

ASX CEO Connect Presentation

Jason Pellegrino
CEO & Managing Director

31 August 2021

Domain
Australia's home of property



Disclaimer

Summary Information

This presentation contains summary information about Domain Holdings Australia Limited (ASX: DHG) (Domain) and its activities current as at 31 August 2021. The information in this presentation is of a general background nature and does not purport to be complete. It should be read in conjunction with Domain's other periodic and continuous disclosure announcements which are available at shareholders.domain.com.au.

Not Financial Product Advice

This presentation is for information purposes only and is not financial product or investment advice or a recommendation to acquire Domain securities and has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal and taxation advice appropriate to their jurisdiction. Statements made in this presentation are made as at the date of the presentation unless otherwise stated.

Past Performance

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Future Performance

This presentation contains certain "forward-looking statements". The words "expect", "should", "could", "may", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements including projections, guidance on future earnings and estimates are

provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may vary materially for many projections because events and actual circumstances frequently do not occur as forecast and these differences can be material. This presentation contains such statements that are subject to risk factors associated with the industries in which Domain operates which may materially impact on future performance. Investors should form their own views as to these matters and any assumptions on which any forward-looking statements are based. Domain assumes no obligation to update or revise such information to reflect any change in expectations or assumptions.

The inclusion of forward-looking statements in this presentation should not be regarded as a representation, warranty or guarantee with respect to its accuracy or the accuracy of the underlying assumptions or that Domain will achieve, or is likely to achieve, any particular results.

General

Neither Domain, nor its related bodies corporate, directors, officers, employees, agents, contractors, consultants or advisers makes or gives any representation, warranty or guarantee, whether express or implied, that the information contained in this presentation is complete, reliable or accurate or that it has been or will be independently verified, or that reasonable care has been or will be taken by them in compiling, preparing or furnishing this presentation and its contents. To the maximum extent permitted by law, neither Domain, nor its related bodies corporate, directors, officers, employees, agents, contractors, consultants and advisers expressly disclaim any and all liability for any loss or damage suffered or incurred by any other person or entity however caused (including by reason of fault or negligence) and whether or not foreseeable, relating to or resulting from the receipt or use of the information or from any errors in, or omissions from, this presentation. The statements and the information in this presentation are subject to change without notice. No person, including Domain and its related bodies corporate, directors, officers, employees, agents, contractors, consultants and advisers accepts any obligation to update this presentation or to correct any inaccuracies or omissions in it which may exist or become apparent.



Agenda

Business Overview

Marketplace Strategy

Current Trading Environment

Q&A

Appendices

1. FY22 Outlook
2. ESG initiatives
3. Group Trading Performance
4. Segment Results



Business Overview

Domain is a leading property technology and services business

Domain HomeLoans Powered by **lendi**
Home Loans

Domain Insure
Insurance Services

Domain CONNECTIONS
Utilities Connections



DomainMedia
Online Media Advertising

Domain
Print Media & Advertising



RealTime AGENT
Digital end-to-end solutions

MarketNow
Payment Solutions

homepass
Open for Inspection Tool



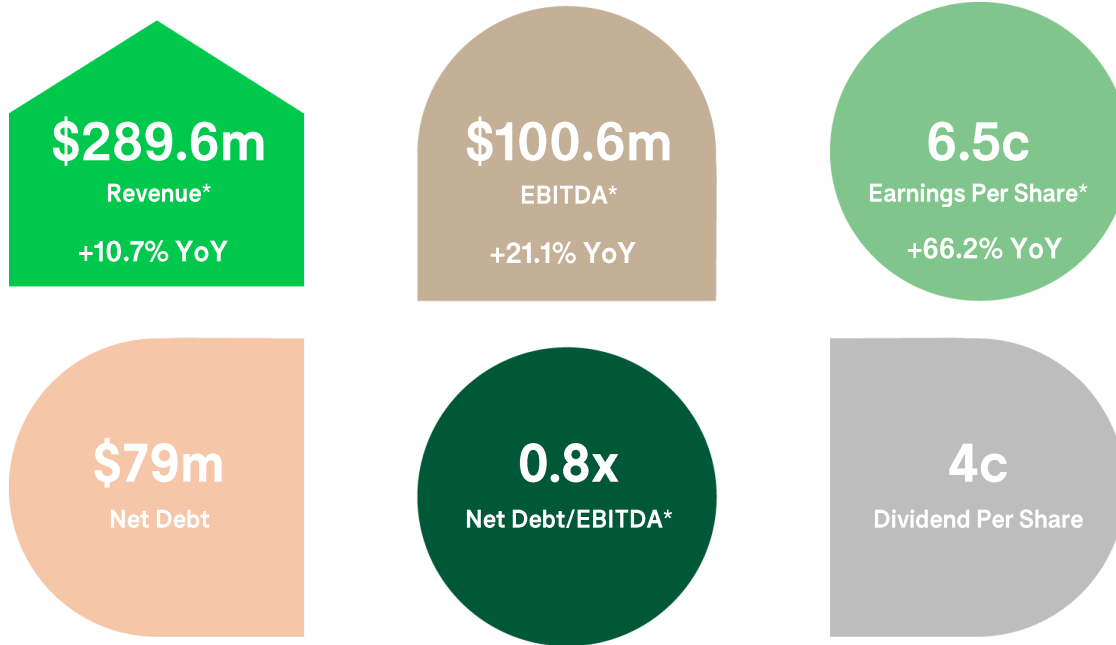
Domain
Leading National Residential Listings Search Platform

