non-audit services, including where:

- the existing knowledge of the auditor brings insight and synergy to Domain without impacting the actual or perceived independence of the auditor; or
- the type of work performed and the fees for services do not impact on the actual or perceived independence of the auditor.

The Company's engagement of the auditor to provide non-audit services is subject to additional requirements under the Charter of Audit Independence, including the auditor's ethical and other obligations.

Details of the amounts paid or payable to the auditor, Ernst & Young, for non-audit services provided during the financial year are set out below. Details of amounts paid or payable for audit services are set out in Note 24 to the Financial Report on page 147 of this Annual Report.

The Board of Directors has received advice from the Audit and Risk Committee and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act. This is because the Committee considers that none of the services undermine the general principles relating to auditor independence or have given rise to a loss of objectivity by the auditors. The services that were provided are deemed to fall into Category A (as set out in the Charter of Audit Independence), being services:

- where the existing knowledge of the auditor brings insight and synergy to Domain without impacting the actual or perceived independence of the auditor; or
- which can be provided without impacting the actual or perceived independence of the auditor.

A copy of the auditor's independence declaration under section 307C of the Corporations Act follows this Directors' Report.

During FY23, Ernst & Young received or were due to receive the following amounts for the provision of non-audit services:

Audits (other than of Domain's financial statements), other assurance services required by contract or regulatory or other bodies and agreed-upon procedures reports:

- Australia $18,640 (FY22: $37,440).

Non-assurance services:

- Australia $41,000 (FY22: $15,000).

These amounts were paid or payable by the Company.

Section 237 of the Corporations Act

No applications for leave under section 237 of the Corporations Act have been made in respect of the Company.

There are no proceedings that a person has brought or intervened in on behalf of the Company with leave under section 237 of the Corporations Act.

Rounding

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in this Directors' Report. Amounts contained in this Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars or, in certain cases, to the nearest dollar.

Signature

Signed on behalf of the Directors in accordance with a resolution of the Directors.

Nick Falloon
Chairman

17 August 2023

Auditor's Independence Declaration

Building a better working world

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Auditor's independence declaration to the directors of Domain Holdings Australia Limited

As lead auditor for the audit of the financial report of Domain Holdings Australia Limited for the financial year ended 30 June 2023, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Domain Holdings Australia Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Jodie Inglis
Partner
17 August 2023

Remuneration Report

Remuneration Report Overview

Overview of FY23 Remuneration Report

We are pleased to present the Remuneration Report for the financial year ended 30 June 2023 (**FY23**), in addition to our Environmental, Social and Governance (**ESG**) section covering our FY23 ESG activities on pages 18 to 27 of this Annual Report.

Through FY23 Domain's Executive Leadership Team has continued to lead and transform the business in a challenging macroeconomic environment. The Board and the Executive Leadership Team have continued their focus on attracting, motivating, and retaining diverse top talent. In particular, Domain made promising progress in accelerating the integration of Realbase, delivering excellence in business operations, and establishing a path to growth in recent acquisitions.

Environment, Social, Governance

In FY23 Domain built on its long-term ambitions across Environment, Social and Governance. Domain recognises the importance of responding to the changing expectations of ESG stakeholders and remains committed to investing in this area. Further information on the initiatives delivered can be found in the ESG section of the Annual Report.

Changes in executive Key Management Personnel (KMP)

In December 2022 Domain announced to the ASX that its Chief Financial Officer (**CFO**) Rob Doyle had tendered his resignation, effective 17 February 2023, having been CFO since 16 November 2017. After a thorough executive search and recruitment process, the Board appointed John Boniciolli to the position of CFO with effect from 6 February 2023. In determining the remuneration arrangements for the newly appointed CFO, the Board considered individual capability, experience and positioning to internal and external comparators. Further details are set out in this Remuneration Report.

After the end of FY23, in August 2023 Domain announced to the ASX that John Boniciolli had tendered his resignation. John's termination date will be in early November, following the Annual General Meeting (**AGM**) on 8 November 2023. Further details will be set out in the FY24 Remuneration Report.

Remuneration Outcomes

Short-term incentives

Domain's Executive Key Management Personnel (**Executive KMP**) are eligible for short-term incentives under Domain's Executive Incentive Plan (**EIP**), based on performance measured against a mix of financial and personal performance criteria over a twelve-month period.

The challenging macroeconomic backdrop that was not anticipated a year ago and an unprecedented pace of interest rate increases resulted in a decline in new property listings in FY23. That decline is reflected in Domain's financial performance in FY23 with neither financial performance measures – Domain Group EBITDA and Revenue – achieving threshold performance. Personal performance of Domain's Executive KMP was assessed and mostly achieved. However due to overall business performance, the Board exercised its discretion and decided to award nil payout on the personal performance measure for Domain's Executive KMP for FY23. Further details are set out in section 7 (*Short-Term Incentives*) of this Remuneration Report.

Long-term incentives

Domain's Executive KMP are eligible for long-term incentives (**LTI**) which have a three-year performance period.

The FY21 LTI was awarded as performance rights, with vesting to be assessed equally against Relative Total Shareholder Return (**rTSR**) (against a defined comparator group) and the Compound Annual Growth Rate (**CAGR**) of the Domain Group's EBITDA over the three-year performance period. The three-year performance period of the FY21 LTI concluded at the end of FY23, and on testing the plan threshold performance was not achieved.

Notwithstanding that the financial vesting criteria were not achieved, the Board exercised its discretion, as permitted under the Executive Incentive Plan Rules, to award 50% vesting to the CEO of the FY21 LTI Performance Rights granted in respect of the rTSR tranche.

The Board recognised that FY23 was a challenging year in which the current Executive KMP have performed well in the face of tough market conditions. The Board wished to ensure that the current and ongoing Executive KMP member continues to be suitably incentivised and that the incentive plans in place operate as a positive retention tool. In addition, the Board took into consideration, among other things, the fact that in the weeks following the conclusion of the three-year performance period, the Domain share price increased and the rTSR performance achieved a target that supported threshold vesting.

Further details are set out in section 8 (*Long-Term Incentives*) of this Remuneration Report.

Changes to the FY24 Long-Term Incentive (LTI) plan

From FY24, a third measure will be incorporated into the LTI plan, which will account for 20% of the LTI and will be assessed against strategic key performance indicators (**KPIs**). The intent of incorporating this third measure into the LTI plan is to incentivise and reward progress on significant strategic priorities over a longer time period than is provided for through the EIP.

The two existing measures – rTSR and CAGR of EBITDA – will remain as the primary measures of the plan, both at an adjusted weighting of 40% to accommodate the new measure. Further details will be set out in the FY24 Remuneration Report.

Changes to Directors' Fees in FY23

As outlined in the FY22 Remuneration Report, Domain's Directors' fees had not increased in the five-year period since Domain listed on the Australian Securities Exchange (**ASX**) in November 2017. A full internal review was undertaken against external market rates for directors at Australian organisations of comparable size and complexity. From this review it was evident that Domain's Directors' fees had fallen below market peers and so adjustments to the fee schedule were made from FY23. Further details of the changes in Directors' fees are set out in section 12 (*Remuneration of Non-Executive Directors*) of this Remuneration Report.

The Remuneration Report contains the following sections:

Remuneration Report – Audited

1. Introduction

This report (**Remuneration Report**) forms part of the Directors' Report and is the Remuneration Report of Domain Holdings Australia Limited (**Company** or **Domain**) and has been audited in accordance with section 300A of the *Corporations Act 2001* (Cth) (**Corporations Act**).

In this Remuneration Report, the **Domain Group** is the consolidated entity of the Company and its controlled entities.

This Remuneration Report sets out the Company's remuneration arrangements for Key Management Personnel (**KMP**) in accordance with the requirements of the Corporations Act and its subordinate regulations. Domain's KMP are its Chairman, CEO, CFO and Non-Executive Directors.

2. Remuneration Governance

The Domain People, Culture and Sustainability Committee has oversight of the remuneration and contractual terms of:

- the KMP; and
- the senior management team that reports to the CEO (the CEO and these persons being the **Executive Leadership Team**).

The members of the People, Culture and Sustainability Committee during FY23 were:

- Diana Eilert, Chair of the People, Culture and Sustainability Committee;
- Nick Falloon; and
- Geoff Kleemann.

Other Non-Executive Directors, as well as the CEO, CFO, Chief Legal & Transformation Officer and Company Secretary, and Chief People Officer are invited to attend the People, Culture and Sustainability Committee meetings but are not present when their own performance or remuneration arrangements are being discussed.

Further information in relation to the People, Culture and Sustainability Committee is set out in the Directors' Report on pages 31-42 of this Annual Report and the Corporate Governance Statement on pages 69-87 of this Annual Report.

Principles of remuneration governance

The guiding principles of remuneration governance for KMP and members of the Executive Leadership Team at Domain are:

Aligned
To ensure the Company's remuneration structures are equitable and aligned with the long-term interests of the Company and its shareholders and follow relevant Company policies.

Sustainable
To structure short and long-term incentives that are challenging and linked to the creation of sustainable shareholder returns.

Fair
To ensure that in the discharge of the People, Culture and Sustainability Committee's responsibilities, no senior leader is directly involved in determining their own remuneration.

Valued
To attract and retain skilled executives.

Justified
To ensure any termination benefits are justified and appropriate.

Compliant
To have regard to all legal and regulatory requirements, including any necessary shareholder approvals.

Main activities

Governance of remuneration activities is the responsibility of the Board with support from the People, Culture and Sustainability Committee, with a focus on major changes and developments in the remuneration policies, superannuation arrangements, personnel practices, and industrial relations strategies for the Company. The role of each body in the context of various remuneration activities is outlined in the table below:

	Accountability	
Component	People, Culture and Sustainability Committee	Board
Remuneration arrangements for the Non-Executive Directors, including fees, travel and any other benefits.	Review and recommend	Approve
Employment and retention arrangements for the CEO and other members of the Executive Leadership Team, including contract terms, annual remuneration and participation in the Company's short- and long-term incentive plans.	Review and recommend	Approve
Major changes and developments in relation to the Company's employee equity incentive plans, and overseeing the operation of employee equity incentive plans in place.	Review and recommend	Approve
Short and long-term incentive performance targets and bonus payments for the CEO and the other members of the Executive Leadership Team.	Review and recommend	Approve
Appointment of remuneration consultants for the purposes of the Corporations Act.	Approve	–
Company's employee relations strategy including compliance with awards and agreements.	Review	–

3. Key Management Personnel (KMP)

As above, Domain's KMP are its Chairman, CEO, CFO and Non-Executive Directors.

The KMP have the authority and responsibility for planning, directing and controlling the activities of the Company.

The People, Culture and Sustainability Committee provides recommendations on remuneration, incentive policies and practices, as well as specific recommendations on remuneration and terms of employment or appointment for the KMP.

Changes to KMP during FY23

The names and positions held by KMP during FY23 are set out in the table in section 3.1 (*KMP FY23*) of this Remuneration Report.

There were two changes to Domain's KMP during FY23:

- Rebecca Haagsma was appointed as a Non-Executive Director, with effect from 1 September 2022, replacing Lizzie Young who resigned as a Non-Executive Director on 30 June 2022.
- John Bonicioli was appointed as the new CFO with effect from 6 February 2023, replacing Rob Doyle whose resignation took effect on 17 February 2023.

In this Remuneration Report, except where expressly noted otherwise, references to KMP are to persons who were KMP at any point during FY23.

Executive KMP during FY23

Of Domain's KMP during FY23, Jason Pellegrino (CEO), Rob Doyle (former CFO) and John Bonicioli (current CFO) were Executive KMP.

3.1 KMP FY23

Name	Appointment Date	Position	Term as KMP
Current Executive KMP			
Jason Pellegrino	27 August 2018	CEO	Full year
John Boniciolli	6 February 2023	CFO	Part year[a]
Former Executive KMP			
Rob Doyle	16 November 2017	CFO	Part year[b]
Non-Executive Directors			
Nick Falloon	16 November 2017	Chairman	Full year
Diana Eilert	16 November 2017	Independent Non-Executive Director	Full year
Greg Ellis	16 November 2017	Independent Non-Executive Director	Full year
Geoff Kleemann	16 November 2017	Independent Non-Executive Director	Full year
Mike Sneesby	21 April 2021	Non-Executive Director	Full year
Rebecca Haagsma	1 September 2022	Non-Executive Director	Part year[c]

(a) Mr Boniciolli commenced as Chief Financial Officer effective 6 February 2023.
(b) Mr Doyle was the Chief Financial Officer from 16 November 2017 until his resignation effective 17 February 2023, and Mr Doyle ceased being an employee of the Company at the conclusion of his gardening leave effective 26 May 2023.
(c) Ms Haagsma commenced as a Non-Executive Director effective 1 September 2022.

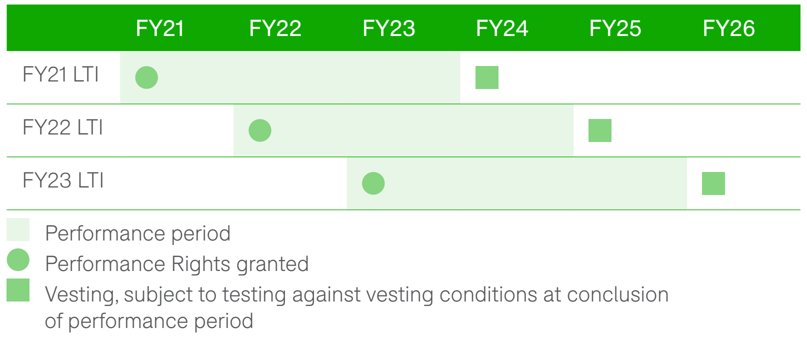
4. Remuneration Principles and Framework

The remuneration of Executive KMP is reviewed annually. In making remuneration decisions, the People, Culture and Sustainability Committee considers general economic conditions, market rates of remuneration, the Domain Group's financial performance, and individual performance.

Remuneration for Executive KMP is comprised of three components delivered over a three-year period as follows:

Performance year	FY23	FY24	FY25
Total Package Value (**TPV**)	Fixed Remuneration (100%)		
Executive Incentive Plan (**EIP**)	Cash Component (70%)	Vesting of Share Rights – Deferred Component (30%)	
Long-Term Incentive (**LTI**)			Vesting of Performance Rights (100%)

Further detail on each component is presented below and in the additional referenced sections in this Remuneration Report:

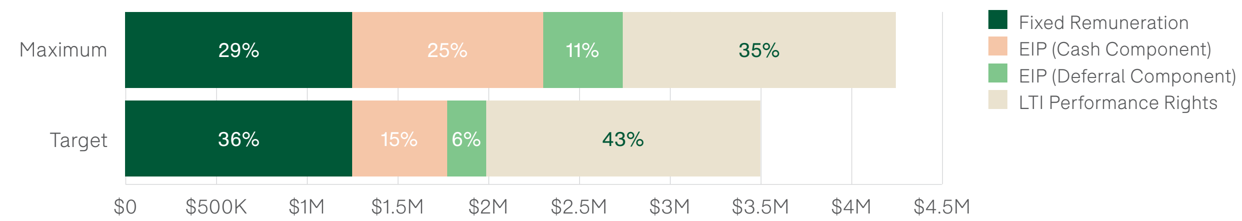
Component	Detail (incl. any performance conditions)	More information
Total Package Value (**TPV**) *Fixed remuneration*	TPV consists of: • base salary; • fixed allowances; and • superannuation. TPV is not dependent upon the satisfaction of performance conditions.	section 9 (*Executive Remuneration Table*)
Executive Incentive Plan (**EIP**) awards *Short-term incentives*	EIP is Domain's annual short-term cash-based incentive plan with financial and non-financial measures aligned to Domain Group targets. The Executive KMP target opportunity is expressed as a percentage of TPV. In this Remuneration Report, EIP awards are referred to with respect to the financial year in which they were granted. EIP outcomes are dependent upon the satisfaction of performance conditions and 30% of any Executive KMP's EIP outcomes will be deferred and issued in the form of Share Rights, which will vest (subject to the holder remaining employed by Domain or a member of the Domain Group at the time of vesting) 12 months from the date of issue, with the remainder paid as cash.	section 7 (*Short-Term Incentives*)
Long-Term Incentive (**LTI**) awards *Long-term incentives*	The LTI plan is an allocation of equity to incentivise the Executive KMP to drive long-term shareholder value. Since FY21, the incentive instrument utilised has been Performance Rights, tested at the end of a three-year performance period, subject to the Executive Incentive Plan Rules. In this Remuneration Report, LTI awards are referred to with respect to the financial year in which they were granted to Executive KMP. The LTI awards considered in this Remuneration Report are:  LTI remuneration is dependent upon the satisfaction of performance conditions.	section 8 (*Long-Term Incentives*)

4.1 Remuneration at risk

EIP and LTI awards are considered as 'at risk' remuneration. Of the KMP, only the Executive KMP have 'at risk' remuneration. Each Executive KMP's total remuneration, and the proportion that was at risk during FY23 is set out in this section of this Remuneration Report.

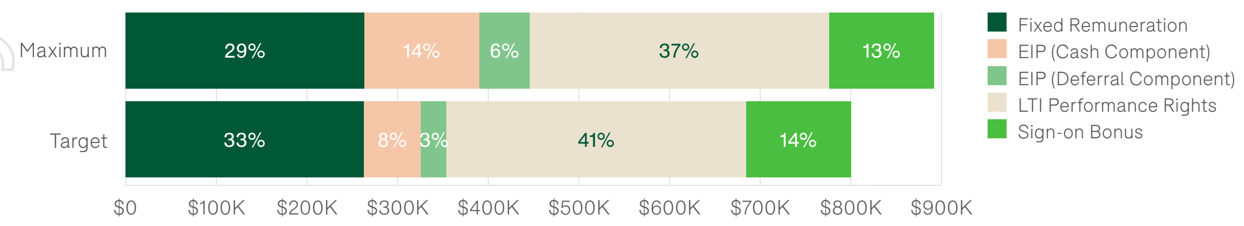
4.1.1 CEO – Jason Pellegrino – FY23

The remuneration at risk for Jason Pellegrino, the CEO, is illustrated below. In FY23, a maximum of 71% of Jason Pellegrino's remuneration was at risk.



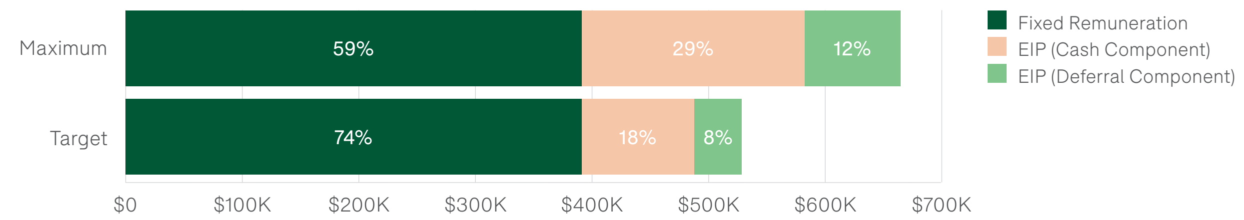
4.1.2 CFO – John Boniciolli – FY23

The remuneration at risk for John Boniciolli, the current CFO, for the period since his commencement as Executive KMP, is illustrated below. In FY23, a maximum of 71% of John Boniciolli's remuneration was at risk. In addition to the EIP and LTI awards, John's FY23 at risk remuneration included a sign-on bonus. See sections 8 (*Long-Term Incentives*) and 9 (*Executive Remuneration Table*) of this Remuneration Report for further details pertaining to John Boniciolli's termination arrangement and related treatment of at risk-remuneration.



4.1.3 Former CFO – Rob Doyle – FY23

The remuneration at risk for Rob Doyle, the former CFO, for the period he was an Executive KMP is illustrated below. In FY23, a maximum of 41% of Rob Doyle's remuneration was at risk. Refer to sections 7 (*Short-Term Incentives*) and 8 (*Long-Term Incentives*) of this Remuneration Report for further details pertaining to Rob Doyle's termination arrangement and related treatment of at-risk remuneration.



The target and maximum illustrations in this section assume all performance measures have been met in line with the target and maximum performance conditions associated with each plan, as described in sections 7 (*Short-Term Incentives*) and 8 (*Long-Term Incentives*) of this Remuneration Report. The basis for calculating each Executive KMP's annual allocation of EIP and LTI is set out in sections 7 (*Short-Term Incentives*) and 8 (*Long-Term Incentives*) of this Remuneration Report, respectively.

5. Linking Executive Remuneration to Performance

Fixed Remuneration – TPV

Fixed Remuneration is designed to remunerate for the scope of the executive's role, the individual's skills, experience and qualifications, and their personal performance. It is set with reference to comparable roles in similar companies.

Short-Term Incentives – Executive Incentive Plan (EIP)

Executive KMP are eligible for awards under the EIP which are assessed against financial and non-financial performance measures. The financial performance measures – Domain Group EBITDA (earnings before interest, taxes, depreciation, and amortisation) and Revenue – were chosen as they contribute to share price performance over time and are measures of Domain's performance.

The non-financial (personal) performance measures are intended to incentivise the delivery of transformation and people, culture and sustainability related objectives. These personal performance measures relate to matters such as operational excellence, accelerating growth, ESG initiatives, leadership development, and employee engagement, and are set annually.

Long-Term Incentive (LTI)

Domain grants LTI awards to Executive KMP to align their remuneration with shareholder returns. In recognition of the current stage of Domain's business and in order to continue to motivate the Executive KMP to deliver on Domain's long-term strategy, the LTI Performance Rights have a three-year performance period.

Each Performance Right entitles its holder to acquire one ordinary share in the Company, or in certain circumstances at the discretion of the Board, a right to a cash payment in lieu of an ordinary share in the Company, in each case subject to the satisfaction of certain vesting criteria described below.

The rationale for granting Performance Rights, and the associated performance conditions, is as follows:

- Performance Rights create share price alignment between executives and ordinary shareholders but do not provide the executives with the full benefits of share ownership (such as dividend and voting rights) unless and until the Performance Rights vest; and
- given the property cycle is dependent on factors outside of the executives' control and influence, Performance Rights have the potential to have greater motivational impact compared to other vehicle types.

Vesting criteria for FY23 LTI

The FY23 LTI awards were issued in two equal tranches. Vesting for each tranche will be assessed as follows:

- **Tranche 1:** Relative Total Shareholder Return (**rTSR**), measuring Domain's total shareholder return against a select group of peers consisting of S&P ASX 200 Index companies representing Communication Services, Consumer Discretionary, Consumer Staples, Information Technology and Telecommunication Services with a market cap more than $1bn; and
- **Tranche 2:** Compound Annual Growth Rate (**CAGR**) of EBITDA of the Domain Group, against predetermined targets.

Further information in relation to the two tranches is set out in section 8.1 (*FY23 LTI Performance Rights*) of this Remuneration Report.

The rationale for using these performance criteria is as follows:

- rTSR is used to assess the vesting for 50% of LTI awards:
  - to recognise some investors' preferences for more than one performance condition to determine LTI outcomes; and
  - because it has the potential to reward relative outperformance, rather than broad market movements.
- CAGR of EBITDA is used to assess the vesting for the other 50% of LTI awards:
  - to ensure executives are focused on driving profitable revenue growth that will lead to greater total shareholder returns;
  - because it is an easily understood metric against which executives have influence and an enhanced line-of-sight; and
  - because it is an appropriate measure of cash earnings over time, and allows the Board to apply discretion to take into account or exclude the impact of any impairments.

6. Financial Performance Measures

6.1 Financial performance of the Company in key shareholder value measures

The financial performance of the Company in key shareholder value measures is set out below for the financial year to which this Remuneration Report relates (FY23) and the previous four financial years (FY22, FY21, FY20 and FY19).

		FY23[b]	FY22[b](g)	FY21[b]	FY20[c]	FY19[d]
Revenue	$m	345.7	347.5	289.6	267.8	335.6
EBITDA[a]	$m	108.6	124.8	100.6	84.7	95.2
Net profit after tax attributable to members of the Company[a]	$m	31.3	51.6	37.9	23.4	35.7
Earnings per share[a]	Cents	4.97	8.70	6.48	4.02	6.14
Dividends paid to shareholders	Cents	6.00	6.00	–	6.00	6.00
Total Shareholder Return (**TSR**) FY19 LTI Plan[e]	%	–	–	65.18	6.25	4.33
Total Shareholder Return (**TSR**) FY20 LTI Plan[e]	%	–	2.58	63.61	7.81	–
Total Shareholder Return (**TSR**) FY21 LTI Plan[f]	%	14.25	(10.15)	57.87	–	–
Total Shareholder Return (**TSR**) FY22 LTI Plan[f]	%	(27.65)	(43.27)	–	–	–
Total Shareholder Return (**TSR**) FY23 LTI Plan[f]	%	23.60	–	–	–	–
Opening share price (at financial year start date)	$	3.01	5.16	3.35	3.18	3.22
Closing share price (at financial year end date)	$	3.79	3.01	5.16	3.35	3.18

(a) EBITDA, net profit after tax attributable to members of the Company and earnings per share amounts for FY20 and FY19 have been restated from prior years disclosure due to the adoption of the April 2021 agenda decision of the International Financial Reporting Standards Interpretations Committee (IFRIC) in respect of Software as a Service (SaaS) arrangements which resulted in a reclassification of intangible assets to recognition as an expense, impacting both the current and prior periods presented. Refer to Note 1(B)(v) of the 2021 Financial Report for changes to the significant accounting policy in respect of SaaS arrangements and restated financial results for FY20. As a result of this restatement, the amounts for FY20 and FY19 and in these rows of the table do not correspond with the Domain Group's financial reports for prior years.

(b) FY21, FY22 and FY23 financial results exclude the impact of significant items incurred during the period. FY23 statutory results are set out in the Management Discussion and Analysis Report on pages 89-93 of this Annual Report. There were no disposals in FY23.

(c) FY20 financial results exclude the impact of significant items incurred during the period. FY20 statutory results are set out in the Management Discussion and Analysis Report on pages 59-60 of the FY20 Annual Report. Excluding the impact of disposals, revenue in FY20 was $261.6 million, EBITDA was $84.4 million, net profit after tax attributable to members of the Company was $21.6 million and earnings per share were 3.70 cents.

(d) FY19 financial results exclude the impact of significant items incurred during the period. FY19 statutory results are set out in the Management Discussion and Analysis Report on pages 46-47 of the FY19 annual report. Excluding the impact of disposals, revenue in FY19 was $292.4 million, EBITDA was $94.2 million, net profit after tax attributable to members of the Company was $36.0 million and earnings per share were 6.19 cents.

(e) This is the cumulative TSR from the commencement of each LTI performance period to the end of each financial year. For the FY20 and FY19 LTI Options plan the compound annual growth rate (CAGR) of TSR is utilised to assess whether any vesting will occur, as outlined in the FY20 and FY19 Remuneration Reports.

(f) This is the cumulative TSR from the commencement of each LTI performance period to the end of each financial year. For the FY21, FY22 and FY23 LTI Performance Rights plan the rTSR is used to assess whether any vesting will occur for 50% of the LTI, see section 8 (*Long-Term Incentives*).

(g) Certain historical financial information has been restated to account for the impact of the purchase price allocation for the Realbase and IDS acquisitions finalised during the financial year ended 30 June 2023 and the impact of discontinued operations on the 30 June 2022 Consolidated Statement of Profit or Loss and Other Comprehensive Income. For further details, refer to Notes 6 (*Business Combinations*) and 7 (*Discontinued Operations*) of the Notes to the Consolidated Financial Statements in the 2023 Financial Report section of this Annual Report.

7. Short-Term Incentives

The Executive KMP awards under the EIP are assessed based on annual performance against financial and non-financial (personal) performance measures as set out below.

Financial Performance: Financial performance is assessed by measuring Domain Group's EBITDA and Revenue performance against targets approved by the Board. EBITDA and Revenue have been selected as appropriate measures of financial performance because they are key factors considered by shareholders, and therefore create alignment with shareholder interests.

Non-financial (personal) Performance: To ensure that the Company is achieving its non-financial objectives, Executive KMP are assessed annually against individual key performance indicators (**KPIs**). KPIs are used as performance measures to focus individuals on critical non-financial areas. Each Executive KMP has been assigned different KPIs which broadly relate to matters such as accelerating the integration of Realbase, delivering excellence in business operations, and establishing a path to growth in recent acquisitions. KPIs are assigned, weighted and assessed individually.

Annual performance for Executive KMPs is assessed against the following financial and non-financial (personal) measures:

	Measure	Weighting	Threshold	Target (On Plan)	Maximum
Financial	Achieve Domain Group Revenue Target	25%	Target -5%	Target	Target +15%
	Achieve Domain Group EBITDA Target	25%	Target -5%	Target	Target +15%
Personal	Individually assigned in relation to specific personal performance measures (KPIs), set annually by the Board	50%	Discretion approved by Board	Delivery of measure	Discretion approved by Board

On Target and Maximum awards available under the EIP for the Executive KMP are as follows:

	CEO	CFO[(a)]
On Target Incentive	60% of TPV	35% of TPV
Maximum Incentive	120% of TPV	70% of TPV

(a) Rob Doyle and John Boniciolli, who both held the KMP position of CFO during FY23, were eligible for the same On Target and Maximum EIP opportunities of 35% and 70% respectively of TPV.

The below table outlines the relationship between performance and payout of the financial performance measures for CEO Jason Pellegrino, current CFO John Boniciolli, and former CFO Rob Doyle.

	% of Target Incentive Awarded*	
Level of Performance	CEO	CFO
Below Threshold (i.e. < 95% of Target)	0%	0%
Threshold (95% of Target)	50%	50%
Target	100%	100%
Maximum (115% of Target)	200%	200%

* Outcome is linear between Threshold and Target, as well as between Target and Maximum.

Deferral of EIP

Rather than paying 100% of EIP in cash, from FY22 30% of EIP outcomes have been deferred and issued in the form of Share Rights, which vest after 12 months from the date of issue. These Share Rights are subject to the relevant Executive KMP remaining employed by Domain (or a member of the Domain Group) on the vesting date, unless the Board determines otherwise.

7.1 FY23 EIP Outcomes

The outcomes of the FY23 EIP are as follows:

Financial Performance

- Domain Group Revenue did not meet threshold performance for the FY23 EIP, with a result of $354.5m against a target of $419.2m.
- Domain Group EBITDA did not meet threshold performance for the FY23 EIP, with a result of $103.3m against a target of $147.2m.

As a result, the conditions required to pay out on the portion of the FY23 EIP attributable to financial performance (comprising 50% of the total available EIP award) have not been achieved.

Figures disclosed in this section 7.1 (*FY23 EIP Outcomes*) of the Remuneration Report differ from the financial performance measures laid out in section 6.1 (*Financial performance of the Company in key shareholder value measures*) which are determined on a continuing basis and exclude discontinued operations. There have been no adjustments made to the financial targets and associated outcomes for the FY23 EIP financial measures, and therefore performance has been measured by reference to financial targets that include discontinued operations i.e. Domain Home Loans (**DHL**).

Non-financial (personal) Performance

- Personal performance was assessed against the delivery of Transformational and People, Culture and Sustainability specific initiatives allocated to the CEO and CFO. These initiatives are commercially sensitive, and the Board does not consider further disclosure of the specific initiatives is in the best interest of the Domain Group.
- Given overall business performance, the Board applied its discretion to determine that the personal performance component of the FY23 EIP for Executive KMP would not be awarded, irrespective of their KPI outcomes against target. The Board also applied its discretion in relation to the FY21 LTI vesting outcome. Further information is set out in section 8 (*Long Term Incentives*) of this Remuneration Report.

