

Domain

ASX ANNOUNCEMENT

Domain Holdings Australia Limited 2025 Half-Year Results Announcement

Sydney, 13 February 2025: Domain Holdings Australia Limited [ASX:DHG] (“Domain” or “Company”) today announced its 2025 half-year financial results. Domain reported statutory (Reported 4D) revenue of \$223.8 million, and a net profit after tax attributable to members of the Company of \$35.7 million, including a significant items gain of \$2.6 million. A fully franked dividend of 2.0 cents per share has been declared, in line with FY24 H1.

- Continued listings growth, with new ‘for sale’ listings up 7% in FY25 H1 and 3% in January 2025
- Strong growth in site visits up 23% YoY, outperforming the growth rate of our major competitor¹
- 10% YoY increase in Unique Audience (UA)², and sustained QoQ growth
- Strong uplift in agent adoption driving Platinum Edge penetration increase close to 50% year-on-year
- Successful launch of Audience Boost delivered incremental views to residential listings of 24% on average during Audience Boost campaigns³

Domain’s trading results excl. significant items

| \$M | FY25 H1 | FY24 H1 | % change |
|---|-------------|---------|----------|
| Revenue | 217.2 | 202.2 | 7.4% |
| Expenses | (139.4) | (133.8) | (4.1%) |
| EBITDA | 77.8 | 68.4 | 13.8% |
| EBIT | 59.2 | 47.5 | 24.7% |
| Net profit attributable to members of the company | 33.1 | 25.8 | 28.3% |
| Earnings per share (NPAT) ¢ | 5.2 | 4.1 | 28.3% |
| Adjusted net profit attributable to members of the company ⁴ | 36.5 | 29.2 | 24.9% |
| Earnings per share (Adjusted net profit) ¢ | 5.8 | 4.6 | 24.9% |

Domain Chief Executive Officer and Managing Director, Jason Pellegrino, said: “During the first half, Domain made pleasing progress with our Marketplace strategy, delivering positive metrics across the business.

“Our product and commercial teams have delivered innovation and new product uptake, reflected in the success of both Platinum Edge and Audience Boost. Adoption by agents has seen higher value Platinum Edge depth penetration increase close to 50% year-on-year, supporting strong growth in pricing. The launch of Audience Boost has delivered incremental views to residential listings of 24% on average during Audience Boost campaigns³.

“Our Audience metrics have delivered strong and consistent results, with H1 delivering a 10% increase in UA², and sustained quarter on quarter growth since new Ipsos measurement began in FY23. In addition, we have seen strong growth in site visits, up 23%¹ year-on-year, outperforming the growth rate of our major competitor over the same period.

1,2,3,4 Sources on page 5

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“We are strengthening our collaboration with Nine, with significant cross platform branding opportunities during the recent Australian Open. We have also leveraged the power of Nine in the launch of a Victorian edition of *Prestige* magazine.

“And finally, we are progressing our investment into our technology platforms to accelerate the Marketplace journey, and broaden the range of ‘Only on Domain’ experiences available to our users. At the same time, we are achieving productivity gains to offset this increased investment.”

For FY25 H1, excluding significant items, Domain reported revenue of \$217.2 million, up 7%, expenses of \$139.4 million up 4%, and EBITDA of \$77.8 million up 14%. EBIT of \$59.2 million increased 25%, with lower amortisation arising from changes in estimated useful life of software assets to align with peer market practice. Net profit after tax attributable to members of the Company was \$33.1 million and earnings per share were 5.2¢. Adjusted net profit (which removes the impact of non-cash amortisation from acquisitions), attributable to members of the Company was \$36.5 million up 25%, and earnings per share of 5.8 cents also up 25%.

At December 2024, net debt was \$147.3 million representing a leverage ratio of 1.0x EBITDA.

Marketplace Strategy

Mr Pellegrino said: “Domain’s investment in our technology transformation is being undertaken within the envelope of our cost base, allowing us to maintain margins and cash flow conversion. We believe this investment will transform the opportunities available to Domain in important ways in the future. It will allow us to grow revenue through faster product launches, efficient and effective pricing changes, new features and greater flexibility in promotions and bundling. It will deliver cost savings through improved productivity from automation and integration, increased sales and service efficiency, and elimination of manual processes. By working more efficiently and reducing time spent on maintenance, we will free up the capacity of our engineers and product teams to focus on value-add work that drives innovation. The key benefit will be the ways in which we can enhance the user experience through accelerating product innovation with improved product design and data quality.”

Core Digital (incl. Residential; Media, Developers & Commercial; Agent Solutions and Domain Insight)

Core Digital Revenue increased 8% to \$209.1 million, and Core digital EBITDA increased 8% to \$92.8 million.

Residential

Mr Pellegrino said: “Residential revenue increased 12%, with depth revenue 14% higher year-on-year. Total new ‘for sale’ listings volumes increased 7% YoY, and 5% adjusted for the dilutionary impact of relative listings coverage winback activities. Controllable elements of price and depth growth of 8% (adjusted) benefited from the strong take-up of Platinum Edge, lifting depth revenue to 92% of total residential revenue.

“Domain delivered 10% year-on-year growth in UA², with an audience profile that is high intent, and meaningfully more likely to buy than the national average and our major competitor⁵. Whole of business focus, supported by product and commercial innovation around Audience Boost has contributed to a 23% uplift in site visits¹, outperforming the growth rate of our major competitor over the same period.

“The launch of our higher value Platinum Edge product as part of the FY24 price review has seen significant adoption by agents. While overall depth and Platinum penetration have remained stable,

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Platinum Edge penetration has increased by close to 50% year-on-year, and now comprises 80% of Platinum listings.