allhomes
No 1. Canberra/ACT Listings Search Platform

Commercial Real Estate
Leading National Commercial Listings Platform

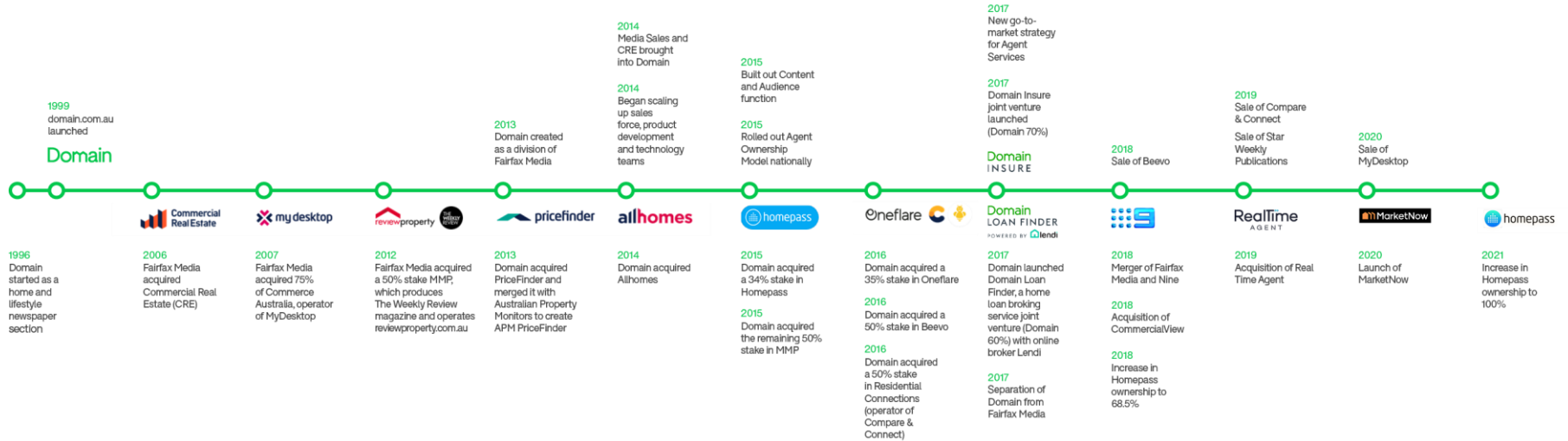
pricefinder **AUSTRALIAN PROPERTY MONITORS**
Property Data and Research

Domain's FY21 Performance



*Trading performance excluding significant items

Domain's Platform has Evolved over 20+ Years





Core Listings

Business Overview

Core Listings

Connecting Domain's quality, engaged audiences with properties and agents across digital, print and social

