25 February 2025

ASX Markets Announcement Office
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2025 INTERIM RESULTS ANNOUNCEMENT

Attached is a copy of the ASX release relating to the 2025 Interim Financial Results for Nine Entertainment Co. Holdings Limited.

Rachel Launders
Company Secretary

Authorised for release: Nine Board sub-committee

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NINE ENTERTAINMENT CO. FY25 INTERIM RESULTS

25 February 2025: Nine Entertainment Co. (ASX: NEC, Nine) has released its results for the six months to 31 December 2024. For the period, Nine reported Revenue of $1.4b and a Net Profit After Tax of $96m, which included a post-tax Specific Item expense of $16m.

Group EBITDA, before Specific items, of $268m was down 15% on H1 FY24, reflecting weaker economic and advertising market conditions, coupled with the impact of the loss of the Meta revenues. Profit After Tax and Minorities, before Specific Items was $95m, which compared with $134m in the previous corresponding period.

Key takeaways include:

- A world-class Olympic coverage underlining the power of Nine's Integrated Audience Platform, profitable and cash flow positive for Streaming and Broadcast, whilst driving audiences and profit across Nine's other platforms
- Growth in streaming and broadcast audiences (Nine and Stan) across 2024
- 8% growth in underlying subscription revenues (ex Domain and the impact of Meta/Google) - with growth at the metro mastheads, AFR and Stan
- 15% growth in Domain's EBITDA contribution to Nine, with growth in both new `for sale' listings (+7%) and Depth revenue (+14%)
- Digital revenue growth of 33% in Audio, with radio industry leadership in live streaming audiences
- $35m of cost efficiencies delivered across the half, with the previously targeted $50m for FY25 expected to be exceeded
- Interim dividend of 3.5 cents per share, fully franked

Nine Chair Catherine West said: "In a challenging market environment, we have continued to perform well operationally, while simultaneously strengthening our strategic position and implementing our cultural reset. Pleasingly, the team has demonstrated a company-wide commitment to strengthening the business and embracing the changes that needed to happen. The Board, bolstered by recent appointments bringing further diversity of views and experience among directors, continues to see real opportunities for Nine to thrive by harnessing the power of the Nine Group."

Nine Acting Chief Executive Officer Matt Stanton said: "We have worked together over the past six months to build a roadmap for strategic and cultural transformation. I am proud of the way our people have responded, with strong engagement and an overwhelming spirit of constructive optimism. I am confident that the changes we have made and continue to implement will ensure Nine remains an integral player at the forefront of media in Australia. From Nine's top-rating coverage of the Olympics, our dedicated and award-winning journalists across all platforms, addictive television including *The Block* and *From*, as well as our marketplace presence through Domain and Drive, Nine continues to build on its unique relationship with Australian audiences.

Operationally, we were generally pleased with the performance of our portfolio in the half. In particular, at Stan, subscriber numbers exceeded our expectations, underpinning 16% growth in EBITDA whilst at Publishing, digital subscription revenues at our mastheads grew by 15% (ex the impact of Meta and Google), with the team also doing a great job with cost efficiencies offsetting much of the impact of the Meta withdrawal.

Domain made a conscious decision during the half to focus on lifting listings coverage, which had a dilutionary impact on yield. This focus achieved its intended outcome, with Domain's relative listings coverage returning to its longer term average. Domain continues to be a key part of Nine's media ecosystem and long-term growth strategy.

In Total Television, we recorded audience growth in both streaming (live and VOD) and broadcast across key genres of content - sport, news and current affairs as well as entertainment. Buoyed by the Olympics, Nine reported growth in Total Television revenues, and while the second quarter advertising market proved softer than expected, calendar 2025 has started on a more positive note with growth in both streaming and broadcast revenues in Total Television.

Nine's Olympics coverage demonstrated the strength of the Group portfolio, as our platforms worked seamlessly together to ensure our world-class content of one of the great global sporting events reached all Australians, providing advertisers with opportunities and exposure that only Nine can offer.

