



MACQUARIE CONFERENCE 2024

8 May 2024: CEO of Nine (ASX:NEC), Mr Mike Sneesby, will be participating in the Macquarie conference today.

INTRODUCTORY COMMENTS

Nine is Australia's Media Company combining Australia's leading Metro Free to Air Television Network (in both audience in the key demographics, and revenue); Australia's leading BVOD operator, 9Now; the leading local SVOD service, Stan which has been profitable for almost six years; Australia's leading talk radio network; Australia's most read publisher in our targeted markets through titles like *The Sydney Morning Herald* and *The Age* as well as Australia's leading business publication, *The Australian Financial Review*, and a 60% stake in one of Australia's leading real estate marketplace businesses, Domain.

Through 2024, the inherent value of Nine's business has become increasingly evident. The core of Nine is our premium content which fuels our distribution platforms across television, audio, streaming, publishing and marketplaces. As our business mix becomes more digital, the value we can extract from our substantial cross platform signed-in user base will continue to grow and provides us with a unique competitive advantage. Across all of our platforms, Nine has a total registered audience of nearly 22 million Australians and each month 16 million Australians visit one or more of these Nine assets, giving us greater capacity to create value through this increasingly significant pool of data. Across the Group, Nine generates revenues through advertising, subscriptions, platforms and licensing and marketplaces and transactions, of which around half is now digitally sourced and all of which, either directly or indirectly, benefit from being part of the broader Nine group.

Nine has one of Australia's leading first party data resources, rivaling any other digital platform. The scale of our data set, coupled with our growing digital audiences, places Nine in a unique position and underpins our confidence in maximising the growth of our digital revenues. Nine will continue to invest in technology, specifically platform innovation and GenAI investment which are key to our positioning as Australia's Media Company.

We are excited about the opportunities associated with the upcoming Olympics and Paralympics - about the audiences and advertisers these events will bring to our platform, about the data we will collect and lessons we will learn in terms of user preferences and dynamics. Importantly, the longevity of our Olympic partnership provides the opportunity to accelerate our strategy as Australia's Media Company as we work towards Brisbane 2032.

In a challenging operating environment, Nine has reported some significant wins.

Not only have we gained audience share, but in FY24 to date, Nine's actual metro free-to-air audiences on an average 24 hour, 7 day a week basis have shown growth - both in Total People as well as the younger demographics. That's a marked change to recent industry audience performance and signals a stabilisation of the land grab we have seen in the growing consumption of video content in Australia.



Audiences on 9Now continue to grow and calendar year to date, total live minutes, Nine's key point of focus, have grown by 54%.

As a result, Nine's Total TV audiences are in clear growth - this markedly improved audience trend gives us confidence that the Group is well-positioned when economic conditions and advertising markets begin to recover.

We have also seen strong and resilient performances from our digital subscription businesses - Stan and our metro mastheads - with subscription revenue expected to account for around 30% of our Group revenues, ex Domain, in FY24. In the first half, our subscription revenues grew by 8%, and we have seen ongoing momentum both in terms of pricing (with price increases this half at both Stan and the AFR.com.au) and subscriptions into the second half. We remain focussed on the ARPU opportunity, a function of the premium content that we create, and which we believe has some way to run.

And thirdly, we have successfully managed and adapted our cost base to the operating conditions. We have continued to invest in the content that drives audiences and revenues, whilst offsetting this investment with selective and targeted savings elsewhere. This will ensure our competitive position further strengthens as the media sector in Australia continues to evolve. With our strong balance sheet, and cash flows we will continue to look for opportunities to further strengthen our position in Australia's media landscape.

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TRADING UPDATE

Nine's commitment to invest in and deliver the best content and user experience across multiple platforms continues to be reflected in strong audience and subscriber performance through 2024 to-date. As a result, our competitive position has further strengthened, underpinning both future opportunities, and our expectations of increased operating leverage when the advertising market begins to recover.

In Television, Nine has started calendar 2024 as the clear ratings leader across all key demographics. Nine finished the March quarter with a 45.2%¹ share, more than 12%¹ points of share ahead of the next placed channel on a prime time, primary channel basis in our targeted 25-54s and a 40.0%¹ share, more than 6%¹ points ahead, on a Total People basis. Moreover, Nine has also recorded real audience growth across its core Metro markets on its primary channel (2am-2am), both on a financial year-to-date and calendar year 2024 basis, underpinning confidence in the cycle as advertising markets improve.

The Metro FTA market declined by around 13% in Q3 (on Q3 FY23) marginally better than February guidance of a mid-teens percentage decline, with a similar decline expected in Q4 (on Q4 FY23).

Reflecting our strong ratings performance, Nine achieved a 43.3% share of FTA revenues and a 55.1% share of BVOD revenue² in the March quarter. With ratings momentum continuing, and coupled with the run-in to the Paris Olympics and Paralympics in Q1 FY25, Nine expects to grow Total Television revenue share in the current half on H2 FY23.

9Now continues its growth trajectory, with low double-digit growth in Q3 with positive momentum expected to continue through Q4.

With the benefit of targeted savings, we continue to expect Total Television costs in FY24 to decline marginally on FY23, notwithstanding incremental content and technology investment which will be more than offset by other cost reductions.

Nine's subscription businesses, Stan and Publishing, continue to perform well, benefitting from ongoing subscriber engagement and augmented by price increases. At Stan, Nine continues to expect growth in both revenue and EBITDA in FY24. Nine's Publishing business continues to benefit from the growth of digital audiences, with digital subscription revenue growth expected to be in the low double digits (%) in H2 driven by both subscriber numbers and ARPU. However, the advertising market remains challenging, particularly digital display, mainly reflected in the performance of Nine's 'other' Publishing revenues (non metro mastheads).

Domain also updated the market earlier today and further details can be found with their full presentation (ASX: DHG). Trading continues to reflect the improved listing environment, the impact of pricing increases and the uptake in new depth products. Momentum continued to improve in Q3 with residential revenue growth of 22% (after 16% growth in H1) and digital revenue growth of 17% (cf H1 of 12%). The recent addition of our Chief Strategy and Financial Officer, Matt Stanton, to the Board, is a clear sign of Nine's commitment to our significant investment in Domain and our focus on optimising the performance of both of our businesses.

Nine Radio's Q3 ad revenues declined in the high single digits (%), with the more than 40% growth in digital revenues offset by weakness in the traditional market.



Nine has continued to focus on maximising the efficiency of its cost base, with total Group costs, ex Domain, now expected to be broadly flat FY24 on FY23, notwithstanding ongoing investment in core Digital and growth businesses.

Over the past couple of years, Nine's vision of creating Australia's Media Company has progressed, with a focussed strategy, commitment to execution and on continuing to further strengthen its competitive position. As media continues to evolve, the value of Nine's broad business, with diversified earnings across subscription and advertising and a growing portfolio of digital assets with accompanying first party data, is becoming increasingly clear.

Authorised for release: by Nine's Chief Executive Officer

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¹ 1st January to 31st March 2023, 5-city metro, 6pm-midnight, VOZ data
² as defined by 9Now, 7Plus and 10 Play

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