Domain

Leading National Residential Listings Search Platform



No 1. Canberra/ACT Listings Search Platform



Leading National Commercial Listings Platform

DomainMedia

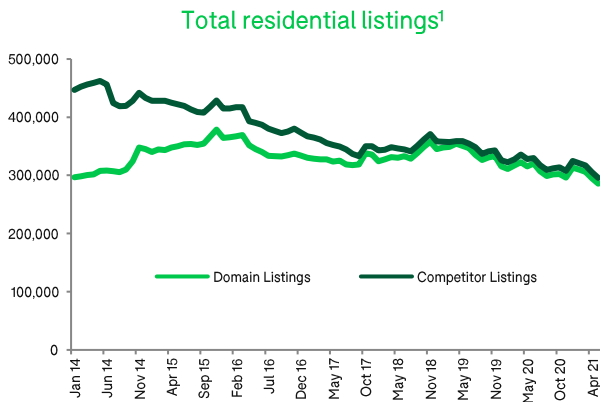
Online Media Advertising

Domain

Print Media & Advertising



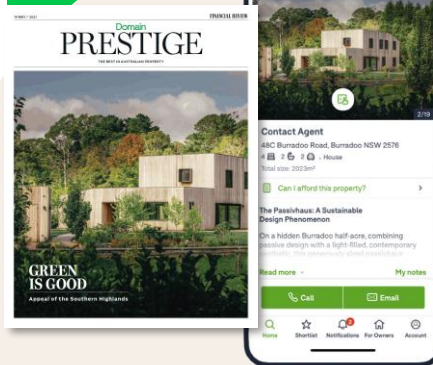
Effective property listings parity



Quality engaged audiences

9.6 million
Print and Digital UA¹

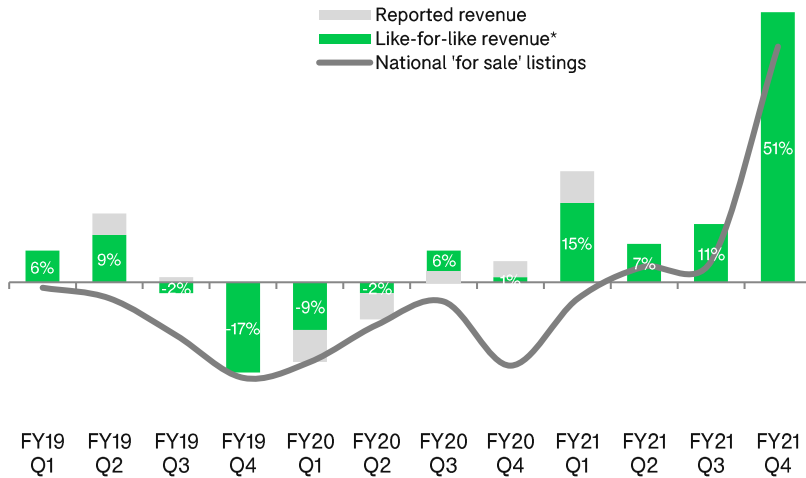
+23%
YoY



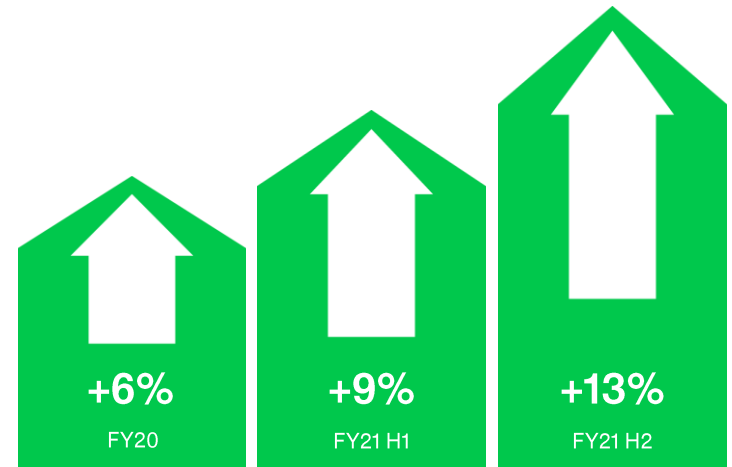
1. Source: emmaCMV™ conducted by Ipsos Australia, People 14+ for the 12 months ending Mar 2021, P14+ Nielsen Digital Panel data calibrated to Digital Content Ratings Mar 2021, Domain Print & Digital audience based on Domain & Allhomes digital & print, YoY growth based on Mar 2021 vs Mar 2020, Data for National

Expanding Controllable yield as listing volumes recover

Domain quarterly residential depth revenue versus new national 'for sale' market listings (% change YoY)



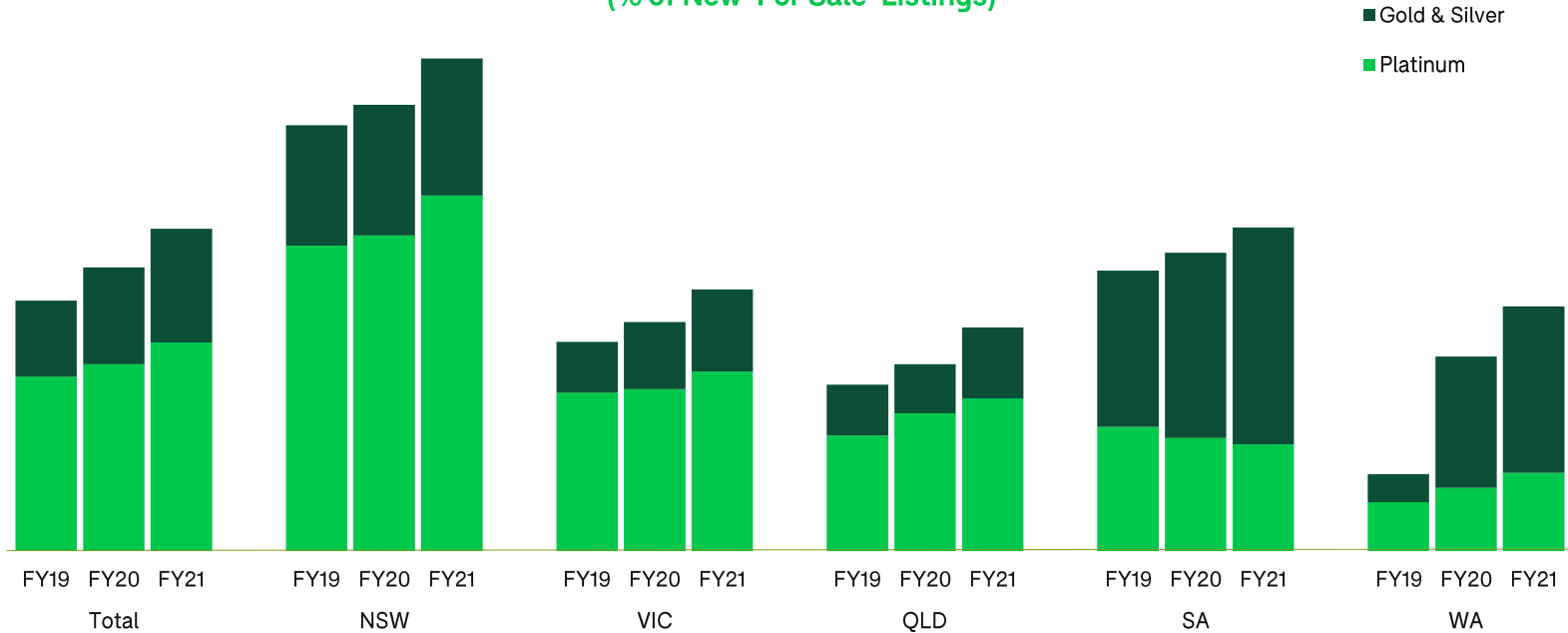
Controllable yield (% change)