Jason Pellegrino – CEO

Category	Objectives	Weighting	Outcome
Financial	Domain Group Revenue	25%	84.57% of Target
	Domain Group EBITDA	25%	70.18% of Target
Non-financial (personal) – Transformational initiatives	Each initiative has agreed strategies to benefit the business, with specific focuses on: • improve business operations by focusing on excellence; • embed focus on critical business measures to strengthen core performance; and • accelerate a path for growth in joint ventures and recent acquisitions.	40%	Met
Non-financial (personal) – People, Culture and Sustainability initiatives	Focus on employee engagement, leadership development and ESG initiatives.	10%	Exceeded

John Boniciolli – Current CFO

Category	Objectives	Weighting	Outcome
Financial	Domain Group Revenue	25%	84.57% of Target
	Domain Group EBITDA	25%	70.18% of Target
Non-financial (personal) – Transformational initiatives	Each initiative has agreed strategies to benefit the business, with specific focuses on: • improve business operations by focusing on excellence; • enhance complex project governance and velocity; and • accelerate the integration of Realbase.	40%	Met
Non-financial (personal) – People, Culture and Sustainability initiatives	Focus on employee engagement, leadership development and ESG initiatives.	10%	Met

Rob Doyle – Former CFO

Category	Objectives	Weighting	Outcome
Financial	Domain Group Revenue	25%	84.57% of Target
	Domain Group EBITDA	25%	70.18% of Target
Non-financial (personal) – Transformational initiatives	Each initiative has agreed strategies to benefit the business, with specific focuses on: • deliver fit-for-purpose marketplace infrastructure, which includes enterprise and billing systems; • drive enhanced business productivity dividends to support purposeful investment and growth plans; and • accelerate productivity dividends to support purposeful investment and growth plans.	40%	Not Met
Non-financial (personal) – People, Culture and Sustainability initiatives	Focus on Employee Engagement, Leadership Development and ESG initiatives.	10%	Not Met

The table below sets out the amounts awarded to each of the Executive KMP under the FY23 EIP and FY22 EIP:

			Total EIP Outcome				
	On Target EIP	Maximum EIP	Delivered as cash	Deferred – issued as Share Rights[e]	EIP Forfeited	% of EIP Max Earned	% of EIP Max Forfeited
Jason Pellegrino							
FY23	**$750,000**	**$1,500,000**	**$0**	**0**	**$1,500,000**	**0%**	**100%**
FY22[a]	$745,315	$1,415,671	$670,688	$287,438	$457,546	68%	32%
John Boniciolli							
FY23[b]	**$91,767**	**$183,534**	**$0**	**0**	**$183,534**	**0%**	**100%**
FY22	–	–	–	–	–	–	–
Rob Doyle							
FY23[c]	**$136,816**	**$273,633**	**$0**	**0**	**$273,633**	**0%**	**100%**
FY22[d]	$212,603	$425,207	$111,695	$47,870	$265,642	38%	62%
Total							
FY23	**$978,584**	**$1,957,167**	**$0**	**0**	**$1,957,167**	**0%**	**100%**
FY22	$957,918	$1,840,878	$782,383	$335,307	$723,188	61%	39%

(a) Jason Pellegrino received an increase to Remuneration effective 27 August 2021. As a result, Jason's On Target EIP opportunity for FY22 was prorated. Therefore, the EIP opportunity was calculated by taking the EIP target of 60% and multiplying by TPV over the 12-month performance period, being TPV of $1,200,000 from 1 July 2021 to 26 August 2021 and his increased TPV of $1,250,000 from 27 August 2021 to 30 June 2022. The Maximum EIP was calculated using the above TPV values in addition to the proration of the maximum opportunity being 80% from 1 July 2021 to 26 August 2021 and increasing to 120% from 27 August 2021 to 30 June 2022.

(b) John Boniciolli commenced his role as CFO on 6 February 2023, as a result, John's On Target EIP opportunity for FY23 was prorated to reflect his time in role, as a proportion of FY23. The EIP opportunity was calculated by taking the EIP target of 35% and multiplying by TPV over John's period of active service for the FY23 period, being 6 February 2023 – 30 June 2023.

(c) Rob Doyle resigned from his role as CFO as of 17 February 2023. As a result, Rob's On Target EIP opportunity for FY23 was prorated to reflect his time in role, as a proportion of FY23. The EIP opportunity was calculated by taking the EIP target of 35% and multiplying by TPV over Rob's period of active service for the FY23 period, being 1 July 2022 – 17 February 2023.

(d) Rob Doyle received an increase to Remuneration effective 1 January 2022, as a result Rob's On Target EIP opportunity for FY22 was prorated. Therefore, the EIP opportunity was calculated by taking the EIP target of 35% and multiplying by TPV over the 12-month performance period, being TPV of $600,000 from 1 July 2021 to 31 December 2021 and his increased TPV of $615,000 from 1 January 2022 to 30 June 2022.

(e) As detailed further elsewhere in this section 7.1 (*FY23 EIP Outcomes*) of this Remuneration Report, 30% of any EIP outcome earned from FY22 onwards will be deferred and issued as Share Rights vesting after 12 months (subject to the defined vesting criteria), with the remaining 70% of the EIP outcome earned paid as cash.

7.2 FY22 Deferred EIP vesting outcomes

As above, from FY22 30% of the total EIP outcome for the Executive KMP in FY22 has been deferred and issued in the form of Share Rights which vest after 12 months from the date of issue (subject to certain vesting criteria).

The number of FY22 EIP Share Rights granted to the Executive KMP was determined by dividing the portion of the total EIP award attributable to the deferral component by the volume-weighted average market price (**VWAP**) of shares over the 30 trading days from 1 July 2022 to 11 August 2022 inclusive, being $3.4770.

The table below sets out the number of Share Rights granted, vested and forfeited during the year under the FY22 EIP. These movements are also reflected in the table in section 11.2 (*Total incentive instruments allocated to Executive KMP*).

	FY22 30% EIP outcome deferred component – issued as Share Rights	VWAP 1 July 2022 to 11 August 2022	FY22 EIP Share Rights granted	Vested during the year	Forfeited during the year
Jason Pellegrino	$287,438	$3.4770	82,668[a]	0	0
Rob Doyle	$47,870	$3.4770	13,767	0	13,767
Total	**$335,308**	**$3.4770**	**96,435**	**0**	**13,767**

(a) Jason Pellegrino's FY22 EIP Share Rights are anticipated to vest on 5 October 2023 (being 12 months from the date of issue) subject to remaining employed by Domain (or a member of the Domain Group) between the date of grant and the vesting date, unless the Board determines otherwise.

In accordance with the terms of his termination agreement, Rob Doyle was paid a cash equivalent of his entitlement to the FY22 EIP Share Rights upon his termination. The cash equivalent was calculated based on a 5 trading day VWAP of $3.0400 for the period commencing on the date of his termination being 17-23 February 2023. The total cash payment made in respect of all 13,767 FY22 EIP Share Rights issued to Rob Doyle on 5 October 2022 was $41,851 (exclusive of superannuation). As a result, Rob Doyle's deferred FY22 EIP Share Rights were lapsed in full following his termination on 17 February 2023, and no further action pertaining to the deferred FY22 Share Rights is anticipated.

7.3 KMP other than CEO and CFO

The KMP other than the CEO and the CFO, being the Chairman and Non-Executive Directors, are not eligible to participate in the EIP. As such, no payments have been made to the Chairman or Non-Executive Directors under the FY23 EIP.

8. Long-Term Incentives

8.1 FY23 LTI Performance Rights

The incentive instrument for LTI awards is Performance Rights.

Executive KMP are entitled to a maximum number of Performance Rights under the FY23 LTI, and are determined as follows:

Participant	Maximum LTI Opportunity
CEO	120% of TPV
CFO	100% of TPV

The number of Performance Rights to be granted is calculated by dividing the participant's Maximum LTI Opportunity by the VWAP of the Company's shares over the 30 trading days beginning on the date of the first trading day of the 2023 financial year (1 July 2022 to 11 August 2022). The VWAP for this period was $3.4770.

The FY23 LTI is subject to vesting criteria, which are detailed below. A summary of why these performance conditions were chosen is set out in section 5 (*Linking Executive Remuneration to Performance*) of this Remuneration Report.

Performance period for FY23 LTI

The performance period starts 1 July of the year of the grant date and ends on 30 June of the vesting year (i.e. for the FY23 LTI, the performance period starts 1 July 2022 and ends 30 June 2025).

Vesting criteria for FY23 LTI

The FY23 LTI awards are issued in two equal tranches. Vesting for each tranche will be assessed as follows:

- **Tranche 1:** measuring Domain's rTSR against a select group of peers consisting of S&P ASX 200 Index companies representing Communication Services, Consumer Discretionary, Consumer Staples, Information Technology and Telecommunication Services with a market cap more than $1bn (**Comparator Group**); and
- **Tranche 2:** CAGR of EBITDA of the Domain Group against predetermined targets.

Tranche 1: Relative Total Shareholder Return (rTSR) (50% of Grant)

The proportion of Tranche 1 Performance Rights that may vest will depend on the Domain Group's rTSR of the Comparator Group according to the following vesting scale:

rTSR Performance	Vesting outcome for Tranche 1
Less than 50th percentile of Comparator Group constituents	0%
50th percentile of Comparator Group constituents	50%
Between 50th percentile and 75th percentile of Comparator Group constituents	Linear vesting between 50% and 100%
75th percentile or above of Comparator Group constituents	100%

The Board has absolute discretion in relation to the vesting criteria and performance assessment including over the calculation methodology and may adjust the Comparator Group to take into account events including, but not limited to, acquisitions, mergers or other relevant corporate action or delisting during the three-year performance period.

Tranche 2: CAGR of EBITDA of Domain Group (50% of Grant)

The proportion of Tranche 2 Performance Rights that may vest will depend on the Domain Group's CAGR of EBITDA over the performance period according to the following vesting scale, subject to any adjustments for abnormal or unusual items that the Board, in its absolute discretion considers appropriate.

Achievement level	Performance	Vesting outcome for Tranche 2
Less than threshold		0%
Threshold	Target -3%	25%
Target	Target %	50%
Maximum	Target +5%	100%

Vesting outcomes are linear for performance between Threshold and Target, and between Target and Maximum.

Disclosure of vesting for FY23 LTI

Disclosure of the outcomes against performance levels will be provided in the Remuneration Report for the financial year in which vesting is assessed (i.e. for the FY23 LTI, Domain's Remuneration Report for FY25).

Grant of FY23 to Executive KMP

The following table sets out details of the Executive KMPs' respective LTI Performance Right grants of Domain shares during FY23, FY22 and FY21:

Year granted	Plan	Grant/Issue Date	Performance Period Start Date	Performance Period End Date	Vesting Date	Expiry Date	Fair Value per Performance Right at Grant	Value of Performance Rights at Grant	Performance Rights held at beginning of financial year	Performance Rights Granted during financial year	Performance Rights Vested during financial year	Performance Rights Lapsed during financial year
Jason Pellegrino												
FY23	**FY23 LTI (Tranche 1 – rTSR)**	**18.11.2022**	**01.07.2022**	**30.06.2025**	**05.10.2025**	**18.11.2027**	**$1.73**	**$373,166**	**–**	**215,703**	**–**	**–**
FY23	**FY23 LTI (Tranche 2 – CAGR of EBITDA)**	**18.11.2022**	**01.07.2022**	**30.06.2025**	**05.10.2025**	**18.11.2027**	**$2.88**	**$612,224**	**–**	**215,703**	**–**	**–**
FY22	FY22 LTI (Tranche 1 – rTSR)	12.11.2021	01.07.2021	30.06.2024	01.10.2024	12.11.2026	$3.54	$536,448	151,539	–	–	–
FY22	FY22 LTI (Tranche 2 – CAGR of EBITDA)	12.11.2021	01.07.2021	30.06.2024	01.10.2024	12.11.2026	$5.31	$804,672	151,539	–	–	–
FY21	FY21 LTI (Tranche 1 – rTSR)	19.11.2020	01.07.2020	30.06.2023	19.11.2023	19.11.2025	$3.09	$627,226	217,549	–	108,774	108,774[a]
FY21	FY21 LTI (Tranche 2 – CAGR of EBITDA)	19.11.2020	01.07.2020	30.06.2023	19.11.2023	19.11.2025	$4.22	$918,057	217,549	–	–	217,549[a]
John Boniciolli[c][d]												
FY23	**FY23 LTI (Tranche 1 – rTSR)**	**27.02.2023**	**01.07.2022**	**30.06.2025**	**05.10.2025**	**27.02.2028**	**$1.57**	**$74,502**	**–**	**47,454**	**–**	**–**
FY23	**FY23 LTI (Tranche 2 – CAGR of EBITDA)**	**27.02.2023**	**01.07.2022**	**30.06.2025**	**05.10.2025**	**27.02.2028**	**$2.92**	**$138,565**	**–**	**47,454**	**–**	**–**
Rob Doyle												
FY23[e]	**FY23 LTI (Tranche 1 – rTSR)**	**05.10.2022**	**01.07.2022**	**30.06.2025**	**05.10.2025**	**05.10.2027**	**$2.19**	**$193,679**	**–**	**88,438**	**–**	**88,438**
FY23[e]	**FY23 LTI (Tranche 2 – CAGR of EBITDA)**	**05.10.2022**	**01.07.2022**	**30.06.2025**	**05.10.2025**	**05.10.2027**	**$3.38**	**$298,920**	**–**	**88,438**	**–**	**88,438**
FY22[e]	FY22 LTI (Tranche 1 – rTSR)	01.10.2021	01.07.2021	30.06.2024	01.10.2024	01.10.2026	$3.66	$223,245	60,996	–	–	60,996
FY22[e]	FY22 LTI (Tranche 2 – CAGR of EBITDA)	01.10.2021	01.07.2021	30.06.2024	01.10.2024	01.10.2026	$5.30	$323,279	60,996	–	–	60,996
FY21[b]	FY21 LTI (Tranche 1 – rTSR)	19.11.2020	01.07.2020	30.06.2023	19.11.2023	19.11.2025	$3.09	$273,793	88,606	–	–	88,606
FY21[b]	FY21 LTI (Tranche 2 – CAGR of EBITDA)	19.11.2020	01.07.2020	30.06.2023	19.11.2023	19.11.2025	$4.22	$373,917	88,606	–	–	88,606

(a) The Board exercised its discretion to award 50% of the rTSR Tranche for the FY21 LTI to the CEO. The remaining portion of the FY21 grant was lapsed in full.
(b) The FY21 LTI plan measures were tested at the end of the performance period and did not achieve threshold performance. As a result, Mr Doyle's FY21 LTI grant has been lapsed in full.
(c) John Boniciolli commenced his role as CFO on 6 February 2023, as a result, John's LTI opportunity was calculated by taking the LTI maximum of 100% of his TPV and reducing his total opportunity by 50%.
(d) John Boniciolli tendered his resignation as CFO after the end of FY23 in August 2023. His termination date will be in early November 2023 following the Annual General Meeting on 8 November 2023. As a result, John's FY23 LTI grant will be lapsed in full upon termination.
(e) Rob Doyle resigned as of 17 February 2023. As a result, his FY22 LTI and FY23 LTI grants have been lapsed in full.

8.2 FY21 LTI Outcomes

The performance period for the FY21 LTI commenced on 1 July 2021 and ended on 30 June 2023. Performance was measured against the vesting criteria at the conclusion of FY23. As above, the number of Performance Rights that vested (or lapsed) was determined by reference to the following criteria:

- **Tranche 1 (50% of grant):** Measuring Domain's rTSR against a select group of peers consisting of S&P ASX 200 Index companies representing Communication Services, Consumer Discretionary, Consumer Staples, Information Technology and Telecommunication Services with a market cap more than $1bn (Comparator Group); and
- **Tranche 2 (50% of grant):** CAGR of EBITDA of the Domain Group against predetermined targets.

As a result, threshold performance against these two measures over the three-year performance period was not achieved.

The Board recognised that FY23 was a challenging year in which the current Executive KMP have performed well in the face of tough market conditions. The Board wished to ensure that the current and ongoing Executive KMP member continues to be suitably incentivised and that the incentive plans in place operate as a positive retention tool. In addition, the Board took into consideration, among other things, the fact that in the weeks following the conclusion of the three-year performance period, the Domain share price increased and the rTSR performance achieved a target that supported threshold vesting.

As noted above in section 7.1 (*FY23 EIP Outcomes*), the Board exercised its discretion to not award the personal component of the Executive KMP's FY23 EIP due to the financial performance of the business. Notwithstanding that the financial vesting criteria were also not achieved for the FY21 LTI, the Board exercised its discretion, as permitted under the Executive Incentive Plan Rules, to award 50% vesting to the CEO of the FY21 LTI Performance Rights granted in respect of the rTSR tranche. The Board took into consideration a number of factors in determining to exercise its discretion to award the LTI (but not the EIP) to the CEO including the CEO's performance over an extended period (not just the FY23 period) and the preference to award the CEO with shares rather than cash under the EIP.

The following table sets out performance outcomes under the FY21 LTI Plan:

Tranche/Performance Measure	Weighting	Target	Outcome	% of maximum LTI payable
rTSR	50%	50th percentile	<50th percentile	nil
CAGR of EBITDA	50%	16.1%	6%	nil
			Total achievement	**nil**

Tranche 1: rTSR (50% of grant)

The proportion of Tranche 1 Performance Rights vesting under the FY21 LTI was determined by testing Domain Group's rTSR over the performance period, according to the following vesting scale:

rTSR Performance	Vesting outcome for Tranche 1
Less than 50th percentile of Comparator Group constituents	0%
50th percentile of Comparator Group constituents	50%
Between 50th percentile and 75th percentile of Comparator Group constituents	Linear vesting between 50% and 100%
75th percentile or above of Comparator Group constituents	100%

The Comparator Group constituted S&P ASX 200 Index companies representing Communication Services, Consumer Discretionary, Consumer Staples, Information Technology and Telecommunication Services with a market capitalisation of more than $1bn.

The Domain Group's Total Shareholder Return for the relevant period was below the 50th percentile threshold and therefore the vesting criteria for the FY21 LTI grant was not achieved. However, for reasons outlined above, the Board has exercised its discretion to award 50% vesting to the CEO of the FY21 LTI Performance Rights granted in respect of Tranche 1 (rTSR).

Tranche 2: CAGR of EBITDA (50% of grant)

The proportion of Tranche 2 Performance Rights vesting under the FY21 LTI was determined by testing Domain Group's CAGR of EBITDA over the performance period, according to the following targets and vesting scale:

Achievement level	Performance	CAGR of EBITDA	FY23 EBITDA ($m)	Vesting outcome for Tranche 2
Less than threshold				0%
Threshold	Target -3%	13.1%	120.2	25%
Target	Target %	16.1%	130.0	50%
Maximum	Target +5%	21.1%	147.6	100%

The CAGR of EBITDA target was set based on underlying EBITDA, which is statutory EBITDA less significant items yet inclusive of discontinued operations. The results of IDS and Realbase have been excluded given the target was set prior to the acquisition of both of these companies. The results of Domain Home Loans (DHL) have been included given this was a continuing operation at the time the targets were set. In FY23, the Domain Group achieved underlying EBITDA of $99.0 million (exclusive of significant items and the results of IDS and Realbase), resulting in a 6% CAGR of EBITDA measurement for the period FY21-FY23.

As this is below the threshold achievement of 13.1% CAGR of EBITDA, there was in nil vesting of the Tranche 2 portion of the FY21 LTI grant.

8.3 KMP other than CEO and CFO

The KMP other than the Executive KMP, being the Chairman and Non-Executive Directors, are not eligible to participate in the LTI. As such, no payments have been made to the Chairman or Non-Executive Directors under the FY21 LTI or the FY23 LTI.

9. Executive KMP Remuneration Table for FY23

The table below sets out details of the Executive KMP's remuneration during FY23 and FY22:

		Short Term Employee Benefits							
		Base Salary & Other Benefits[a]	Cash Payments/ Bonus	Post-Employment Benefits (Superannuation)	Long-Term Benefits (Employee Entitlements)	Termination Benefits[g]	Total Excluding LTI	LTI Expense[c]	Total Including LTI
Jason Pellegrino	**FY23**	**$1,182,585**	**–**	**$25,292**	**$9,693**	**–**	**$1,217,570**	**$105,757**	**$1,323,327**
	FY22	$1,258,290	$958,125[d]	$27,211	$15,899	–	$2,259,525	$923,647	$3,183,172
John Boniciolli[e]	**FY23**	**$266,096**	**$70,169[b]**	**$10,741**	**–**	**–**	**$347,006**	**$15,424**	**$362,430**
	FY22	–	–	–	–	–	–	–	–
Rob Doyle[f]	**FY23**	**$335,285**	**–**	**$19,942**	**–**	**$158,768**	**$513,995**	**($156,131)**	**$357,864**
	FY22	$590,771	$159,565[d]	$27,500	$20,630	–	$798,466	$281,791	$1,080,257
Total	**FY23**	**$1,783,966**	**$70,169**	**$55,975**	**$9,693**	**$158,768**	**$2,078,571**	**($34,950)**	**$2,043,621**
	FY22	$1,849,061	$1,117,690	$54,711	$36,529	–	$3,057,991	$1,205,438	$4,263,429

(a) Other Benefits include annual leave expenses.

(b) In accordance with the terms of John Boniciolli's appointment as CFO, he was entitled to receive a sign-on bonus of $115,000, which was due to be paid 1 October 2023 (**retention date**). For accounting purposes, the portion attributed to the FY23 period has been included in the above table ($70,169). As John has tendered his resignation, he will no longer be eligible to receive this sign-on bonus, and the full $115,000 amount will be forfeited.

(c) LTI Expense comprises FY21 LTI, FY22 LTI and FY23 LTI Performance Rights, and Project Zipline Share Rights and is calculated in accordance with the accounting standards applicable to each plan.

(d) As approved by the Board 30% of any EIP outcome earned in FY22 was deferred and issued as Share Rights which vest 12 months after the date of issue (subject to the defined vesting criteria) with the remainder paid as cash. For Jason Pellegrino $287,438 was deferred and issued as Share Rights and $670,688 paid as cash. For Rob Doyle $47,870 was deferred and issued as Share Rights and $111,695 paid as cash. The number of FY22 EIP Share Rights granted to the Executive KMP was determined by dividing the EIP deferred component amount by the VWAP of shares over the 30 trading days from 1 July 2022 to 11 August 2022 inclusive. These Share Rights are anticipated to vest 12 months from date of issue subject to the holder remaining employed by Domain (or a member of the Domain Group) between the date of grant of the FY22 EIP Share Rights and the vesting date, unless the Board determines otherwise.

(e) John Boniciolli commenced his role as CFO on 6 February 2023. As a result, the figures in the above table are prorated to reflect his time in role, being 6 February 2023 – 30 June 2023.

(f) Rob Doyle resigned as of 17 February 2023. As a result, the figures in the above table are prorated to reflect his time in role, being 1 July 2022 – 17 February 2023.

(g) In accordance with Rob Doyle's termination agreement, his aggregated termination benefit payment includes: $116,916 gardening leave payment for the period where Rob was not considered Executive KMP, being 18 February – 26 May 2023; and the FY22 deferred EIP settled as a cash payment of $41,852 – see section 7.2 (*FY22 Deferred EIP vesting outcomes*).

10. Executive Service Agreements

The remuneration and other terms of employment for the Executive KMP are set out in written executive service agreements. Each executive service agreement sets out the fixed remuneration, termination rights and obligations, and post-employment restraints applying to the relevant personnel, including non-compete clauses. In addition, each Executive KMP receives written documentation relating to their performance related incentive opportunities.

Executive service agreements are unlimited in term but may be terminated by written notice by either party or by the Company making payment in lieu of notice. They may also be terminated with cause as set out below.

The Company may terminate the employment of an Executive KMP without notice and without payment in lieu of notice in some circumstances, including if the relevant Executive KMP commits an act of serious misconduct or a material persistent breach of the executive service agreement or is charged with any criminal offence which, in the reasonable opinion of the Company, may embarrass or bring the Domain Group into disrepute.

The Company may terminate the employment of an Executive KMP at any time by giving the Executive KMP notice of termination or payment in lieu of such notice. The amount of notice required from the Company in these circumstances is set out in the table below. If the Company elects to make payment in lieu of all or part of the required notice, the payment is calculated on the basis of fixed remuneration excluding bonuses and non-cash incentives.

The table below sets out the notice required to be given by each Executive KMP to the Company should the Executive KMP wish to terminate their employment and the maximum duration of post-employment restraints under the relevant executive services agreement.

	Notice to the Company	Notice from the Company	Post-employment Restraint
CEO	6 months	12 months	12 months
CFO (current)	6 months	6 months	12 months
CFO (former)	6 months	12 months	12 months

11. Executive Shareholdings

11.1 Shares held by Executive KMP

The number of ordinary shares in the Company in which each Executive KMP had a relevant interest during FY23 is set out below.

This table does not include interests in shares arising from FY23 EIP Share Rights or LTI Performance Rights which are set out in section 12.2 (*Non-Executive Directors Shareholdings during FY23*) of this Remuneration Report.

		Balance at start of financial year	Acquisitions	Disposals	Balance at end of financial year
Jason Pellegrino	**FY23**	**787,536**	**–**	**60,000**	**727,536**
	FY22	732,791	1,161,037	1,106,292	787,536
John Boniciolli[(a)]	**FY23**	**–**	**–**	**–**	**0**
	FY22	–	–	–	–
Rob Doyle[(b)]	**FY23**	**0**	**–**	**–**	**0**
	FY22	0	416,416	416,416	0
Total	**FY23**	**787,536**	**–**	**60,000**	**727,536**
	FY22	732,791	1,577,453	1,522,708	787,536

(a) John Boniciolli commenced his role as CFO effective 6 February 2023.

(b) Rob Doyle ceased his role as CFO effective 17 February 2023.

11.2 Total incentive instruments allocated to Executive KMP

The table below lists the total incentive securities (on an aggregate basis). It includes:

Those which have vested or lapsed in FY23, being:

- FY22 EIP (deferred) Share Rights; and
- FY21 LTI Performance Rights

Those which have not yet vested or lapsed, being:

- FY22 LTI Performance Rights; and
- FY23 LTI Performance Rights

	Balance as at 1 July 2022	Granted as remuneration[(a)]	Vested during the year	Forfeited during the year	Other movement	Balance as at 30 June 2023[(f)]
Jason Pellegrino	738,176	514,074	108,774[(b)]	326,324	–	817,152
John Boniciolli	–	94,908[(d)]	–	–	–	94,908
Rob Doyle	299,204	190,643	–	489,847[(c)(e)]	–	0
Total	**1,037,380**	**799,625**	**108,774**	**816,171**	**–**	**912,060**

(a) The granting of FY23 LTI Performance Rights and FY22 EIP Share Rights in FY23 – see sections 8.1 (*FY23 LTI Performance Rights*) and 7.2 (*FY22 Deferred EIP vesting outcomes*) respectively.

(b) The Board exercised its discretion to award 50% of the rTSR Tranche for the FY21 LTI to the CEO. The remaining portion of the FY21 LTI grant was lapsed in full.

(c) The FY21 LTI plan measures were tested at the end of the performance period and did not achieve threshold performance. As a result, Mr Doyle's FY21 LTI grant has been lapsed in full – see section 8.2 (*FY21 LTI Outcomes*).

(d) John Boniciolli tendered his resignation as CFO after the end of FY23 in August 2023. His termination date will be in early November 2023 following the Annual General Meeting on 8 November 2023. As a result, John's FY23 LTI grant will be lapsed in full upon termination – see section 8.1 (*FY23 LTI Performance Rights*).

(e) Rob Doyle resigned on 17 February 2023 and as a result his FY22 LTI Performance Rights and FY23 LTI Performance Rights lapsed in full. In accordance with the terms of his termination agreement, Rob Doyle was paid out a cash equivalent of his entitlement to his FY22 EIP Share Rights which subsequently lapsed in full – see sections 7.2 (*FY22 Deferred EIP vesting outcomes*) and 8.1 (*FY23 LTI Performance Rights*) respectively.

(f) The ending balance does not include those Share Rights and Performance Rights that have lapsed or vested in the year.

12. Remuneration of Non-Executive Directors

Under Domain's Constitution, the aggregate remuneration of Non-Executive Directors is set by resolution of the Company's shareholders. The annual maximum aggregated amount is currently $1.5 million (FY22: $1.5 million), inclusive of superannuation and exclusive of reimbursement of expenses. The maximum aggregate remuneration amount has been set to enable the appointment of additional Non-Executive Directors, if required. Within this limit, the Board annually reviews Non-Executive Directors' remuneration with recommendations from the People, Culture and Sustainability Committee. The Board also considers survey data on Non-Executive Directors' fees paid by comparable companies and any independent expert advice commissioned.

Changes to Directors' Fees in FY23

Domain's Directors' fees had not increased in the five-year period since Domain listed on the Australian Stock Exchange in November 2017. As reported in last year's Annual Report, a full internal review was undertaken during FY22 to compare Directors' fees against market rates at Australian organisations of comparable size and complexity. From this review it was evident that our Directors' fees had fallen below market peers, and so from FY23 Directors' fees (including the Chairman's fee and Committee Chair fees) were increased by an average of 23%, effective from 1 July 2022. Over the five-year period since the Directors' fees were first set, this represents an average annual increase of approximately 4.2% per year. The maximum aggregate remuneration amount after this increase remains within the limit of $1.5 million noted above.

Executive Directors' remuneration is not included in the maximum aggregate fee amount. The only Executive Director during FY23 was the CEO.

Board and Committee fees payable per member in FY22 and from FY23 are as follows.

Fees	FY22	From FY23
Chairman's Fee	$250,000	$310,000
Director's Fee	$110,000	$135,000
Additional Fees		
Chair of the Audit and Risk Committee	$25,000	$30,000
Audit and Risk Committee supplementary fee	$18,000	$18,000
Chair of the People, Culture and Sustainability Committee	$20,000	$25,000
People, Culture and Sustainability Committee supplementary fee	$15,000	$15,000
Chair of the Nominations Committee	$0	$0
Nominations Committee supplementary fee	$0	$0

The Chairman does not receive Committee fees.

Retirement Benefits and Termination Benefits for Non-Executive Directors

The above amounts are inclusive of superannuation (if applicable). Other than superannuation contributions made on behalf of Non-Executive Directors in accordance with statutory requirements, Non-Executive Directors are not entitled to any post-appointment or retirement benefits.

12.1 Non-Executive Directors' Fees

Directors nominated by Nine

During FY23, Domain had Directors on the Board who were nominated by Domain's major shareholder, Nine (Rebecca Haagsma and Mike Sneesby). These Directors were paid as executives of Nine and are not paid Directors' fees by Domain.

For accounting purposes, in the table below an amount is attributed to them as 'Non-Executive Directors' Fees' for their roles as Directors of Domain. This amount is equivalent to the annual Directors' fees amount for Non-Executive Directors that are remunerated by Domain ($135,000 – see the table above) for FY23. Domain did not actually pay the amounts shown in the table to the Nine nominated Non-Executive Directors. Accordingly, the amounts shown for those Directors in the table below do not form part of the pool of aggregate remuneration of Non-Executive Directors set out in section 10 (*Executive Service Agreements*) of this Remuneration Report (currently $1.5 million). Details of the remuneration of the Nine nominated Non-Executive Directors paid to them by Nine in FY23 are not set out in this Remuneration Report.

Project Zipline Share Rights, being rights over shares in the Company, were granted to some Non-Executive Directors as part of remuneration prior to FY22 – details of these are set out in the FY21 and FY22 Remuneration Reports.