Table 1: Group Results[1]

6 months to December $m	H1 FY25	H1 FY24	Variance $m	Variance %
Revenue	1,390.1	1,371.3	+18.8	+1%
Group EBITDA	268.4	316.1	(47.7)	(15%)
Net Profit after Tax	112.2	149.5	(37.3)	(25%)
Net Profit after Tax and Minorities	95.1	133.7	(38.6)	(29%)
Fully diluted Earnings per Share (cents)[1]	6.0	8.2	(2.2c)	(27%)
Dividends per share (cents)	3.5	4.0	(0.5c)	(13%)

[1] Pre Specific Items

On revenue of $1.4b, Nine reported EBITDA of $268m, down 15% on H1 FY24. Net Profit after Tax and Minorities of $95m was down 29% on pcp. Earnings per share of 6.0 cents was down 27% on H1 FY24. Specific Items totalled a cost of $16m after tax and are detailed in Appendix 2. Nine has announced its intention to pay an interim, fully franked dividend of 3.5 cents, compared with 4.0 cents in the previous corresponding period, which equates to a payout ratio of 58%.

Table 2: Total Television[1]

6 months to December $m	H1 FY25	H1 FY24	Variance $m	Variance %
Revenue	612.9	602.1	+10.8	+2%
Costs	(509.1)	(442.2)	(66.9)	(15%)
EBITDA	103.8	159.9	(56.1)	(35%)
Margin	16.9%	26.6%		-9.7 pts

[1] Pre Specific Items

Nine recorded growth in Total Television audiences for both FTA broadcast and streaming, across both the full calendar year and the half.

For the half, strong growth in streaming revenues from 9Now more than offset the impact of the weak broadcast advertising market, resulting in 2% revenue growth for Total Television.

Streaming revenue, through 9Now, grew by 28% for the half, supported by the Olympics coverage, but with a similarly strong performance across both live and catch up revenues outside of the Olympics. From a live perspective, 9Now's Daily Active Users grew by a further 77%[1], while live streaming (minutes) were up by 66%[2], with growth of 42% and 15% respectively, excluding the Olympic weeks[3].

Broadcast revenue declined by 3% for the half. Reflecting the weaker economic conditions, the Metro Free To Air advertising market declined by 10.1%[4] for the half, with Nine attaining a revenue share of 42.1%[4] an all-time high for any network in the December half. Nine's regional revenues, through affiliates and wholly-owned, declined by 2%, with the overall regional advertising market declining by around 5%[6].

Nine's coverage of the Olympic and Paralympic Games during the half accounted for all of the reported cost increase, resulting in a lower-than-normal EBITDA margin. During the year, Nine continued to strategically increase its investment in premium content and technology, while reducing other operating costs. Ex Olympics, underlying cost savings of around $10m were achieved in the half.

[1] OzTAM VPM Live+VOD NINE DemoEvents Post. July to December 2024 vs. July to December 2023. Based on the average monthly daily active users.
[2] OzTAM VPM Live+VOD AudienceDevice. Total Minutes includes coviewing on connected TVs. July to December 2024 vs. July to December 2023.
[3] As 2 and 3 above, ex Olympic weeks in 2024 and corresponding weeks in 2023
[4] Source: Think TV, Metro Free To Air revenue and share, 6 months to December 2024
[5] Source: Think TV, Regional Free To Air revenue and share, 6 months to December 2024

Table 3: Stan[1]

6 months to December $m	H1 FY25	H1 FY24	Variance	
			$m	%
Revenue	245.5	228.4	+17.1	+7%
Costs	(216.1)	(203.1)	(13.0)	(6%)
EBITDA	29.4	25.3	+4.1	+16%
Margin	12.0%	11.1%		+0.9 pts

[1] Pre Specific Items

Stan's revenue growth of 7% for the period was underpinned by both a strong subscriber performance, with paying subscribers currently at more than 2.3m, and a further 6% lift in ARPU[1].