*Like-for-like depth revenue is adjusted for extra week in FY19 and impact of revenue deferral arising from new depth contract duration in FY20

Strong Growth in Depth Penetration in all markets despite H1 Victorian lockdown

Domain Residential Depth Product Penetration
(% of New 'For Sale' Listings)





Agent Solutions

Business Overview

Agent Solutions

Providing business solutions to help agents grow their businesses, building on long-term and trusted relationships



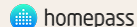
Property Data and Research



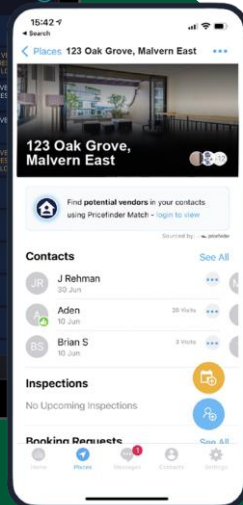
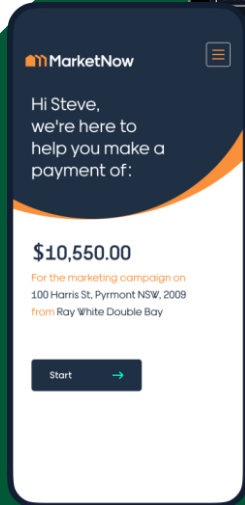
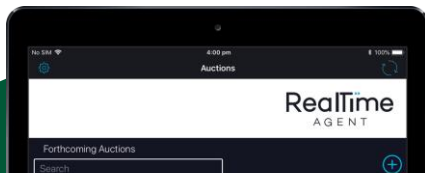
Digital end-to-end solutions



Payment Solutions



Open for Inspection Tool



Helping agents to:



Find and win the next listing



Market and sell the property quickly for the best possible price

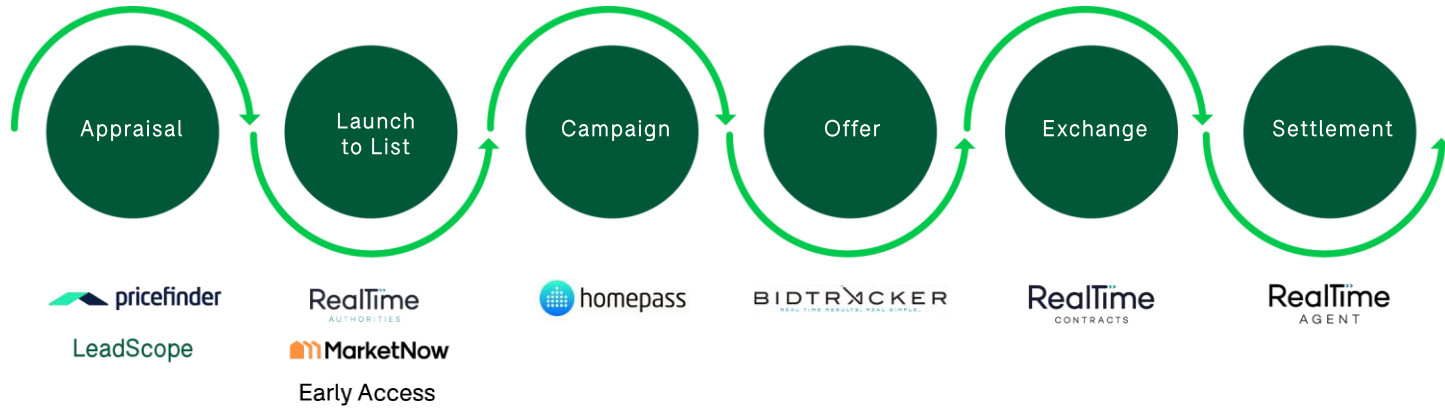


Run an efficient and profitable business

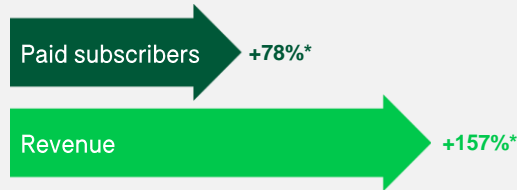


Differentiate their brands and attract and retain talent

Inspiring confidence at every step of the agent journey



RealTimeAgent YoY growth metrics*



MarketNow agent take-up



* RTA metrics are adjusted for acquisition timing in November 2019

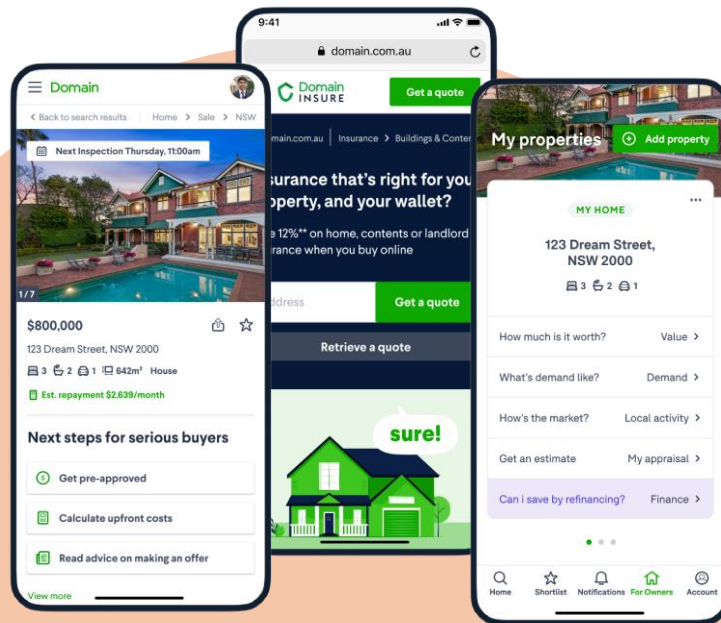


Consumer Solutions

Business Overview

Consumer Solutions

Delivering direct-to-consumer services spanning home loans, insurance and utilities in collaboration with specialist providers



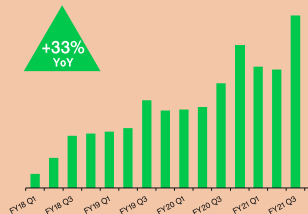
Domain Home Loans Powered by Home Loans

Domain Insure
Insurance Services

Domain CONNECTIONS
Utilities Connections

Domain Home Loans New Accounts

FY21 % CH



Domain Home Loans Powered by

Customer Reviews* **4.8/5**

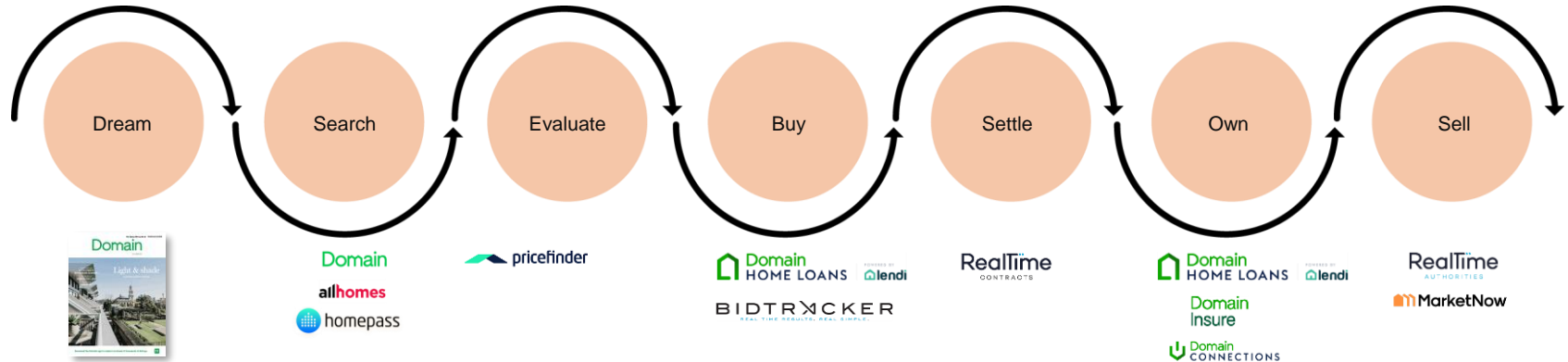


PRODUCT REVIEW 2021 AWARDS WINNER

HOME LOANS

Domain

Inspiring confidence at every step of the consumer journey





Property Data Solutions

Business Overview

Property Data Solutions

Leveraging timely and accurate property data to provide actionable and customer centric solutions

Unique & Comprehensive Data sets

- Multi-decade history of valuable property data
- Behavioural and engagement insights from Domain's ecosystem

Trusted Solutions

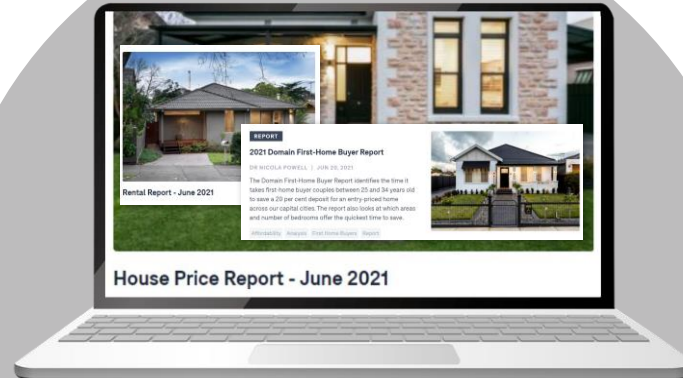
- Property intelligence platform
- Automated valuation models
- Research reports