Fees paid to Non-Executive Directors during FY23 and FY22

Non-Executive Director		Non-Executive Directors' Fees	Superannuation	Fair Value of Project Zipline Share Rights	Total
Diana Eilert	**FY23**	**$161,705**	**$16,979**	**–**	**$178,685**
	FY22	$135,063	$13,506	$10,519	$159,088
Greg Ellis	**FY23**	**$132,263**	**$3,256**	**–**	**$135,519**
	FY22	$107,885	$2,708	$7,818	$118,410
Nick Falloon	**FY23**	**$285,803**	**$25,292**	**–**	**$311,095**
	FY22	$228,146	$22,815	$17,769	$268,730
Geoff Kleemann	**FY23**	**$163,523**	**$17,170**	**–**	**$180,692**
	FY22	$136,888	$13,689	$10,661	$161,238
Mike Sneesby[(a)]	**FY23**	**$122,172**	**$12,828**	**–**	**$135,000**
	FY22	$100,000	$10,000	–	$110,000
Rebecca Haagsma[(b)]	**FY23**	**$101,419**	**$10,649**	**–**	**$112,068**
	FY22	–	–	–	–
Lizzie Young[(c)]	**FY23**	**–**	**–**	**–**	**–**
	FY22	$100,000	$10,000	–	$110,000
Total	**FY23**	**$966,885**	**$86,174**	**–**	**$1,053,059**
	FY22	$807,982	$72,718	$46,767	$927,466

(a) Mike Sneesby was appointed as Non-Executive Director effective 21 April 2021. As noted above, Mike Sneesby is a Director nominated by Domain's major shareholder, Nine and is paid as an executive of Nine. Mike Sneesby is not paid Directors' Fees by Domain. For accounting purposes, an amount is attributed as 'Non-Executive Directors' Fees' for his role as a Director but this amount is the annual Directors' Fees amount for Non-Executive Directors that are remunerated by Domain ($135,000 – see the table above) for FY23. Domain did not pay the amounts shown in the table to Mike Sneesby.

(b) Rebecca Haagsma was appointed as Non-Executive Director effective 1 September 2022. As noted above, Rebecca Haagsma is a Director nominated by Domain's major shareholder, Nine and is paid as an executive of Nine. Rebecca Haagsma is not paid Directors' Fees by Domain. For accounting purposes, an amount is attributed as 'Non-Executive Directors' Fees' for her role as a Director but this amount is the annual Directors' Fees amount for Non-Executive Directors that are remunerated by Domain ($135,000 – see the table above) for the period from 1 September 2022 to 30 June 2023 (the period in FY23 during which she was a Director). Domain did not pay the amounts shown in the table to Rebecca Haagsma.

(c) Lizzie Young was a Non-Executive Director from 1 February 2020 to 30 June 2022. As a Director nominated by Domain's major shareholder, Nine and was paid as an executive of Nine. Lizzie Young was not paid Directors' Fees by Domain. For accounting purposes, an amount is attributed as 'Non-Executive Directors' Fees' for her role as a Director but this amount is the annual Directors' Fees amount for Non-Executive Directors that are remunerated by Domain ($110,000 – see the table above) for FY22. Domain did not pay the amounts shown in the table to Lizzie Young.

12.2 Non-Executive Directors Shareholdings during FY23

The number of ordinary shares in the Company in which each Non-Executive Director has a relevant interest during FY23 is set out below. These shares represent those purchased on market by the Non-Executive Directors with their own personal funds. No shares in the Company were granted during FY23 to Non-Executive Directors as remuneration.

Project Zipline Share Rights, being rights over shares in the Company, were granted to some Non-Executive Directors as part of remuneration prior to FY22 – details of these are set out in the FY21 and FY22 Remuneration Reports.

	Balance as at 1 July 2022	Acquisitions	Disposals	Balance as at 30 June 2023
Diana Eilert	66,828	–	–	66,828
Greg Ellis	11,440	13,686	–	25,126
Nick Falloon	692,123	31,105	–	723,228
Geoff Kleemann	85,044	–	–	85,044
Rebecca Haagsma	–	–	–	–
Mike Sneesby	–	–	–	–
Total	**855,435**	**44,791**	**–**	**900,226**

12.3 Relevant interests of Directors in related bodies corporate of Company during FY23

The relevant interests of the Non-Executive Directors in shares or other relevant securities of related bodies corporate of the Company during FY23 are set out below.

The relevant interests of the Executive KMP, being the CEO and the CFO, in shares of the Company are set out in the table in section 11.1 (*Shares held by Executive KMP*) of this Remuneration Report.

The relevant interests of the KMP (other than the Executive KMP), being the Chairman and the Non-Executive Directors, in shares of the Company during FY23 are set out in the table in section 12.2 (*Non-Executive Directors Shareholdings during FY23*) of this Remuneration Report.

Where a Director is not included in the table, they did not have any relevant interest in relevant securities of related bodies corporate of the Company during FY23.

Director	Related body corporate	Balance in which Director had relevant interest as at 1 July 2022	Balance in which Director had relevant interest as at 30 June 2023
Nick Falloon	Nine Entertainment Co. Holdings Limited	396,222 ordinary shares	396,222 ordinary shares
Rebecca Haagsma[(a)]	Nine Entertainment Co. Holdings Limited	487 ordinary shares	487 ordinary shares 67,312 performance rights
Mike Sneesby	Nine Entertainment Co. Holdings Limited	127,772 ordinary shares 889,855 performance rights	388,560 ordinary shares 1,716,496 performance rights

(a) Rebecca Haagsma was appointed as Non-Executive Director effective 1 September 2022.

Further information on securities in Nine Entertainment Co. Holdings Limited is available in its annual report and other ASX disclosures.

13. Additional Information

13.1 Loans in relation to KMP during FY23

There were no loans made, guaranteed or secured, directly or indirectly, by any member of the Domain Group in relation to any KMP, close members of the family of KMP, or entities over which any such persons have, directly or indirectly, control, joint control or significant influence during FY23 (FY22: nil).

13.2 Remuneration Consultants

No remuneration consultant (within the meaning of the Corporations Act) made any remuneration recommendation in relation to any of the KMP for FY23.

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Corporate Governance

Corporate Governance Statement

1. This Corporate Governance Statement

The Board has overarching responsibility for corporate governance of Domain Holdings Australia Limited (**Company** or **Domain**) and its controlled entities (**Domain Group**). The Board recognises that strong corporate governance protects the interests of Domain's shareholders and is core to enhancing shareholder value. The Board has adopted policies and procedures which are aimed at supporting a high standard of corporate governance.

This corporate governance statement (**Corporate Governance Statement**) sets out the key features of the framework that Domain has in place to achieve good corporate governance outcomes. It reports on Domain's policies, practices and procedures during the Reporting Period (as defined below) against the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) (**ASX Recommendations**) and discloses the extent to which Domain has followed the ASX Recommendations.

The relevant reporting period for this Corporate Governance Statement is Domain's 2023 financial year which commenced on 1 July 2022 and ended on 30 June 2023 (**Reporting Period**).

This Corporate Governance Statement is current as at 17 August 2023 and has been approved by the Board.

Domain has adopted a number of policies and procedures designed to ensure that it is appropriately governed and managed.

More information about Domain's corporate governance and copies of:

- Domain's Constitution;
- Domain's Board Charter and Board Committee Charters; and
- Domain Group policies and guidelines – including Domain's Securities Trading Policy, Continuous Disclosure Policy, Code of Conduct, Supplier Code of Conduct, Inclusion and Belonging Statement, Speak Up Policy and Anti-Bribery and Corruption Policy,

are available in the Corporate Governance section of Domain's Shareholder Centre website at shareholders.domain.com.au.

In addition, more information about Domain's Environmental, Social and Governance (**ESG**) management practices is available at Domain's ESG website at www.domain.com.au/group/esg/.

Investors can also find information on the Company, including financial statements, investor presentations and ASX announcements, at Domain's Shareholder Centre website at shareholders.domain.com.au.

2. Board of Directors

As at the date of this Corporate Governance Statement, Domain has seven Directors on its Board, comprising six Non-Executive Directors and the Managing Director (**CEO**). Of the Non-Executive Directors, three are independent Non-Executive Directors and three are non-independent Non-Executive Directors.

There was one change to the Board during the Reporting Period. Rebecca Haagsma, a non-independent Non-Executive Director, was appointed as a Director effective 1 September 2022.

The Non-Executive Directors, together with the Managing Director, bring a diverse range of skills and knowledge to the Board, including strong financial, risk, commercial and social expertise. The Directors' Report on pages 31-42 of this Annual Report provides details of:

- the Directors, including their appointment dates, qualifications and experience;
- the members of the Board Committees; and
- the number of Board and Board Committee meetings held during the Reporting Period and details of each Director's attendance at those meetings.

3. Role of the Board and Delegation of Authority

Overview of the Role of the Board

The roles and responsibilities of the Board are set out in the Board Charter. A copy of the Board Charter is available at Domain's Shareholder Centre website at shareholders.domain.com.au.

The Board Charter sets out the Board's role, its composition, and the way it exercises and discharges its powers and responsibilities having regard to principles of good corporate governance. In accordance with the ASX Recommendations, Domain discloses the respective roles and responsibilities of the Board and the matters delegated to management through disclosure of its Board Charter and this Corporate Governance Statement.

The Board's role is to:

- represent and serve the interests of shareholders by overseeing Domain's strategies, policies and performance;
- protect and optimise Company performance and build sustainable value for shareholders in accordance with any duties and obligations imposed on the Board by law and the Company's Constitution and within a framework of effective controls that enables risk to be assessed and managed;
- set, review and monitor compliance with Domain's culture and governance framework; and
- monitor that shareholders are kept informed of Domain's performance and major developments affecting its state of affairs.

The Board's responsibilities and reserved matters include:

- appointing the CEO and evaluating the CEO's performance and remuneration;
- monitoring the performance of the CEO and Executive Leadership Team (as defined below) and, where required, providing feedback to and challenging the CEO and Executive Leadership Team;
- monitoring corporate performance and implementation of strategy and policy;
- approving major capital expenditure, acquisitions and divestitures;
- overseeing capital management, including approving dividend payments;
- monitoring and reviewing management processes aimed at ensuring the integrity of financial and other reporting;
- approving financial reports, profit forecasts and other reports required by law or under the ASX Listing Rules to be adopted by the Board; and
- evaluating, at least annually, the performance of the Board, its Committees and individual Directors.

Consistent with the commentary to the ASX Recommendations, the Board Charter sets out the roles and responsibilities of the Chairman. Under the Board Charter, the Chairman is responsible for leading the Board, facilitating effective contribution of all Directors and promoting respectful and constructive communication between Directors and between the Board and management.

Under the Board Charter, the Board collectively, and each Director individually, has the right to seek independent professional advice, subject to the approval of the Chairman.

Delegation to Board Committees

The Board establishes Board Committees to assist with discharging its responsibilities.

Further details about:

- the duties and responsibilities of each Board Committee are set out in section 11 (*Board Committees*) of this Corporate Governance Statement; and
- the members of each Board Committee are set out in the Directors' Report on pages 31-42 of this Annual Report.

Delegation to Management

The Board has appointed Jason Pellegrino as the CEO of the Company. He is responsible for the overall management of the Domain Group in accordance with the business strategy approved by the Board. The Board Charter provides that while the Board retains ultimate responsibility for the strategy and performance of the Company, the day-to-day operation of the Company is conducted by, or under the supervision of, the CEO as directed by the Board.

Further details of the roles and responsibilities of management are set out in section 9 (*Executive Leadership Team*) of this Corporate Governance Statement.

The management team that reports to the CEO (these managers together with the CEO being the **Executive Leadership Team**) support him with specific duties and responsibilities in the day-to-day operations of the Domain Group. Members of the Executive Leadership Team regularly attend and provide reports at Board and Board Committee meetings.

Details of the members of the Executive Leadership Team are available at Domain's website at domain.com.au/group/about-us/our-people/.

4. The Directors and Independence

Board Members

The Directors' Report on pages 31-42 of this Annual Report gives details of the Directors including their length of service and experience.

Independent Directors

Three out of the six Non-Executive Directors on the Board are considered by the Board to be independent Directors: Diana Eilert, Greg Ellis and Geoff Kleemann.

The independent Directors were identified and selected through an external search process. In accordance with the ASX Recommendations, they are not aligned with the interests of management, a substantial security holder or any other relevant stakeholder and they can and do bring independent judgement to bear on issues before the Board. Diana Eilert, Greg Ellis and Geoff Kleemann have served as Directors during all of the Reporting Period. No Directors have served in that position for more than 10 years.

Non-Independent Directors

Non-Executive Directors

The other three Non-Executive Directors on the Board as at the date of this Corporate Governance Statement are Nick Falloon, Rebecca Haagsma and Mike Sneesby. Those Non-Executive Directors are considered by the Board to be non-independent due to their connection with Nine Entertainment Co. Holdings Limited (**Nine**), Domain's majority shareholder.

Nick Falloon served on the Board of Nine, including as Deputy Chairman, from December 2018 (since completion of Nine's merger with Fairfax Media Limited) until November 2022. While Mr Falloon is not a Director of Nine as at the date of this Corporate Governance Statement, he is considered to be a non-independent Director given his historical position with Nine, including during part of the Reporting Period. The Board assesses the Directors' independence status periodically and will assess Mr Falloon's independence over time accordingly.

Rebecca Haagsma is an employee of Nine, as its Chief Product Officer

Mike Sneesby is on the Board of Nine and is also employed by Nine as its Chief Executive Officer.

In addition, Mr Falloon, Ms Haagsma and Mr Sneesby each hold interests in Nine as set out in notices of Directors' interests (Appendix 3X or 3Y) lodged by the Company via the ASX Market Announcements Platform.

CEO

Jason Pellegrino, the CEO of Domain and a Director, is also considered by the Board to be non-independent given he is employed in an executive capacity by Domain and receives performance-based remuneration.

Assessments and reviews

The Board has considered and assessed the interests of each of the non-independent Directors and determined that their interests will not interfere with that Director's capacity to bring independent judgement to bear on issues before the Board and to act in the best interests of the entity and its shareholders generally. The Board considers that their interests are of the type that engender a strong commitment to the success of Domain and the building of sustainable long term shareholder value. In addition, the Board has procedures in place to ensure that independent Director discussion occurs at each Board meeting.

During the Reporting Period, the Nomination Committee undertook an annual review of the status of every Director and made a recommendation to the Board as to their independence. The Board determined that the independent/non-independent status of each of the Directors remained unchanged and continues to be as set out in this Corporate Governance Statement.

Balance of Independent and Non-Independent Directors

As at the date of this Corporate Governance Statement, Domain has seven Directors on its Board. A majority (four of seven) of the Directors are non-independent Directors.

Whilst not in line with the ASX Recommendation that a majority of Directors should be independent, the Board considers the current mix of independent and non-independent Directors to be appropriate and reflects Nine's majority shareholding in Domain.

At the beginning of each Board meeting, there is a period allocated for the Non-Executive Directors to confer without the senior executives present at the meeting. There is also allocated time in each Board meeting for an independent Director discussion, led by independent Director Geoff Kleemann, during which the non-independent Directors leave the meeting.

5. Board Skills

The Directors each bring to the Board a valuable depth of knowledge and experience. They represent a cross-section of industries and provide a diverse range of skills including strong financial, risk, commercial and social expertise.

The following table sets out the Board's skills matrix, being the skills, experience and diversity of the Directors on the Board as at the date of this Corporate Governance Statement.

The Directors completed a self-assessment questionnaire identifying their relevant experience or expertise in relation to a skills matrix developed by the Nomination Committee and approved by the Board. The results were reviewed and discussed by the Board and are reflected in the following table.

Category	Percentage of Directors with substantial or extensive expertise
Media expertise Expertise and experience in the media industry at a very senior level	100%
Strategy/risk Expertise in the development and implementation of strategic plans and risk management to deliver investor returns over time	100%
Executive leadership Experienced and successful leadership at a very senior executive level of large organisations	100%
Marketing and product development Expertise and senior executive experience in marketing and new media marketing metrics and tools	71%
Financial acumen Expertise in understanding financial accounting and reporting, corporate finance and internal financial controls, including an ability to probe the adequacies of financial and risk controls	86%
Remuneration Expertise in remuneration design to drive business success	71%
Capital projects, acquisitions and divestitures Experience in evaluating and implementing projects involving large-scale financial commitments, investment horizons and major transactions	86%
Governance Knowledge and experience of high standards of corporate governance, including ASX Listing Rules and practices	71%
Technology and data Expertise and experience in the adoption of new technology and technology projects and in the use of data and data analytics to drive successful sales, marketing and business development	71%
Health, safety and corporate responsibility Expertise related to workplace health and safety, environmental, community and social responsibility	43%
Public policy Experience in public and regulatory policy, including how it affects business	57%

The Nomination Committee assists the Board in considering the Directors' ongoing education and ensuring that there are processes in place to allow each of the Directors to maintain the skills and knowledge needed to perform their role as a Director effectively.

6. Director Appointment, Rotation and Succession Planning

Appointment and Induction of Directors

The Nomination Committee assists the Board when appointing new Directors and when considering the re-election of existing Directors. Under the Nomination Committee Charter, candidates must demonstrate they have the skills, experience, expertise and personal qualities that will best complement Board effectiveness and promote Board diversity, having regard to the Board skills matrix and the existing composition of the Board. In addition, candidates must also show they can provide the necessary time and commitment and meet any independence requirements. All potential Directors are subject to appropriate background checks before they are appointed as a Director or put forward to shareholders for election as a Director.

There was one appointment of a new Director during the Reporting Period. As set out in section 2 (*Board of Directors*) of this Corporate Governance Statement, on 12 August 2022, the Company announced that Rebecca Haagsma would be appointed as a Director effective 1 September 2022. A background check for Rebecca Haagsma was completed prior to her appointment.

Domain has a process for inducting new Directors and each new Director receives induction information including the key corporate governance policies and charters of the Company. As part of the Director induction and Board evaluation process, the Board, with support from the Nomination Committee, considers the skills and knowledge of each of the Directors and whether professional development is required to maintain and grow their skills and knowledge so they can perform their role effectively. Management regularly briefs the Directors on material developments in laws, regulations and accounting standards relevant to Domain.

Director Appointment Letter

All new Directors receive a written appointment letter setting out the terms of their appointment. Rebecca Haagsma received such an appointment letter prior to her appointment as a Director effective 1 September 2022.

In line with the commentary to the ASX Recommendations, for Non-Executive Directors the appointment letters address:

- the requirement to disclose the Director's interests and any matters which could affect the Director's independence;
- the requirement to comply with key corporate policies;
- when Directors may seek independent professional advice at the expense of the Company;
- indemnity and insurance arrangements;
- ongoing rights of access to corporate information; and
- ongoing confidentiality obligations.

Director Shareholdings

Directors are encouraged to hold shares in Domain. Directors' appointment letters set out the Board's policy that new Directors must accumulate, during the period of four years from appointment, a portfolio of Domain shares equal to the value of 25% of annual Directors' fees per year for that four years (25% x 4), valued at the time of purchase.

As noted in the Remuneration Report on pages 45-67 of this Annual Report, not all Non-Executive Directors are remunerated by Domain. Directors nominated by Domain's major shareholder, Nine, are not paid Directors' fees by Domain, and accordingly this policy does not apply to them. Of the Directors as at 30 June 2023, there were two Directors nominated by Nine in this position (Rebecca Haagsma and Mike Sneesby).

Details of interests in Domain held by Directors are set out in the Remuneration Report on pages 45-67 of this Annual Report.

Director Rotation

Domain's 2023 Annual General Meeting will be held on 8 November 2023.

Under Domain's Constitution:

- at least one Director is required to stand for re-election at each Annual General Meeting;
- a Director (that is not the Managing Director) appointed to fill a casual vacancy or an addition to the Board must not hold office (without re-election) past the next Annual General Meeting; and
- a Director (that is not the Managing Director) must not hold office (without re-election) past the third Annual General Meeting following the meeting at which they were last elected or re-elected.

The Nomination Committee assists the Board to determine which Director(s) will stand for re-election. In the Notice of Meeting for the Annual General Meeting, the Company will announce the details of the Director(s) standing for re-election and will provide shareholders with all material information in its possession about the Director(s) relevant to a decision by shareholders on whether or not to re-elect the Director standing for re-election.

Consistent with the above, at Domain's most recent Annual General Meeting on 9 November 2022:

- Rebecca Haagsma who was appointed as a Director by the Board effective 1 September 2022, retired and offered herself for election;
- Nick Falloon and Geoff Kleemann, who were each last re-elected as Directors at Domain's 2019 Annual General Meeting, each retired and offered themselves for re-election as Directors (under separate resolutions).

The notice for that Annual General Meeting contained all material information in Domain's possession relevant to a decision on whether or not to elect or re-elect those persons as Directors, including biographical details (relevant qualifications and experience, and the skills they brought to the Board), confirmation that Domain had conducted appropriate background checks prior to the appointment of Rebecca Haagsma as a Director, and statements that the Board supported each re-election and a summary of the reasons why. The resolutions to re-elect each of them were carried.

Evaluation of Board, Board Committees and Directors

The Company has a process for periodically evaluating the performance of the Board, the Board Committees and individual Directors.

During the Reporting Period, the Board conducted a review of its structure and composition. The Nomination Committee assisted the Board with this review process. The Board determined that there was no requirement to change the existing composition or size of the Board based on the range of skills possessed by the current Directors.

Shortly after the end of the Reporting Period, the Board conducted a review of the performance of the Board, the Board Committees and individual Directors. The objective of the review was continuous governance improvement and to identify Board performance and governance improvement opportunities. Consistent with the ASX Recommendations (which recommend boards consider periodically using external facilitators to conduct performance reviews), the Board used external facilitators to conduct its performance review in respect of the Reporting Period.

The review covered individual Directors, the Chairman, Chairs of Committees, the Board as a whole as well as the Board Committees. The evaluation process considered topics including:

- Board composition;
- Chair leadership (Board and Committees);
- performance (Board and Committees);
- risk management;
- relationship between Board and management;
- Board culture;
- Board processes and papers; and
- talent, succession and remuneration.

7. Board Chairman

The Board appoints the Chairman, who represents the Board to the shareholders and communicates the Board's position.

Domain's Chairman is Nick Falloon. Mr Falloon was Deputy Chairman of Nine until November 2022. Nine is a substantial shareholder of Domain. As noted in section 4 (*The Directors and Independence*) of this Corporate Governance Statement, as a result of his interests in Nine, he is considered to be a non-independent Director (notwithstanding that he has ceased to be a director of Nine).

Whilst not following the ASX Recommendation that the Chair should be an independent Director, the Board considers Nick Falloon to be the most appropriate person to lead the Board, given his expertise and experience. Consistent with the ASX Recommendations, the Chair is not the same person as the CEO.

The Board is comfortable that Nick Falloon brings objective and independent judgement to all of the Board's deliberations. Not withstanding this, Geoff Kleemann, an independent Non-Executive Director, has been appointed by the Board to act as the independent Chair in relation to any matters where Nick Falloon may be conflicted. The Board has a standing item on its Board meeting agenda, chaired by Geoff Kleemann, for independent Director discussion. The non-independent Directors are not present for that agenda item.

8. CEO

The CEO is appointed by the Board and is responsible for the Company's day-to-day management, financial performance and administration. Jason Pellegrino served as Domain's CEO during the Reporting Period.

9. Executive Leadership Team

During the Reporting Period, the Executive Leadership Team consisted of the CEO, the Chief Financial Officer (**CFO**) and other managers delegated with management functions by the CEO. Details of the members of the Executive Leadership Team are available at Domain's website at domain.com.au/group/about-us/our-people/.

The members of the Executive Leadership Team are leaders within the business who possess deep expertise and drive and implement Domain's key objectives under the supervision of the CEO. They are committed to providing the Board with sufficient information to enable them to understand relevant risks of the business and to discharge their duties effectively.

The members of the Executive Leadership Team are employed under individual written executive service agreements which set out the terms of their employment, and Domain has a process to conduct appropriate checks for new employees being appointed to the Executive Leadership Team.

During the Reporting Period, three people were appointed to the Executive Leadership Team – Sev Thomassian, Chief Strategy & Corporate Development Officer (on 1 July 2022), John Boniciolli, Chief Financial Officer (on 6 February 2023), and Alison Hancock, Chief People Officer (on 5 June 2023). These persons all entered into individual written executive services agreements and appropriate background checks were completed.

Domain operates a regular 'check-in' process to enable employees and managers to provide regular feedback and discuss performance throughout the year. During the Reporting Period, the members of the Executive Leadership Team had regular check-in meetings with the CEO to discuss their key priorities and deliverables and their performance against those priorities and deliverables. In addition, the CEO had regular check-in meetings with the Chairman and also with the Chairs of Board Committees.

In addition to regular check-ins, the members of the Executive Leadership Team are evaluated over a period of 12 months against key performance criteria aligned with the strategic priorities of the business. The performance evaluations in respect of the Reporting Period were conducted between the end of the Reporting Period and the date of this Corporate Governance Statement. Throughout the year, the Executive Leadership Team collectively reviews delivery and performance of the strategic priorities as a group and the CEO also conducts individual reviews with Executive Leadership Team members.

The CEO's performance is evaluated by the Board. The CEO's final end of year review usually occurs after the end of each financial reporting year in respect of the previous financial year. The CEO's annual performance review against his key performance criteria was undertaken by the Chairman, in consultation with the other members of the Board, between the end of the Reporting Period and the date of this Corporate Governance Statement.

10. Company Secretary

The Company Secretary is appointed by the Board and is accountable directly to the Board through the Chairman on all matters to do with the proper functioning of the Board. The Company Secretary is responsible for the coordination of all Board matters relating to the proper functioning of the Board including agendas, Board papers, minutes, communication with regulatory bodies and all statutory and other filings.

Consistent with the commentary to the ASX Recommendations, each Director is able to communicate directly with the Company Secretary and vice versa.

Catriona McGregor is Domain's Company Secretary and Amy Spira is Domain's Deputy Company Secretary. The qualifications and experience of the Company Secretary and Deputy Company Secretary are set out in the Directors' Report on pages 31-42 of this Annual Report.

11. Board Committees

The Board has three standing Board Committees:

- the Audit and Risk Committee;
- the People, Culture and Sustainability Committee; and
- the Nomination Committee.

Board Committees – Charters

Copies of the charters of each of the Board Committees are available at Domain's Shareholder Centre website at shareholders.domain.com.au.

Audit and Risk Committee

Roles and responsibilities

The roles and responsibilities of the Audit and Risk Committee are set out in the Audit and Risk Committee Charter.

The Audit and Risk Committee is responsible for overseeing Domain's:

- relationship with the external auditor and the audit function generally (including its quality);
- financial and other periodic corporate reporting;
- internal controls and systems; and
- processes for identification and management of financial and non-financial risk.

Membership and Chair of Committee

The Audit and Risk Committee has three members all of which are Non-Executive Directors. A majority of the members of the Audit and Risk Committee are independent Directors.

The Chair of the Committee is Geoff Kleemann. He is an independent Director and, consistent with the ASX Recommendations, he is not the Chairman of the Board. Geoff Kleeman acts as the independent Chair in relation to any matters raised at a Board meeting where Nick Falloon (the Chairman of the Board) may be conflicted.

The Board considers that Geoff Kleemann is the appropriate person to act as the independent Chair of the Board in relation to any matters or decisions where the Chairman has a conflict. Geoff Kleemann has relevant financial and risk expertise having operated as Chief Financial Officer and Chair of the audit committee for a number of other listed entities.

People, Culture and Sustainability Committee

Roles and responsibilities of Committee

The roles and responsibilities of the People, Culture and Sustainability Committee are set out in the People, Culture and Sustainability Committee Charter.

The People, Culture and Sustainability Charter was updated during the Reporting Period to ensure that the following matters were adequately addressed within the People, Culture and Sustainability Committee's remit:

- diversity and inclusion – including development and implementation of Domain's diversity and inclusion goals; and
- ESG and sustainability – including to monitor and address sustainability and ESG-related risks across the Domain Group.

The People, Culture and Sustainability Committee (which also operates as a remuneration committee) has been in place throughout the Reporting Period and is responsible for overseeing the development of Domain's People Experience strategies to support the Company.

The People, Culture and Sustainability Committee's responsibilities include:

- approving major changes and developments in the remuneration policies, superannuation arrangements, personnel practices and industrial relations strategies for the Domain Group;
- reviewing and recommending to the Board employment and remuneration arrangements for the CEO including contract terms, annual remuneration and participation in the Company's incentive plans;
- monitoring and reviewing Domain's strategies, processes and risk management policies to promote a safe and positive working culture, including by reviewing and approving the direction of the Company's policies to build a sustainable future (financially and otherwise);
- reviewing the Company's employee engagement objectives, plans and measurement;
- approving bullying and harassment policies; and
- approving policies and procedures related to senior management recruitment, retention, performance assessment and termination.

In addition, the People, Culture and Sustainability Committee provides support to the Board and management in overseeing the development and implementation of an ESG strategy and related policies.

Membership and Chair of Committee

The People, Culture and Sustainability Committee comprises three Non-Executive Directors, a majority of whom are independent with an independent Director, Diana Eilert, as Chair.

Executive Directors are not involved in deciding their own remuneration or setting the remuneration of other executives that may indirectly affect their own, consistent with the commentary to the ASX Recommendations.

Nomination Committee

Roles and responsibilities of Committee

The roles and responsibilities of the Nomination Committee are set out in the Nomination Committee Charter.

The Nomination Committee assists the Board to ensure its diversity and that its Directors have a broad mix of skills, expertise and experience. It makes recommendations to the Board on the Board's size and composition, the criteria for nomination as a Director and the membership of the Board more generally.

The Nomination Committee also assists the Board to evaluate the performance of the Board as a whole, as well as that of Board Committees and individual Directors. It also ensures there are processes in place to support Director induction and education, and to regularly review Directors' commitment and effectiveness.

Consistent with the commentary to the ASX Recommendations, the Nomination Committee is permitted under the Nomination Committee Charter to seek the advice of independent advisers, consultants and specialists as to any matter pertaining to the powers or duties of the Nomination Committee or its responsibilities.

Membership and Chair of Committee

The Nomination Committee comprises three Non-Executive Directors, a majority of whom are independent, with an independent Director, Geoff Kleemann, as Chair.

Also consistent with the commentary to the ASX Recommendations, the Chairman does not chair the Nomination Committee and so a separate Chair is not required should the Nomination Committee deal with the appointment of a successor to the Chairman.

Board Committees – Membership, Meetings and Attendance, and Relevant Qualifications and Experience

Details of the membership of each of the Board Committees, the number of times each Board Committee met during the Reporting Period, and how many meetings each member attended are set out in the Directors' Report on pages 31-42 of this Annual Report.

In addition to the matters set out in this section 11 (*Board Committees*) of this Corporate Governance Statement, the relevant qualifications and experience of the members of the Audit and Risk Committee are set out in the Directors' Report on pages 31-42 of this Annual Report.

12. Values and Code of Conduct

Values

Domain has four values which represent what Domain employees believe are important standards of behaviour. These values guide Domain in achieving its purpose of inspiring confidence in life's property decisions:

Open Minds Open Doors

And closed minds close them. We're always up for looking at things through each other's eyes.

Passion is Contagious

So we don't keep it to ourselves. We share our energy, drive, determination, celebration and pride.

Have Adventures

Big ones. Small ones. The kind that makes our time here all the more meaningful.

Leap Grow Repeat

We admire the leap; learning when we fall, celebrating when we land, and then leaping all over again.

Domain's values are publicly disclosed on its ESG (Social) website at domain.com.au/group/esg/social/, and are also promoted externally as part of Domain's employee recruitment.

Domain employees receive appropriate training on these values and the Executive Leadership Team frequently references and reinforces these values in their communications and interactions with staff, in recognition awards and performance evaluations.

Code of Conduct

Domain has a Code of Conduct, a copy of which is available at Domain's Shareholder Centre website at shareholders.domain.com.au.

The Code of Conduct applies to Directors, employees, interns, contractors, sub-contractors and employees of contractors and sub-contractors of Domain and its subsidiaries. It may also apply to contractors working on behalf of Domain, including Nine employees who work solely for Domain.

The Code of Conduct sets out the minimum standards of conduct expected of such persons, and aims to set honesty, trust and integrity as defining characteristics of the way these persons work, and to maintain transparency and promote the taking of accountability in dealing with teams and external parties. The Code of Conduct also sets out the responsibility of individuals for reporting Code breaches.

