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Appendix 4D

Results for Announcement to the Market

for the half year ended 31 December 2023

Key Financial Information		31 December	Restated ⁽ⁱⁱ⁾
		2023	31 December
		\$'000	\$'000
Total revenue from ordinary activities	Up by 10.5%	203,507	184,237
Net profit from ordinary activities after tax attributable to members (before non-controlling interest)	Up by 72.5%	24,357	14,118

Dividends	Amount Per Security	Franked Amount
2024 interim dividend (record date 21 February 2024, payment date 11 March 2024)	2.0 cents	2.0 cents
2023 dividend (record date 23 August 2023, payment date 12 September 2023)	4.0 cents	4.0 cents
2023 interim dividend (record date 23 February 2023, payment date 14 March 2023)	2.0 cents	2.0 cents

Net Tangible Assets Per Share	31 December	Restated ⁽ⁱⁱ⁾	
	2023	31 December	
		Cents	Cents
Net tangible asset backing per share ⁽ⁱ⁾	(43.0)	(42.9)	
Net asset backing per share	174.50	174.75	

- (i) Net tangible assets are calculated based on net assets excluding intangible and right of use assets. If right of use assets are included, the net tangible asset deficit backing per share is (45.1) cents (HY23: (45.8) cents).
- (ii) Certain amounts shown here do not correspond to the 2023 half year financial report. Refer to Note 1 for further details.

Additional information supporting the Appendix 4D disclosure requirements can be found in the Directors' Report and the Financial Report for the half year ended 31 December 2023.

The half year financial report is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.2A.3.

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Appendix 4D

Results for Announcement to the Market

for the half year ended 31 December 2023

	Statutory Results		Significant Items ⁽ⁱⁱ⁾		Trading Performance Excluding Significant Items	
		Restated ⁽ⁱ⁾		Restated ⁽ⁱ⁾		Restated ⁽ⁱ⁾
	31 December 2023 \$'000	31 December 2022 \$'000	31 December 2023 \$'000	31 December 2022 \$'000	31 December 2023 \$'000	31 December 2022 \$'000
Total revenue ⁽ⁱⁱⁱ⁾	203,507	184,237	1,268	2,085	202,239	182,152
Expenses	(136,163)	(134,765)	(2,328)	(4,425)	(133,835)	(130,340)
Operating EBITDA	67,344	49,472	(1,060)	(2,340)	68,404	51,812
Depreciation and amortisation	(20,934)	(18,248)	-	-	(20,934)	(18,248)
EBIT	46,410	31,224	(1,060)	(2,340)	47,470	33,564
Net finance costs ^(iv)	(6,934)	(5,427)	(433)	-	(6,501)	(5,427)
Net profit/(loss) before tax	39,476	25,797	(1,493)	(2,340)	40,969	28,137
Income tax (expense)/benefit	(10,162)	(6,621)	851	862	(11,013)	(7,483)
Net profit/(loss) after tax from continuing operations	29,314	19,176	(642)	(1,478)	29,956	20,654
Net loss from discontinued operations	(1,019)	(2,736)	-	-	(1,019)	(2,736)
Total net profit/(loss) from all operations	28,295	16,440	(642)	(1,478)	28,937	17,918
Net profit/(loss) attributable to non-controlling interest	3,938	2,322	(128)	309	4,066	2,013
Net profit/(loss) attributable to members of the Company	24,357	14,118	(514)	(1,787)	24,871	15,905
Earnings per share (cents)	3.86	2.24			3.94	2.52

(i) Certain amounts shown here do not correspond to the 2023 half year financial report. Refer to Note 1 for further details.

(ii) Significant items are those items which by size and nature or incidence are relevant in explaining the financial performance of the Group. Refer to Note 4 of the financial statements for further details.

(iii) Revenue from ordinary activities excluding interest income.

(iv) Finance costs net of finance income.

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Directors' Report

for the half year ended 31 December 2023

The Board of Directors presents its report on the consolidated entity of Domain Holdings Australia Limited (the **Company**) and the entities it controlled at the end of, or during, the period ended 31 December 2023, (collectively, the **Group**), and the review report thereon.