Stan's strong start to the half, driven initially by subscriber engagement with the Olympics, consolidated through the period with key licensed titles including the return of *Yellowstone* (Paramount) in November, as well as *From* (MGM), *Arcadian* (AMC) and *Joan* (All3 Media). Over summer, Stan Originals continued to perform well, with the latest seasons of *Bump* and *Black Snow* both achieving strong audience numbers. Stan Originals continue to attract critical acclaim with a record 20 nominations at the 2025 AACTA awards, including winning Best Documentary for *Otto by Otto*.

The strength in Sport subscribers was underpinned by the Olympics and Paralympics, but similarly consolidated through the half with the return of the UEFA Champions League, Grand Slam Tennis (Wimbledon and the US Open) and Rugby, including The Rugby Championship.

The 6% increase in costs primarily reflected higher sport investment - a result of both the new UEFA contract, as well as the Paris Olympic Games. Stan Sport subscriber acquisition and retention throughout and post the Games proved stronger than originally expected, resulting in a positive EBITDA outcome from the coverage on Stan. Ex Sport, costs were down by around 6%, as the Group focused on balancing the higher sport spend in the period.

EBITDA of $29.4m, up 16%, was a record for the first half.

1 Average Revenue Per User - 6 months to December 2024 compared with pcp

Table 4: Publishing[1]

6 months to December $m	H1 FY25	H1 FY24	Variance	
			$m	%
Revenue	268.2	288.7	(20.5)	(7%)
Costs	(193.9)	(210.9)	+17.0	+8%
EBITDA	74.3	77.8	(3.5)	(4%)
Margin	27.7%	26.9%		+0.8 pts

[1] Pre Specific Items

Nine Publishing reported revenue of $268m, down 7% and EBITDA of $74m, down 4%. Digital subscription revenue growth coupled with a strong cost performance, offset much of the impact of the Meta withdrawal on Publishing EBITDA. In total, around 62% of Publishing revenue is digital.

Reflecting Nine's focus on monetizable content, Nine's metro business recorded growth in digital subscription revenue of around 15%, which excludes the impact of revenues from Google and Facebook. Increases in subscriber volume and price at *The Age*, *The Sydney Morning Herald* and *The Australian Financial Review,* more than offset the decline in print masthead sales. Total subscribers grew to more than 500k (+6%) while registered users increased to more than 1.8m. Subscription ARPU increased by around 4% across digital and bundle packages.

Nine's metro mastheads continued to be impacted by the softness in the broader advertising market. Print advertising declined by 14%, while digital advertising revenue proved more resilient, declining by just 4% across the half.

H1 FY25 Publishing costs declined by $17m, or 8%, with about half the savings sourced from the mastheads business. While this cost performance reflected the efficiencies achieved through redundancies late in CY24, as well as lower defamation costs, the mastheads continued to invest in key growth areas to help maintain recent subscription strength.

Nine's other publishing assets, namely nine.com.au and Pedestrian, were impacted by the recent restructurings - however, lower revenue was more than offset by reduced costs. Drive grew its revenue by 6% as it continues to focus on broadening to a marketplace model.

Table 5: Domain[1]

6 months to December $m	H1 FY25	H1 FY24	Variance	
			$m	%
Revenue	217.2	202.2	+15.0	+7%
Costs	(139.4)	(133.8)	(5.6)	(4%)
EBITDA[1]	77.8	68.4	+9.4	+14%
Margin	35.8%	33.8%		+2.0 pts
EBITDA – adjusted[2]	77.8	67.6	+10.2	+15%
Margin – adjusted[2]	35.8%	32.6%		+3.2 pts

[1] As reported by Domain (ASX:DHG) result, 13 February 2025 2. As per Nine's result, includes discontinued businesses (Domain Home Loans)

Domain's result (ASX: DHG, announced 13 February 2025) reflected continued strength in the listings market throughout the half, with new `for sale' listings up 7%. With a focus in the half on growing audience, Domain delivered positive metrics including double-digit growth in unique audience and listing views.