Under the Code of Conduct, employees are encouraged to raise concerns about behaviour which breaches the Code to their manager or People Experience representative as soon as possible, other than breaches involving financial malpractice or fraud (which are to be immediately reported to the CFO or the Chief Legal & Transformation Officer). Employees may call the Speak Up (Whistleblower) Hotline if they do not feel comfortable speaking to someone at Domain.

Depending on their nature, breaches of the Code of Conduct are reported to the Audit and Risk Committee and/or the People, Culture and Sustainability Committee (if appropriate) and material breaches are reported to the Board by the relevant Board Committee.

13. Suppliers, Whistleblowing and Anti-Bribery and Corruption

Supply Chain and Supplier Code of Conduct

Domain expects its suppliers to comply with social, environmental and ethical standards of behaviour, comply with legislation and meet the required standards of the International Labour Organisation (**ILO**) and the Australian Human Rights Commission.

Domain has implemented a Supplier Code of Conduct (**Supplier Code**) which sets out the minimum standards that Domain expects of its suppliers. The Supplier Code is available at Domain's Shareholder Centre website at shareholders.domain.com.au and is regularly sent to Domain's suppliers.

In addition to implementing the Supplier Code, Domain has reviewed its operations and supply chains to identify and address any modern slavery risks in its operating and supply chain. Domain complies with its reporting requirements under the *Modern Slavery Act 2018* (Cth). Domain's Modern Slavery Statement for the Reporting Period will be made available on or around the date of this Annual Report at Domain's ESG (Governance) website at domain.com.au/group/esg/governance/.

Whistleblowing

Domain has a Speak Up Policy (also known as a whistleblower policy) (**Speak Up Policy**). The Speak Up Policy was reviewed during the Reporting Period and was updated before the date of this Corporate Governance Statement to:

- incorporate and consolidate Domain's internal whistleblower guidelines (which are intended to support and guide those making, receiving, coordinating or investigating whistleblower reports) into the Speak Up Policy;
- ensure that the policy is aligned with the definition of eligible whistleblowers under relevant legislation; and
- set out details of Domain's Speak Up Whistleblower Hotline, including providing a description of the services it makes available to whistleblowers, the reporting process and response framework, and confidentiality and anonymity considerations.

The Speak Up Policy, including details of the Speak Up Hotline (the **Stopline Hotline**), is available at Domain's Shareholder Centre website at shareholders.domain.com.au. The Stopline Hotline is a confidential, independent, externally managed hotline which also enables whistleblowing reports to be made anonymously.

Under the Speak Up Policy, Domain encourages employees to raise concerns about incidents via a range of methods, including:

- the Stopline Hotline;
- the CFO;
- Chief People Officer;
- the CEO (for concerns relating to members of the Executive Leadership Team); and
- the Chairman (for concerns relating to any of the above persons).

Under the Speak Up Policy, the Audit and Risk Committee or the Board (as applicable) is to be provided with additional information about material incidents that are appropriate to be escalated to that Committee or the whole Board, subject to legally required levels of confidentiality.

Anti-Bribery and Corruption

The Company has an Anti-Bribery and Corruption Policy, available at Domain's Shareholder Centre website at shareholders.domain.com.au.

Under the Anti-Bribery and Corruption Policy, employees are to inform the CFO of any potential bribery or corruption in the Domain Group as soon as they become aware of it. Employees may also raise concerns relating to bribery and corruption via the Stopline Hotline.

Under the Anti-Bribery and Corruption Policy, once an issue is raised, the Executive Leadership Team must immediately inform the Board, and the Board will determine the next steps to be taken.

14. Diversity, Inclusion, Belonging and Human Rights

Inclusion and Belonging Commitment Statement (Diversity Policy)

The Domain Group is committed to providing a workplace that is inclusive, embraces all forms of diversity and has a sense of belonging for all.

Domain recognises that each individual brings their own unique capabilities, experiences and characteristics to their work. Domain values, respects and encourages diversity of Directors, employees, interns, work experience students, temporary agency supplied staff, contractors, sub contractors and employees of contractors or subcontractors as well as customers and suppliers. Diversity includes differences in age, cultural background, disability, ethnicity, family responsibilities, gender identity, language, marital status, religious belief and sexual orientation. It may also include other ways in which people are different, such as education,life experience, work experience and socioeconomic background.

Embracing a diverse and inclusive approach supports employee retention and provides Domain with access to a larger pool of talented employees for recruitment. Domain believes that continuing to focus on diversity and inclusion will assist the Company to achieve its strategic objectives and ultimately deliver greater financial performance and shareholder value. Domain recognises the benefits of an inclusive workplace, including reflecting the diversity of customers, audiences and the communities in which we operate, having employees bring their 'whole selves' to work, and providing for collaboration, innovation and diversity.

The People, Culture and Sustainability Committee oversees Domain's diversity, inclusion and belonging approach and the setting and achievement of its goals, including measurable objectives for achieving gender diversity.

Domain has adopted an Inclusion and Belonging Commitment Statement which is available at Domain's Shareholder Centre website at shareholders.domain.com.au.

As set out in the Inclusion and Belonging Commitment Statement, Domain has put in place measures to drive inclusion and belonging, including:

- reviewing all employee-related policies and guidelines with an inclusion lens;
- providing training and education to all employees to ensure they understand their roles and responsibilities for managing diversity and inclusion in the workplace. The 'Inclusion at Domain' training module is compulsory for all employees, and is an annual activity;
- seeking to deliver diverse shortlists as part of the recruitment process and challenging hiring managers to look for candidates that will be 'culture add' when joining the team;
- having diverse interview panels for roles;
- monitoring salaries to identify, eliminate and rectify any gender equity gaps; and
- providing flexibility to assist employees in balancing their work and personal responsibilities.

The Inclusion and Belonging Commitment Statement includes a requirement that it be reviewed by Domain's People, Culture and Sustainability Committee every two years or as required, and key parts of Domain's ESG Plan are initiatives to drive diversity and inclusion, with a requirement that the People, Culture and Sustainability Committee receives reports on progress under these initiatives.

Measurable Objectives

Domain is continuing to strive to improve its practices and recognises the importance of setting measurable objectives to achieve diversity. The People, Culture and Sustainability Committee oversees Domain's diversity and inclusion goals, including measurable objectives for achieving gender diversity.

During the Reporting Period, the People, Culture and Sustainability Committee had measurable objectives for achieving gender diversity in the composition of its Board, the Executive Leadership Team, its 'Senior Executives' and the workforce generally, with objectives of representation of at least 40% female and 40% male (with a 20% swing variance) across each of these groups by the end of 2023.

For the purposes of these objectives, 'Senior Executives' are persons holding Grade 5 roles under the Domain Job Architecture. Such persons are people leaders, who are seen as experts within the industry, with unique knowledge and extensive experience; they have deep subject matter expertise.

The Company's progress towards achieving the measurable objectives and its workforce gender demographics more generally as at 30 June 2023 were:

Measure	Male	Female	Change from 30 June 2022
Proportion of men and women who are Directors (including CEO)	71.00%	29.00%	No change
Proportion of men and women who are in the Executive Leadership Team (including CEO and CEO-1)	60%	40%	No change
Proportion of men and women who are Senior Executives (see definition above)	63.49%	36.51%	FY22: 63% male, 37% female
Proportion of men and women across workforce generally[i]	49.77%	50.05%	FY22: 52.9% female, 47.7% male

(i) The Company has a gender option for employees to self-identify as male, female or X (non-binary, gender diverse, other, unspecified, prefer not to say). 0.19% of the Company's workforce generally as at 30 June 2023 self-identified in this way. As such, the respective proportions of men and women in this row total 99.82%.

Domain's workforce gender demographics remain relatively unchanged from 30 June 2022, with the greatest narrowing of the gender gap being across the organisation as a whole.

Other Diversity and Inclusion Responsibilities and Initiatives

Gender equality

Domain complies with the *Workplace Gender Equality Act 2012* (Cth) (**WGEA Act**). It has lodged its 2022-2023 Public Report under the WGEA Act with the Workplace Gender Equality Agency and this Report will be made available at Domain's Corporate Governance website at shareholders.domain.com.au after Domain has completed relevant procedures under the WGEA Act. Domain has made available its questionnaire, workplace profile and management statistics table for its 2022-2023 Public Report at Domain's Corporate Governance website at shareholders.domain.com.au.

During the Reporting Period, as in previous financial years, Domain completed a gender pay gap analysis. When undertaking a gender pay gap analysis, the Company uses Workplace Gender Equality Agency tools to look at 'like for like' roles and identify any potential gender pay equity issues and/or gaps to be addressed. Domain will continue the process of regularly undertaking gap analyses and taking necessary steps to adjust the remuneration of employees.

During the Reporting Period, Domain was endorsed by Work180 as a preferred employer. Work180 is a global jobs network that operates with the primary purpose of empowering every woman to choose inclusive workplaces.

LGBTQIA+

'Pride @ Domain' is an employee committee that supports Domain's diversity and inclusion agenda by representing the LGBTQIA+ community. During the Reporting Period, the committee continued to grow and build upon initiatives from previous years, centred around education and awareness.

Aboriginal and Torres Strait Islander Peoples

Domain has adopted a Reconciliation Action Plan (**RAP**), which covers the period from June 2022 to June 2023. Domain's RAP sets out its vision for reconciliation – to establish a future where the original custodians of the land are accurately and appropriately recognised within a national culture that embraces and accepts all Aboriginal and Torres Strait Islander Peoples. Domain is renewing its RAP with a focus on building understanding of Reconciliation and how to embed the pillars of the RAP into Domain's culture and ways of working. Domain will continue to pursue these areas into the next Reporting Period.

Domain's RAP is available at Domain's ESG (Social) website at domain.com.au/group/esg/social/.

Further information

Further information in relation to Domain's diversity initiatives, including its focus in the Reporting Period on Traditional Owners and Aboriginal and Torres Strait Islander Peoples and LGBTQIA+ inclusion, is set out in the Environmental, Social and Governance section on pages 18-27 of this Annual Report.

Supporting Employees

Domain appreciates that attracting, developing and retaining high performing employees is key to its success. During the Reporting Period, Domain ran numerous wellbeing initiatives (including a dedicated month of wellbeing programming in September 2022), introduced more 'wellbeing champions' across all its offices, and continued to offer additional 'wellbeing' leave above and beyond standard leave entitlements, providing flexibility for work/life balance.

Details of these policies and initiatives are set out in the Environmental, Social and Governance section on pages 18-27 of this Annual Report.

Human Rights Policy

Domain is committed to conducting its activities in a manner that respects human rights and as such, strives to adhere to its Human Rights Policy. The Policy is informed by the United Nations (UN) Guiding Principles on Business and Human Rights, the UN Universal Declaration of Human Rights and the UN Global Compact. The Company's approach to human rights is based on conducting business in a way that respects the rights and dignity of people, avoids human rights abuses and upholds applicable legal requirements.

A copy of the Human Rights Policy is available at Domain's Shareholder Centre website at shareholders.domain.com.au.

Domain recognises its ability to impact and influence the human rights of a variety of its stakeholders, including in its role as a provider of products and services, as an employer and as a procurer. Domain is committed to working closely with stakeholders to identify and understand its impact, to ensure negative impacts are reduced and positive impacts are enhanced.

Domain's Human Rights Policy applies in addition to:

- the Code of Conduct, which captures the principles by which Domain will conduct its business and interact with its people, customers and broader communities; and
- the Supplier Code, which sets out the minimum standards that Domain expects of its suppliers.

Further information in relation to Domain's exposure to environmental and social risks, including human rights risks, is set out in section 16 (*Risk Management*) of this Corporate Governance Statement.

15. Remuneration

The Remuneration Report on pages 45-67 of this Annual Report describes the Company's remuneration policies and practices for setting the level and composition of remuneration for Non-Executive Directors, the CEO and CFO, and their remuneration during the Reporting Period.

16. Risk Management

Risk Management Framework

The Board, with the support of the Audit and Risk Committee, oversees and monitors Domain's risk framework.

In line with past practice, the Domain Group's risk management framework was reviewed by the Audit and Risk Committee and considered by the Board during the Reporting Period to ensure that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the Board.

Consistent with past practice, During the Reporting Period, the Audit and Risk Committee worked with the CEO, CFO and members of management to review the Company's key risk areas, including contemporary and emerging risks (including cyber, data and business disruption risks) and risks relevant to the Domain Group's activities during that period. The Audit and Risk Committee monitors and reviews the risks reported by management and makes recommendations to the Board based on Domain's risk appetite framework.

Management reports to the Audit and Risk Committee, the People, Culture and Sustainability Committee and the Board on risks, both with regard to financial and non-financial risks. Risks and risk management are also considered in the context of business planning, budgeting, forecasting, reporting, and performance management processes.

The Board will continue to assess Domain's risk management framework, including reviewing its risk appetite statements and reporting protocols at least annually to ensure they continue to be sound and that the Company is operating with due regard to the risk appetite set by the Board.

Economic, Environmental and Social Risks

The Board, with the support of the Audit and Risk Committee, considers economic, environmental and social risks and opportunities and how they may impact the Company.

For the reasons set out below, Domain does not view environmental or social risks as materially impacting Domain's ability to create or preserve value for securityholders over the short, medium or longer term.

Economic Risks

As a business that delivers technology and services to the real estate industry, Domain is exposed to the economic conditions of the property market. Whilst property listing volumes are cyclical in nature and are influenced by myriad economic factors, Domain has significant opportunities to grow revenue through increased take up of its premium listing products, Agent Solutions suite, Consumer Solutions and Domain Insight products to offset the impact of a property downturn on shareholder value.

Over the past five years, through the volatility of the property cycle, Domain has responded to changing market circumstances with appropriate cost initiatives, while continuing to undertake investment that will underpin the long term growth of the business. Following the unprecedented downturn in property market listings in FY23 Q2, the Company implemented cost savings measures to address these cyclical challenges. As a result operating expenses in FY23 H2 reduced 18% versus H1, demonstrating the Company's agility in navigating changing circumstances.

Environmental Risks

Domain is committed to progressing its environmental practices to deliver sustainable value to stakeholders. Domain approaches its responsibility to the environment through the lens of its Purpose: to inspire confidence in life's property decisions. The Company wants to ensure Australia remains a great place to live and believes that starts by understanding how it can reduce its impact on the environment and inspire others to do the same.

Domain acknowledges that climate change is an existential threat that will have increasingly significant environmental, social and economic impacts on all aspects of society. Although Domain does not consider it has a material exposure to climate change risk, the Company acknowledges that the scale and complexity of climate change make it uniquely challenging for all companies, especially in the context of economic decision making.

Information on environmental regulations applicable to Domain is set out in the Directors' Report on pages 31-42 of this Annual Report.

Carbon Disclosure Project

Domain participates in the Carbon Disclosure Project (**CDP**), a global environmental disclosure system that supports thousands of companies, states and cities to measure and manage their risks and opportunities on climate change, water security and deforestation. Domain's 2022 CDP report, which covers FY21, is available at Domain's ESG (Environmental) website at domain.com.au/group/esg/environmental/. Domain anticipates that its 2023 CDP report, which will cover FY22, will be available on the same website later in 2023.

Greenhouse gas and energy consumption

Domain has commissioned Cushman & Wakefield to manage and report on its greenhouse gas and energy consumption. Domain's FY22 Environmental Footprint Performance report is available at Domain's ESG (Environmental) website at domain.com.au/group/esg/environmental/. Domain anticipates that its FY23 Environmental Footprint Performance report, which will cover FY23, will be available on the same website later in 2023.

Further information

Further information about Domain's initiatives to reduce its impact on the planet, including its carbon disclosure activities, is set out in the Environmental, Social and Governance section on pages 18-27 of this Annual Report.

Social Risks

Recognition and support of human rights is very important to Domain. Due to the nature of the Domain business and the factors described below, the Company does not consider that it has material exposure to risks in this area:

- the Company operates predominantly within Australia, a country with low frequency of human rights violations, and which is tightly monitored by the Australian Human Rights Commission;
- where the Company has employees based overseas (primarily in New Zealand and the Philippines), they are managed and supported through a centralised Domain People Experience team and employment processes;
- the Company's products are primarily online and are predominantly developed within Australia; and
- the Company's supply chain is relatively small meaning it has high visibility across its supply chain.

Most of the Company's suppliers are based in Australia.

Actions the Company is currently undertaking in relation to human rights risks include continually reviewing its supply chain to identify and address any modern slavery risks in its operating and supply chain.

Further information

More information about Domain's approach to managing social risks and opportunities is set out in the Environmental, Social and Governance section on pages 18-27 of this Annual Report.

17. Audit, Financial Reporting and Tax

Internal Audit

Domain has an outsourced internal audit function to provide an independent and objective view on key strategic, operational and financial risks faced by Domain and the effectiveness of its internal controls implemented to address those risks. Domain maintained this function during the Reporting Period.

Domain has engaged PwC to perform this outsourced internal audit function. The function is performed by a suitably qualified team at PwC, led by the National Leader of Internal Audit Services at PwC.

On administrative matters, the internal audit team reports to the CFO. Consistent with the commentary to the ASX Recommendations, the internal audit team has a direct reporting line to and is accountable to the Audit and Risk Committee, and members of the team have full and free access to the Chair of the Audit and Risk Committee to raise relevant matters.

Periodic Corporate Reporting

Where the Company releases to the market any periodic corporate report (an annual directors' report, annual and half yearly financial statements, periodic activity reports, or similar periodic reports prepared for the benefit of investors) that is not audited or reviewed by an external auditor, it adopts processes to ensure the integrity of these reports, including by having the data verified and statements reviewed by relevant members of management including the CFO and the Chief Legal and Transformation Officer. The full year financial report is audited and the half year financial report is reviewed by the Company's auditor.

Declarations from CEO and CFO

Before it approves the financial statements for the half-year and full-year, the Board receives a declaration from the CEO and CFO consistent with the requirements of the *Corporations Act 2001* (Cth) and the ASX Recommendations (a declaration that, in their opinion, the financial records of the entity have been properly maintained, that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively).

These statements are made after the CEO and the CFO receive representation letters from appropriate members of management verifying material issues relating to their respective areas of responsibility and disclosing factors that may have a material effect on the financial performance of the Domain Group.

Tax Transparency

Domain is committed to maintaining a high standard of principled tax governance.

The Board of Taxation has established a Voluntary Tax Transparency Code (**Tax Transparency Code**) which sets out principles and minimum standards to guide businesses on public disclosure of tax information, with the purpose of encouraging greater transparency around tax matters. Different standards apply to businesses based on their status as a 'large' or 'medium' business.

Domain has welcomed the opportunity to provide more information in relation to its tax contributions and has voluntarily adopted the Tax Transparency Code with effect from FY19.

As set out in Domain's Tax Transparency Reports, Domain provides an overview of tax contributions made to Australian State and Commonwealth governments, reflecting Domain's commitment to transparency and integrity across tax matters. The reports set out an explanation of the data disclosed by the ATO regarding the Domain Tax Consolidated Group's income tax returns.

Once available, Domain's Tax Transparency Report for a reporting period can be found on Domain's ESG (Governance) website at domain.com.au/group/esg/governance/.

Role of the Auditor and Audit Independence

The Company's auditor audits Domain's full-year financial statements. The Audit and Risk Committee assists the Board by overseeing Domain's relationship with the external auditor. The Committee reviews the performance, independence and objectivity of the external auditor. It also monitors compliance with the Company's External Audit Policy and Charter of Audit Independence, which are attached to the Audit and Risk Committee Charter.

The Charter of Audit Independence provides a framework for the Board and management to ensure that the external auditor is both independent and seen to be independent. The purpose of an independent statutory audit is to provide shareholders with reliable and clear financial reports on which to base investment decisions.

The Charter of Audit Independence sets out key commitments by the Board and procedures to be followed by the Audit and Risk Committee and management that aim to set a proper framework for audit independence.

A copy of the Charter of Audit Independence (attached to the Audit and Risk Committee Charter) is available at Domain's Shareholder Centre website at shareholders.domain.com.au.

18. Continuous Disclosure

Domain is committed to complying with its continuous disclosure obligations under the *Corporations Act 2001* (Cth) and the ASX Listing Rules to keep the market fully informed of information concerning it that a reasonable person would expect to have a material effect on the price or value of Domain's securities.

Domain has a written Continuous Disclosure Policy to ensure that it complies with its disclosure obligations so that all investors have equal and timely access to material information concerning the entity – including its financial position, performance, ownership and governance.

A copy of Domain's Continuous Disclosure Policy is available at Domain's Shareholder Centre website at shareholders.domain.com.au.

The Continuous Disclosure Policy sets out matters in respect of which Board approval and input for announcements is required, including in relation to significant profit upgrades or downgrades, dividend policy or declarations and company transforming events.

Where the Board does not approve announcements, Board members are provided with material market announcements promptly after they have been made, consistent with the ASX Recommendations.

19. Investor Relations and Shareholders

Investor and Analyst Presentations

Consistent with the ASX Recommendations, the Company releases a copy of presentation materials on the ASX Market Announcements Platform ahead of new and substantive investor or analyst presentations.

During the Reporting Period, the Company released a copy of presentation materials on the ASX Market Announcements Platform on three occasions (17 August 2022, 16 February 2023 and 3 May 2023). In each case, the materials were released ahead of the presentation.

Wherever practicable, shareholders and other interested parties are able to participate in all Company hosted investor events, and webcast details are made available in advance on the ASX Market Announcements Platform. In addition, copies of presentations and, where available, replays and transcripts of presentations are available at Domain's Shareholder Centre website at shareholders.domain.com.au.

Shareholder Communications and Investor Relations Program

The Company operates an Investor Relations program that facilitates two-way communication with investors. Domain's ASX announcements and governance landing pages include details of its investor relations contact person and their contact details.

The Directors also meet with proxy advisers to understand their key focus areas and share Domain's approach in relation to those matters.

Consistent with the commentary to the ASX Recommendations, where significant comments or concerns are raised by investors or their representatives, they are conveyed to the Board and relevant senior executives. Shareholders have the option to receive communications from Domain and send communications to Domain and its share registry electronically.

To ensure shareholders have access to relevant information, Domain puts information about itself and its governance (including Company announcements, analyst and investor briefings, financial results and other relevant information) on Domain's Shareholder Centre website at shareholders.domain.com.au.

Consistent with the commentary to the ASX Recommendations, the Company has a dedicated 'Corporate Governance' landing page from which information on Domain's corporate governance can be accessed.

Also consistent with the commentary to the ASX Recommendations, the Shareholder Centre website includes:

- names, photographs and brief biographical information for Directors and the Executive Leadership Team;
- the Company's Constitution;
- the Board Charter, Board Committee charters and policies;
- an overview of the Company's current business and brands;
- slides for materials distributed at investor or analyst presentations (and, in some cases, webcast recordings);
- historical information about the price of the Company's shares;
- information about the Company's dividend or distribution history;
- contact details for enquiries from security holders, analysts or media; and
- contact details for the Company's securities registry (from which key security holder forms can be accessed).

Domain also makes available at the Shareholder Centre website the full text of Notices of Meetings and explanatory materials for each Annual General Meeting (including directors' reports, financial statements and other corporate reports). The Chairman's and the CEO's addresses, proxy counts and results of shareholder resolutions for each Annual General Meeting are posted on the Shareholder Centre as soon as practicable after their release to ASX.

In addition to the Shareholder Centre website, Domain has an ESG website at domain.com.au/group/esg/ to provide investors with information about Domain's commitment to delivering sustainable value to all its stakeholders, including through its commitment to sustainable business practices, ensuring customer satisfaction, monitoring its supply chain, being an employer of choice, managing Domain's environmental footprint, and supporting and investing in community development.

Shareholder Participation and Voting

Shareholders are encouraged to ask questions and are given a reasonable opportunity to comment on matters relevant to the Company (including management of the Company) at the Company's Annual General Meeting. The external auditor attends the Annual General Meeting and is available to answer shareholder questions about the audit and the Auditor's Report.

The Company facilitates and encourages participation at meetings of security holders by a range of methods, including:

- allowing proxy forms to be submitted electronically (online), by fax, or delivery;
- webcasting the Annual General Meeting so that security holders can view and hear proceedings online; and
- allowing security holders to submit questions in writing ahead of the Annual General Meeting (including to the auditor), for those who are unable to attend the meeting or who prefer to register questions in advance.

Consistent with the commentary on the ASX Recommendations, the above methods were adopted for the Company's Annual General Meeting held during the Reporting Period (in November 2022).

At meetings of security holders, resolutions are decided by a poll rather than a show of hands, consistent with the ASX Recommendations. At the Company's Annual General Meeting held during the Reporting Period, all resolutions were decided by poll and the notice of meeting made clear that the Chairman intended to put all resolutions to a poll.

Details in relation to Domain's 2023 Annual General Meeting are set out in the Corporate Directory on pages 167-169 of this Annual Report.

20. Employees and Securities

Trading in Company Securities

The Company has a Securities Trading Policy that regulates when and how the Directors, the Executive Leadership Team and certain other key designated employees (collectively, **Designated People**) may trade (or have others trade on their behalf) in Domain securities. The Securities Trading Policy also extends to trading in Nine securities because it is recognised that, for so long as Domain remains a Nine subsidiary, materially price sensitive information about Domain may be price sensitive in relation to Nine securities.

The Securities Trading Policy is available at Domain's Shareholder Centre website at shareholders.domain.com.au.

The Securities Trading Policy sets out 'black out' periods when no trading is to be undertaken by Designated People except in exceptional circumstances (including financial hardship) where they are not in possession of any inside information and with prior written clearance. At all other times, Designated People cannot trade without authorisation. Designated People are also prohibited from entering into any arrangements for short selling, engaging in short term or speculative trading, and trading in derivatives the value of which is based on Domain's or Nine's share value.

The Directors, Executive Leadership Team and Designated People are regularly reminded of the Securities Trading Policy and of the 'black out' periods.

Equity-Based Remuneration Schemes

The Company has several equity-based remuneration schemes under the Domain Equity Incentive Plan and the Domain Executive Incentive Plan. Details of these schemes (as applicable to Domain's executive key management personnel) are set out in the Remuneration Report on pages 45-67 of this Annual Report.

A summary of the Domain Equity Incentive Plan is set out on page 42 of the Scheme Booklet for the separation of the Company from Fairfax Media. The Scheme Booklet is available in the ASX Announcement section of Domain's Shareholder Centre website at shareholders.domain.com.au.

Securities issued via these schemes are subject to the Securities Trading Policy. The Securities Trading Policy also prohibits any employees from entering into any financial transactions (whether through a derivative, hedge or other arrangement) which would operate to limit their economic risk from holding unvested Domain securities that have been allocated to them as part of their remuneration, including under any of the above schemes. As set out in the Securities Trading Policy, any employee found not to have complied with the policy risks disciplinary sanctions which could include termination of employment.

The Securities Trading Policy is available at Domain's Shareholder Centre website at shareholders.domain.com.au.

Management Discussion and Analysis Report

Management Discussion and Analysis Report

For the financial year ended 30 June 2023

Trading Overview

For the financial year ended 30 June 2023 (**FY23**), Domain Holdings Australia Limited (**Company** or **Domain**) and its controlled entities (together, **Domain Group**) reported a statutory net profit after tax attributable to members of the Company of $26.1 million.

Operating earnings before interest, tax, depreciation and amortisation (**EBITDA**) (excluding significant items and discontinued operations) of $108.6 million was 13.0% below last year.

There were no new accounting standards, interpretations and amendments significantly impacting the Domain Group in FY23.

All revenue, expense and earning amounts in this Management Discussion and Analysis Report exclude significant items and discontinued operations, unless otherwise specified.

Segment Performance[1]

Core Digital

Revenue of $328.9 million increased 1.0% from the financial year ended 30 June 2022 (**FY22**), with growth in Agent Solutions and Domain Insight being offset by declines in our market-exposed businesses of Residential and Media, Developers & Commercial.

Residential revenue declined 6.8% as residential "for sale" listing volumes declined 13.8% off a favourable FY22 listings volume. Despite the decline in listings, the business remained resilient with growth in new feature revenues (Social Boost), improvements in overall depth listing penetration and controllable yield growth. First half of the trading year had revenues broadly flat when compared to the prior year, however the second half saw revenues decline 12.9%, as the listing slowdown accelerated due to weaker vendor confidence. This was, in part, due to the pace of interest rate increases.

Media, Developers & Commercial revenue decreased a solid performance in light of the market backdrop.

Commercial Real Estate (**CRE**) was the strongest performing business of the three verticals, and delivered growth for the full-year of 6.1%, despite softer macroeconomic conditions. Revenue growth due to optimisation of flexible pricing model and increased sale and lease depth.

Developers experienced slightly weaker growth in FY23, with a variety of headwinds including lower activity from supply chain and inflation pressures, which delayed new projects.

Media continued to leverage and benefit from quality audiences, content and a number of key new partnerships, however this growth was offset by the challenging conditions across the advertising sector, more prominent in H2.

Agent Solutions revenue increased 85.6% year-on-year, supported by full-year benefit of the Realbase acquisition in FY22. The underlying Agent Solutions business delivered single digit growth across both halves. Pricefinder (Agent) performance was consistent with the prior year, with increases in subscription revenues offset by lower title search volumes given lower market activity. Real Time Agent (**RTA**) continues to scale strongly, with 24.9% revenue growth supported by strong growth in new customer acquisition and the corresponding growth of our electronic contract technology.

Domain Insight delivered revenue growth of 16.3% year on year and 3.9% excluding the impact of the IDS acquisition during FY22. IDS continues to deliver new growth opportunities by accessing government and financial institutions. Pricefinder's non-agent growth was modest in the year, as lower market activity drove lower title searches.

Expenses for Core Digital of $193.9 million increased 12.0% year-on-year. Key areas of increased spend included part-year expense contributions from the Realbase and IDS acquisition and targeted increases in staff costs in areas of investment. Expenses excluding Realbase decreased 0.5%.

EBITDA of $135.0 million decreased 11.5% from the prior year, reflecting revenue declines on weak market conditions.

Consumer Solutions

Domain's consumer-facing home loan broking business, Domain Home Loans (**DHL**), outperformed a soft lending market. At year-end, the decision was made to pursue a sale exit of the business. Given our large and highly engaged audience, we remain very confident that home loans can play a key role in our Marketplace strategy in the future. DHL is being held for sale, and treated as a discontinued operation, and is therefore excluded from trading results.

Print

Revenue of $16.6 million decreased 23.6% year-on-year. Print revenue is experiencing a structural shift to digital and is exposed to the cyclical nature of property market volumes.

Expenses of $14.3 million decreased 11.9% year on year, reflecting disciplined cost management.

EBITDA of $2.3 million declined 59.3%, driven by decreased property market activity during the year.

Financial Position

Operating earnings before interest and tax (**EBIT**) of $70.3 million decreased 24.0% from the prior year. Depreciation and amortisation of $38.3 million increased 18.6% from the prior year, largely due to higher amortisation of software arising from increased product development.

FY23 recorded significant items of $9.4 million (loss before tax) and $5.0 million (loss after tax) attributable to members of the Company. Restructuring costs of $6.3 million largely relate to the implementation of a new commercial organisational structure. $1.3 million gain from remeasurement of contingent and deferred consideration primarily relates to the acquisition of Insight Data Solutions and Commercialview.com.au. $1.5 million mergers & acquisitions transaction costs mostly related to the acquisitions and integration of Insight Data Solutions and Realbase.

Net cash inflow from operating activities of $66.2 million reduced by 3.9% year-on-year, net cash flows from receipts from customers and payments to suppliers and employees decreased marginally year-on-year (1.1%). The overall reduction was driven by a decrease in tax payments (13.0%) more than offset by an increase (140.4%) in interest payments due to higher interest rates. Net cash outflow from investing activities was $52.7 million, with outflows predominantly being capital expenditure (total $30.3 million) and payments of contingent consideration of $23.9 million. During the year, Domain paid dividends of $37.9 million to Domain shareholders and $4.6 million in dividends to non-controlling interests in subsidiaries. Cash and cash equivalents of $34.8 million reduced 48.1% from the prior year. Net assets as at 30 June 2023 of $1,102.3 million decreased 1.4% from FY22.