Directors

The Directors of the Company at any time during the period ended 31 December 2023 or up to the date of this report are as follows. Directors held office the entire period unless otherwise stated.

Nick Falloon

Non-Executive Director and Chairman

Greg Ellis

Non-Executive Independent Director

Geoff Kleemann

Non-Executive Independent Director, Chair of Audit and Risk Committee, and Chair of Nomination Committee

Diana Eilert

Non-Executive Independent Director and Chair of People, Culture and Sustainability Committee

Mike Sneesby

Non-Executive Director

Jason Pellegrino

Managing Director and Chief Executive Officer

Rebecca Haagsma

Non-Executive Director

Review of Operations

Statutory revenue for the Domain Group from continuing operations for the half year ended 31 December 2023 was higher than the prior year at \$203.5 million (HY23: \$184.2 million). Statutory net profit after tax attributable to members amounted to \$24.4 million (HY23: \$14.1 million), and earnings per share were 3.86 cents (HY23: 2.24 cents). After adjusting for significant items of \$0.5 million expense (HY23: \$1.8 million expense), the Domain Group generated a net profit after tax attributable to members of \$24.9 million (HY23: \$15.9 million), and earnings per share were 3.94 cents (HY23: 2.52 cents).

During the half year ended 31 December 2023, the Domain Group has completed the sale of its interest in Domain Home Loans. The results have therefore been adjusted to reflect the sale and is disclosed in Note 6, Discontinued Operation.

Net debt was \$175.8 million as at 31 December 2023, compared with net debt of \$184.5 million at 30 June 2023.

Dividends

On 12 September 2023, the Company paid a fully franked dividend of 4.0 cents per ordinary share out of current year profits.

Since the end of the half-year period ended 31 December 2023, the Directors have resolved to declare an interim dividend of 2.0 cents per fully paid ordinary share, 100% franked at the corporate tax rate of 30%, to be paid on 11 March 2024.

Rounding of Amounts

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.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4.

The report is made in accordance with a resolution of the Directors of Domain Holdings Australia Limited.



Nick Falloon

Chairman

Sydney

14 February 2024



Jason Pellegrino

Managing Director and Chief Executive Officer



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

As lead auditor for the review of the half-year financial report of Domain Holdings Australia Limited for the half-year ended 31 December 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 review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

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

Ernst & Young

Jodie Inglis
Partner
14 February 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the half year ended 31 December 2023

	Note	31 December 2023 \$'000	Restated ⁽ⁱ⁾ 31 December 2022 \$'000
Continuing operations			
Revenue from contracts with customers	2(A)	202,116	182,011
Other revenue and income	2(B)	2,037	2,722
Total revenue and income		204,153	184,733
Expenses from operations excluding impairment, depreciation, amortisation and finance costs	3(A)	(136,163)	(134,199)
Impairment	4	-	(566)
Depreciation and amortisation	3(B)	(20,934)	(18,248)
Finance costs	3(C)	(7,580)	(5,923)
Profit from continuing operations before income tax expense		39,476	25,797
Income tax expense		(10,162)	(6,621)
Profit from continuing operations after income tax expense		29,314	19,176
Discontinued Operations			
Loss from discontinued operations after income tax expense	6	(1,019)	(2,736)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		28,295	16,440
Net profit is attributable to:			
Owners of the parent		24,357	14,118
Non-controlling interest		3,938	2,322
		28,295	16,440
Total comprehensive income is attributable to:			
Owners of the parent		24,357	14,118
Non-controlling interest		3,938	2,322
		28,295	16,440
Earnings per share			
Basic earnings per share (cents)	10	3.86	2.24
Diluted earnings per share (cents)	10	3.84	2.23
Earnings per share for continuing operations			
Basic earnings per share (cents) from continuing operations	10	4.00	2.47
Diluted earnings per share (cents) from continuing operations	10	3.98	2.45

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 2023 half year financial report. Refer to Note 1 for further details.

