

## ASX Announcement: PXA

12 May 2025

### PEXA 3Q25 update 3Q25 trading in line with expectations; FY25 operating guidance reaffirmed

PEXA Group Limited (ASX: PXA) (“PEXA” or “Group”) has today provided an update on the quarter ended 31 March 2025 (3Q25) performance of the Group<sup>1</sup>.

Commenting on the update, Mr Russell Cohen, PEXA Chief Executive Officer and Group Managing Director said:

*‘Trading volumes for our Australian Exchange have remained resilient through the quarter despite continued macroeconomic volatility. At this time, we reaffirm guidance for FY25, however as I continue to conduct an in-depth assessment of our business, matters may arise in the lead up to year end which could impact our guidance on Significant Items and Depreciation & Amortisation.*

*In my first month at PEXA, I have been struck by the enthusiasm and pride of our people in our technology and solutions that make a real difference in people's lives, and I look forward to continuing my engagement with PEXA's stakeholders.’*

#### Exchange

Exchange national transaction volumes (actual per quarter, #'000)					
Quarter	Transfers	Refinances	Other	Total	Refinance mix (%)
3Q24	537	179	120	837	21%
3Q25	549	202	120	871	23%
Change	2%	13%	0%	4%	+2 ppt

Total transaction volumes processed by the PEXA Exchange were 871k in 3Q25, an increase of 4% from the prior comparative period (PCP or 3Q24). In the quarter we saw transfer volume grow by 2% on the PCP to 549k, versus 9% growth in the PCP, as the Australian market was impacted by the slowing macroeconomic environment. Refinances in the quarter benefited from the 0.25% cut to the cash rate by the Reserve Bank of Australia in February 2025, increasing 13% versus 3Q24 resulting in a 2% increase in refinance mix versus 1H25. Further information on Exchange volumes is set out in **Appendix Table 1**.

Key business updates include:

- Total national market penetration was maintained at 90% (90% at 3Q24).
- We continue to extend our coverage into Tasmania, with Phase 1 (refinance) of the Tasmanian rollout complete and Phase 2 (transfers) commenced on schedule in February 2025. With initial

<sup>1</sup> All date references in this document are to fiscal periods unless otherwise stated.

volumes slow, we are now focused on driving uptake. In Northern Territory, rollout of Phase 1 (refinance) is on schedule to be delivered by the end of the 2025 calendar year.

- During the quarter, we encountered a handful of service issues which required us to work with our partners to achieve a resolution. The system remained operational throughout, maintaining a 100% uptime. All matters were resolved efficiently. Noting these service issues, our customer satisfaction score fell marginally from 90.8% for 2Q25 to 88.5% for 3Q25. We take these incidents very seriously and have used the events as an opportunity to improve our service offering and protect against future recurrences.

## International

Optima Legal and Smoove instruction volumes (actual per quarter, #'000)			
	Optima	Smoove	Smoove
Quarter	Remortgages	Remortgages	Sale and Purchase
3Q24	18.9	11.4	7.9
3Q25	15.2	9.9	8.1
Change	(20%)	(13%)	3%

Optima Legal and Smoove completion volumes (actual per quarter, #'000)			
	Optima	Smoove	Smoove
Quarter	Remortgages	Remortgages	Sale and Purchase
3Q24	10.9	6.6	3.7
3Q25	9.9	6.2	5.2
Change	(9%)	(6%)	41%

There remains ongoing softness in the UK remortgage market with 3Q25<sup>2</sup> volumes falling ~4% versus PCP (or down ~6% YTD to February '25). Optima Legal and Smoove instruction volumes for remortgages were down 20% and 13% respectively versus the PCP but were up from 2Q25. Optima Legal and Smoove completion volumes for remortgages were down 9% and 6% on the PCP and also fell versus 2Q25. The Group's UK remortgage market share declined in the quarter to 24.5%, down from 26.0% in 2Q25, but remains above 3Q24 (23.9%) measured on a rolling 3-month basis<sup>3</sup>.

Smoove sale and purchase instructions were up 3% on the PCP and increased by 16% compared to 2Q25, while completions soared by 41% on the PCP and increased by 8% on 2Q25, as the UK sale and purchase market continued its recovery.

PEXA platform transactions in the quarter were 176% higher than in 3Q24 and 6% higher than in 2Q25.

<sup>2</sup> Market share based on UK Finance data (Table RL5) to February 2025.

<sup>3</sup> Market share based on UK Finance data (Table RL5) to February 2025 on a 3 month rolling basis. Calculated as Optima Legal and Smoove remortgage completions over Total Remortgages excluding Product Transfers.

Further information on Optima Legal and Smoove volumes is set out in **Appendix Table 2** and **Table 3**. Further information on UK Remortgage and Sales & Purchase volumes is available in **Appendix Table 4**.