Net debt was $184.5 million at 30 June 2023, increased from $151.5 million at 30 June 2022, primarily reflecting the cash and cash equivalents movement described above.

1 Financials on a trading basis (ie excluding significant items and discontinued operations) unless otherwise stated.

Business Strategies and Future Prospects

Domain has evolved from a property classifieds business to an online property marketplace that provides a range of data-informed solutions, services and insights to consumers, agents and other stakeholders with an interest in the Australian residential and commercial property markets.

Through the Marketplace model, Domain expands the role it can play for consumers, agents, developers, corporates, government and other players in the wider property industry by offering a broader range of services and solutions, increasing our addressable market, the value we can contribute and our potential revenue streams. Playing a greater role in the property journey of our customers supports Domain's purpose of inspiring confidence in life's property decisions.

Underpinning Domain's Marketplace model is the principle of 'Better Together'. This propels Domain to recognise not just the independent value of its solutions, but the unique and incremental value it can create. This is achieved through the close collaboration or integration of its solutions, ensuring they offer differentiated and strategic propositions in the market. The breadth and quality of the property technology brands within the Domain Group, combined with its deep and rich data, and internal product and data capabilities, make us well placed to deliver on Domain's 'Better Together' principle.

For consumers, Domain remains a leading destination to search for properties to buy or rent, offering a seamless experience across web and mobile, and attracting a quality, high intent audience. Domain supports consumers in their property journey with expert content, advice and insights to inspire confidence in their property decisions.

For agents, Domain provides property marketing solutions for their customers, and a suite of connected solutions to generate leads and drive efficiencies in their workflow. Through innovating, partnering and buying technology, combined with leveraging the power of our data and products, Domain is enhancing the quality and breadth of its agent solutions offerings. Domain continues to leverage the Realbase acquisition, the largest real estate campaign management technology platform in Australia and New Zealand. We now support 1 in 2 property transactions in Australia through our Agent Solutions platform.

Domain continues to grow its property data capabilities through its Domain Insight business unit. During FY23, Domain's Insight Data Solutions began to see meaningful momentum and new relationships focused on government and corporate customer segments. New and unique data products are being produced as Domain becomes more connected through the execution of the Marketplace strategy.

Underlying Drivers of Performance

The Domain Group operates across three key segments with specific underlying drivers of performance. These are summarised below.

Core Digital

Residential: The majority of Residential revenue is through listings of 'for sale' and rental properties across desktop, mobile and social platforms with the balance coming from monthly subscriptions. Revenue is driven by residential property listing volumes and controllable yield performance driven by price changes and product depth penetration.

Media, Developers and Commercial: Our Media business generates revenue from digital display advertising. Developers revenue is from listings and advertising related to residential property developments. Commercial comprises digital subscription, listings and display advertising revenue for a range of sectors including office, retail and industrial.

Agent Solutions: Agent Solutions revenue is from a suite of products providing solutions to agents to grow their businesses, including:

- Pricefinder and Australian Property Monitors – which produce property data, insights and reporting tools to agents, financial institutions and other non-real estate businesses;
- RTA – which digitises key steps in the property journey, including agency agreements, auctions and contracts;
- Homepass – which provides open-for-inspection tools; and
- Realbase – which provides property campaign management tools, along with high growth products in digital proposals and social media.

Domain Insight: Revenue is derived from delivering data assets and insights to agents, consumers, government, financial institutions and corporates through subscriptions and transactions.

Consumer Solutions

Consumer Solutions delivers direct-to-consumer services related to the property journey, building on Domain's highly engaged audiences. Products such as Home Price Guide and Domain for Owners provide consumers with data, insights and confidence in relation to their property decisions.

Print

Print revenue comprises lifestyle and property listing advertising in the *Domain*, *Domain Prestige*, *Allhomes* and *Domain Review* magazines.

Expenses[1]

Expenses of $237.1 million increased 6.5% year on year. Costs from the recently acquired businesses Realbase and IDS contributed to the majority of the increase. Further information in relation to expenses is set out in Note 3 to the Financial Report on page 106 of this Annual Report. The decision made by the Board in August 2022 to repay the JobKeeper grants received in FY21 impacted reported results for FY22. Further information in relation to the repayment of JobKeeper benefits is set out in Note 3 to the Financial Report on page 106 of this Annual Report.

Investor Presentation

The impacts of changes in the underlying drivers of performance on the current year are set out in Domain's Investor Presentation for its FY23 results, and associated commentary presented by the CEO and CFO. A copy of the Investor Presentation has been lodged with the ASX.

1 Financials on a trading basis (ie excluding significant items and discontinued operations) unless otherwise stated.

2023 Financial Report

Consolidated Statement of Profit or Loss and Other Comprehensive Income

as at 30 June 2023

	Note	30 June 2023 $'000	Restated(i) 30 June 2022 $'000
Continuing operations			
Revenue from contracts with customers	2(A)	345,463	347,325
Other revenue and income	2(B)	1,301	1,295
Total revenue and income		**346,764**	348,620
Expenses from operations excluding depreciation, amortisation, impairment and finance costs	3(A)	(245,148)	(246,121)
Impairment	4	(566)	–
Depreciation and amortisation	3(B)	(38,316)	(32,317)
Finance costs	3(C)	(12,591)	(5,751)
Profit from continuing operations before income tax expense		**50,143**	64,431
Income tax expense	22	(10,586)	(23,350)
Profit from continuing operations after income tax expense		**39,557**	41,081
Discontinued operations			
Loss from discontinued operations after income tax expense	7	(10,489)	(4,198)
Other comprehensive income for the year		–	–
Total comprehensive income for the year		**29,068**	36,883
Net profit is attributable to:			
Owners of the parent		26,098	32,338
Non–controlling interest		2,970	4,545
		29,068	36,883
Total comprehensive income is attributable to:			
Owners of the parent		26,098	32,338
Non–controlling interest		2,970	4,545
		29,068	36,883
Earnings per share			
Basic earnings per share (cents)	18	4.14	5.45
Diluted earnings per share (cents)	18	4.12	5.44
Earnings per share for continuing operations			
Basic earnings per share (cents) from continuing operations	18	5.29	5.80
Diluted earnings per share (cents) from continuing operations	18	5.27	5.79

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying Notes.

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

Consolidated Balance Sheet

as at 30 June 2023

	Note	30 June 2023 $'000	Restated(i) 30 June 2022 $'000
Current assets			
Cash and cash equivalents	25	33,468	67,116
Trade and other receivables	10	49,113	62,562
Sublease receivable	14	293	1,473
Receivables – related parties	21	–	2,123
Current tax receivable		1,926	–
Assets held for sale	7	7,146	–
Total current assets		**91,946**	133,274
Non–current assets			
Intangible assets	8	1,375,683	1,380,239
Property, plant and equipment	13	6,158	8,928
Other receivables	10	–	6,337
Right of use assets	14	16,337	20,089
Sublease receivable	14	–	258
Total non–current assets		**1,398,178**	1,415,851
Total assets		**1,490,124**	1,549,125
Current liabilities			
Payables – related parties	21	5,370	3,864
Trade and other payables	11	31,223	71,660
Lease liabilities	14	4,878	6,365
Provisions	12	6,371	7,791
Current tax liabilities	–	–	6,821
Liabilities directly associated with assets held for sale	7	5,146	–
Total current liabilities		**52,988**	96,501
Non–current liabilities			
Interest bearing liabilities	9	219,318	218,648
Lease liabilities	14	15,310	19,454
Provisions	12	3,459	4,359
Other payables	11	10,539	10,701
Deferred tax liabilities	22	86,224	87,033
Total non–current liabilities		**334,850**	340,195
Total liabilities		**387,838**	436,696
Net assets		**1,102,286**	1,112,429
Equity			
Contributed equity	16	1,474,859	1,474,891
Shares held in trust	16	(1,932)	(7,547)
Reserves	16	(44,694)	(39,198)
Retained losses		(335,963)	(325,870)
Total parent entity interest		**1,092,270**	1,102,276
Non–controlling interest		10,016	10,153
Total equity		**1,102,286**	1,112,429

The above Consolidated Balance Sheet should be read in conjunction with the accompanying Notes.

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

Consolidated Cash Flow Statement

for the financial year ended 30 June 2023

	Note	30 June 2023 $'000	Restated(i) 30 June 2022 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		396,670	380,240
Payments to suppliers and employees (inclusive of GST)		(301,362)	(283,854)
Income taxes paid		(19,856)	(22,828)
Finance costs paid		(9,886)	(4,112)
Net financing component of lease receipts and payments	14	(622)	(870)
Interest received		1,256	303
Net cash inflow from operating activities	**25**	**66,200**	68,879
Cash flows from investing activities			
Payment for property, plant and equipment and software		(30,330)	(20,875)
Net proceeds/(payment) for purchase of controlled entities (net of cash acquired)	6	954	(226,104)
Disposal of controlled entities (net of cash disposed of)		–	25
Payment of contingent and deferred consideration		(23,907)	(2,811)
Receipt of contingent consideration receivable		140	2,860
Receipts from sublease receivable – principal component	14	1,437	1,314
Purchase of convertible notes		(1,000)	(1,200)
Net cash outflow from investing activities		**(52,706)**	(246,791)
Cash flows from financing activities			
Payment of lease liabilities – principal component	14	(5,628)	(9,606)
Dividends paid to non-controlling interest in subsidiaries		(4,596)	(4,259)
Proceeds from borrowings by subsidiary with non-controlling shareholder		2,580	1,456
Repayment of loan by subsidiary to non-controlling shareholder		–	(5,353)
Payments for acquisitions of treasury shares		(263)	(32,709)
Proceeds from issue of shares by subsidiary to non-controlling shareholder		–	7,235
Proceeds from exercise of employee share options		–	5,978
Proceeds from borrowings		–	47,000
Dividends paid to shareholders		(37,899)	(35,056)
Proceeds from issue of share capital		–	180,096
Transaction costs incurred for issue of share capital		–	(2,380)
Payment of debt refinancing fees		–	(1,525)
Net cash (outflow)/inflow from financing activities		**(45,806)**	150,877
Net decrease in cash and cash equivalents held		**(32,312)**	(27,035)
Cash and cash equivalents at the beginning of the year		67,116	94,151
Cash and cash equivalents at end of the year	**25**	**34,804**	67,116

The above Consolidated Cash Flow Statement should be read in conjunction with the accompanying Notes.

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

Consolidated Statement of Changes in Equity

for the financial year ended 30 June 2023

			Reserves						
	Note	Contributed Equity $'000	Shares Held in Trust $'000	Other Reserves $'000	Share-Based Payment Reserve $'000	Total Reserves $'000	Retained Losses $'000	Non-Controlling Interest $'000	Total Equity $'000
Balance as at 30 June 2022	**16**	**1,474,891**	**(7,547)**	**(52,790)**	**13,592**	**(39,198)**	**(325,870)**	**10,153**	**1,112,429**
Restated(i) Profit for the year		–	–	–	–	**–**	26,098	2,970	**29,068**
Other comprehensive income		–	–	–	–	**–**	–	–	**–**
Total comprehensive income for the year		**–**	**–**	**–**	**–**	**–**	**26,098**	**2,970**	**29,068**
Dividends paid or declared to shareholders	17	–	–	–	–	**–**	(37,899)	–	**(37,899)**
Dividends paid or declared to non–controlling interest in subsidiaries		–	–	–	–	**–**	–	(4,596)	**(4,596)**
Transactions with non–controlling interest		–	–	–	–	**–**	–	(113)	**(113)**
Transaction costs	16	(32)	–	–	–	**–**	–	–	**(32)**
Acquisition of treasury shares	16	–	(263)	–	–	**–**	–	–	**(263)**
Vesting of options, performance and share rights	16	–	5,878	(2,615)	(3,000)	**(5,615)**	–	–	**263**
Release of unvested employee incentive shares	16	–	–	–	(2,325)	**(2,325)**	1,708	–	**(617)**
Shares in lieu of cash		–	–	–	–	**–**	–	1,602	**1,602**
Share-based payments, net of tax	16	–	–	–	2,444	**2,444**	–	–	**2,444**
Total transactions with owners		**(32)**	**5,615**	**(2,615)**	**(2,881)**	**(5,496)**	**(36,191)**	**(3,107)**	**(39,211)**
Balance as at 30 June 2023		**1,474,859**	**(1,932)**	**(55,405)**	**10,711**	**(44,694)**	**(335,963)**	**10,016**	**1,102,286**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying Notes.

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

	Note	Contributed Equity $'000	Shares Held in Trust $'000	Other Reserves $'000	Share-Based Payment Reserve $'000	Total Reserves $'000	Restated[i] Retained Losses $'000	Non-Controlling Interest $'000	Total Equity $'000
			Reserves						
Balance at 30 June 2021	16	1,296,462	–	(40,907)	17,546	(23,361)	(325,008)	2,637	950,730
Profit for the year		–	–	–	–	–	32,338	4,545	36,883
Other comprehensive income		–	–	–	–	–	–	–	–
Total comprehensive income for the year		–	–	–	–	–	32,338	4,545	36,883
Dividends paid or declared to shareholders	17	–	–	–	–	–	(35,056)	–	(35,056)
Dividends paid or declared to non–controlling interests in subsidiaries		–	–	–	–	–	–	(4,264)	(4,264)
Transactions with non–controlling interest		–	–	–	–	–	–	7,235	7,235
Issue of share capital	16	180,095	–	–	–	–	–	–	180,095
Transaction costs	16	(1,666)	–	–	–	–	–	–	(1,666)
Acquisition of treasury shares	16	–	(32,709)	–	–	–	–	–	(32,709)
Vesting of options, performance and share rights	16	–	25,162	(11,883)	(7,301)	(19,184)	–	–	5,978
Release of unvested employee incentive shares	16	–	–	–	(2,327)	(2,327)	1,856	–	(471)
Shares in lieu of cash	16	–	–	–	977	977	–	–	977
Share–based payments, net of tax	16	–	–	–	4,697	4,697	–	–	4,697
Total transactions with owners		178,429	(7,547)	(11,883)	(3,954)	(15,837)	(33,200)	2,971	124,816
Balance at 30 June 2022		1,474,891	(7,547)	(52,790)	13,592	(39,198)	(325,870)	10,153	1,112,429

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying Notes.

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

Notes to the Consolidated Financial Statements

for the financial year ended 30 June 2023

1. About This Report

A. Corporate information

Domain Holdings Australia Limited (the **Company**) is a for profit company limited by shares incorporated and domiciled in Australia, the shares are publicly traded on the Australian Stock Exchange (**ASX**). The financial report includes the consolidated entity consisting of the Company and its controlled entities (the **Group**). The ultimate parent of the Company is Nine Entertainment Co. Holdings Limited.

The Group is principally engaged in the provision of real estate media and classified advertising services. The Group's principal place of business is Pyrmont, Australia. Further information on the nature of the operations and principal activities of the Group is provided in the Directors' Report. Information on the Group's structure is provided in Note 21. Information on other related party relationships of the Group is provided in Note 21.

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.

B. Basis of preparation

This financial report is for the 12 months from 1 July 2022 to 30 June 2023 (2022: 12 months from 1 July 2021 to 30 June 2022).

The financial report is a general purpose financial report and has been prepared:

- in accordance with the requirements of the *Corporations Act 2001* (Cth), Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB);
- in accordance with the going concern basis of accounting; and
- on a historical cost convention except for contingent considerations that are measured at fair value.

The financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

For consistency purposes prior year balances have been remapped where appropriate.

i. New accounting standards, interpretations and amendments adopted by the Group

There were no new accounting standards, interpretations and amendments significantly impacting the Group in the year ended 30 June 2023.

ii. Standards issued but not yet effective

Certain new accounting standards, amendments and interpretations have been issued that are not yet effective for the year ended 30 June 2023. However, the Group intends to adopt the following new or amended standards and interpretations, if applicable, when they become effective with no significant impact being expected on the Consolidated Financial Statements of the Group:

- Amendments to AASB Classification of Liabilities as Current or Non-current;
- Ammendments to AASB Non-current Liabilities with Covenants;
- Amendments to AASB Disclosure of Accounting Policies and Definition of Accounting Estimates;
  - Amendments to AASB 7, AASB 101, AASB 134 and AASB Practice Statement 2; and
  - Amendments to AASB 108;
- Amendments to AASB Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- Amendments to AASB Initial Application of AASB 17 and AASB 9 Comparative Information; and
- Amendments to AASB Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

iii. Functional and presentational currency

All amounts are expressed in Australian dollars, which is the Group's presentation currency. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

iv. Rounding of amounts

The amounts contained in the financial report have been rounded to the nearest $1,000 (where rounding is applicable) where noted ($'000) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which this legislative instrument applies.

C. Significant judgements, estimates and assumptions

The carrying amounts of certain assets and liabilities are determined based on estimates and assumptions of future events.

The key estimates and assumptions which are most significant to the financial report are found in the following Notes:

- Note 6: Business Combinations;
- Note 8: Intangible Assets; and
- Note 11: Trade and Other Payables.

D. Principles of consolidation

i. Controlled entities

Controlled entities are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between Group entities are eliminated.

ii. Non-controlling interest

Non-controlling interest in the earnings and equity of controlled entities are shown separately in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Balance Sheet and Consolidated Statement of Changes in Equity respectively.

E. Restatement of opening balances

Certain comparative financial information has been restated to account for the impact of the purchase price allocation exercises management finalised during the financial year ended 30 June 2023 and the impact of discontinued operations on the 30 June 2022 Consolidated Statement of Profit or Loss and Other Comprehensive Income. Refer to Notes 6 and 7 respectively for further details.

Consolidated Balance Sheet

30 June 2022 $'000	As Previously Reported	Purchase Price Allocation Adjustments	As Restated
Trade and other receivables	61,239	1,323	62,562
Total current assets	**131,951**	**1,323**	**133,274**
Intangible assets	1,361,571	18,668	1,380,239
Investments accounted for using the equity method	300	(300)	–
Property, plant and equipment	9,076	(148)	8,928
Total non-current assets	**1,397,631**	**18,220**	**1,415,851**
Total assets	**1,529,582**	**19,543**	**1,549,125**
Trade and other payables	68,855	2,805	71,660
Current tax liabilities	5,984	837	6,821
Total current liabilities	**92,859**	**3,642**	**96,501**
Deferred tax liabilities	68,357	18,676	87,033
Total non-current liabilities	**321,519**	**18,676**	**340,195**
Total liabilities	**414,378**	**22,318**	**436,696**
Net assets	**1,115,204**	**(2,775)**	**1,112,429**
Retained losses	(323,095)	(2,775)	(325,870)
Total parent entity interest	**1,105,051**	**(2,775)**	**1,102,276**
Total equity	**1,115,204**	**(2,775)**	**1,112,429**

Consolidated Statement of Profit or Loss and Other Comprehensive Income

30 June 2022 $'000	As Previously Reported	Purchase Price Allocation Adjustments	Discontinued Operations	As Restated
Revenue from contracts with customers	356,542	–	(9,217)	347,325
Other revenue and income	1,558	–	(263)	1,295
Total revenue and income	**358,100**	**–**	**(9,480)**	**348,620**
Expenses from operations excluding impairment, depreciation, amortisation and finance costs	(258,977)	–	12,856	(246,121)
Depreciation and amortisation	(30,207)	(2,752)	642	(32,317)
Finance costs	(5,931)	–	180	(5,751)
Net profit from operations before income tax expense	**62,985**	**(2,752)**	**4,198**	**64,431**
Income tax expense	(23,327)	(23)	–	(23,350)
Profit from continuing operations after income tax expenses	**39,658**	**(2,775)**	**4,198**	**41,081**
Loss from discontinued operations after income tax expense			(4,198)	(4,198)
Total comprehensive income for the year	**39,658**	**(2,775)**	**–**	**36,883**
Net profit is attributable to:				
Owners of the parent	35,113	(2,775)	–	32,338
Non–controlling interest	4,545	–	–	4,545
	39,658	**(2,775)**	**–**	**36,883**
Total comprehensive profit is attributable to:				
Owners of the parent	35,113	(2,775)	–	32,338
Non–controlling interest	4,545	–	–	4,545
	39,658	**(2,775)**	**–**	**36,883**
Earnings per share				
Basic earnings per share	5.90	–	–	5.45
Diluted earnings per share	5.88	–	–	5.44

2. Revenues

	Note	30 June 2023 $'000	Restated[ii] 30 June 2022 $'000
A. Revenue from Contracts with Customer			
Residential		223,094	239,371
Media, Developers and Commercial		47,773	49,434
Agent Solutions		40,682	21,922
Domain Insight[i]		17,339	14,915
Core Digital		**328,888**	325,642
Print		16,575	21,683
Total revenue from contracts with customers		**345,463**	347,325
B. Other Revenue and Income			
Interest income		957	130
Gain on lease modifications	4	–	236
Gains in relation to disposal of entities	4	140	–
Gain on debt refinance	4	–	738
Rental income		20	28
Other		184	163
Total other revenue and income		**1,301**	1,295
Total revenue and income		**346,764**	348,620

(i) Formerly Property Data Solutions.
(ii) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

Accounting policy

Revenue from contracts with customers

Revenue from contracts with customers is recognised either over time (digital products and services) or when control of the good has been transferred (publication date), regardless of when payment is received. Amounts disclosed as revenue are net of commissions and discounts. The Group considers whether it is the principal or agent in relation to services by considering whether it has a performance obligation to provide services to the customer or whether the obligation is to arrange for services to be provided by a third party. Where the Group acts as an agent, it recognises revenue net of related costs.

Listing services

The provision of listing services is accounted for as a single performance obligation, the provision of a listing being a distinct service. Revenue is recognised over the listing period. Where products are discounted the net revenue is recognised over the listing period.

Subscription services

Subscription services are treated as a single performance obligation; access to digital platforms and data under the subscription is a series of services substantially integrated with the same pattern of transfer. Accordingly, subscription revenue is recognised evenly over the subscription period.

Advertising services

Revenue from the provision of advertising on digital and print platforms is recognised over the period the advertisements are placed.

Commission income and campaign management services

Revenue from commission income and campaign management services is recognised on satisfaction of the performance obligation which is the delivery of the product or service by the principal or the settlement of the mortgage. Revenue in respect of trailing commissions is recognised at the net present value of amounts expected to be received.

Bundling of products and services

Where products and/or services are sold as a bundled product, each product and service is treated as a separate performance obligation. In bundling products and services, these are priced at a discount to the standalone selling price. These discounts are applied proportionately to each separately identifiable performance obligation within the bundle.

Other services

Revenue from other services such as title searches, digital marketing and proposals, custom research and valuations is recognised when the services are rendered.

Financing components

The Group does not have contracts where the period between the transfer of the promised product or services to the customer and payment by the customer exceeds one year. Consequently, the Group does not adjust any of the transaction prices for the time value of money.

Other income

Interest income

Interest income is recognised as it accrues based on the effective yield of the financial asset or the incremental borrowing rate of the sublease receivable.

Rental income

Rental income arising from subleased properties accounted for as operating leases is accounted for on a straight-line basis over the lease terms. It is included in other income in Consolidated Statement of Profit or Loss and Other Comprehensive Income.

3. Expenses

	Note	30 June 2023 $'000	Restated[i] 30 June 2022 $'000
A. Expenses from Operations excluding Depreciation, Amortisation and Finance Costs			
Staff and employee related costs[ii]		120,466	121,039
Production and distribution costs		30,130	26,792
Promotions		33,781	33,271
Rent and outgoings		2,494	1,810
IT and communication costs		23,099	18,213
Fringe benefits tax, travel, entertainment and employee related costs		7,841	4,610
Remeasurement of contingent consideration	4	1,298	8,020
Loss on sale of assets		342	118
Loss on lease modification	4	-	2,652
Restructuring costs	4	6,259	8,170
Costs related to mergers and acquisitions	4	1,451	4,600
Other		17,987	16,826
Total expenses from operations excluding depreciation, amortisation and finance costs		**245,148**	246,121
B. Depreciation and Amortisation			
Depreciation of plant and equipment	13	1,414	1,144
Depreciation of leasehold improvements	13	2,596	1,902
Amortisation of right of use assets	14	3,698	5,607
Amortisation of software[iii]	8	21,237	17,074
Amortisation of customer relationships and tradenames	8	9,371	6,590
Total depreciation and amortisation		**38,316**	32,317
C. Finance Costs			
External parties borrowing costs		11,006	4,761
Unwinding of discount on contingent consideration		941	29
Finance costs on leases	14	644	961
Total finance costs		**12,591**	5,751
D. Other Expense Disclosures			
Lease rental expense		1,684	985
Share-based payment expense[iii]		1,590	7,498
Total other expenses		**3,274**	8,483

(i) Certain amounts shown do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

(ii) During prior year, the Group repaid a total of $6.5 million that was received under the JobKeeper scheme in relation to the financial year ended 30 June 2021. As a result of the repayment, staff and employee related costs increased by $5.7 million, amortisation of software increased by $0.4 million and capitalised works in progress increased by $0.4 million as disclosed in Note 8.

(iii) Prior year share-based payment expense of $7.5 million excludes $0.3 million transferred to capitalised labour costs related to Project Zipline (voluntary programme available to employees with the options of reduced working hours or cash salary reduction in exchange for share rights).

4. Significant Items

The net profit after tax includes the following significant items, which by size and nature or incidence are relevant in explaining the financial performance of the Group:

	30 June 2023 $'000	30 June 2022 $'000
Restructuring costs[i]	(6,259)	(8,170)
Gain on debt refinance[ii]	–	738
Gains in relation to disposal of entities	140	–
Impairment[iii]	(566)	–
Remeasurement of contingent consideration[iv]	(1,298)	(8,020)
Net loss on lease modification[v]	–	(2,416)
Costs related to mergers and acquisitions[vi]	(1,451)	(4,600)
Total significant items before tax	**(9,434)**	(22,468)
Income tax benefit on significant items	4,388	3,162
Net significant items after income tax	**(5,046)**	(19,306)

(i) Current year restructuring charges of $6.3 million largely relate to the implementation of a new commercial organisational structure. Prior year charges of $8.2 million largely relate to the implementation of new finance and billing systems.

(ii) On 14 December 2021, the Group entered into an amending agreement for its existing syndicated loan facility agreement which resulted in a gain on debt modification amounting to $0.7 million in the prior year.

(iii) Impairment charge of $0.6 million relates to intangible assets in dormant entities.

(iv) Remeasurement gain on contingent consideration amounting to $1.3 million relates to the revaluation of the Commercialview.com.au and Insight Data Solutions Holdings Pty Ltd contingent consideration.

Prior year loss on contingent consideration payable amounting to $8.0 million relates to an increase in the contingent consideration payable for Insight Data Solutions Holdings Pty Ltd (expense of $7.8 million), Commercialview.com.au Pty Ltd Tranche 3A (expense of $0.1 million) and the final settlement of the contingent consideration for the acquisition of Bidtracker Holdings Pty Ltd (expense of $0.1 million).

(v) In the prior year, the Group renegotiated its lease agreements for its head office space in Pyrmont, NSW which resulted in a net gain on lease modification amounting to $0.2 million. As a result of the lease amendments, the Group impaired plant and equipment amounting to $2.6 million. On lease modification, total current and non-current lease liabilities reduced by $11.1 million, right of use assets reduced by $8.1 million and sublease receivables reduced by $2.8 million.

(vi) The Group has incurred integration, legal and advisory fees and other costs related to acquisitions amounting to $0.9 million in the current year. Remaining current year costs relate to additional mergers and acquisitions and strategic advice. Prior year costs primarily related to the acquisition of Insight Data Solutions Holdings Pty Ltd and Realbase Pty Ltd.

5. Segment Reporting

A. Description of segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors, CEO and CFO in assessing performance and in determining the allocation of resources.

Domain Home Loans was previously reported within the Consumer Solutions operating segment. Following the decision to exit the Domain Home Loans business through a sale, the results which are presented as discontinued operations have been separately reported in Note 7. The Consumer Solutions operating segment is therefore no longer an operating segment. As a result, the 2022 comparative segment information has been restated in accordance with the amended basis of reporting.

Reportable Segment	Products And Services
Core Digital	Digitally focused real estate media and services business providing residential, commercial and rural property marketing solutions. Provides search and valuation tools and insights to buyers, sellers, investors, renters, governments and agents Australia-wide.
Print	Real estate newspaper and magazine publishing.
Corporate	Comprises corporate entity results not included in the segments above.

B. Results by operating segment

The segment information provided to the Board of Directors, CEO and CFO for the reportable segments for the year ended 30 June 2023 is as follows:

	Segment Revenue $'000	Revenue From External Customers $'000	Underlying EBITDA[i] $'000
30 June 2023			
Core Digital	328,888	328,888	134,978
Print	16,575	16,575	2,321
Corporate	204	–	(28,713)
Total for the Group	**345,667**	**345,463**	**108,586**
Restated[ii] 30 June 2022			
Core Digital	325,642	325,642	152,576
Print	21,683	21,683	5,505
Corporate	191	–	(33,244)
Total for the Group	347,516	347,325	124,837

(i) Underlying EBITDA is defined as earnings before interest, tax, depreciation and amortisation excluding significant items.
(ii) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

C. Other segment information

The Board of Directors, CEO and CFO assess the performance of the operating segments based on a measure of underlying EBITDA.

A reconciliation of underlying EBITDA to operating profit before income tax is provided as follows:

	30 June 2023 $'000	Restated[i] 30 June 2022 $'000
Underlying EBITDA from continuing operations	108,586	124,837
Significant income before tax (including significant interest income)	140	974
Significant expense before tax	(9,574)	(23,442)
Depreciation and amortisation	(38,316)	(32,317)
Interest income	957	130
Finance costs	(11,650)	(5,751)
Reported net profit before tax and discontinued operations	**50,143**	64,431

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

A summary of significant items before tax by operating segments is provided for the financial years ended 30 June 2023 and 30 June 2022.

	Impairment $'000	Restructuring Costs $'000	Remeasurement of Contingent Consideration $'000	Lease Modification $'000	Gain on Debt Refinance $'000	Disposals, Mergers & Acquisitions $'000	Total $'000
30 June 2023							
Core Digital	(566)	–	(1,298)	–	–	–	**(1,864)**
Print		–	–	–	–	–	**–**
Corporate	–	(6,259)	–	–	–	(1,311)	**(7,570)**
Consolidated entity	**(566)**	**(6,259)**	**(1,298)**	**–**	**–**	**(1,311)**	**(9,434)**
30 June 2022							
Core Digital	–	–	(8,020)	–	–	–	(8,020)
Print	–	–	–	–	–	–	–
Corporate	–	(8,170)	–	(2,416)	738	(4,600)	(14,448)
Consolidated entity	–	(8,170)	(8,020)	(2,416)	738	(4,600)	(22,468)

Information provided to the Board of Directors, CEO and CFO in respect of assets and liabilities is presented on a group basis consistent with the Consolidated Financial Statements.

Accounting policy

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenue and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision makers to assess performance, make resource allocation decisions and for which discrete financial information is available.

6. Business Combinations

The Group gained control of the following entities and businesses during the year:

Entity or Business Acquired	Principal Activity	Date of Acquisition	Ownership Interest as at 30 June 2023
Insight Data Solutions and its subsidiaries (**IDS Group**)	Provision of land and property valuation and insights and analytics services to governments and financial institutions	15 October 2021	100.0%
Realbase Pty Ltd, its subsidiaries and equity accounted investments (**Realbase Group**)	Campaign management technology platform in Australia and New Zealand, providing services to real estate agents in relation to property transactions	29 April 2022	100.0%

Assets acquired and liabilities assumed

During the year ended 30 June 2023, management finalised the purchase price allocation for both acquisitions.