Consolidated Balance Sheet

as at 31 December 2023

	Note	31 December 2023 \$'000	30 June 2023 \$'000
Current assets			
Cash and cash equivalents		33,617	33,468
Trade and other receivables		49,921	49,113
Sublease receivable		-	293
Current tax receivable		-	1,926
Assets held for sale	6	-	7,146
Total current assets		83,538	91,946
Non-current assets			
Intangible assets	7	1,373,724	1,375,683
Property, plant and equipment		4,949	6,158
Right of use assets		13,678	16,337
Total non-current assets		1,392,351	1,398,178
Total assets		1,475,889	1,490,124
Current liabilities			
Payables – related parties	13	8,068	5,370
Trade and other payables		33,308	31,223
Lease liabilities		4,509	4,878
Provisions		7,001	6,371
Current tax liabilities		122	-
Liabilities directly associated with assets held for sale	6	-	5,146
Total current liabilities		53,008	52,988
Non-current liabilities			
Interest bearing liabilities	8	209,436	219,318
Lease liabilities		12,598	15,310
Provisions		3,718	3,459
Other payables		9,311	10,539
Deferred tax liabilities		85,574	86,224
Total non-current liabilities		320,637	334,850
Total liabilities		373,645	387,838
Net assets		1,102,244	1,102,286
Equity			
Contributed equity		1,474,859	1,474,859
Shares held in trust		(2,822)	(1,932)
Reserves		(42,319)	(44,694)
Retained losses		(337,303)	(335,963)
Total parent entity interest		1,092,415	1,092,270
Non-controlling interest		9,829	10,016
Total equity		1,102,244	1,102,286

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

Consolidated Cash Flow Statement

for the half year ended 31 December 2023

	Note	31 December 2023 \$'000	31 December 2022 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		231,968	212,294
Payments to suppliers and employees (inclusive of GST)		(163,915)	(170,324)
Net Income taxes paid		(7,894)	(12,972)
Finance costs paid		(6,712)	(4,461)
Net financing component of lease receipts and payments		(289)	(308)
Interest received		820	616
Net cash inflow from operating activities		53,978	24,845
Cash flows from investing activities			
Payment for property, plant and equipment and software		(14,058)	(14,773)
Net proceeds for purchase of controlled entities		-	954
Receipts from sublease receivable – principal component		293	710
Purchase of convertible notes		-	(1,000)
Net cash outflow from investing activities		(13,765)	(14,109)
Cash flows from financing activities			
Payment of lease liabilities – principal component		(2,374)	(2,794)
Dividends paid to non-controlling interest in subsidiaries		(4,258)	(4,596)
Proceeds from borrowings by subsidiary with non-controlling shareholder		2,640	1,840
Payments for acquisitions of treasury shares		(2,532)	(263)
Proceeds from exercise of employee share options		390	-
Repayment of borrowings		(10,000)	(15,000)
Dividends paid to shareholders	9	(25,266)	(25,266)
Transaction costs incurred for issue of share capital		-	(32)
Net cash outflow from financing activities		(41,400)	(46,111)
Net decrease in cash and cash equivalents held		(1,187)	(35,375)
Cash and cash equivalents at the beginning of the year		34,804	67,116
Cash and cash equivalents at end of the year		33,617	31,741

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 2023 half year financial report. Refer to Note 1 for further details.