Diverse Customer Applications

- Banks
- Mortgage Brokers
- Developers
- Valuers
- Real estate agents
- Professional Services
- Academics
- Government
- Corporate
- Consumers
- Others



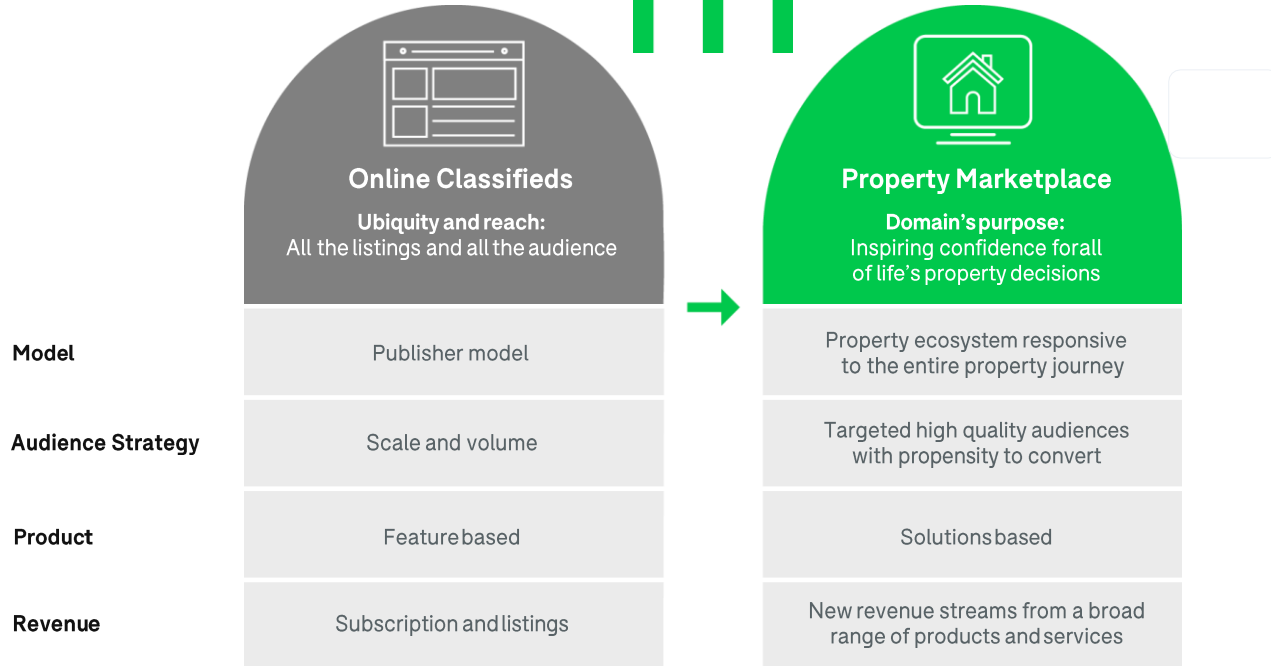
Property Data and Research





Marketplace Strategy

Evolving Domain's Model



Expanding Domain's addressable market



Note : Bubble sizes are indicative only

*Core Listings addressable market includes digital subscription and listings fees for residential and commercial property, media and new developer revenues for Domain and REA for FY20