The reported 8% growth in digital revenues was underpinned by 12% growth in revenues from Domain's core Residential business, which accounted for more than 70% of Group revenues. The strong take-up of new products, specifically Platinum Edge and Audience Boost, supported depth revenue growth of 14%, to 92% of total Residential revenue.

The contribution from Domain's other Digital businesses was broadly flat, with solid performances from its Media businesses, as well as Agent Solutions whilst the softness in property markets impacted on Developers, and Commercial. Whilst remaining a key tool for Domain, Print revenue declined by 7%.

Total costs increased by 4%, with the timing of expenses benefiting H1. Overall, Domain reported EBITDA of $78m, up 14%.

Last week, Domain announced the appointment of Greg Ellis, currently a Director on the Domain Board, as Interim CEO while the Board continues the search process for a permanent CEO. In addition, Domain today announced that Nine independent Non-Executive Director and experienced media and marketplaces executive, Peter Tonagh will join its Board. Nine is confident that these moves will ensure the two groups continue to work closely together to ensure increased value creation between Domain and Nine.

As has been reported, last week Domain received an unsolicited, non-binding indicative proposal from CoStar Group. Domain is of strategic importance to Nine's media ecosystem and our long-term growth strategy. As Domain's controlling shareholder, Nine will consider the CoStar proposal with a focus on the best interests of Nine shareholders.

Table 6: Total Audio[1]

6 months to December $m	H1 FY25	H1 FY24	Variance	
			$m	%
Revenue	53.6	52.5	+1.1	+2%
Costs	(47.9)	(48.7)	+0.8	+2%
EBITDA	5.7	3.8	+1.9	+50%
Margin	10.6%	7.2%		+3.4 pts

[1] Pre Specific Items

The 4-city Metro linear radio ad market recorded marginal growth for the half which, coupled with modest share gains, resulted in marginal growth for Nine's linear audio revenue. Digital revenues continued to grow strongly, up 33%, resulting in 2% Total Audio revenue growth. Across 2024, 2GB and 3AW were the # 1 broadcast stations in Sydney and Melbourne respectively[1], while Nine finished the year #1 in live streaming commercial share[1], as Nine's focus on Total Audio gathers momentum. Costs decreased marginally, with widespread cost initiatives offsetting the investment in Digital and Olympic coverage. For the half, Nine Radio reported EBITDA of $6m, up 50% on previous corresponding period.

[1] Source: GfK Radio360 Ratings, Surveys 1-8 2024, Market Share %, Mon-Sun 5.30am-12MN, AP10+

Table 7: Balance sheet and Cash Flow

As at	31 Dec 2024	30 Jun 2024	31 Dec 2023
Net Debt ($m) – wholly owned Group	481.2	489.2	362.6
Net Debt ($m) – Consolidated	628.5	640.0	538.4
Net Leverage - wholly owned basis (X)[1]	1.4X	1.2X	0.8X

1 Pre Specific Items

Operating Cash before Specific Items, Interest and Tax for the six months was $209m[2], calculated on a wholly-owned basis, which equated to cash conversion of 109%. From a cash perspective, Nine received all of the Olympic and Paralympic revenues during the half, while part of the cost was paid in FY24. Offsetting, rights payments for the Australian Open stepped up in FY25, while Nine's cashflows were also impacted by a prepayment under the new contract. Ex the impacts of the Australian Open and Olympics and Paralympics, cash conversion was 100%.

As at 31 December 2024, Net Debt was $481m, on a wholly owned basis, which equates to Net Leverage of ~1.4X.

2 Refer Appendix 2 of Investor Presentation

Dividend

The Company intends to pay an interim dividend of 3.5 cents per share, fully franked (payable 24 April 2025). This equates to a payout ratio of around 58% of Net Profit After Tax and before Specific Items. Nine intends to maintain a payout ratio of c60-80% through the cycle.

Current trading environment and outlook

Calendar 2025 has started well, as Nine's premium content continues to attract audiences and advertisers.