Consolidated Statement of Changes in Equity

for the half year ended 31 December 2023

	Note	Contributed Equity \$'000	Shares Held in Trust \$'000	Reserve		Total Reserves \$'000	Retained Losses \$'000	Non- Controlling Interest \$'000	Total Equity \$'000
				Other Reserves \$'000	Share-Based Payment Reserve \$'000				
Balance as at 30 June 2023		1,474,859	(1,932)	(55,405)	10,711	(44,694)	(335,963)	10,016	1,102,286
Profit for the year		-	-	-	-	-	24,357	3,938	28,295
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	-	24,357	3,938	28,295
Dividends paid or declared to shareholders	9	-	-	-	-	-	(25,266)	-	(25,266)
Dividends paid or declared to non-controlling interest in subsidiaries		-	-	-	-	-	-	(4,258)	(4,258)
Derecognition of non-controlling interest		-	-	-	-	-	-	133	133
Acquisition of treasury shares		-	(2,532)	-	-	-	-	-	(2,532)
Vesting of options, performance and share rights		-	1,642	810	(1,327)	(517)	(557)	-	568
Share-based payments, net of tax		-	-	-	2,892	2,892	126	-	3,018
Total transactions with owners		-	(890)	810	1,565	2,375	(25,697)	(4,125)	(28,337)
Balance as at 31 December 2023		1,474,859	(2,822)	(54,595)	12,276	(42,319)	(337,303)	9,829	1,102,244

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

Consolidated Statement of Changes in Equity

for the half year ended 31 December 2023

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	Note	Reserves				Total Reserves \$'000	Retained Losses \$'000	Non-Controlling Interest \$'000	Total Equity \$'000
		Contributed Equity \$'000	Shares Held in Trust \$'000	Other Reserves \$'000	Share-Based Payment Reserve \$'000				
Balance at 30 June 2022		1,474,891	(7,547)	(52,790)	13,592	(39,198)	(325,870)	10,153	1,112,429
Profit for the year ⁽ⁱ⁾		-	-	-	-	-	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	9	-	-	-	-	-	(25,266)	-	(25,266)
Dividends paid or declared to non-controlling interests in subsidiaries		-	-	-	-	-	-	(4,596)	(4,596)
Transactions with non-controlling interest		-	-	-	-	-	-	(113)	(113)
Transaction costs		(32)	-	-	-	-	-	-	(32)
Acquisition of treasury shares		-	(263)	-	-	-	-	-	(263)
Vesting of options, performance and share rights		-	4,395	(2,146)	(1,986)	(4,132)	-	-	263
Release of unvested employee incentive shares		-	-	-	(584)	(584)	402	-	(182)
Shares in lieu of cash		-	-	-	-	-	-	1,602	1,602
Share-based payments, net of tax		-	-	-	2,515	2,515	-	-	2,515
Total transactions with owners		(32)	4,132	(2,146)	(55)	(2,201)	(24,864)	(3,107)	(26,072)
Balance at 31 December 2022		1,474,859	(3,415)	(54,936)	13,537	(41,399)	(324,636)	10,016	1,115,425

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 2023 half year financial report. Refer to Note 1 for further details.

Notes to the Consolidated Financial Statements

for the half year ended 31 December 2023

1. About This Report

A. Basis of preparation

This half year financial report is for the 6 months from 1 July 2023 to 31 December 2023 (2022: 6 months from 1 July 2022 to 31 December 2022).

The half year 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 compliance with International Accounting Standard 34 Interim Financial Reporting;
- 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 half year financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 30 June 2023.

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 half year ended 31 December 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 half year ended 31 December 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 101 Classification of Liabilities as Current or Non-current
- 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.

B. Significant judgements, estimates and assumptions

The preparation of the Group's Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in an outcome that requires a material adjustment to the carrying amount of assets and liabilities in future periods. The Group's material judgements and estimates were disclosed in Note 1 within the Group's 2023 Consolidated Financial Statements.

C. 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.

Notes to the Consolidated Financial Statements

for the half year ended 31 December 2023

D. Restatement of opening balances

Certain historical financial information has been restated to account for the impact of discontinued operations on the 31 December 2022 Consolidated Statement of Profit or Loss and Other Comprehensive Income. Refer to Note 6 for further details.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