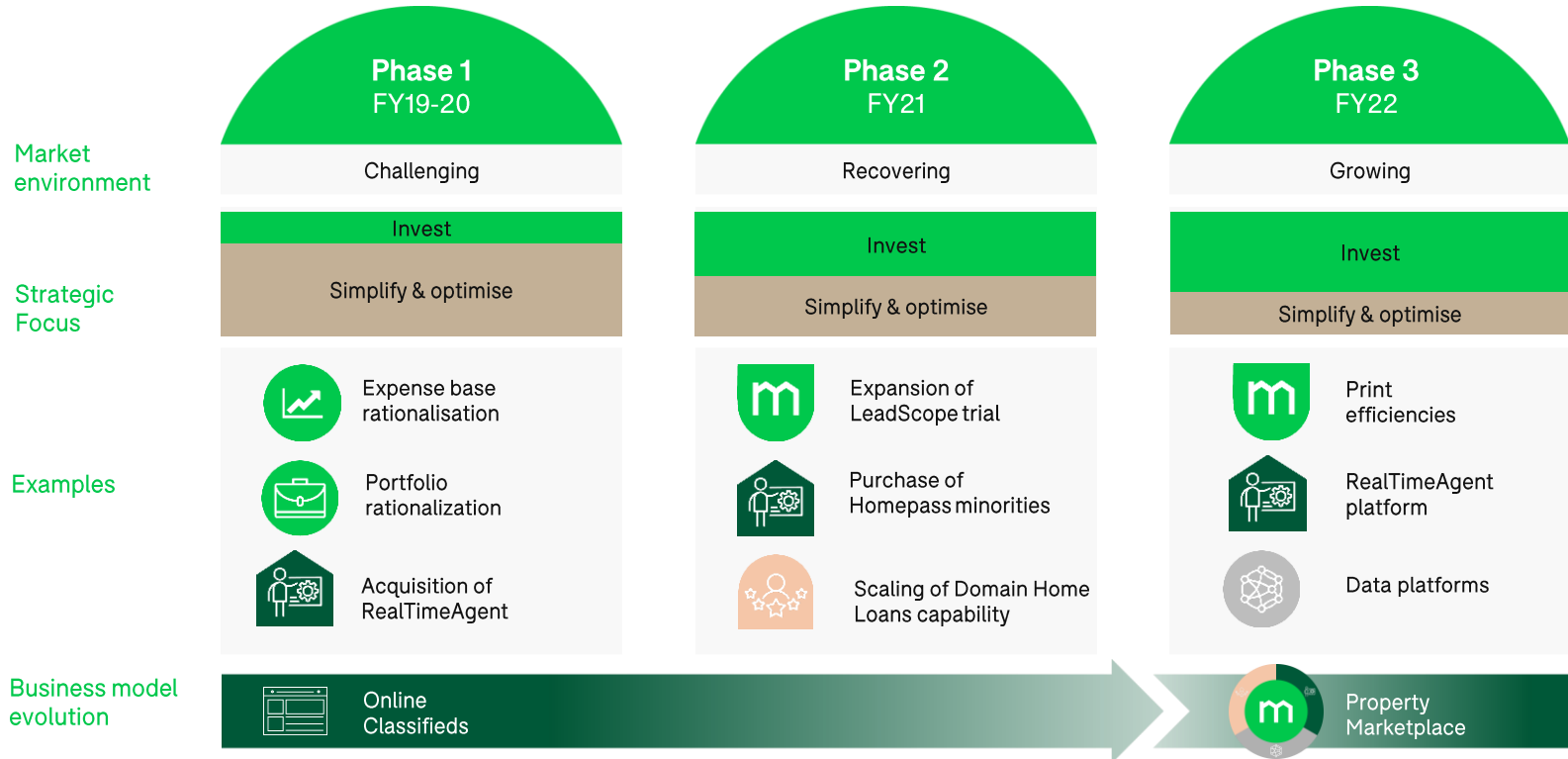
18 | ASX CEO Connect Conference

The Marketplace approach is a strategic differentiator

Better Together



Purposeful investment to support the Marketplace strategy while adapting to the market environment

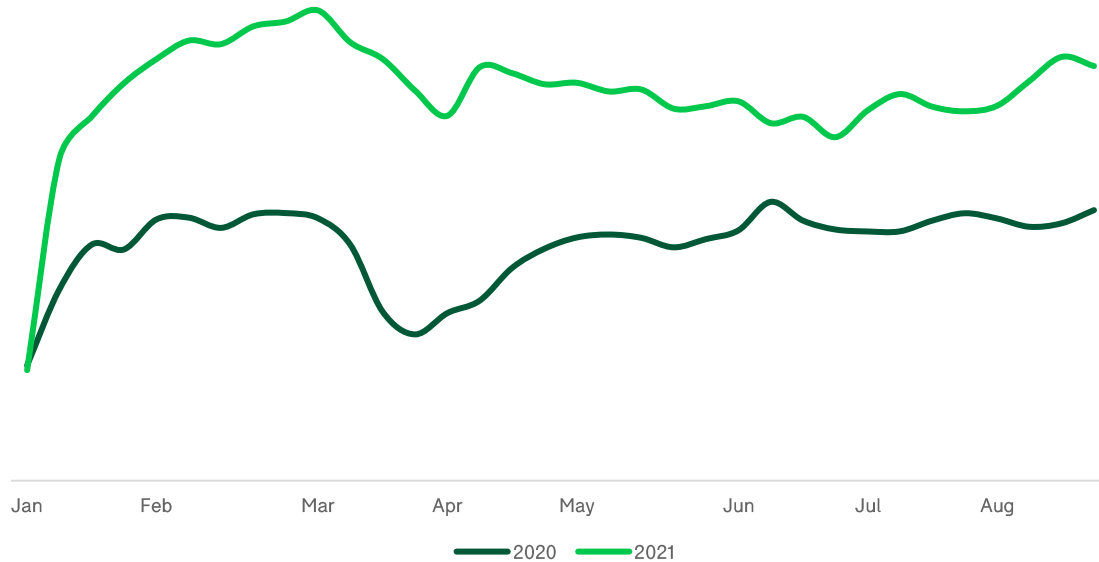




Current
Trading
Environment

Buyer interest in the property market remains robust

Sale enquiries – 2021 vs 2020



See the
possibilities.

Q & A



Appendices

FY22 Outlook

In the FY22 year to date, national listings are slightly up on last year. While listing volumes have been impacted by lockdowns, particularly in Sydney, July continued to deliver strong national depth performance. We remain confident in the resilience of the market, as evidenced by consistent patterns of sharp rebounds when restrictions ease.