	IDS Group $'000	Realbase Group $'000
Current assets		
Cash	622	1,937
Trade and other receivables	37	3,386
Total current assets	**659**	**5,323**
Non-current assets		
Right of use assets	–	1,587
Intangible assets	39,870	53,233
Property, plant and equipment	21	205
Deferred tax assets	1,847	2,441
Total non-current assets	**41,738**	**57,466**
Total assets	**42,397**	**62,789**
Current liabilities		
Trade and other payables	5,980	11,590
Current tax liabilities	–	1,804
Provisions	496	1,099
Lease liabilities	–	280
Total current liabilities	**6,476**	**14,773**
Non-current liabilities		
Provisions	–	225
Lease liabilities	–	1,370
Deferred tax liabilities	8,037	14,268
Total non-current liabilities	**8,037**	**15,863**
Total liabilities	**14,513**	**30,636**
Total identifiable net assets at fair value	**27,884**	**32,153**
Goodwill arising on acquisition	51,361	140,723
Total identifiable net assets and goodwill attributable to the Group	**79,245**	**172,876**

Purchase consideration	$'000	$'000
Cash paid	54,720	172,876
Contingent consideration	24,525	–
Total purchase consideration	**79,245**	**172,876**

Net cash outflow on acquisition	$'000	$'000
Cash paid	(54,720)	(172,876)
Cash acquired	622	1,937
Net cash outflow	**(54,098)**	**(170,939)**

Acquisition of IDS Group

On 15 October 2021, Property Data Solutions (2) Pty Limited (**PDS 2**), a wholly-owned subsidiary of the Company, acquired 100% of the share capital in Insight Data Solutions Holdings Pty Ltd and its subsidiaries. The acquisition marks another step forward in executing on the Group's Marketplace strategy to expand its addressable market beyond agents and consumers to financial institutions and government. The acquisition of the IDS Group establishes Domain as a market leading provider of land and property valuation, insights and analytics services into the government sector, and significantly expands the size of the Property Data Solutions pillar of Domain's Marketplace strategy.

After reporting a provisional balance sheet at 30 June 2022, management finalised the purchase price allocation during the period. This resulted in a reduction of goodwill from $82.4 million to $51.4 million, recognition of $31.0 million of other intangible assets and comprises expected synergies arising from the acquisition. Goodwill is allocated entirely to the Core Digital segment. None of the goodwill recognised is expected to be deductible for income tax purposes. The Group has now finalised determining the fair value of assets and liabilities acquired as part of the acquisition of the IDS Group.

The consideration of the acquisition comprises an upfront cash payment and multiple tranches that are contingent on the future financial and commercial performance of the IDS Group, relating to securing and delivering services under new customer contracts over the performance period ending in June 2027.

The first tranche cash payment of $54.7 million was settled on 15 October 2021. In the current year, IDS made progress in the government market, winning the contract to supply the Western Australia (WA) Land Information Authority (which values all properties in WA). The second tranche cash payment of $23.9 million associated with the WA contract was settled on 9 May 2023. Other tranches are due to be settled during the performance period between completion and June 2027.

The on target and maximum consideration for the transaction including the undiscounted contingent consideration is $134.7 million and $153.6 million respectively. The range of potential outcomes, undiscounted, is $78.6 million to $153.6 million. The expectation at acquisition is that it will be cash settled, however, the purchase agreement allows for this consideration to be settled in cash and/or equity at PDS 2's discretion.

As at the acquisition date, the discounted fair value of the contingent consideration was estimated to be $24.5 million. The fair value of the contingent consideration determined at the date of acquisition reflects the probabilities of securing certain new government contracts and achieving budgeted financial targets. Subsequent to the acquisition date, these assumptions have been revised as a result of change in facts and circumstances, resulting in the remeasurement of the contingent consideration. Refer to Significant judgements, estimates and assumptions in Note 11 for adjustments recognised to the IDS contingent consideration in the period.

Acquisition of Realbase Group

On 29 April 2022, Australian Property Monitors Pty Ltd (**APM**), a wholly-owned subsidiary of the Company, acquired 100% of the share capital in Realbase Pty Ltd and its subsidiaries. The acquisition marks another step forward in the evolution of the Group's Marketplace strategy. The acquisition of the Realbase Group is highly strategic, meaningfully accelerating the scale and impact of Domain's Agent Solutions business unit, with complementary offerings that create a holistic end-to-end solution for real estate agents.

After reporting a provisional balance sheet at 30 June 2022, management finalised the purchase price allocation during the period. This resulted in a reduction of goodwill from $177.7 million to $140.7 million, recognition of $37.0 million of other assets and liabilities and comprises expected synergies arising from the acquisition. Goodwill is allocated entirely to the Core Digital segment. None of the goodwill recognised is expected to be deductible for income tax purposes.

The consideration of the acquisition comprises an upfront cash payment and multiple tranches that are contingent upon the future financial performance of the Realbase Group based achieving stretch financial performance targets based on a mix of revenue and EBITDA metrics over a three-year period from financial years ending 31 December 2024 to 31 December 2026. As at the acquisition date and at 30 June 2023, Management determined the fair value of the contingent consideration to be nil based on forecast projections of the business.

The first tranche cash payment of $173.9 million was settled on 29 April 2022. Subsequently, the completion statement was finalised resulting in a purchase price reduction amounting to $1.1 million.

The on target and maximum consideration for the transaction is $197.9 million and $222.9 million respectively. The range of potential outcomes, undiscounted, is $172.9 million to $222.9 million. The expectation at acquisition is that it will be cash settled, however, the purchase agreement allows for this consideration to be settled in cash and/or equity of the Company at APM's discretion.

Significant judgements, estimates and assumptions

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity issued by the acquirer. Acquisition-related costs are expensed as incurred and included in other expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions as at the acquisition date. The provisionally determined fair values of the identifiable assets and liabilities acquired are recognised at acquisition, with measurement to be finalised within one year in line with AASB 3 Business Combinations.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration are within the Consolidated Statement of Profit or Loss and Other Comprehensive Income. The contingent consideration is classified as an 'other payable' and is disclosed as part of 'Trade and other payables' on the Consolidated Balance Sheet. Refer to Note 11 for further details.

7. Discontinued Operations

In June 2023, the decision was made to exit the Domain Home Loans (**DHL**) business through a sale. DHL is being held for sale and treated as a discontinued operation.

The business of DHL represented a significant portion of the Group's Consumer Solutions operating segment. The results of DHL for the year are presented below:

	30 June 2023 $'000	30 June 2022 $'000
Revenue from contracts with customers	8,825	9,217
Other revenue and income	321	263
Total revenue and income	**9,146**	9,480
Expenses from operations excluding impairment, depreciation, amortisation and finance costs	(14,567)	(12,856)
Impairment	(4,171)	–
Depreciation and amortisation	(697)	(642)
Finance costs	(200)	(180)
Net loss from discontinued operations before income tax expense	**(10,489)**	(4,198)
Income tax expense	–	–
Net loss from discontinued operations after income tax expense	**(10,489)**	(4,198)
Earnings per share (cents) from discontinued operations		
Basic earnings per share (cents)	1.15	0.35
Diluted earnings per share (cents)	1.15	0.35

The major classes of assets and liabilities of Digital Home Loans Pty Limited classified as held for sale as at 30 June 2023 are, as follows:

	30 June 2023 $000
Assets held for sale	
Cash and cash equivalents	1,336
Trade and other receivables	5,810
Total assets held for sale	**7,146**
Liabilities associated with assets held for sale	
Trade and other payables	5,146
Total liabilities associated with assets held for sale	**5,146**
Net assets directly associated with disposal group	**2,000**

The net cash flows incurred by Digital Home Loans Pty Limited are, as follows:

	30 June 2023 $'000	30 June 2022 $'000
Operating	(4,970)	(7,141)
Investing	(684)	(692)
Financing	6,450	7,858
Net cash inflow	**796**	25

Following the classification of Digital Home Loans Pty Limited as discontinued operations, a write-down of $4.2 million was recognised to reduce the carrying amount of the assets in the disposal group to their fair value less costs to sell. This was recognised in discontinued operations in the Consolidated Statement of Profit or Loss.

8. Intangible Assets

	30 June 2023 $'000	Restated[(i)] 30 June 2022 $'000
Brand and tradenames	282,734	284,112
Goodwill	969,334	969,900
Software	52,189	46,885
Software (capital works in progress)[(ii)]	7,337	7,075
Customer relationships	64,089	72,267
Total intangible assets	**1,375,683**	1,380,239

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.
(ii) Prior year balance is inclusive of $0.4 million adjustment as a result of the repayment of JobKeeper during the period.

The movement in intangibles during the year is primarily due to additions and amortisation in the ordinary course of business in addition to the acquisitions outlined in Note 6.

Reconciliations

Reconciliations of the carrying amount of each class of intangible at the beginning and end of the year ended 30 June 2023 are set out below:

	Note	Brand and Tradenames $'000	Goodwill $'000	Software $'000	Software (Capital Works in Progress) $'000	Customer Relationships $'000	Total $'000
30 June 2023							
Balance at beginning of the year		284,112	969,900	46,885	7,075	72,267	**1,380,239**
Reclassifications		(185)	–	1,508	(1,323)	–	**–**
Additions		–	–	1,036	27,324	–	**28,360**
Reclassification from works in progress		–	–	25,739	(25,739)	–	**–**
Impairment		–	(566)	–	–	–	**(566)**
Disposals		–	–	(136)	–	–	**(136)**
Amortisation	3(B)	(1,193)	–	(21,237)	–	(8,178)	**(30,608)**
Assets held for sale	7	–	–	(1,606)	–	–	**(1,606)**
At 30 June 2023, net of accumulated amortisation and impairment		**282,734**	**969,334**	**52,189**	**7,337**	**64,089**	**1,375,683**
Cost		287,226	1,404,814	168,247	7,337	108,749	**1,976,373**
Accumulated amortisation and impairment		(4,492)	(435,480)	(116,058)	–	(44,660)	**(600,690)**
Net carrying amount		**282,734**	**969,334**	**52,189**	**7,337**	**64,089**	**1,375,683**

	Note	Brand and Tradenames $'000	Goodwill $'000	Software $'000	Software (Capital Works in Progress) $'000	Customer Relationships $'000	Total $'000
Restated[i] 30 June 2022							
Balance at beginning of the year		270,131	777,816	12,567	4,668	34,843	1,100,025
Additions		–	–	1,035	18,298	–	19,333
Reclassification from works in progress		–	–	15,891	(15,891)	–	–
Acquisitions through business combinations		14,651	192,084	35,108	–	43,344	285,187
Disposals		–	–	–	–	–	–
Amortisation	3(B)	(670)	–	(17,074)	–	(5,920)	(23,664)
Assets held for sale	7	–	–	(642)	–	–	(642)
At 30 June 2022, net of accumulated amortisation and impairment		284,112	969,900	46,885	7,075	72,267	1,380,239
Cost		289,333	1,404,814	146,146	7,075	108,750	1,956,118
Accumulated amortisation and impairment		(5,221)	(434,914)	(99,261)	–	(36,483)	(575,879)
Net carrying amount		284,112	969,900	46,885	7,075	72,267	1,380,239

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

A. Impairment testing of indefinite life intangible assets

The Group performed its annual impairment test in June 2023. The carrying amounts of goodwill and indefinite life intangibles are allocated to the Group's cash-generating units (**CGU**) as follows:

Allocation to Group's CGU	Operating segment	Goodwill $'000	Brand and Tradenames $'000	Total $'000
30 June 2023				
Domain Digital[i]	Core Digital	872,163	263,250	1,135,413
Allhomes	Core Digital	35,091	–	35,091
Commercial Real Estate	Core Digital	8,352	–	8,352
Insight Data Solutions	Consumer Solutions	53,728	–	53,728
Total intangible assets		**969,334**	**263,250**	**1,232,584**
30 June 2022				
Domain Digital	Core Digital	734,373	254,923	989,296
Allhomes	Core Digital	35,091	–	35,091
Commercial Real Estate	Core Digital	8,352	–	8,352
Insight Data Solutions	Core Digital	82,352	–	82,352
Domain Home Loans[ii]	Consumer Solutions	–	8,327	8,327
Unallocated[iii]		177,726	–	177,726
Total intangible assets		1,037,894	263,250	1,301,144

(i) At 30 June 2023, Management has performed an assessment of the cashflows, customer base and synergies of Realbase business and concluded that it forms part of the Domain Digital CGU. The goodwill acquired in this acquisition has therefore been allocated to the Domain Digital CGU.

(ii) In June 2023, the decision was made to exit the DHL business through a sale. The Domain brand is treated as a corporate asset for impairment testing purposes. As DHL will not utilise the Domain brand in the future following a sale exit, this asset has been reallocated to the Domain Digital CGU. Given there are no intangible assets allocated to this CGU and no future cashflows are expected from this business, this CGU is not tested for impairment for the year ended 30 June 2023.

(iii) At 30 June 2022, all of the goodwill arising from the acquisition of Realbase of $177.7 million was not allocated to any CGUs. Management continued to evaluate the purchase price allocation for the business combination and considered that the provisional goodwill could not be reliably allocated until the accounting for the business combination was complete. The unallocated goodwill was not tested for impairment at 30 June 2022 at a level which it could reliably be measured, being the combined Realbase Domain Digital CGUs and no impairment loss was noted.

The recoverable amounts of the CGUs are determined based on fair value less costs of disposal, using a discounted cash flow methodology. The valuations used to support the carrying amounts of the intangible assets are based on forward looking key assumptions that are, by nature, uncertain. Any changes in the assumptions can lead to significant changes in the recoverable amounts of the CGUs. The Group has based its impairment testing upon conditions existing as at 30 June 2023 and what the Management and the Directors believe can reasonably be expected at that date. The nature and basis of the key assumptions used to estimate future cash flows and the discount rates used in the projections, when determining the recoverable amount of each CGU, are set out below:

Key Assumptions	Domain Digital	Allhomes	Commercial Real Estate	Insight Data Solutions	Domain Home Loans
Based on a risk-adjusted annual budget approved by the Board of Directors.	Year 1 cash flows	Year 1 cash flows	Year 1 cash flows	Year 1 cash flows	Not applicable
Revenue growth is in line with digital business industry trends, market maturity and Management's expectations of market development. Management forecasts the operating costs based on the current structure of the business and does not reflect any future restructurings or cost saving measures.	Year 2 – 10 cash flows	Year 2 – 5 cash flows	Year 2 – 10 cash flows	Year 2 – 7 cash flows	Not applicable

		Domain Digital	Allhomes	Commercial Real Estate	Insight Data Solutions	Domain Home Loans
30 June 2023						
Terminal growth rate	These rates are consistent with industry specific forecasts in which the CGU operates.	2.50%	2.50%	2.50%	2.50%	Not applicable
Discount rate (post tax)	Reflects current market assessment of the time value of money, risk-adjusted cash flows and other risks specific to the relevant market in which the CGU operates.	10.00%	10.00%	10.00%	9.50%[(i)]	Not applicable
30 June 2022						
Terminal growth rate	These rates are consistent with industry specific forecasts in which the CGU operates.	2.50%	2.50%	2.50%	2.50%	2.50%
Discount rate (post tax)	Reflects current market assessment of the time value of money, risk-adjusted cash flows and other risks specific to the relevant market in which the CGU operates.	10.00%	10.00%	10.00%	10.50%	12.75%

(i) The Insight Data Solutions discount rate has been reduced in the current year impairment model to reflect a more conservative risk-adjusted cash flow forecast.

Accounting policy

Brand and tradenames

The Group's brands and tradenames operate in established markets with limited licence conditions and are expected to continue to complement the Group's new media initiatives. On this basis, the Directors have determined that the majority of brands and tradenames have indefinite useful lives as there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows for the Group. These assets are not amortised but are tested for impairment annually. Tradenames that have been assessed to have a finite useful life are amortised using a straight-line basis over their useful lives.

Goodwill

Goodwill represents the excess of cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired entity at the date of acquisition. Goodwill is not amortised but is tested for impairment annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

Software, databases and websites

Internal and external costs directly incurred in the purchase or development of software (excluding SaaS costs) or databases are capitalised as intangible assets, including subsequent upgrades and enhancements, when it is probable that they will generate future economic benefits attributable to the Group.

Internal and external costs directly incurred in the development of websites are capitalised as intangible assets and amortised on a straight-line basis over their useful lives.

Customer relationships

Customer relationships purchased in a business combination are amortised on a straight-line basis over their useful lives.

Impairment of assets

Intangibles are tested for impairment where there is an indication that the asset may be impaired. Goodwill and other indefinite life assets are further tested at least annually in June each year. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. To determine the recoverable amount, Management's best estimate of future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment whenever there is an indication of a potential reversal and at least annually.

Amortisation

Amortisation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

- Tradenames and brands (finite useful life) 5 – 25 years
- Customer relationships 5 – 15 years
- Software, databases and websites 2 – 10 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each reporting date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These are included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Determining whether cloud computing arrangements contain a software licence intangible asset

The Group evaluates cloud computing arrangements to determine if it provides a resource that the Group can control. The Group determines that a software licence intangible asset exists in a cloud computing arrangement when both of the following are met at the inception of the arrangement:

- the Group has the contractual right to take possession of the software during the hosting period without significant penalty.
- it is feasible for the Group to run the software on its own hardware or contract with another party unrelated to the supplier to host the software.

Capitalisation of configuration and customisation costs in SaaS arrangements

Where the Group incurs costs to configure or customise SaaS arrangements and such costs are considered to enhance current on-premise software or provide code that can be used by the Group/Company in other arrangements, the Group applies judgement to assess whether such costs result in the creation of an intangible asset that meets the definition and recognition criteria in AASB 138 Intangible Assets.

Significant estimate: Impact of possible changes in key assumptions

(i) Domain Digital

The estimated recoverable amount of this CGU is in excess of the carrying amount. Future net cash flows of this CGU are based on the key assumptions noted above, each of which are subject to some uncertainty. Any reasonable change in the key assumptions would not result in the carrying amount materially exceeding its recoverable amount.

(ii) Allhomes

The impairment testing described above and performed at 30 June 2023 did not result in any impairment being recognised. However, due to uncertainty around economic conditions, headroom is minimal at $22.7 million (2022: $15.8 million). As a result, the model will be sensitive to changes in assumptions. If any of the following changes occur, the headroom would reduce to nil:

- if the post-tax discount rate applied to the cash flow projections of this CGU had been 3.5% (2022: 2.3%) higher than Management's estimates (13.5% instead of 10.5%);
- if the forecast EBITDA margin is reduced by 9.7% (2022: 7.3%) each forecast year compared to Management's estimate;
- if the forecast revenue growth is reduced by 7.2% (2022: 5.7%) each forecast year compared to Management's estimate; or
- if the Group's terminal growth rate is 5.2% (2022: 3.2%) lower than Management's estimate (-2.7% instead of 2.5%).

(iii) Commercial Real Estate

The estimated recoverable amount of this CGU is in excess of the carrying amount. Future net cash flows of this CGU are based on the key assumptions noted above, each of which are subject to some uncertainty. Any reasonable change in the key assumptions would not result in the carrying amount materially exceeding its recoverable amount.

(iv) Insight Data Solutions

The impairment testing described above and performed at 30 June 2023 did not result in any impairment being recognised. However, due to the shift in the timing of winning of the revenue contracts and uncertainties around economic conditions, headroom is minimal at $13.6 million (2022: $90.8 million). As a result, the model will be sensitive to changes in assumptions. If any of the following changes occur, the headroom would reduce to nil:

- if the post-tax discount rate applied to the cash flow projections of this CGU had been 0.9% (2022: 7.3%) higher than Management's estimates (10.5% instead of 9.5%);
- if the forecast EBITDA margin is reduced by 7.1% (2022: 36.1%) each forecast year compared to Management's estimate;
- if the forecast revenue growth is reduced by 2.9% (2022: 21.9%) each forecast year compared to Management's estimate; or
- if the Group's terminal growth rate is 1.4% (2022: 12.9%) lower than Management's estimate (1.1% instead of 2.5%).

The recoverable amount of the Insight Data Solutions CGU is sensitive to the success of winning key government contracts. Holding all other assumptions constant, should one or more of these contracts not be secured in the forecast period, an impairment charge will likely be required.

9. Interest Bearing Liabilities

	Note	30 June 2023 $'000	30 June 2022 $'000
Non-current interest bearing liabilities – unsecured			
Bank borrowings		219,318	218,648
Total non-current interest bearing liabilities		**219,318**	218,648
Net debt			
Cash and cash equivalents	25	(34,804)	(67,116)
Non-current interest bearing liabilities		219,318	218,648
Net debt		**184,514**	151,532

A. Financing arrangements

The Group's net debt was $184.5 million as at 30 June 2023 (30 June 2022: $151.5 million).

B. Bank borrowings

Facility	Interest Rate	Maturity	30 June 2023 Facility Limit	30 June 2022 Facility Limit
A – Revolving credit	BBSY + 1.20% – 1.90%(i)	December 2025	$5.0 million	$5.0 million
B – Revolving loan	BBSY + 1.20% – 1.90%(i)	December 2025	$210.0 million	$210.0 million
C – Revolving loan	BBSY + 1.35% – 2.05%(i)	December 2026	$140.0 million	$140.0 million
Total			**$355.0 million**	$355.0 million

(i) The interest rate margin is dependent on the Group's net debt to EBITDA ratio.

The interest rate for drawings under this facility is the applicable bank bill swap bid rate (BBSY) plus the relevant credit margin. As at 30 June 2023, the Group had drawn $220.0 million (30 June 2022: $220.0 million) of the total available facility with $135.0 million (30 June 2022: $135.0 million) unused credit facilities.

C. Fair value measurement

The carrying value of bank borrowings approximate the fair value as at the reporting date.

Accounting policy

Subsequent to initial recognition at fair value (net of transaction costs), interest bearing liabilities are measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income over the period of the borrowings using the effective interest method.

10. Trade and Other Receivables

	30 June 2023 $'000	Restated(i) 30 June 2022 $'000
Current		
Trade debtors	41,115	50,166
Expected credit loss	(1,432)	(442)
Trade debtors net of expected credit loss	**39,683**	49,724
Trade debtors net of expected credit loss prepayments	5,710	6,823
Commission receivable	–	2,703
Other receivables	3,720	3,312
Total current receivables	**49,113**	62,562
Non–current		
Commission receivable	–	6,337
Total non–current receivables	**–**	6,337

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

Impaired trade debtors

The Group's trade receivables represent balances from a large number of customers and financial institutions. The trade receivables are non-interest bearing and are generally on 14-to-45-day terms. As there is no significant financing component, the provision for doubtful debts is accordingly measured at an amount equal to 'lifetime expected credit losses'.

The Group has used a provision matrix to determine the expected credit loss (**ECL**) on its receivables. The provision matrix is based on historical loss rates, adjusted, if necessary, for forward looking information.

	Current	31-60 days	61-90 days	91-120 days	120+ days
Expected credit loss rate % at 30 June 2023	0.09%	0.48%	2.12%	7.61%	30.00%
Expected credit loss ($'000)	33	108	49	556	686

	Current	31-60 days	61-90 days	91-120 days	120+ days
Expected credit loss rate % at 30 June 2022	0.24%	2.64%	7.75%	18.72%	30.00%
Expected credit loss ($'000)	122	48	57	65	150

An analysis of trade debtors that are not considered impaired is as follows:

	30 June 2023 $'000	30 June 2022 $'000
Neither past due nor impaired	25,931	36,563
Past due 0 – 30 days	10,300	9,943
Past due 31 – 60 days	1,495	1,851
Past 60 days	1,957	1,367
Total trade debtors	**39,683**	49,724

Movements in the provision for doubtful debts are as follows:

	30 June 2023 $'000	30 June 2022 $'000
Balance at beginning of the year	(442)	(298)
Additional provisions	(1,405)	(1,133)
Receivables written off as uncollectible	258	65
Provision released during the year	157	924
Balance at end of the year	**(1,432)**	(442)

Accounting policy

Trade receivables

Trade receivables are initially recognised at cost less the ECL calculated based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and economic environment. The Group's trade receivables book is very short dated, being non-interest bearing and generally on 14-to-45-day terms. As such, the forecast horizon is limited to a short period after financial year end. Notwithstanding the short-term nature of the trade receivables, the effect of forward-looking information was taken into consideration by the Group as at 30 June 2023.

The provision matrix used to calculate ECL is initially based on the Group's historical observed default rates and the matrix is adjusted for forward-looking information. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is an estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Other receivables

Other receivables include investments in convertible notes measured at fair value through profit or loss (Level 3 in the fair value hierarchy, refer to Note 15E).

11. Trade and Other Payables

	30 June 2023 $'000	Restated[i] 30 June 2022 $'000
Current		
Trade and other payables	15,722	30,155
Contract liabilities	14,847	16,803
Interest payable	–	–
Deferred consideration	–	1,601
Contingent consideration	654	23,101
Total current payables	**31,223**	71,660
Non–current		
Contingent consideration	10,539	10,701
Total non–current payables	**10,539**	10,701

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

Reconciliation

Reconciliation of contingent and deferred consideration during the year are set out below:

	30 June 2023 $'000	30 June 2022 $'000
At 1 July	**35,403**	5,669
Arising during the year	653	–
Acquisitions through business combinations	–	24,525
Remeasured	(296)	8,020
Utilised	(25,508)	(2,811)
Impact of discount unwind	941	–
At 30 June	**11,193**	35,403
Current	654	24,702
Non–current	10,539	10,701
Total contingent consideration	**11,193**	35,403

Accounting policy

Trade and other payables

Liabilities for trade creditors and other payables are carried at amortised cost which is the fair value of the consideration to be paid in the future for goods and services received. Trade payables are non-interest bearing and are generally on 30-day terms.

Contract liabilities

Revenue is recognised on an accruals basis in accordance with the substance of the relevant agreement. When cash is received for services not yet provided this income is deferred until the services have been fully performed. This income is recognised as a liability on the balance sheet to reflect the future obligations of the Group.

Deferred consideration

Deferred consideration to be transferred by the acquirer on business combinations is recognised at fair value at the acquisition date and is not subject to variability. This payable is recognised as a liability on the balance sheet until it falls due and is paid to extinguish the obligations of the Group.

Significant judgements, estimates and assumptions

Contingent consideration from business combinations is valued at fair value on the acquisition date. When the contingent consideration meets the definition of a financial liability, it is remeasured to fair value at each reporting date with revaluations recognised within the Consolidated Statement of Profit or Loss and Other Comprehensive Income. The contingent consideration is accounted for in accordance with AASB 9 Financial Instruments and disclosed as a financial liability on the Consolidated Balance Sheet.

The determination of the fair value is based on discounted cashflows. The key assumptions include the probability and timing of meeting commercial and financial performance targets and the discount factor. Management uses their best estimates of future cashflows and other key assumptions to determine the appropriate fair value of contingent consideration on acquisition and at each subsequent reporting period. Given the fair value measurement was performed using significant non-observable inputs, the fair value was classified as a Level 3 measurement, refer to Note 15E.

IDS Group

Management remeasured the contingent consideration at reporting date based on its best estimates of key assumptions, any settlements made during the period and future developments in the business performance of the IDS Group. As a result, the contingent consideration was remeasured to $10.5 million discounted (30 June 2022: $32.3 million) and $13.1 million undiscounted (30 June 2022: $36.7 million), with the resulting loss of $2.1 million being recorded within the Consolidated Statement of Profit or Loss and Other Comprehensive Income and disclosed as a significant item as disclosed in Note 4. The remeasurement further takes into account settlement of the second tranche cash payment of $23.9 million, refer to Note 6 for further details. At each reporting period, Management will continue to remeasure the contingent consideration based on the IDS Group securing and delivering specified government contracts over the earn out period ending in June 2027.

Realbase Group

For the contingent consideration associated with the Realbase Group, at both acquisition and reporting date, Management determined the fair value of the contingent consideration to be nil based on forecast projections of the business. At each reporting period, Management will remeasure the contingent consideration based on the latest forecast financial performance of the business.

12. Provisions

	30 June 2023 $'000	30 June 2022 $'000
Current		
Employee benefits	6,339	7,733
Refund liability	–	26
Other	32	32
Total current provisions	**6,371**	7,791
Non-current		
Employee benefits	2,420	2,627
Makegood	1,039	1,039
Other	–	693
Total non-current provisions	**3,459**	4,359

Reconciliation

Reconciliations of the carrying amount of each class of provision, other than employee benefits, during the year are set out below:

	Makegood $'000	Refund Liability $'000	Other $'000
30 June 2023			
Balance at beginning of the year	1,039	26	725
Utilised/released	–	(26)	(693)
Balance at end of the year	**1,039**	**–**	**32**
Current	–	–	32
Non-current	1,039	–	–
Total provisions, excluding employee benefits	**1,039**	**–**	**32**

	Makegood $'000	Refund Liability $'000	Other $'000
30 June 2022			
Balance at beginning of the year	1,406	166	323
Additional provisions	–	–	762
Revaluations	–	(137)	–
Utilised/released	(367)	(3)	(360)
Balance at end of the year	1,039	26	725
Current	–	26	32
Non-current	1,039	–	693
Total provisions, excluding employee benefits	1,039	26	725

Accounting policy

Provisions are recognised when the Group has a legal or constructive obligation to make a future sacrifice of economic benefits to others as a result of past transactions or events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of Management's best estimate of the expenditure required to settle the present obligation at the reporting date using a discounted cash flow methodology. The risks specific to the provision are factored into the cash flows and as such a risk-free government or corporate bond rate relative to the expected life of the provision is used as a discount rate. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

A provision for dividends is not recognised as a liability unless the dividends are declared on or before the reporting date, and the distribution is no longer at the discretion of the Company.

Employee benefits

Current liabilities for wages and salaries, holiday pay, annual leave and long service leave are recognised in the provision for employee benefits and measured at the amounts expected to be paid when the liabilities are settled.

The employee benefit liability expected to be settled within twelve months from reporting date is recognised in current liabilities. The non-current provision relates to entitlements, including long service leave, which are expected to be payable after twelve months from reporting date and, where material, are measured as the present value of expected future payments to be made in respect of services, employee departures and periods of service. Expected future payments are discounted using market yields at reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The Group recognises a provision and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Restructuring and redundancy

The provision is in respect of amounts payable in connection with restructuring, including termination benefits, on-costs, outplacement and consultancy services.

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Property

The provision for property costs is in respect of make good provisions. A corresponding make good asset was recognised and is amortised over the shorter of the lease term or the useful life of the assets.

Refund liability provision

The provision is in respect of amounts payable associated with certain print and digital listing services. These services provide a customer with a right of refund if specific conditions relating to the listing and sale of the property are met. Revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected no sale services, which are estimated based on historical data. For services that are expected to generate a no sale outcome, instead of revenue, the Group recognises a refund liability.