31 December 2022	As Previously Reported \$'000	Discontinued Operations \$'000	As Restated \$'000
Continuing operations			
Revenue from contracts with customers	186,451	(4,440)	182,011
Other revenue and income	2,857	(135)	2,722
Total revenue and income	189,308	(4,575)	184,733
Expenses from operations excluding impairment, depreciation, amortisation and finance costs	(141,158)	6,959	(134,199)
Impairment	(566)	-	(566)
Depreciation and amortisation	(18,589)	341	(18,248)
Finance costs	(5,934)	11	(5,923)
Net profit from operations before income tax expense	23,061	2,736	25,797
Income tax expense	(6,621)	-	(6,621)
Profit from continuing operations after income tax expense	16,440	2,736	19,176
Discontinued operations			
Loss from discontinued operations after income tax expense	-	(2,736)	(2,736)
Other comprehensive income	-	-	-
Total comprehensive income for the year	16,440	-	16,440
Net profit is attributable to:			
Owners of the parent	14,118	-	14,118
Non-controlling interest	2,322	-	2,322
	16,440	-	16,440
Total comprehensive profit is attributable to:			
Owners of the parent	14,118	-	14,118
Non-controlling interest	2,322	-	2,322
	16,440	-	16,440
Earnings per share			
Basic earnings per share (cents)	2.24		2.24
Diluted earnings per share (cents)	2.23		2.23
Earnings per share from continuing operations			
Basic earnings per share (cents) from continuing operations	2.24		2.47
Diluted earnings per share (cents) from continuing operations	2.23		2.45

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Notes to the Consolidated Financial Statements

for the half year ended 31 December 2023

2. Revenues

	Note	31 December 2023 \$'000	Restated ⁽ⁱ⁾ 31 December 2022 \$'000
A. Revenue from Contracts with Customer			
Residential		138,257	119,468
Media, Developers and Commercial		26,848	24,666
Agent Solutions		18,918	20,406
Domain Insights ⁽ⁱⁱ⁾		9,395	8,390
Core Digital		193,418	172,930
Print		8,698	9,081
Total revenue from contracts with customers		202,116	182,011
B. Other Revenue and Income			
Interest income		646	496
Remeasurement on contingent and deferred consideration	4	1,268	2,085
Other		123	141
Total other revenue and income		2,037	2,722
Total revenue and income		204,153	184,733

(i) Certain amounts shown do not correspond to the consolidated financial statements as at 31 December 2022. Refer to Note 1 for further details.

(ii) Formerly Property Data Solutions.

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Notes to the Consolidated Financial Statements

for the half year ended 31 December 2023

3. Expenses

	Note	31 December 2023 \$'000	Restated ⁽ⁱ⁾ 31 December 2022 \$'000
A. Expenses from Operations excluding Depreciation, Amortisation and Finance Costs			
Staff and employee related costs		64,623	68,731
Production and distribution costs		15,120	16,027
Promotions		24,122	19,282
Rent and outgoings		1,088	1,266
IT and communication costs		13,945	11,153
Fringe benefits tax, travel, entertainment and employee related costs		3,043	5,021
Loss on sale of assets		-	288
Restructuring costs	4	1,876	3,275
Costs related to mergers and acquisitions	4	452	584
Other		11,894	8,572
Total expenses from operations excluding depreciation, amortisation and finance costs		136,163	134,199
B. Depreciation and Amortisation			
Depreciation of plant and equipment		617	810
Depreciation of leasehold improvements		635	1,645
Depreciation of right of use assets		1,950	1,787
Amortisation of software	7	13,129	10,206
Amortisation of customer relationships and tradenames	7	4,603	3,800
Total depreciation and amortisation		20,934	18,248
C. Finance Costs			
External parties borrowing costs		6,858	5,600
Unwinding of discount on contingent consideration		433	-
Finance costs on leases		289	323
Total finance costs		7,580	5,923
D. Other Expense Disclosures			
Lease rental expense		532	683
Share-based payment expense		2,331	2,406
Total other expenses		2,863	3,089

(i) Certain amounts shown do not correspond to the consolidated financial statements as at 31 December 2022. Refer to Note 1 for further details.