Across Streaming and Broadcast, audiences have remained strong into 2025, particularly driven by the *Australian Open* (+5% Total TV audience on 2024 with Stan viewing time up 20%) and *Married at First Sight* (+23% Total TV audience with +14% live and +33% catch-up) on Nine, and Stan's Summer Originals, particularly *Bump* and *Black Snow*.

Nine's Total TV ad revenue in the March quarter is expected to be up in the high-single digits (%), reflecting this strong audience performance and the benefit of Easter timing. 9Now continues its positive growth trajectory, with advertising revenue growth in the low-mid teens (%) expected in the March quarter (on pcp). Nine's Broadcast advertising revenue from both Metro and Regional FTA in the current quarter is expected to show mid - high single digit growth on Q3 FY24. With the market remaining short, it is too early to estimate Q4 performance.

Over the past 12 months, Nine has focused on realigning its Total TV cost base, with the increased investment in content and technology more than offset by other cost reductions. Nine now expects full year reported Total TV costs, ex Olympics, to be broadly flat (previously marginally higher).

Whilst subscriber numbers are expected to consolidate in the second half, Nine expects Stan's second half EBITDA growth (%) to exceed the 16% growth reported in H1.

Nine's Publishing business continues to benefit from the growth of digital audiences with Q3 digital subscription revenue growth expected to be in the low-mid teens (%) underpinning a strong performance from the mastheads. However, the programmatic advertising market remains weak. Second half Publishing EBITDA is expected to be below H1, due to advertising seasonality, incremental investment into growth areas as well as the cycling of cost efficiencies implemented through FY24.

As Domain commented with its result earlier this month, new `for sale' listings have increased by 3% in January. FY25 costs are expected to increase in the high single digits (%) from the FY24 base of $254m, at the low end of previous guidance, reflecting ongoing investment in growth opportunities from Domain Marketplace. Domain continues to expect stable EBITDA margins in FY25 on FY24.

Nine Radio's Q3 broadcast advertising revenues are expected to decline in the low - mid single digit (%), while digital revenue continues to grow strongly.

As Nine continues its strategic and cultural transformation, there is expected to be further restructuring into H2 FY25 and FY26. These changes will be designed to ensure Nine's optimal positioning into the future whilst also maximising the efficiency of our cost base. At this stage, Nine expects further cost efficiencies through to the end of FY27 of more than $100m, of which $10-20m is expected to be realised in FY25, in addition to the previous guidance of $50m in FY25.

Nine is similarly focused on revenue opportunities, as the Group's strategic transformation gathers momentum. Over the next few months, Nine will be progressing plans to accelerate revenue growth from its unique suite of assets - through additional content, subscription and advertising opportunities.

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APPENDIX 1: SUMMARY OF GROUP RESULTS, PRE-SPECIFIC ITEMS

A$M	H1 FY25	H1 FY24	Variance	
			$m	%
Nine	492.7	508.3	(15.6)	(3%)
9Now	120.2	93.8	26.4	28%
Total TV	612.9	602.1	10.8	2%
Stan	245.5	228.4	17.1	7%
Publishing	268.2	288.7	(20.5)	(7%)
Domain	217.2	207.1	10.1	5%
Total Audio	53.6	52.5	1.1	2%
Corporate	-	-	-	-
Intersegment	*(7.3)*	*(7.5)*	*0.2*	*(3%)*
Group Revenue	**1,390.1**	**1,371.3**	**18.8**	**1%**
Total TV	103.8	159.9	(56.1)	(35%)
Stan	29.4	25.3	4.1	16%
Publishing	74.3	77.8	(3.5)	(4%)
Domain	77.8	67.6	10.2	15%
Total Audio	5.7	3.8	1.9	50%
Corporate	(20.9)	(16.5)	(4.4)	27%
Associates	(1.7)	(1.8)	0.1	(6%)
Group EBITDA	**268.4**	**316.1**	**(47.7)**	**(15%)**
Depreciation, amortisation	(77.0)	(75.4)	(1.6)	2%
Group EBIT	**191.4**	**240.7**	**(49.3)**	**(20%)**
Net Interest	(30.2)	(27.1)	(3.1)	11%
Tax	(49.0)	(64.1)	15.1	(24%)
Non-controlling interests	(17.1)	(15.8)	(1.3)	8%
NPAT	**95.1**	**133.7**	**(38.6)**	**(29%)**