13. Property, Plant and Equipment

	30 June 2023 $'000	Restated[(i)] 30 June 2022 $'000
Leasehold improvements		
At cost	15,261	16,948
Accumulated depreciation and impairment	(11,488)	(8,734)
Total leasehold improvements	**3,773**	8,214
Plant and equipment		
At cost	12,763	11,990
Accumulated depreciation and impairment	(10,378)	(11,276)
Total plant and equipment	**2,385**	714
Total property, plant and equipment	**6,158**	8,928

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

Reconciliations

Reconciliations of the carrying amount of each class of property, plant and equipment during the year are set out below:

	Note	Leasehold Improvements $'000	Plant and Equipment $'000	Total $'000
30 June 2023				
Balance at beginning of the year		8,214	714	**8,928**
Additions		–	1,525	**1,525**
Reclassifications		(1,696)	1,696	**–**
Disposals		(149)	(136)	**(285)**
Depreciation	3(B)	(2,596)	(1,414)	**(4,010)**
At 30 June 2023, net of accumulated depreciation and impairment		**3,773**	**2,385**	**6,158**
At cost		15,261	12,763	**28,024**
Accumulated depreciation and impairment		(11,488)	(10,378)	**(21,866)**
Net carrying amount		**3,773**	**2,385**	**6,158**

	Note	Leasehold Improvements $'000	Plant and Equipment $'000	Total $'000
30 June 2022				
Balance at beginning of the year		9,956	1,831	11,787
Additions		2,442	418	2,860
Acquisitions through business combinations		–	226	226
Disposals		(2,282)	(617)	(2,899)
Depreciation	3(B)	(1,902)	(1,144)	(3,046)
At 30 June 2022, net of accumulated depreciation and impairment		8,214	714	8,928
At cost		16,948	11,990	28,938
Accumulated depreciation and impairment		(8,734)	(11,276)	(20,010)
Net carrying amount		8,214	714	8,928

Accounting policy

Property, plant and equipment is recorded at cost less accumulated depreciation and any accumulated impairment losses. Directly attributable costs arising from the acquisition or construction of fixed assets, including internal labour and interest, are also capitalised as part of the cost.

Recoverable amount

All items of property, plant and equipment are reviewed as part of the annual CGU impairment testing given the recoverable amounts for these assets cannot be determined individually.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

- Leasehold improvements – over the lease term; currently up to 7 years; and
- Plant and equipment – up to 13 years.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These are included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

14. Leases

The Group leases office space and car parking facilities in various locations around Australia. The leases typically run for a period of between five and ten years and may include extension options which provide operational flexibility. Lease payments are renegotiated on renewals to reflect market rentals.

Set out below are the carrying amounts of the right of use (**ROU**) assets, sublease receivables and lease liabilities recognised and the related movements during the year:

	Right of Use Assets $'000	Sublease Receivable $'000	Lease Liabilities $'000
30 June 2023			
Balance at beginning of the year	20,089	1,731	(25,819)
Modifications	(54)	–	(10)
Depreciation	(3,698)	–	–
Interest income/(expense)	–	22	(644)
Lease (receipts)/payments	–	(1,460)	6,285
At 30 June 2023	**16,337**	**293**	**(20,188)**
30 June 2022			
Balance at beginning of the year	31,475	5,832	(44,166)
Additions	2,336	–	(2,399)
Derecognition	(11,151)	–	11,897
Modifications	3,036	(2,788)	(757)
Depreciation	(5,607)	–	–
Interest income/(expense)	–	91	(961)
Rental (income)/expense	–	(1,404)	10,567
At 30 June 2022	20,089	1,731	(25,819)

The cash receipts and payments are presented in the following lines of the Consolidated Cash Flow Statement:

	30 June 2023 $'000	30 June 2022 $'000
Receipts from sublease – principal component	1,437	1,314
Payment of lease liabilities – principal component	(5,628)	(9,606)
Financing component of lease receipts and payments	(622)	(870)
Net cash payments	**(4,813)**	(9,162)

The following table sets out a maturity analysis of the sublease receivable, showing the undiscounted lease payments to be received after the reporting date:

	30 June 2023 $'000	30 June 2022 $'000
Within one year	293	1,473
One to two years	–	296
Two years or more	–	–
Total undiscounted lease receivable	**293**	1,769
Unearned finance income	–	(38)
Sublease receivable	**293**	1,731

Accounting policy

Accounting where the Group is the lessee

Contract periods are generally fixed and may include multiple extension options. At contract commencement date, where the lease asset is available for use, leases are recognised as a ROU asset with a corresponding lease liability.

ROU assets

ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. ROU asset costs include an amount equal to the lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. ROU assets are depreciated over the lease term on a straight-line basis and subject to impairment.

Lease liabilities

Lease liabilities are measured at amortised cost using the effective interest method calculated as the present value of lease payments over the lease term using the Group's incremental borrowing rate (**IBR**) at commencement date, if the interest rate implicit in the lease is not readily available. When the lease contains an extension or purchase option that the Group considers reasonably certain to be exercised, the cost of the option is included in the lease payments. Interest expense is recognised under Finance costs as disclosed in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Lease liabilities are re-measured to reflect changes in future lease payments associated with changes in indices or rates, extension, purchase or termination options, modifications and residual value guarantee payments.

Discount rate

In calculating the present value of the lease payments, the Group uses its IBR at the lease commencement date. The Group applied a single discount rate to the portfolio of leases with reasonably similar characteristics. The IBR for lease liabilities was based on reference yield rates derived for the same term as the lease and adjusted for credit risk.

Lease term

The term of each lease is based on the original lease term unless Management is reasonably certain to exercise options to extend the lease.

Presentation

In the Consolidated Balance Sheet, the ROU asset, sublease receivable assets and lease liabilities are presented separately from other assets and liabilities.

Short-term leases and leases of low-value assets

The Group applies the short-term and low-value lease exemptions and does not recognise ROU assets or lease liabilities on such leases. Instead, lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Accounting where the Group is the lessor

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The classification of the sublease is determined with reference to the ROU asset arising from the head lease.

Where the sublease is treated as a finance lease, the Group derecognises the ROU asset and recognises a sublease receivable with the difference taken to the Consolidated Statement of Profit or Loss and Other Comprehensive Income as a gain or loss. Sublease receivables are subsequently remeasured if there is a change in the lease term.

The sublease receivable is remeasured and assessed for impairment at each reporting date in accordance with AASB 9 Financial Instruments.

15. Financial and Capital Risk Management

Financial risk management

The Group's principal financial instruments comprise cash, short-term deposits and bank loans. The main purpose of these financial instruments is to manage liquidity and to raise finance for the Group's operations. The Group has various other financial instruments, such as trade and other receivables, trade and other payables, lease receivables and lease liabilities, which arise directly from its operations. The Group's risk management activities for interest rate and foreign exchange exposures are carried out centrally by the Company's Group Treasury department.

Capital risk management

The capital structure of Group entities is monitored using the net debt to EBITDA ratio. The ratio is calculated as net debt divided by underlying EBITDA. Net debt is calculated as total interest-bearing liabilities less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, buy back shareholder equity, issue new shares, improve EBITDA, sell assets or reduce debt. The Group manages the capital structure to ensure:

- sufficient finance capacity for the business is maintained at a reasonable cost;
- sufficient funds are available for the business to implement its capital expenditure and M&A strategies; and
- all financial covenants are complied with.

Risk factors

The key financial risk factors, including market risk, that arise from the Group's activities, including the Group's policies for managing these risks are outlined below.

A. Interest rate risk

Interest rate risk refers to the risks that the value of a financial instrument or future cash flows associated with the instrument will fluctuate due to movements in market interest rates.

Interest rate risk arises from interest bearing financial assets and liabilities that the Group utilises. Interest bearing assets are predominantly short-term liquid assets. The Group's borrowings which have a variable interest rate attached give rise to cash flow interest rate risk.

The Group's risk management policy for interest rate risk seeks to reduce the effects of interest rate movements on its asset and liability portfolio.

A change in interest rates of up to 150 basis points would not have a material impact on the net profit after tax incurred by the Group.

Interest rate risk measurement and reporting

The Group may enter into transactions to provide protection against fluctuations in short-term interest rates which may affect the economics of investment and financing decisions.

Considerations are made to material interest rate transactions to ensure that the Group:

- has some protection from significant increases in short-term interest rates, thereby adding some degree of certainty to the financial budgeting process; and
- maintains sufficient interest rate flexibility to participate in normal yield curve environments without unduly paying up for term interest rate hedges; repay debt without significant swap (fixed rate) break costs; and undertake interest rate maturity extension trades as appropriate.

Measurement of interest rate risk

The interest rate exposure has been assessed using:

Forecast net debt (based on the Group's rolling 12-month net debt forecast plus budget and strategic plan).

Interest rate exposure will be recognised as the actual or forecast interest bearing liability (net of cash balances) over the appropriate period.

B. Foreign currency risk

Foreign currency risk refers to the risk that the value or the cash flows arising from a financial commitment, or recognised asset or liability will fluctuate due to changes in foreign currency rates. The Group's foreign currency exchange risk arises primarily from receipts and payments settled and prices dependent on foreign currencies. None of these are material to the Group on an individual or collective basis hence foreign currency risk is not considered to be a key risk. The Group is exposed to foreign exchange risk from various immaterial currency exposures, primarily with respect to United States Dollars, New Zealand Dollars, and Philippine Peso. The Group currently has no foreign currency hedges in place.

C. Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause the Group to make a financial loss. The Group has exposure to credit risk on all financial assets included in the Group's Balance Sheet. To help manage this risk, the Group:

- has a policy for establishing credit limits for the entities it deals with;
- may require collateral where appropriate; and
- manages exposures to individual entities it transacts with (through a system of credit limits).

Financial institutions and cash deposits

The Group has policies that limit the amount of credit exposure to any financial institution. Cash transactions are limited to financial institutions that meet minimum credit rating criteria in accordance with the Group's policy requirements. As at 30 June 2023, counterparty credit risk was limited to financial institutions with S&P credit ratings ranging from -AA to A.

Trade and other receivables

The Group's credit risk is mainly concentrated across a number of customers and financial institutions. The Group does not have any significant credit risk exposure to a single or group of customers or individual institutions. The Group recognises trade and other receivables at cost less the lifetime expected credit loss calculated based on its historical credit loss experience, adjusted for forward-looking factors specific to the Group's customers and the economic environment in which the Group operates.

Refer to Note 10 for an ageing analysis of trade receivables and the movement in the allowance for expected credit loss. All other financial assets are not impaired and are not past due. Based on the credit history of these classes, it is expected that these amounts will be received when due.

D. Liquidity risk

Liquidity risk is the risk that the Group cannot meet its financial commitments as and when they fall due.

To help reduce this risk the Group:

- has liquidity management which targets a minimum level of undrawn committed facilities and cash relative to EBITDA;
- has readily accessible funding arrangements in place; and
- staggers maturities of financial instruments.

Refer to Note 9(B) for details of the Group's unused credit facilities as at 30 June 2023.

The contractual maturity of the Group's financial liabilities is shown in the tables below. The amounts represent the future undiscounted principal and interest cash flows and therefore may not equate to the values disclosed in the balance sheet.

	1 Year or Less $'000	1 to 2 Years $'000	2 to 5 Years $'000	More than 5 Years $'000	Total $'000
At 30 June 2023					
Related party payables	(5,370)	–	–	–	**(5,370)**
Payables	(30,569)	–	–	–	**(30,569)**
Contingent consideration	(654)	–	(13,146)	–	**(13,800)**
Lease liabilities	(5,024)	(4,361)	(9,562)	(2,970)	**(21,917)**
Interest bearing liabilities	(14,341)	(13,145)	(232,052)	–	**(259,538)**
Total	**(55,958)**	**(17,506)**	**(254,760)**	**(2,970)**	**(331,194)**
At 30 June 2022					
Related party payables	(3,864)	–	–	–	(3,864)
Payables	(46,958)	–	–	–	(46,958)
Contingent consideration	(24,702)	–	(15,079)	–	(39,781)
Lease liabilities	(6,452)	(6,799)	(12,152)	(5,842)	(31,245)
Interest bearing liabilities	(3,790)	(3,801)	(227,480)	–	(235,071)
Total	(85,766)	(10,600)	(254,711)	(5,842)	(356,919)

E. Fair value

The Group uses various methods in estimating the fair value of a financial asset or liability. The different methods have been defined as follows:

Level 1: The fair value is calculated using quoted prices in active markets.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

The following table present the Group's assets and liabilities measured and recognised at fair value on a recurring basis as at 30 June 2023:

	Note	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
At 30 June 2023					
Assets					
Convertible notes		–	–	2,200	**2,200**
Liabilities					
Contingent consideration	11	–	–	(11,193)	**(11,193)**
At 30 June 2022					
Assets					
Convertible notes		–	–	1,200	1,200
Liabilities					
Contingent Consideration	11	–	–	(33,802)	(33,802)

16. Equity

	Note	30 June 2023 $'000	30 June 2022 $'000
Ordinary shares			
631,657,153 ordinary shares authorised and fully paid (2022: 631,657,153)	(A)	1,474,859	1,474,891
Shares held in trust			
727,248 treasury shares (2022: 1,711,285)	(B)	(1,932)	(7,547)
At 30 June 2023		**1,472,927**	1,467,344

Reconciliations

Movements for each class of contributed equity, by number of shares and dollar value, are set out below:

(A) Ordinary Shares	30 June 2023 No. of Shares	30 June 2022 No. of Shares	30 June 2023 $'000	30 June 2022 $'000
Balance at beginning of the year	631,657,153	584,263,689	1,474,891	1,296,462
Shares issued to institutional and retail investors	–	47,393,464	–	180,095
Transaction costs incurred for issued share capital (net of taxes)	–	–	(32)	(1,666)
Balance at end of the year	**631,657,153**	631,657,153	**1,474,859**	1,474,891

(B) Shares Held in Trust	30 June 2023 No. of Shares	30 June 2022 No. of Shares	30 June 2023 $'000	30 June 2022 $'000
Balance at beginning of the year	(1,711,285)	–	(7,547)	–
Shares acquired	(84,039)	(6,261,931)	(263)	(32,709)
Release of shares[(i)]	1,068,076	4,550,646	5,878	25,162
Balance at end of the year	**727,248**	(1,711,285)	**(1,932)**	(7,547)

(i) During the current year, share performance rights under the FY21 Long-Term Incentive plan, Project Zipline, FY21 Management DIP plan were exercised and the FY22 Employee Share Purchase Plan vested to participants. Refer to Note 23 for further details.

Accounting policy

Ordinary shares

Ordinary shares are classified as equity and entitle the holder to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person, or by proxy, at a meeting of the Company.

Incremental costs

Incremental costs directly attributable to the issue of new shares or options are recognised in equity as a reduction from the proceeds. Incremental costs directly attributable to the issue of new shares for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

Reserves

	Note	30 June 2023 $'000	30 June 2022 $'000
Other reserves	(A)	(55,405)	(52,790)
Share-based payment reserve	(B)	10,711	13,592
Total reserves		**(44,694)**	(39,198)
A. Other reserves			
Balance at beginning of the year		(52,790)	(40,907)
Vesting of performance and share rights		(2,615)	(11,883)
Balance at end of the year		**(55,405)**	(52,790)
B. Share-based payment reserve			
Balance at beginning of the year		13,592	17,546
Vesting of employee engagement shares		(3,000)	(7,301)
Release of employee incentive shares		(2,325)	(2,327)
Share rights in lieu of cash		–	977
Share-based payment expense, net of tax		2,444	4,697
Balance at end of the year		**10,711**	13,592

The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including Key Management Personnel, as part of their remuneration. Refer to Note 23 for further details.

17. Dividends

A. Dividends Paid

	30 June 2023 $'000	30 June 2022 $'000
Interim 2023 dividend: fully franked 2.0 cent – paid 14 March 2022	12,633	–
Dividend: fully franked 4.0 cents – paid 13 September 2022	25,266	–
Interim 2022 dividend: fully franked 2.0 cent – paid 15 March 2022	–	11,685
Dividend: fully franked 4.0 cents – paid 9 September 2021	–	23,371
Total dividends paid	**37,899**	35,056

B. Dividends Proposed and not recognised as a Liability

Since the end of the financial year, the Directors have resolved to pay a dividend of 4.0 cents per fully paid ordinary share, 100% franked at the corporate tax rate of 30%. The aggregate amount of the dividend to be paid on 12 September 2023 out of current year and retained profits, but not recognised as a liability at the end of the half year, is expected to be $25.3 million.

C. Franked Dividends

	Company 30 June 2023 $'000	Company 30 June 2022 $'000
Franking account balance as at reporting date at 30% (2022: 30%)	33,330	32,608
Franking debits that will arise from the payment of dividends	(10,828)	(10,828)
Franking credits that will arise from the payment of income tax payable balances as at the end of the year	2,159	3,047
Total franking credits available for subsequent financial years based on a tax rate of 30%	**24,661**	24,827

Accounting policy

A provision for dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the reporting date.

18. Earnings Per Share

	30 June 2023 Thousands	Restated[i] 30 June 2022 Thousands
Weighted average number of ordinary shares for basic EPS[ii]	**630,526**	593,409
Effects of dilution from:		
Share options	–	77
Contingently issuable ordinary shares	731	–
Contingent consideration in connection with acquisition	2,272	1,148
Weighted average number of ordinary shares adjusted for the effect of dilution[ii]	**633,529**	594,634
Profit attributable to ordinary holders of the parent	$'000	$'000
Continuing operations	33,367	34,426
Discontinued operations	(7,269)	(2,088)
Profit attributable to ordinary holders of the parent for basic earnings	**26,098**	32,338
Profit attributable to ordinary holders of the parent adjusted for the effect of dilution	**26,098**	32,338
Earnings per share	Cents	Cents
Basic, profit attributable to ordinary equity holders of the parent	4.14	5.45
Diluted, profit attributable to ordinary equity holders of the parent	4.12	5.44
Earnings per share from continuing operations		
Basic, profit from continuing operations attributable to ordinary equity holders of the parent	5.29	5.80
Diluted, profit from continuing operations attributable to ordinary equity holders of the parent	5.27	5.79

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.
(ii) The weighted average number of shares takes into account the weighted average effect of changes in treasury shares during the year.

Accounting policy

Basic earnings per share

Basic EPS is calculated by dividing the net profit attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

Diluted EPS is calculated by dividing the net profit attributable to owners of the parent adjusted by the after-tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the effect on revenues and expenses of conversion to ordinary shares associated with dilutive potential ordinary shares by the weighted average number of ordinary shares and ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

19. Commitments and Contingencies

At 30 June 2023, the Group had $0.2 million (30 June 2022: $0.1 million) relating to operating lease commitments and no commitments (30 June 2022: $0.2 million) relating to the design and implementation of new financial reporting and billing systems.

20. Events Subsequent to Reporting Date

There were no other events that have occurred after the end of the year that would materially affect the reported results or would require disclosure in this report.

21. Related Parties and Entities

A. Ultimate parent

The ultimate parent of the Group is Nine Entertainment Co. Holdings Limited which is based in Australia and listed on the ASX.

B. Key Management Personnel (KMP) and Non-Executive Directors

A number of Directors of the Company also hold directorships with other corporations which provide and receive goods or services to and from the Group in the ordinary course of business on normal terms and conditions. None of these Directors derive any direct personal benefit from the transactions between the Group and these corporations.

Transactions were entered into during the year with the Directors of the Company and its controlled entities or with Director-related entities:

- which occur within a normal employee, customer or supplier relationship on terms and conditions no more favourable than those which it is reasonable to expect would have been adopted if dealing with the Director or Director-related entity at arm's length in the same circumstances;
- information about which does not have the potential to adversely affect decisions about the allocation of scarce resources by users of the financial statements, or the discharge of responsibility of the Directors; and
- which are minor or domestic in nature.

Compensation of KMP and Non-Executive Directors of the Group

	30 June 2023 $	30 June 2022 $
Short-term benefits	2,716,101	3,682,161
Long-term benefits	9,693	36,529
Termination benefits	158,768	–
Share-based payment	(34,950)	1,252,205
Total compensation paid	**2,849,612**	4,970,895

The amounts disclosed in the table are the amounts recognised as an expense during the year related to KMP and Non-Executive Directors of the Group.

Interests held by KMP under employee share plans

Shares and share options held by KMP under the Long Term Incentive Plan, Executive Engagement Plan and Executive Retention Plan to purchase ordinary shares have the following exercise prices:

Issue Date	Note	Exercise Price $	30 June 2023 Number Outstanding	30 June 2022 Number Outstanding
2023 (Performance Rights under Long Term Incentive Plan)	(i)	nil	526,314	–
2022 (Performance Rights under Long Term Incentive Plan)	(i)	nil	303,078	425,070
2021 (Performance Rights under Long Term Incentive Plan)	(i)	nil	–	612,310
Total			**829,392**	1,037,380

(i) Refer to Long Term Incentive Plan in section 8 (*Long-Term Incentives*) of the Remuneration Report for details of vesting and expiry dates.

C. Transactions with related parties

The following table provides the total value of transactions that were entered into with the ultimate parent company and other related parties for the relevant financial year.

	Transaction Value for the Year Ended		Balance Outstanding	
	30 June 2023 $'000	30 June 2022 $'000	30 June 2023 $'000	30 June 2022 $'000
Ultimate parent company				
Sales to related parties	3,529	4,163	–	–
Purchases from related parties	(5,035)	(6,521)	–	–
Amounts owed by related parties	–	–	6,449	2,920
Amounts owed to related parties	–	–	(11,819)	(6,784)
Other related parties				
Amounts owed by related parties	–	–	–	2,123

Accounting policy

Amounts payable and receivable to and from related parties are carried at amortised cost and interest payable is recognised on an accruals basis.

D. Parent entity information

The following disclosures relate to the Company as an individual entity, being the ultimate parent entity of the Group.

	30 June 2023 $'000	30 June 2022 $'000
Financial position of parent entity		
Current assets	20,716	49,474
Total assets	1,194,700	1,253,321
Current liabilities	(22,576)	(64,082)
Total liabilities	(135,580)	(185,303)
Net assets	**1,059,120**	1,068,018
Total equity of parent entity		
Contributed equity	1,472,929	1,467,345
Reserves	(1,012)	4,485
Profit reserve	10,261	24,639
Retained losses	(423,058)	(428,451)
Total equity	**1,059,120**	1,068,018
Result of parent entity		
(Loss)/profit for the year	(17,722)	9,915
Other comprehensive income	–	–
Total comprehensive (loss)/profit for the year	**(17,722)**	9,915

The Company has entered into a deed of cross guarantee with the effect that the Company guarantees debts in respect of its subsidiaries within the Closed Group. Further details regarding the deed are set out in Note 21(F).

At 30 June 2023, the Group had $0.2 million (30 June 2022: $0.1 million) relating to operating lease commitments and no commitments (30 June 2022: $0.2 million) relating to the design and implementation of new financial reporting and billing systems.

E. Controlled entities

The following entities were controlled as at the end of the year:

	Note	Country of Incorporation	Ownership Interest 30 June 2023 %	Ownership Interest 30 June 2022 %
Domain Holdings Australia Limited	(ii)	Australia		
Controlled entities				
Alldata Australia Pty Ltd	(ii)	Australia	100.00	100.00
Allhomes Pty Limited	(ii)	Australia	100.00	100.00
Australian Property Monitors Pty Limited	(ii)(v)	Australia	100.00	100.00
Realbase Pty Ltd	(ii)	Australia	100.00	100.00
Realbase Inc	(ii)	Philippines	99.99	99.99
Campaigntrack Limited	(ii)	New Zealand	100.00	100.00
Campaigntrack Pty Ltd	(ii)	Australia	100.00	100.00
Realhub Services Pty Ltd	(ii)	Australia	100.00	100.00
Realhub Studios Pty Ltd	(ii)	Australia	100.00	100.00
Realhub Systems Pty Ltd	(ii)	Australia	100.00	100.00
Workstream Technologies Pty Ltd	(ii)	Australia	100.00	100.00
Insight Data Solutions Holdings Pty Ltd	(ii)	Australia	100.00	100.00
Insight Data Solutions Pty Ltd	(ii)	Australia	100.00	100.00
IDS Gov Services Pty Ltd	(ii)	Australia	100.00	100.00
Bidtracker Holdings Pty Ltd	(ii)	Australia	100.00	100.00
Bidtracker IP Pty Ltd	(ii)	Australia	100.00	100.00
Bidtracker (VIC) Pty Ltd	(ii)	Australia	100.00	100.00
BH Two Pty Ltd	(ii)	Australia	100.00	100.00
Bidtracker (NSW) Pty Ltd	(ii)	Australia	100.00	100.00
Commercial Real Estate Holdings Pty Limited	(ii)	Australia	100.00	100.00
Commercial Real Estate Media Nominees Pty Limited		Australia	100.00	100.00
Commercial Real Estate Media Pty Limited	(vi)	Australia	66.53	67.37
Commercialview.com.au Pty Limited (previously Commercialview.com.au Limited)	(vi)	Australia	66.53	67.37
Domain Group Finance Pty Limited	(ii)	Australia	100.00	100.00
Property Data Solutions Pty Ltd	(ii)	Australia	100.00	100.00
Property Data Solutions (2) Pty Ltd	(ii)(v)	Australia	100.00	100.00
Digital Home Loans Pty Limited		Australia	60.00	60.00
Domain Insure Pty Ltd		Australia	70.00	70.00
Domain Operations Pty Ltd	(ii)	Australia	100.00	100.00
Homepass Pty Ltd	(ii)	Australia	100.00	100.00
Homepass Australia Pty Ltd	(ii)	Australia	100.00	100.00
MarketNow Payments Pty Ltd	(iv)	Australia	100.00	60.00
MMP Holdings Pty Ltd	(ii)	Australia	100.00	100.00
Metro Media Services Pty Ltd	(ii)	Australia	100.00	100.00
Metro Media Publishing Pty Ltd		Australia	92.55	92.55
MMP (DVH) Pty Ltd		Australia	63.00	63.00
MMP Bayside Pty Ltd		Australia	78.40	78.40
Review Property Pty Ltd	(ii)	Australia	100.00	100.00
MMP Eastern Pty Ltd		Australia	70.00	70.00
MMP Moonee Valley Pty Ltd		Australia	70.00	70.00
MMP (Melbourne Times) Pty Ltd		Australia	70.00	70.00
MMP Greater Geelong Pty Ltd	(i)	Australia	48.25	48.25
MMP (CGE) Pty Ltd	(ii)	Australia	100.00	100.00
MMP Community Network Pty Ltd	(ii)	Australia	100.00	100.00
National Real Estate Media Pty Limited	(ii)	Australia	100.00	100.00
National Real Estate Nominees Pty Limited		Australia	100.00	100.00
South Australia Real Estate Media Pty Limited		Australia	50.00	50.00
Western Australia Real Estate Media Pty Limited		Australia	50.00	50.00
New South Wales Real Estate Media Pty Limited		Australia	50.00	50.00
Northern Territory Real Estate Media Pty Limited		Australia	50.00	50.00
Queensland Real Estate Media Pty Limited		Australia	50.00	50.00
Tasmania Real Estate Media Pty Ltd		Australia	50.00	50.00
Australian Capital Territory Real Estate Media Pty Limited		Australia	100.00	100.00
Non-controlled entities (equity accounted)				
Ibenta Pty Ltd	(vii)	Australia	30.00	40.00
CT Signs Pty Ltd	(iii)	Australia	–	50.00
CT Content House Pty Ltd	(iii)	Australia	–	50.00
Campaigntrack Print Pty Ltd	(iii)	Australia	–	50.00
Real Growth Solutions Ltd	(viii)	New Zealand	–	50.00

(i) Where ownership is less than 50% control is achieved through the ability to direct the operations of the entity.

(ii) The Company and the controlled entities incorporated within Australia are party to Corporations Instrument 2016/785 issued by the Australian Securities & Investment Commission. These entities have entered into a deed of cross guarantee dated November 2017 (as varied from time to time) under which each entity guarantees the debts of the others. These companies represent a Closed Group for the purposes of the Corporations Instrument and there are no other members of the Extended Closed Group. Under the Corporations Instrument, these entities have been relieved from the requirements of the *Corporations Act 2001* (Cth) with regard to the preparation, audit and publication of accounts.

(iii) In the current year, Domain Group has exercised the put options to sell Campaigntrack Pty Ltd's investment in CT Content House Pty Ltd, CT Signs Pty Ltd and Campaigntrack Print Pty Ltd.

(iv) On 1 September 2022, Domain acquired the 40% share of MarketNow Shares from Limepay Pty Ltd.

(v) On 24 May 2023, a share sale agreement was entered into to transfer Insight Data Solutions Pty Ltd and its controlled entities from Property Data Solutions (2) Pty Ltd to Australian Property Monitors Pty Limited.

(vi) The contingent consideration for Tranche 3A of the Cview acquisition was paid wholly in consideration shares being C class shares in Commercial Real Estate Media Pty Limited reducing ownership in the respective companies to 66.53%.

(vii) In the current year, Ibenta Pty Ltd issued 3 tranches of new shares further diluting the non-controlling interest holding to 30%.

(viii) In June 2023, the Group has disposed of its 50% ownership in Real Growth Solutions Ltd.

F. Deed of cross guarantee

The Company and certain wholly-owned entities (the Closed Group) identified at (E) in this Note are parties to a deed of cross guarantee under ASIC Corporations Instrument 2016/785. Pursuant to the requirements of that Corporations Instrument, a summarised Consolidated Balance Sheet as at 30 June 2023 and Consolidated Statement of Profit or Loss and Other Comprehensive Income for the financial year ended 30 June 2023, comprising the members of the Closed Group after eliminating all transactions between members are set out below:

Consolidated Balance Sheet

	30 June 2023 $'000	Restated(i) 30 June 2022 $'000
Current assets		
Cash and cash equivalents	32,567	65,141
Trade and other receivables	48,522	57,910
Sublease receivable	293	1,473
Current tax receivable	5,163	–
Total current assets	**86,545**	124,524
Non-current assets		
Shares in controlled entities	5,078	30,877
Intangible assets	1,364,639	1,351,960
Property, plant and equipment	6,159	8,278
Right of use assets	16,337	20,089
Sublease receivable	–	257
Total non-current assets	**1,392,213**	1,411,461
Total assets	**1,478,758**	1,535,985
Current liabilities		
Payables	61,766	75,250
Lease liabilities	4,878	6,365
Provisions	6,350	6,372
Current tax liabilities	–	3,669
Total current liabilities	**72,994**	91,656
Non-current liabilities		
Interest bearing liabilities	219,318	218,648
Lease liabilities	15,310	19,454
Provisions	3,452	3,661
Other non-current liabilities	10,539	10,701
Deferred tax liabilities	88,467	69,082
Total non-current liabilities	**337,085**	321,546
Total liabilities	**410,079**	413,202
Net assets	**1,068,679**	1,122,783
Equity		
Contributed equity	1,472,929	1,470,078
Reserves	(36,258)	6,930
Retained losses	(367,992)	(354,225)
Total equity	**1,068,679**	1,122,783

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	30 June 2023 $'000	30 June 2022 $'000
Total revenue	306,358	301,452
Expenses before finance costs	(282,634)	(244,192)
Finance costs	(11,659)	(5,624)
Net profit from operations before income tax expense	**12,065**	51,636
Income tax expense	(4,454)	(18,959)
Net profit from operations after income tax expense	**7,611**	32,677

22. Taxation

Profit or Loss

The major components of income tax expense for the years ended 30 June 2023 and 2022 are as follows:

	30 June 2023 $'000	Restated(i) 30 June 2022 $'000
Current income tax		
Current income tax expense	15,546	22,665
Adjustments for current tax of prior periods	(4,290)	(3,908)
Deferred tax		
Deferred income tax expense	(2,194)	2,441
Adjustments for deferred tax of prior periods	1,524	2,152
Income tax expense within the Consolidated Statement of Profit or Loss and Other Comprehensive Income	**10,586**	23,350

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

Equity

	30 June 2023 $'000	30 June 2022 $'000
Current tax – credited directly to equity	–	–
Net deferred tax – debited/(credited) to equity	(222)	2,588
Total income tax charged to equity	**(222)**	2,588

Reconciliation of tax expense and the accounting profit multiplied by Australia's company tax rate for 2023 and 2022:

	30 June 2023 $'000	Restated[i] 30 June 2022 $'000
Net profit/(loss) before tax from continuing operations	50,143	64,431
Net profit/(loss) before tax from discontinued operations	(10,489)	(4,198)
Tax effect of amounts that are not deductible/(taxable) in calculating taxable income:	11,896	18,070
Adjustments in respect of current and deferred income tax of previous years	(2,766)	(1,755)
Adjustments in relation to derecognised tax losses	2,480	1,600
Recognition of previously derecognised tax losses	–	(178)
Share-based payments	329	268
Non-assessable income	(269)	–
Non-deductible expenses	1,094	4,005
Other	(2,178)	1,340
At the effective income tax rate of 27% (2022: 37%)	**10,586**	23,350

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

Deferred tax

Deferred tax assets and liabilities are attributable to the following:

	Consolidated Balance Sheet		Consolidated Statement of Profit or Loss and Other Comprehensive Income	
	30 June 2023 $'000	Restated[i] 30 June 2022 $'000	30 June 2023 $'000	Restated[i] 30 June 2022 $'000
Property, plant and equipment	4,908	5,720	(1,158)	1,282
Tradenames	(104,029)	(107,198)	2,884	1,618
ROU assets	(4,989)	(6,944)	1,378	4,117
Subleases	–	(77)	178	1,231
Provisions	2,669	3,254	(104)	(88)
Accruals	719	712	(235)	(386)
Leases	6,056	8,157	(1,685)	(6,224)
Share-based payments	1,795	1,451	–	1,201
Other	6,647	7,892	(1,928)	1,842
Deferred tax expense			**(670)**	4,593
Net deferred tax liabilities	**(86,224)**	(87,033)		
Net deferred tax liabilities comprise:				
Deferred tax assets	24,180	34,680		
Deferred tax liabilities	(110,404)	(121,713)		
	(86,224)	(87,033)		

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

Accounting policy

Current income tax

Current income tax liabilities are measured at the amount expected to be paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current income tax relating to items recognised directly in equity is recognised within the Consolidated Statement of Changes in Equity and not in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting nor the taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside the profit or loss is recognised in either other comprehensive income or directly in equity within the Consolidated Statement of Changes in Equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Tax consolidation

(i) Members of the tax consolidated group and the tax sharing arrangement

The Company and its 100% owned Australian resident subsidiaries formed a tax consolidated group with effect from 22 November 2017. Domain is the head entity of the tax consolidated group. Members of the tax consolidated group have entered into a tax sharing agreement that provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement on the basis that the possibility of default is remote.