Notes to the Consolidated Financial Statements

for the half year ended 31 December 2023

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:

	31 December 2023 \$'000	31 December 2022 \$'000
Restructuring costs ⁽ⁱ⁾	(1,876)	(3,275)
Impairment ⁽ⁱⁱ⁾	-	(566)
Remeasurement of contingent and deferred consideration ⁽ⁱⁱⁱ⁾	835	2,085
Costs related to mergers and acquisitions ^(iv)	(452)	(584)
Total significant items before tax	(1,493)	(2,340)
Income tax benefit on significant items	851	862
Net significant items after income tax	(642)	(1,478)

- (i) Current year restructuring charges of \$1.9 million (pre-tax) relate to the costs incurred in relation to the Group's technology transformation project and platform improvement. Prior year restructuring charges of \$3.3 million (pre-tax) largely relate to the implementation of a new commercial organisational structure.
- (ii) Prior year impairment charge of \$0.6 million relates to the write-off of intangible assets in dormant entities.
- (iii) Current year net remeasurement gain on contingent consideration amounting to \$0.8 million relates to the \$0.4 million loss on revaluation of the Commercialview.com.au Pty Ltd contingent consideration and \$1.2 million net gain on revaluation of the Insight Data Solutions Holdings Pty Ltd contingent consideration. \$1.2 million net gain is comprised of \$1.6 million gain on change in assumptions which is included in Other Revenue and Income as disclosed in Note 2, net of a \$0.4 million loss associated with the unwind of discount which is included in Finance Costs as disclosed in Note 3. Prior year remeasurement gain on contingent consideration amounting to \$2.1 million relates to the release of the Commercialview.com.au Pty Ltd Tranche 3B contingent consideration and revaluation of the Insight Data Solutions Holdings Pty Ltd contingent consideration.
- (iv) Current year costs incurred in relation to acquisition and disposal of entities amounted to \$0.5 million which mainly relate to the integration of Realbase. In prior year, the Group has incurred legal and advisory fees and other costs relate to this acquisition of Realbase amounting to \$0.4 million and \$0.2 million costs related to additional mergers and acquisitions and strategic advice.

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Notes to the Consolidated Financial Statements

for the half year ended 31 December 2023

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 (DHL) was previously reported within the Consumer Solutions operating segment. Following the decision to exit the DHL business through a sale, the results which are presented as discontinued operations have been separately reported in Note 6. 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 half year ended 31 December 2023 is as follows:

	Segment Revenue \$'000	Revenue From External Customers \$'000	Underlying EBITDA ⁽ⁱ⁾ \$'000
31 December 2023			
Core Digital	193,418	193,418	86,205
Print	8,698	8,698	775
Corporate	123	123	(18,576)
Total for the Group	202,239	202,239	68,404
Restated⁽ⁱⁱ⁾ 31 December 2022			
Core Digital	172,930	172,930	68,916
Print	9,081	9,081	905
Corporate	141	141	(18,009)
Total for the Group	182,152	182,152	51,812

(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 consolidated financial statements as at 31 December 2022. Refer to Note 1 for further details.

Notes to the Consolidated Financial Statements

for the half year ended 31 December 2023

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:

	31 December 2023 \$'000	Restated ⁽ⁱ⁾ 31 December 2022 \$'000
Underlying EBITDA from continuing operations	68,404	51,812
Significant income before tax (including significant interest income)	1,268	2,085
Significant expense before tax	(2,328)	(4,425)
Depreciation and amortisation	(20,934)	(18,248)
Interest income	646	496
Finance costs	(7,580)	(5,923)
Reported net profit before tax and discontinued operations	39,476	25,797

(i) Certain amounts shown here do not correspond to the consolidated financial statements as at 31 December 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 31 December 2023 and 31 December 2022.

	Note	Impairment \$'000	Restructuring Costs \$'000	Remeasurement of Contingent Consideration \$'000	Costs Related to Mergers & Acquisitions \$'000	Total \$'000
31 December 2023						
Core Digital		-	-	835	-	835
Print		-	-	-	-	-
Corporate		-	(1,876)	-	(452)	(2,328)
Consolidated entity	4	-	(1,876)	835	(452)	(1,493)
31 December 2022						
Core Digital		(566)	-	2,085	-	1,519
Print		-	-	-	-	-
Corporate		-	(3,275)	-	(584)	(3,859)
Consolidated entity	4	(566)	(3,275)	2,085	(584)	(2,340)

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.