We will maintain our disciplined investment approach to accelerate our Marketplace strategy, while retaining a commitment to ongoing margin expansion.

As a result of increased confidence in the property market outlook, and the robust performance of our business, the Board made the decision to repay grants received in FY21 from the Federal Government's JobKeeper scheme. This will be reflected in FY22 results.

For FY22, ongoing costs are expected to increase in the high single digit to low double digit range from the FY21 ongoing expense base of \$195.5 million. This excludes the impact of the Jobkeeper repayment of \$5.7 million which will be included in FY22 trading expenses.

ESG initiatives

Commitment to delivering sustainable value to all our stakeholders



**Our People
and Values**

**Employee Engagement
Diversity & Inclusion**

- Partnership with Reconciliation Australia to develop Domain's first Reconciliation Action Plan
- Participation in the Australian Workplace Equity Index, the definitive national benchmark on LGBTQI+ inclusion
- Continued strong employee engagement scores.



Community

**Data Security & Privacy
Business Ethics**

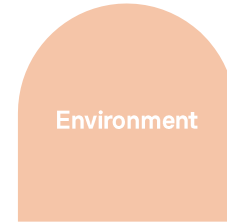
- Appointment of data governance lead and strengthened data governance framework to protect data security
- Support for agent customers with the provision of Domain's Employee Assistance program
- National charity partnership with OzHarvest, Australia's leading food rescue organisation



**Financial
Sustainability**

**Customer Satisfaction
Technology**

- Progressing Domain's Marketplace strategy to inspire confidence for all of life's property decisions for agents and consumers
- Investment in data and technology expanding its share of the cost base



Environment

**Sustainable supply chain
GHG emissions**

- Commitment to measure Scope 3 emissions and develop a carbon neutral plan
- Implementation of 100% green energy for Sydney, Melbourne and Perth offices, ~70% of Domain's headcount

Group Trading Performance

(\$M)	FY21	FY20 ¹	% Change	Like-for-like ² % Change
Revenue	289.6	261.6	10.7%	9.7%
Expenses	(189.0)	(178.5)	(5.9%)	(5.6%)
EBITDA	100.6	83.1	21.1%	19.0%
EBIT	64.5	44.8	44.0%	41.9%
Net profit attributable to members of the company	37.9	22.8	66.4%	
Earnings per share (EPS) ¢	6.48	3.90	66.2%	

- On a like-for-like basis, for FY21:
 - Revenue increased 9.7%
 - Expenses increased 5.6%
 - EBITDA increased 19.0%
- FY21 EBITDA of \$102.0 million before the impact of expensing cloud based software development costs (previously capitalised) in line with recent IFRIC guidance on AASB138 Intangible Assets, which reduced FY21 EBITDA by \$1.4 million and FY20 by \$1.3 million.
- As a result of increased confidence in the property market outlook, and the robust performance of the business, the Board has made the decision to repay grants received in FY21 from the Federal Government's JobKeeper scheme. This will reduce FY22 EBITDA by \$5.7 million³.
- Final dividend of 4.0 cents

1. FY20 results exclude disposals and have been restated for IFRIC guidance on AASB138 Intangible Assets which expenses cloud based software development costs (previously capitalised)

2. Like-for-like adjustments include revenue deferral arising from extended duration of listings, acquisitions and Jobkeeper benefits. See Slides 36 for further details

3. Reflects JobKeeper grant of \$6.5 million reduced by \$0.8m which was transferred to capitalised labour costs

Segment Results

(\$M)	REVENUE			EBITDA			EBITDA MARGIN	
	FY21	FY20*	% Change	FY21	FY20*	% Change	FY21	FY20*
Residential	195.3	161.6	20.8%					
Media, Developers & Commercial	46.0	43.0	7.0%					
Agent & Property Data Solutions	24.2	22.4	8.1%					
Core Digital	265.5	227.0	17.0%	130.0	98.0	32.7%	49.0%	43.2%
Consumer Solutions	5.5	5.6	(1.2%)	(6.2)	(3.6)	(70.2%)	(112.1%)	(65.1%)
Digital	271.0	232.6	16.5%	123.8	94.4	31.2%	45.7%	40.6%
Print	17.8	26.5	(33.1%)	2.8	6.1	(54.0%)	15.9%	23.1%
Corporate	0.8	2.5	(66.6%)	(26.0)	(17.4)	(49.6%)		
Domain Group	289.6	261.6	10.7%	100.6	83.1	21.1%	34.7%	31.8%

- On a like-for-like basis^{**} :
 - Residential revenue +19.6%
 - Core Digital revenue +15.7%, Core Digital EBITDA +31.1%
 - Total Digital revenue +15.3%
- Corporate EBITDA includes \$8m in additional costs related to D&O insurance and share-based payments

*FY20 results excludes disposals (MyDesktop in Agent & Property Data Solutions) and have been restated for IFRIC guidance on AASB138 Intangible Assets which expenses cloud based software development costs (previously capitalised)

**Like-for-like adjustments include revenue deferral arising from extended duration of listings, acquisitions and Jobkeeper benefits.

Thank you.

Contact:
corporate.relations@domain.com.au

Domain