(ii) Tax effect accounting by members of the tax consolidated group

The head entity and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The Group has applied the group allocation approach in determining the appropriate amount of current taxes and deferred taxes to be allocated to members of the tax consolidated group.

The current and deferred tax amounts are measured in a systematic manner that is consistent with the broad principles in AASB 112 Income Taxes. The nature of the tax funding agreement is discussed further below.

Nature of the tax funding agreement

Members of the Domain tax consolidated group have entered into a Tax Funding Agreement that governs the allocation and funding of the group's tax liability each financial year. Pursuant to the agreement, members of the group compensate the head entity for the member's allocation of current tax payable and the head entity compensates its members for any tax receivable relating to the member's unutilised tax losses for the financial year. The funding amounts are determined based on accounting policies.

Tax losses

At the reporting date, the Group has unused Australian capital losses of $19.0 million (2022: $22.0 million) which are available indefinitely for offset against future capital gains subject to continuing to meet the relevant statutory tests. A deferred tax asset has not been recognised in association with these capital losses as it is not probable that there will be sufficient capital gains available against which these losses can be utilised in the foreseeable future.

At the reporting date, the Group has unused Australian revenue losses of $40.2 million (2022: $36.2 million) for which no deferred tax asset has been recognised on the balance sheet in respect of these revenue losses as it is not probable that there will be sufficient taxable income available against which these losses can be utilised in the foreseeable future.

Voluntary Tax Transparency Code

The Company has adopted the Voluntary Tax Transparency Code from the financial year ended 30 June 2019 which demonstrates the Company's commitment to transparency and integrity across tax matters.

GST

Revenues, expenses and assets are recognised net of the amount of GST. Cash flows are included in the Cash Flow Statement on a gross basis and the GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

23. Employee Entitlements

A. Number of employees

At 30 June 2023, the Group employed 998 full-time employees (2022: 1,050) and 69 part-time and casual employees (2022: 75).

B. Employee share plans

The Company had the following employee share plans during the year, the terms of which are set out below:

1. Long Term Incentive Plan

The Long Term Incentive Plan is available to certain permanent employees of the Group.

Performance Rights

For 2021 to 2023 schemes, participants in the respective plans were granted Performance Rights (Rights) being the right to acquire one fully paid ordinary Domain share or a cash payment in lieu of a share at the Company's discretion, which are subject to a three-year performance period. There are two tranches with specific vesting hurdles to be met – tranche 1 being relative total shareholder return (Relative TSR), and tranche 2 being CAGR of EBITDA. Rights do not carry any dividend or voting rights prior to exercise. There is no exercise price for the Rights.

Vesting of the Rights granted is subject to achieving a Relative TSR and EBITDA CAGR. The Relative TSR compares the growth in the Company's share price to a comparator group over the performance period. The Board of Directors will also take into account any dividends (or other distributions) paid on the Company's shares during the performance period. The EBITDA CAGR is based on the Company achieving a pre-set compound annual growth rate of EBITDA over the performance period. If the performance hurdle for each tranche is satisfied, the Rights will vest and become exercisable. At 30 June 2023, the vesting hurdles for the FY21 scheme were not satisfied however the Board of Directors exercised its discretion to award 50% of the rTSR Tranche for the FY21 LTI. The remaining portion of the FY21 LTI grant was lapsed in full.

For allocation purposes, the value of each Performance Right has been worked out using an average price of Shares traded on the ASX, being the volume-weighted average market price (VWAP) of Shares over the 30 trading days beginning on 1 July of the respective year:

	LTI FY21 – FY23	LTI FY22 – FY24	LTI FY23 – FY25
30-trading day period	1 July 2020 – 11 August 2020	1 July 2021 – 11 August 2021	1 July 2022 – 11 August 2022
VWAP	$3.3096	$4.9183	$3.4770

A Monte Carlo simulation approach is used to value the Awards subject to the Relative TSR performance conditions.

Within the Monte Carlo approach, the underlying stochastic process of the Company's TSR is assumed to follow Geometric Brownian motion under a risk-neutral measure and each simulation comprises of the following steps:

- simulate TSR performance of the Company as at the end of the performance period;
- proportion of Relative TSR hurdled award vested is calculated based on the vesting schedule; and
- present value of Relative TSR hurdled award vested is recorded.

The weighted average inputs to the valuation of options valued at grant date by an external specialist using the Monte Carlo option pricing model are as follows:

Scheme	Metric	Dividend yield	Risk free interest rate	Expected volatility	Expected life	Share price at grant date	Fair value at grant date
FY21 Performance Rights	Relative TSR	1.78%	0.11%	38.0%	3.0 years	$4.42	$3.09
FY21 Performance Rights	CAGR EBITDA	1.78%	0.11%	38.0%	3.0 years	$4.42	$4.22
FY22 Performance Rights (Oct21)	Relative TSR	1.45%	0.27%	39.0%	3.0 years	$5.51	$3.66
FY22 Performance Rights (Oct21)	CAGR EBITDA	1.45%	0.27%	39.0%	3.0 years	$5.51	$5.30
FY22 Performance Rights (Mar22)	Relative TSR	1.50%	1.51%	39.0%	2.6 years	$4.05	$1.86
FY22 Performance Rights (Mar22)	CAGR EBITDA	1.50%	1.51%	39.0%	2.6 years	$4.05	$3.90
FY23 Performance Rights (Oct22)	Relative TSR	1.82%	3.22%	40.0%	3.0 years	$3.57	$2.19
FY23 Performance Rights (Oct22)	CAGR EBITDA	1.82%	3.22%	40.0%	3.0 years	$3.57	$3.38
FY23 Performance Rights (Nov22)	Relative TSR	1.93%	3.19%	40.0%	2.9 years	$3.04	$1.73
FY23 Performance Rights (Nov22)	CAGR EBITDA	1.93%	3.19%	40.0%	2.9 years	$3.04	$2.88
FY23 Performance Rights (Feb23)	Relative TSR	1.72%	3.64%	41.0%	2.6 years	$3.05	$1.57
FY23 Performance Rights (Feb23)	CAGR EBITDA	1.72%	3.64%	41.0%	2.6 years	$3.05	$2.92

2. CEO Executive Engagement Plan

Performance Rights

As approved by the Shareholders at the Annual General Meeting held 10 November 2020, Jason Pellegrino was awarded 435,098 Performance Rights over Company shares, equivalent to 120% of his total remuneration package. The number of Rights to be allocated is calculated based on the value of each Right. The allocation price of each Right was equal to the VWAP of the Company's shares over the 30-trading day period beginning on 1 July 2020 ($3.3096). Vesting hurdles and conditions for these Rights are those outlined under the Long-Term Incentive Plan above. At 30 June 2023, the vesting hurdles for the FY21 scheme were not satisfied and therefore no Performance Rights vested.

As approved by the Shareholders at the Annual General Meeting held 4 November 2021, Jason Pellegrino was awarded 303,078 Performance Rights over Company shares, equivalent to 120% of his total remuneration package. The number of Rights to be allocated is calculated based on the value of each Right. The allocation price of each Right was equal to the VWAP of the Company's shares over the 30-trading day period beginning on 1 July 2021 ($4.9183). Vesting hurdles and conditions for these Rights are those outlined under the Long-Term Incentive Plan above.

As approved by the Shareholders at the Annual General Meeting held 9 November 2022, Jason Pellegrino was awarded 431,406 Performance Rights over Company shares, equivalent to 120% of his total remuneration package. The number of Rights to be allocated is calculated based on the value of each Right. The allocation price of each Right was equal to the VWAP of the Company's shares over the 30-trading day period beginning on 1 July 2022 ($3.4770). Vesting hurdles and conditions for these Rights are those outlined under the Long-Term Incentive Plan above.

3. Domain Incentive Plan

The Domain Incentive Plan is available to certain permanent employees of the Group.

For FY21 only, there were two grants as detailed below:

1. FY21 Transition Grant: This was half the value of the participants target opportunity, with the performance against the financial measures of Group Revenue and Group EBITDA guaranteed at target, irrespective of business performance. This will be assessed at the end of the performance period (1 July 2020 to 30 June 2021) with the portion achieved vesting after this time. The Rights vested in November 2021. Participants have two years from the date of vesting to exercise the Rights.
2. FY21 DIP Grant: This was based on the participants target opportunity and will be assessed over the two-year performance period (1 July 2020 to 30 June 2022) with the portion achieved vesting after this time. The Rights will vest in November 2022. Participants have two years from the date of vesting to exercise the Rights.

In the current year, participating employees were offered the FY23 DIP Grant based on the participants target opportunity and will be assessed over the two-year performance period (1 July 2022 to 30 June 2024). The Rights will vest in October 2024. Participants have two years from the date of vesting to exercise the Rights.

In prior year, participating employees were offered the FY22 DIP Grant based on the participants target opportunity and will be assessed over the two-year performance period (1 July 2021 to 30 June 2023). The Rights will vest in October 2023. Participants have two years from the date of vesting to exercise the Rights.

Participants in the plan were granted Performance Rights (Rights) being the right to acquire one fully paid ordinary Domain share or a cash payment in lieu of a share at the Company's discretion, which are subject to a two-year performance period. There are three tranches with specific vesting hurdles to be met for both grants – tranche 1 being personal performance, tranche 2 being Company EBITDA, and tranche 3 being Company Revenue. Rights do not carry any dividend or voting rights prior to exercise. There is no exercise price for the Rights. The allocation price of each Right was equal to the VWAP of the Company's shares over the 30-trading day period beginning on 1 July of the respective year:

Metric	DIP FY21 – FY22	DIP FY22 – FY23	DIP FY23 – FY24
30-trading day period	1 July 2020 – 11 August 2020	1 July 2021 – 11 August 2021	1 July 2022 – 11 August 2022
VWAP	$3.3096	$4.9183	$3.4770

Vesting of the Rights granted is subject to achieving the above hurdles. Personal Performance is based on the relative assessment of holistic performance. The Company EBITDA is based on the Company meeting an EBITDA target in each performance year of the performance period. The Company Revenue requires the Company to meet a Revenue target in each performance year of the performance period. If the performance hurdle for each tranche is satisfied, the Rights will vest and become exercisable. If the Personal Performance tranche performance hurdle is not satisfied, then all three tranches will lapse in full.

The weighted average inputs to the valuation of Performance Rights valued at grant date by an external specialist using the Monte Carlo option pricing model are as follows:

Scheme	Dividend yield	Risk free interest rate	Expected volatility	Expected life	Share price at grant date	Fair value at grant date
Transition DIP	1.78%	0.11%	38.0%	1.0 years	$4.42	$4.22
FY21 DIP	1.78%	0.11%	38.0%	2.0 years	$4.42	$4.22
FY22 DIP (Oct21)	1.45%	0.27%	39.0%	2.0 years	$5.51	$5.30
FY22 DIP (Mar22)	1.45%	0.27%	39.0%	2.0 years	$4.05	$3.97
FY23 DIP	1.82%	3.22%	40.0%	2.0 years	$3.57	$3.44

Accounting policy

Share-based compensation benefits can be provided to employees in the form of equity instruments. The cost of share-based payments is recognised over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become entitled to the award (the vesting date).

At each reporting date until vesting, the cumulative charge to the Consolidated Statement of Profit or Loss and Other Comprehensive Income is the product of (i) the grant date fair value of the award; (ii) the current best estimate of the number of awards that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and (iii) the expired portion of the vesting period.

The fair value at the grant date of equity instruments issued to employees for no cash consideration under the Long-Term Incentive Plan is recognised as an employee benefits expense over the vesting period. Any shares purchased, but which have not yet vested to the employee as at reporting date are accounted for as treasury shares (shares held in trust) of the Group.

Significant judgements, estimates and assumptions

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

24. Remuneration of Group Auditors

During the year, the following amounts were paid or payable for services provided by the auditor of the Group:

	30 June 2023 $	30 June 2022 $
Amounts received or due and receivable by Ernst & Young Australia for:		
Audit and review of financial statements	1,232,455	989,801
Other assurance services and agreed upon procedures	18,640	37,440
Other services	41,000	15,000
Total remuneration of group auditors	**1,292,095**	1,042,241

25. Notes to the Cash Flow Statement

A. Reconciliation of net profit after income tax expense to net cash inflow from operating activities

	Note	30 June 2023 $'000	Restated(i) 30 June 2022 $'000
Net profit for the year		29,068	36,883
Non-cash items			
Depreciation and amortisation	3(B)	39,013	32,959
Impairment of investments and other assets	4,7	4,737	–
Share-based payment expense	3(D)	1,590	7,498
Fair value adjustment of contingent consideration	4	1,298	8,020
Loss on disposal of investments and other assets		181	2,813
Gain on debt refinance	4	–	(738)
Other non-cash items		(465)	(836)
Change in operating assets and liabilities, net of effects from acquisitions			
(Increase)/decrease in trade receivables		11,120	(15,456)
Increase/(decrease) in trade and other payables		(10,266)	(3,788)
Increase in provisions		(1,381)	1,001
Increase/(decrease) in tax balances		(8,695)	523
Net cash inflow from operating activities		**66,200**	68,879

(i) Certain amounts shown here do not correspond to the annual consolidated financial statements as at 30 June 2022. Refer to Note 1 for further details.

B. Cash and cash equivalents

Reconciliation of cash and cash equivalents at end of the financial year (as shown in the Consolidated Cash Flow Statement) to the related item in the Consolidated Balance Sheet is as follows:

	Note	30 June 2023 $'000	30 June 2022 $'000
Cash on hand and at bank		33,468	67,116
Cash at bank attributable to discontinued operations	7	1,336	–
Total cash and cash equivalents at end of the year		**34,804**	67,116

Accounting policy

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term investments with original maturities of three months or less that are readily convertible to cash and subject to insignificant risk of changes in value. Bank overdrafts are shown within interest bearing liabilities in current liabilities on the balance sheet.

Directors' Declaration

In accordance with a resolution of the Directors of Domain Holdings Australia Limited (**Company**), we declare that:

1. In the opinion of the Directors:

a. the Financial Statements and Notes of the Company and its subsidiaries (collectively the **Group**) are in accordance with the *Corporations Act 2001* (Cth) (**Corporations Act**) including:

i. giving a true and fair view of the Group's consolidated financial position as at 30 June 2023 and of its consolidated financial performance for the financial year ended 30 June 2023; and

ii. complying with the Australian Accounting Standards and the *Corporations Regulations 2001* (Cth);

b. as at the date of this declaration, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

c. as at the date of this declaration, there are reasonable grounds to believe that the Company and the subsidiaries identified in Note 21(F) to the Financial Statements will be able to meet any obligations or liabilities to which they are or may become subject to, by virtue of the Deed of Cross Guarantee between the Company and those subsidiaries.

2. The Company has included in the Notes to the Financial Statements, in accordance with the Australian Accounting Standards, an explicit and unreserved statement of compliance with international financial reporting standards. Note 1(B) to the Financial Statements notes that the Financial Statements and Notes comply with International Financial Reporting Standards issued by the International Accounting Standards Board.

3. This declaration has been made after receiving the declarations required to be made to the Directors from the Chief Executive Officer and the Chief Financial Officer in accordance with section 295A of the Corporations Act for the financial year ended 30 June 2023.

On behalf of the Board

Nick Falloon
Chairman

Jason Pellegrino
Chief Executive Officer and Managing Director

Sydney
17 August 2023

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Independent Auditor's Report

Independent Auditor's Report

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Independent auditor's report to the members of Domain Holdings Australia Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Domain Holdings Australia Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated balance sheet as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2023 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

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Impairment Assessment of Goodwill and Other Intangible Assets

Why significant	How our audit addressed the key audit matter
At 30 June 2023, the Group's consolidated balance sheet includes goodwill and other intangible assets with a carrying value of $1,375.7 million, representing 92.3% of total assets. The Directors have assessed goodwill and other intangible assets for impairment as at 30 June 2023. As disclosed within Note 8 to the financial statements, the assessment of the impairment of the Group's goodwill and other intangible assets incorporated significant judgments and estimates, based upon conditions existing as at 30 June 2023, specifically concerning factors such as forecast cashflows, discount rates and terminal growth rates. The estimates and assumptions relate to future performance, market and economic conditions. This was considered to be a key audit matter due to the significance of the intangible assets relative to total assets and the judgments and estimates exercised in the impairment testing.	Audit procedures we performed included the following: • Assessed the Group's determination of the CGUs used in the impairment model, based on our understanding of the Group's businesses and cash inflows • Assessed whether the impairment testing methodology used by the Group met the requirements of Australian Accounting Standards • Tested the mathematical accuracy of the impairment testing models including the consistency of relevant data with latest Board approved forecasts • Assessed the reasonableness of future cash flow forecasts used by the Group by considering the reliability of the Group's historical cash flow forecasts, our knowledge of the business and corroborating data with external information where possible • Evaluated the appropriateness of discount and terminal growth rates applied with involvement from our valuation specialists • Performed sensitivity analysis on key assumptions including discount rates, terminal growth rates and revenue/EBITDA forecasts for each of the Group's CGUs • Assessed the adequacy of the financial report disclosures contained in Note 8.

Fair Value Assessment of Insight Data Solutions ("IDS") Contingent Consideration

Why significant	How our audit addressed the key audit matter
The Directors have re-assessed the fair value of the IDS contingent consideration as at 30 June 2023 to $10.5 million (30 June 2022: $32.3 million) and recognised an expense of $2.1 million within the consolidated statement of profit or loss and other comprehensive income. As disclosed within Note 6 to the financial statements, the determination of the fair value is based on discounted cashflows, which are based on key assumptions including the discount rate, the future business performance of IDS and the likelihood and timing of IDS securing and delivering specified government contracts over the earn out period ending in June 2027. This was considered to be a key audit matter due to the significance of the maximum potential contingent consideration payable, the significant judgments applied in the determination of its fair value and the inherent complexity in the earn out methodology and calculations.	Audit procedures we performed included the following: • Tested the mathematical accuracy of the calculation of the contingent consideration payable • Assessed whether the contingent consideration calculation methodology and data inputs are in line with the terms of the Share Sale Agreement • Assessed the reasonableness of the forecast cashflows within the contingent consideration calculation with reference to external evidence where appropriate • Tested the contingent consideration paid out during the year to signed contracts, ensuring it met the requirements of the Share Sale Agreement, and agreement to cash paid • Assessed the adequacy of the financial report disclosure

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Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2023 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 48 to 66 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Domain Holdings Australia Limited for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

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Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

J Inglis

Jodie Inglis
Partner
Sydney
17 August 2023

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Shareholder Information

Shareholder Information

INFORMATION ABOUT SECURITIES

The information in this section of this Annual Report in relation to Domain Holdings Australia Limited (**Company** or **Domain**) is current as at 1 August 2023 (**Relevant Date**), except where stated otherwise.

Classes of Securities on Issue

The following table sets out the classes of securities on issue in the Company as at the Relevant Date.

Short name	Description
Ordinary Shares	Fully-paid ordinary shares
Options	Options over Ordinary Shares
Share Rights	Four categories of Share Rights: 1. **EIP STI Share Rights** Share Rights granted in respect of the short term incentive award under the Domain Equity Incentive Plan 2. **EIP LTI Share Rights (Performance Rights)** Share Rights granted in respect of the long term incentive award under the Domain Equity Incentive Plan 3. **DIP 1 Share Rights (Performance Rights)** Share Rights granted in respect of the Domain Incentive Plan (DIP 1) under the Domain Equity Incentive Plan 4. **DIP 2 Share Rights (Performance Rights)** Share Rights granted in respect of the Domain Incentive Plan (DIP 2) under the Domain Equity Incentive Plan

There are no other classes of security on issue other than as described above.

Ordinary Shares

Voting rights

Ordinary Shares carry voting rights.

Each Ordinary Shareholder has the voting rights set out in rule 6.9 of the Company's Constitution (**Constitution**). At a general meeting, each Ordinary Shareholder present has one vote on a show of hands and, on a poll, one vote for each share held at the Record Time (as defined in the Constitution).

A copy of the Constitution is available on the Company's Shareholder Centre website at shareholders.domain.com.au.

ASX code

Ordinary Shares use ASX Code DHG.

Options

Each Option entitles the Option holder to an Ordinary Share, subject to certain vesting conditions and the terms of the Domain Equity Incentive Plan.

Voting rights

Options do not carry voting rights.

ASX codes

Options use ASX Code DHGAA.

Share Rights

Each Share Right entitles the Share Right holder to an Ordinary Share (or, in certain circumstances, a right to a cash payment in lieu of Ordinary Shares), subject to certain vesting conditions and the terms of the Domain Equity Incentive Plan.

Voting rights

None of the Share Rights carry voting rights.

ASX codes

The following table sets out, for each category of Share Rights, where a summary of material terms is set out in, and the ASX Code used.

Category of Issued Share Right	Summary of material terms set out in	ASX Code
EIP STI Share Rights	Appendix 3G lodged with ASX by the Company on 8 October 2020	DHGAD
EIP LTI Share Rights (Performance Rights)	Appendix 3G lodged with ASX by the Company on 19 November 2020	DHGAE
DIP 1 Share Rights (Performance Rights)	Appendix 3G lodged with ASX by the Company on 19 November 2020	DHGAF
DIP 2 Share Rights (Performance Rights)	Appendix 3G lodged with ASX by the Company on 19 November 2020	DHGAG

Quotation of Securities

Quotation on ASX

Ordinary Shares are quoted on the ASX.

Options and Share Rights are not quoted on the ASX.

Quotation on stock exchanges other than the ASX

The Company's securities are not quoted on any stock exchange other than the ASX.

No on-market buy-backs

As at the Relevant Date, there is no current on-market buy-back of securities.

QUOTED SECURITIES (Ordinary Shares)

Number of Holders of Quoted Securities

The following table sets out, as at the Relevant Date, the number and distribution of holders of Ordinary Shares.

Total number of holders of Ordinary Shares	12,823

The following table sets out, as at the Relevant Date, the number and distribution of holders of Ordinary Shares.

Distribution of Holders of Quoted Securities

The following table sets out, as at the Relevant Date, a distribution schedule of the number of holders of Ordinary Shares.

Number of Ordinary Shares	Number of Ordinary Shareholders	% of Ordinary Shares held
1 – 1,000	9,246	0.55
1,001 – 5,000	2,657	0.97
5,001 – 10,000	527	0.61
10,001 – 100,000	353	1.38
100,001 – and over	40	96.49

Number of Restricted Securities and Securities Subject to Voluntary Escrow

As at the Relevant Date, there are no restricted securities or securities subject to voluntary escrow.

Number of Holders with Less than Marketable Parcels

As at the Relevant Date, and based on a closing market price of $4.14, there were 948 holders with less than a marketable parcel of Ordinary Shares (the Company's main class of securities).

Securities purchased on-market during the reporting period

The following table sets out the number of securities purchased on-market under or for the purposes of an employee incentive scheme or to satisfy the entitlements of holders of options or other rights to acquire securities granted under an employee incentive during FY23.

	Total number of securities purchased during FY23	Average price per security at which the securities were purchased during FY23
Under or for the purposes of an employee incentive scheme (the Domain Executive Incentive Plan or the Domain Equity Incentive Plan)	84,039	$3.1250
To satisfy the entitlement of the holders of options or other rights to acquire securities granted under an employee incentive scheme (the Domain Executive Incentive Plan or the Domain Equity Incentive Plan)	0	0

Issues of securities approved under Corporations Act

As at the Relevant Date, there are no issues of securities approved for the purposes of item 7 of section 611 of the *Corporations Act 2001* (Cth) which have not yet been completed.

UNQUOTED SECURITIES (Options and Share Rights)

Number of Holders of Unquoted Securities

The following table sets out, as at the Relevant Date, the number of Options and each class of Share Rights and the number of holders of each class of unquoted security.

Unquoted securities	Total number of unquoted securities	Total number of holders of unquoted securities
Options	123,510	1
EIP STI Share Rights	209,202	3
EIP LTI Share Rights (Performance Rights)	3,140,504	14
DIP 1 Share Rights (Performance Rights)	126,712	17
DIP 2 Share Rights (Performance Rights)	3,026,961	81

Names of Holders of 20% or more of Unquoted Securities in a Class

As the Options and Share Rights were issued under an employee incentive scheme, the names of any persons that hold 20% or more of the Options and/or any class of Share Rights, and the number of Options and/or Share Rights held by such persons, are not set out in this section of this Annual Report.

Distribution of Holders of Unquoted Securities

The following tables set out, as at the Relevant Date, distribution schedules of the number of holders of Options and Share Rights.

a. Options

Number of Options	Number of holders of Options	% of Options held
1 – 1,000	0	0
1,001 – 5,000	0	0
5,001 – 10,000	0	0
10,001 – 100,000	0	0
100,001 – and over	1	100%

b. Share Rights

Number of Share Rights	Number of holders of Share Rights	% of Share Rights held
1 – 1,000	0	0.00%
1,001 – 5,000	2	0.12%
5,001 – 10,000	8	0.92%
10,001 – 100,000	73	45.81%
100,001 – and over	13	53.15%

20 LARGEST ORDINARY SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS

20 Largest Ordinary Shareholders

The following table sets out, as at the Relevant Date:

- the names of the 20 largest holders of Ordinary Shares (the Company's only class of quoted securities);
- the number of securities each holds; and
- the percentage of capital each holds.

Rank	Name of substantial holder	Number of Ordinary Shares held	% of Ordinary Shares
1	Fairfax Media Limited	286,110,115	45.30
2	Fairfax SPV No 1 Pty Limited	93,224,257	14.76
3	HSBC Custody Nominees (Australia) Limited	66,633,335	10.55
4	J P Morgan Nominees Australia Pty Limited	62,106,462	9.83
5	Citicorp Nominees Pty Limited	44,549,053	7.05
6	National Nominees Limited	39,774,384	6.30
7	BNP Paribas Noms Pty Ltd	2,462,864	0.39
8	HSBC Custody Nominees (Australia) Limited – A/C 2	2,147,395	0.34
9	Pacific Custodians Pty Limited	1,706,890	0.27
10	Citicorp Nominees Pty Limited	1,253,444	0.20
11	HSBC Custody Nominees (Australia) Limited	1,155,353	0.18
12	Savanah Investments Pty Ltd	727,536	0.12
13	Pacific Custodians Pty Limited	724,493	0.11
14	Colonial First State Inv Ltd	636,727	0.10
15	Powerwrap Limited	596,779	0.09
16	HSBC Custody Nominees (Australia) Limited	569,431	0.09
17	Wilmar Enterprises Pty Ltd	500,000	0.08
18	Netwealth Investments Limited	363,504	0.06
19	Sandhurst Trustees Ltd	360,577	0.06
20	BNP Paribas Nominees Pty Ltd	335,977	0.05

Substantial Shareholders

The following table sets out, as at the Relevant Date:

- the names of substantial shareholders in the Company; and
- the number of securities to which each substantial holder and its associates have a relevant interest, as disclosed in substantial shareholder notices received by the Company.

Substantial shareholder name	Number of shares in which substantial shareholder and its associates have a relevant interest	% holding
Nine Entertainment Co.Holdings Limited	379,334,372	60.06
FIL Limited	41,426,614	6.56

Corporate Directory

Corporate Directory

THIS SECTION

The information in this section of this Annual Report in relation to Domain Holdings Australia Limited (**Company** or **Domain**) is current as at 17 August 2023.

Annual General Meeting

Domain's 2023 Annual General Meeting will be held at 9:30am on Wednesday, 8 November 2023.

Like its 2022 Annual General Meeting, Domain's 2023 Annual General Meeting will be held as a 'hybrid' meeting – a meeting held at a physical location and using virtual meeting technology. The Company will provide shareholders with details of the Annual General Meeting, including the technology to be used to hold the meeting, in the notice of meeting to be sent to shareholders prior to that meeting in accordance with the *Corporations Act 2001* (Cth).

Financial Calendar 2024 (subject to change)

Interim Result:
Wednesday, 14 February 2024

Final Result:
Friday, 16 August 2024

Annual General Meeting:
Wednesday, 6 November 2024

Company Secretary

Catriona McGregor

Deputy Company Secretary

Amy Spira

Registered Office

Level 5, 100 Harris Street
Pyrmont NSW 2009

Website

Corporate information, the Annual Report, ASX Announcements relating to the Company and other investor information can be found on the Company's Shareholder Centre website at shareholders.domain.com.au.

Share Registry

Link Market Services
Level 12, 680 George Street
Sydney NSW 2000
Locked Bag A14
Sydney South NSW 1235

P: +61 1300 138 914 (toll free within Australia)
F: +61 2 9287 0303

registrars@linkmarketservices.com.au
www.linkmarketservices.com.au

Securities Exchange Listing

The Company's Ordinary Shares are listed on the ASX as DHG.

The Company's securities are not listed on any stock exchange other than the ASX.

Investor Relations

Jolanta Masojada
E: jolanta.masojada@domain.com.au

Media Enquiries

Sarah Macartney
E: sarah.macartney@domain.com.au

How to obtain the Annual Report

Domain supports the use of electronic communications in seeking to protect the environment by minimising use of paper. The Company has notified all shareholders that they may elect to receive, free of charge, a copy of the Company's reports for each financial year as a hard copy or as an electronic copy.

Each shareholder who has elected to receive a copy of the Company's Annual Report will receive a copy in the form they have chosen. Shareholders who have not elected to receive a copy of the Company's Annual Report, can access it at the Company's Shareholder Centre website at shareholders.domain.com.au.

Direct Payment to Shareholders' Accounts

The Company pays dividends by direct deposit to shareholders' bank accounts and does not issue cheques except in exceptional circumstances. Shareholders can obtain a direct deposit form at the Share Registry.

Payments are electronically credited on the dividend date and confirmed by payment advice which is either mailed or sent by email. Shareholders should notify the Share Registry of their tax file number so that dividends can be paid without tax being withheld.

Consolidating Shareholdings

Shareholders who wish to consolidate separate holdings of Domain shares into one account should notify the Share Registry in writing by post or by email, or by calling the Share Registry on +61 1300 138 914 for assistance.