Notes to the Consolidated Financial Statements

for the half year ended 31 December 2023

6. Discontinued Operations

On 15 December 2023, the Group sold its 60% shareholding in Digital Home Loans Pty Ltd. At that time, the Group deconsolidated the net assets of Digital Home Loans Pty Ltd and stopped recognising the results of the company in the Group's Consolidated Statement of Profit or Loss and Other Comprehensive Income, recognising a net gain on sale of \$0.2 million.

The results of Digital Home Loans Pty Ltd for the half year are presented below:

	31 December 2023 \$'000	31 December 2022 \$'000
Revenue from contracts with customers	4,848	4,440
Other revenue and income ⁽ⁱ⁾	411	135
Total revenue and income	5,259	4,575
Expenses from operations excluding impairment, depreciation, amortisation and finance costs	(6,063)	(6,959)
Depreciation and amortisation	-	(341)
Finance costs	(215)	(11)
Net loss from discontinued operations before income tax expense	(1,019)	(2,736)
Income tax expense	-	-
Net loss from discontinued operations after income tax expense	(1,019)	(2,736)
Net loss attributable to:		
Owners of the parent	(888)	(1,447)
Non-controlling interest	(131)	(1,289)
	(1,019)	(2,736)
Earnings per share (cents) from discontinued operations		
Basic earnings per share (cents)	(0.14)	(0.23)
Diluted earnings per share (cents) ⁽ⁱⁱ⁾	(0.14)	(0.23)

(i) Other revenue and income includes a net gain on disposal of DHL amounting to \$0.2 million.

(ii) Due to the statutory loss, the impact of certain potential ordinary shares is excluded because the effect would be anti-dilutive.

The major classes of assets and liabilities of Digital Home Loans Pty Ltd classified as held for sale as at 31 December 2023 are, as follows:

	31 December 2023 \$'000	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 Ltd are, as follows:

	31 December 2023 \$'000	31 December 2022 \$'000
Operating	(2,601)	(3,502)
Investing	-	(473)
Financing	1,265	4,600
Net cash inflow	(1,336)	625

Notes to the Consolidated Financial Statements

for the half year ended 31 December 2023

7. Intangible Assets

	31 December 2023 \$'000	30 June 2023 \$'000
Brand and tradenames	282,173	282,734
Goodwill	969,334	969,334
Software	53,063	52,189
Software (Capital works in progress)	9,107	7,337
Customer relationships	60,047	64,089
Total intangible assets	1,373,724	1,375,683

The movement in intangibles during the year is primarily due to additions and amortisation in the ordinary course of business.

Reconciliations

Reconciliations of the carrying amount of each class of intangible at the beginning and end of the half year ended 31 December 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
31 December 2023							
Balance at beginning of the year		282,734	969,334	52,189	7,337	64,089	1,375,683
Additions		-	-	185	15,596	-	15,781
Reclassification from works in progress		-	-	13,822	(13,822)	-	-
FX adjustment		-	-	(4)	(4)	-	(8)
Amortisation	3(B)	(561)	-	(13,129)	-	(4,042)	(17,732)
At 31 December 2023, net of accumulated amortisation and impairment		282,173	969,334	53,063	9,107	60,047	1,373,724
At 31 December 2023							
Cost		287,226	1,404,815	182,240	9,107	108,750	1,992,138
Accumulated amortisation and impairment		(5,053)	(435,481)	(129,177)	-	(48,703)	(618,414)
Net carrying amount		282,173	969,334	53,063	9,107	60,047	1,373,724

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Notes to the Consolidated Financial Statements

for the half year ended 31 December 2023

8. Interest Bearing Liabilities

	31 December 2023 \$'000	30 June 2023 ⁽ⁱ⁾ \$'000
Non-current interest bearing liabilities – unsecured		
Bank borrowings	209,436	219,318
Total non-current interest bearing liabilities	209,436	219,318
Net debt		
Cash and cash equivalents	(33,617)	(34,804)
Non-current interest bearing liabilities	209,436	219,318
Net debt	175,819	184,514

(i) Cash and cash equivalents as at 30 June 2023 includes \$1.3 million of Cash at bank attributable to discontinued operations.