Further details of the Company's results are included in the Interim Results Presentation of 25 February 2025

APPENDIX 2 - SPECIFIC ITEMS

6 months to December, $m	H1 FY25
Domain – Refer Domain accounts (ASX:DHG), 13th February 2025	3.7
Restructuring costs	(15.7)
Technology Transformation projects	(2.7)
Loss on modification of debt facilities	(5.7)
Impairment of Other Assets	(1.4)
Total Specific Items before tax	**(21.8)**
Tax relating to Specific Items	5.9
Net Specific Items after tax	**(15.9)**

A Specific Item cost of $22m (pre-tax) was reported for the period - the major component being restructuring costs of $15.7m. The majority of this expense related to redundancy and restructuring programs across the Group, of which Publishing accounted for around half. The *loss on modification of debt facilities* is a non-cash accounting adjustment relating to the refinancing announced in December 2024.

APPENDIX 3 - GLOSSARY

- ARPU - Average Revenue per User
- BVOD – Broadcast Video On Demand
- Cash Conversion - Operating Cashflow pre Specific Items, tax and interest, divided by EBITDA
- Costs – defined as Revenue - EBITDA
- EBIT – earnings before interest and tax, before Specific Items
- EBITDA – earnings before interest, tax, depreciation and amortisation before Specific Items
- Economic Interest adjusted basis – includes only proportion of asset held by Nine
- EPS (Earnings per share) - Net profit after tax and minority interests, before Specific Items divided by the average number of shares on issue across the period
- FTA – Free To Air
- Group - the Statutory Reported consolidated group consisting of Nine Entertainment Co. Holdings Limited and its controlled entities, including Domain
- Group EBITDA – EBITDA plus share of Associates' net profit
- H1 - first half
- Key demographics – People 25-54, 16-39, 18-49 and Grocery Buyers with Children
- Margin - EBITDA/Revenue
- Metro – Sydney, Melbourne, Brisbane, Adelaide and Perth
- Net Debt – Statutory Reported cash less interest-bearing loans and borrowings, excluding finance lease liabilities
- Net Debt (wholly owned) – Net Debt for the Wholly Owned Group
- Net Leverage - Net Debt (Group) divided by Group EBITDA (last 12 months)
- Net Leverage (Wholly Owned Group) – Net Debt (Wholly Owned Group) divided by EBITDA (Wholly Owned Group)plus dividends received (last 12 months)
- Net Profit after Tax (NPAT) – Net Profit after tax
- Network - combination of channel 9, 9Go!, 9Gem, 9Life and 9Rush
- NM – not meaningful
- Operating Cashflow - EBITDA adjusted for changes in working capital and other non-cash items plus dividends received from Associates. Excludes cash relating to the Specific Items and payments for lease liabilities
- Paying subscribers (Stan) - subscribers for whom Stan receives a payment for the subscription during the relevant billing period
- PCP – previous corresponding period
- Publishing – comprises mastheads, nine.com.au, Drive and Pedestrian
- Revenue – operating revenue excluding interest income and Specific Items
- Specific Items – amounts as set out in Note 2.4 of the 31 December 2024 Statutory Accounts
- Statutory Accounts – audited or auditor reviewed, consolidated Group financial statements
- Statutory Net Profit/(Loss) – Statutory Reported Net Profit/(Loss) for the period before other Comprehensive income/(Loss)
- Statutory Reported – extracted from the Statutory Accounts
- Streaming & Broadcast (Video) - Stan, 9Now and Nine (FTA)
- Total Television – Nine Network (5 cap city) + 9Now
- UA – Unique Audience
- VOZ – VirtualOZ
- Wholly Owned Group – consolidated Group, excluding controlled but not wholly owned entities (Domain and associates)