“Audience Boost was launched as part of the FY25 price review, automatically extending residential depth sale listings across a range of digital channels. This initiative has delivered incremental views to residential listings of 24% on average to Audience Boost campaigns³.”

Media, Developers & Commercial

Mr Pellegrino said: “Revenue declined 2%, with solid growth in Media, stable Commercial Real Estate and lower Developer revenue.

“Media revenue increased 14% despite a challenging market backdrop, outperforming the broader display advertising market which declined around 5%. The business continues to leverage Domain’s high quality consumer audiences with a focus on deeper partnerships in key advertising categories including finance, insurance and utilities.

“The Developer business recorded a mid-single digit revenue decline as the market remained depressed by higher construction costs and interest rates. Declines in new project volumes, particularly in New South Wales, impacted on yield.

“Commercial Real Estate delivered stable revenue in a softening environment for Office and Retail verticals. Stronger sale listings were offset by lower lease listings. A price increase took effect during November, and is expected to contribute in H2.

Agent Solutions

Mr Pellegrino said: “In Agent Solutions, revenue increased 2% year-on-year with solid performance from subscriptions and strong contracts growth offset by AIM’s weaker performance in New Zealand.

“Pricer (agent) delivered higher subscription revenue across all states, with standout performance from title search revenue. The business is benefiting from platform investment to enhance the user experience. RealTime Agent saw continued revenue momentum with solid subscription performance and strong growth in contracts revenue.

“Realbase revenues declined due to AIM’s lower gross revenues in New Zealand. Engage continued to deliver strong revenue growth, benefiting from subscriber momentum arising from the RTA and Pricer integrations.”

Domain Insight

“Domain Insight’s revenue declined 8% year-on-year.

“Banks and financial institutions delivered solid growth in valuations revenue, reflecting both new client wins and increased share of volume from existing clients. The contribution from Corporate customers reduced as a result of the strategic exit of a data-sharing agreement with a competitor, somewhat offset by strong market intelligence performance.

“Government revenue declined overall, impacted by the phasing of contract implementation at IDS. However, Government recurring subscription revenue increased compared to last year. H2 is expected to deliver benefits from higher implementation and subscription fees, including from the

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renewal of the Victorian Valuer General contract which had been in place for 5 years and has been renewed for up to another 11 years.

“The data that Domain Insights provides is a critical resource for the broader Domain Group. During the first half, our ongoing efforts to improve our price estimates and make this available for consumers on our Home Price Guide pages resulted in more than 4 million additional properties with a price estimate, taking us to coverage of more than 9 out of 10 Australian residential addresses.”

Print

Mr Pellegrino said: “Print revenues declined 6.8%, with stable residential performance offset by Developers and Commercial. Print’s readership increased 2%⁶ year-on-year to 1.2 million⁷, delivering audiences of exceptional quality that have a limited overlap with digital. We have leveraged the power of Nine’s distribution network with the relaunch of *Prestige Magazine*, and the addition of a dedicated Victorian offering following the sunset of *Domain Review*. *Prestige Victoria* will be distributed in *The Age* as well as the Australian *Financial Review*, and via letterbox distribution, supporting our ‘Only on Domain’ experiences with a specialised luxury real estate offering.”

Dividend

A dividend of 2¢ per share (100% franked) will be paid on 11 March 2025 to shareholders registered on 20 February 2025.

FY25 Outlook

- Trading for the month of January has seen new ‘for sale’ listings increase 3% year-on-year in a seasonally lower period for the business.
- FY25 costs are expected to increase in the high single digit percentage range (previously high single to low double digit) from the FY24 expense base (excluding discontinued operations) of \$254.1 million, reflecting ongoing investment to drive growth opportunities from Domain’s Marketplace.
- Domain expects stable EBITDA margins in FY25, balancing confidence to invest in the ongoing growth of the business with continuing efforts to drive productivity.

Investor Briefing

An investor briefing (teleconference and audio/slides webcast) on these results will be held today at 10:30am (AEDT).

- *Webcast:* Click [here](#) to register/join
- *Teleconference:* Click [here](#) to register/join

Ends

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Sources

1. Ipsos iris Online Audience Measurement Service FY24 H1 (July 2023 - Dec 2023) average compared to FY25 H1 (July 2024 - Dec 2024) average, Age 14+, PC/laptop/smartphone/tablet. Text only, Domain Brand Group including Nine property pages & [Realestate.com.au](https://www.realestate.com.au), Visits (000s). REA site visits 130.7 million, Domain Brand Group site visits 33.1 million on Average for H1 FY25.
2. Ipsos iris Online Audience Measurement Service FY24 H1 (July 2023 - Dec 2023) average compared to FY25 H1 (July 2024 - Dec 2024) average, Age 14+, PC/laptop/smartphone/tablet, Text only, Domain Group Resi (includes Domain.com.au + Allhomes), Audience (000's).
3. National Average across residential depth 'for sale' listings. Percentage of additional views across all subscription tiers from Audience Boost compared to non-Audience Boost views (Domain Internal Data, July-December 2024). Social channels and performance vary across subscriptions.
4. Adjusted net profit represents the net profit after tax, after adding back amortisation on assets arising from purchase price allocation.
5. Roy Morgan, Sep 23 - Sep 24, Domain Titled Magazines + Domain Digital L4W, realestate.com.au L4W, 12 month average, looking to buy in the next 12 months compared to the national average population.
6. Roy Morgan, Oct 22 - Sept 23, Domain Group Print L4W (Domain NSW / VIC, Domain Prestige National, Domain Review (VIC), Allhomes), 12 month average compared to Oct 23 - Sept 24, 12 month average.
7. Roy Morgan, Oct 23 - Sept 24, Domain Group Print L4W (Domain NSW / VIC, Domain Prestige National, Domain Review (VIC), Allhomes), 12 month average.