A. Financing arrangements

The Group's net debt was \$175.8 million as at 31 December 2023 (30 June 2023: \$184.5 million).

B. Bank borrowings

Facility	Interest Rate	Maturity ⁽ⁱⁱ⁾	31 December 2023 Commitment	30 June 2023 Commitment
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 31 December 2023, the Group had drawn \$210.0 million (30 June 2023: \$220.0 million) of the total available facility with \$145.0 million (30 June 2023: \$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.

Notes to the Consolidated Financial Statements

for the half year ended 31 December 2023

9. Dividends

A. Dividends Paid

	31 December 2023 \$'000	31 December 2022 \$'000
2023 dividend (record date 24 August 2023, payment date 12 September 2023)	25,266	-
2022 dividend (record date 24 August 2022, payment date 13 September 2022)	-	25,266
Total dividends paid	25,266	25,266

B. Dividends Proposed and not recognised as a Liability

Since the end of the half year, the Directors have resolved to pay a dividend of 2.0 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 11 March 2024 out of current year profits, but not recognised as a liability at the end of the half year, is expected to be \$12.6 million.

10. Earnings Per Share

	31 December 2023	Restated ⁽ⁱ⁾ 31 December 2022
Weighted average number of ordinary shares	Thousands	Thousands
Weighted average number of ordinary shares for basic EPS⁽ⁱⁱ⁾	630,722	630,286
Effects of dilution from:		
Share options	91	32
Contingently issuable ordinary shares	2,242	1,872
Contingent consideration in connection with acquisition	1,752	2,134
Weighted average number of ordinary shares adjusted for the effect of dilution⁽ⁱⁱ⁾	634,807	634,324
Profit attributable to ordinary holders	\$'000	\$'000
Profit attributable to ordinary holders of the parent from:		
Continuing operations	25,245	15,565
Discontinued operations	(888)	(1,447)
Profit attributable to ordinary holders of the parent for basic earnings	24,357	14,118
Profit attributable to ordinary holders of the parent adjusted for the effect of dilution	24,357	14,118
Earnings per share	Cents	Cents
Earnings per share attributable to ordinary equity holders of the parent		
Basic	3.86	2.24
Diluted	3.84	2.23
Earnings per share from continuing operations attributable to ordinary equity holders of the parent		
Basic	4.00	2.47
Diluted	3.98	2.45

(i) Certain amounts shown here do not correspond to the consolidated financial statements as at 31 December 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 period.

Notes to the Consolidated Financial Statements

for the half year ended 31 December 2023

11. Commitments and Contingencies

At 31 December 2023, the Group had commitments of \$0.1 million (31 December 2022: \$0.1 million) relating to 12 months of operating lease of the Philippines entity, Realbase Inc.

12. 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.

13. 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.

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	
	31 December 2023 \$'000	31 December 2022 \$'000	31 December 2023 \$'000	30 June 2023 \$'000
Ultimate parent company				
Sales to related parties	2,418	2,022	-	-
Purchases from related parties	(5,117)	(2,828)	-	-
Amounts owed by related parties	-	-	8,863	6,449
Amounts owed to related parties	-	-	(16,931)	(11,819)

Directors' Declaration

for the half year ended 31 December 2023

In accordance with a resolution of the Directors of Domain Holdings Australia Limited (the Company), we declare that:

In the opinion of the Directors,

- a) the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001* including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the six months period ended on that date; and
 - (ii) complying with the Australian Accounting Standards and the *Corporations Regulations 2001*.
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Nick Falloon
Chairman

Sydney
14 February 2024



Jason Pellegrino
Managing Director and Chief Executive Officer

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Independent auditor's review report to the members of Domain Holdings Australia Limited

Conclusion

We have reviewed the accompanying half-year financial report of Domain Holdings Australia Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated balance sheet as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is

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substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Ernst & Young

J Inglis

Jodie Inglis
Partner
Sydney
14 February 2024

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