Key business updates include:

- Platform and product development
  - Development of the Sale & Purchase proposition is well progressed with a two-sided product delivered on schedule in 3Q25, enabling the planned launch of the Sale & Purchase product later in the calendar year.
  - Subsequent to the end of the quarter, the UK Financial Conduct Authority (“FCA”) granted its approval of PEXA to become an Authorised Payment Institution.
- Customers and Relationships
  - PEXA continues to work with NatWest and other lenders to progress through the pipeline.
  - PEXA has continued to deepen its remortgage proposition and embed it in the UK market. During the quarter, PEXA’s remortgage-focused proposition announced over £100M of property transfers using PEXA since its launch in the UK market in 2022. It has built on this progress through the introduction of ‘transfer of equity’ functionality to its product. As such, its platform can now support approximately 80% of the total addressable market for remortgage transactions in England and Wales, subject to onboarding of financial institutions and conveyancers.

PEXA continues to work towards obtaining Lender commitments to the Sale & Purchase product in addition to existing Refinancing capabilities. The recently received FCA approval also allows PEXA to act as a Third Party Managed Account provider to UK Conveyancers for Sale & Purchase and Refinancing shortfall transactions. Engagement with UK Conveyancers regarding this service is underway.

## Digital Solutions

Digital Solutions continued its steady progress in 3Q25.

- Subscriptions revenue grew by 11% relative to 3Q24, reflecting continued customer retention. Subscriptions revenue accounted for 73% of 3Q25 revenue (3Q24: 82% of revenue).
- Project and consulting revenue grew by 78% relative to the PCP, reflecting increased demand for our unique and deep consulting expertise.
- Transaction related revenue grew by 111% over the PCP, driven by increased requests for customisation and configuration of our offering.

Key business updates include:

- Retention performance for .ID remains strong, with churn at its lowest point of 2.6%, an improvement over the PCP churn of 4.3%. The business has also secured 6 new local, and 20 new non-local, government clients on a year-to-date basis.
- We are now achieving top performance in our residential Automated Valuation Model and are focusing on building and converting a strong sales pipeline.

## Outlook

The macroeconomic environment for both Australia and the UK remains mixed despite recent interest rate cuts. The impact of changing global tariffs and other broad economic conditions on property settlement and refinancing activity levels remains uncertain. We continue to focus on improving our operating performance, while delivering positive outcomes for our customers and stakeholders.

Since Russell Cohen commenced as Chief Executive Officer and Group Managing Director on 31 March 2025, he has been undertaking a thorough assessment of the business. We will update the market on his findings at the FY25 Results in August.

The Group today reconfirms its previously announced guidance for FY25, as shown in the table below. This assumes there will be no further adjustments to non-cash non-operating items from Mr Cohen's assessment of the business.

Measure	FY25 Guidance
Group Business Revenue	+13% – 19%
Group Operating EBITDA Margin	≥ 34%
Specified items <sup>4</sup>	(\$35m) – (\$40m)
Depreciation and amortisation <sup>4</sup>	(\$98m) – (\$102m)
Net interest expense	(\$5.5m) – (\$7.5m)
Income tax benefit / (expense)	(\$40m) – (\$45m)
Australian capex / Australian revenue	10% – 14%
International operating cash outflows	(\$55m) – (\$58m)
Net debt / operating EBITDA	≤ 2.5x

*This release was authorised by the CEO and Group Managing Director of PEXA Group Limited.*

**- Ends -**

<sup>4</sup> Guidance on specified items and depreciation and amortisation is subject to change as part of the ongoing assessment of the business by the new CEO and Group Managing Director.



ABN 23 629 193 764 | PEXA Group Limited

#### **Investors**

Lisa Newns-Smith

M: +61 405 670 981

E: [investors@pexa.com.au](mailto:investors@pexa.com.au)

#### **Media**

Clare Gill

M: +61 467 284 154

E: [corporateaffairs@pexa.com.au](mailto:corporateaffairs@pexa.com.au)

#### **About PEXA**

PEXA (Property Exchange Australia) is a world-leading, digital property exchange and data insights business, listed on the Australian Stock Exchange. Since 2013, PEXA has facilitated more than 20 million property settlements, and today, 90% of all property transfer settlements in Australia are processed on the PEXA platform. In 2022 PEXA launched its refinancing capability in the UK.

**APPENDIX**
**Table 1: Exchange national transaction volumes (actual per quarter, #'000)**

Quarter	Transfers	Refinances	Other	Total	Refinance mix (%)
1Q23	586	241	136	962	25%
2Q23	586	239	131	957	25%
3Q23	492	230	121	843	28%
4Q23	592	264	132	988	27%
1Q24	567	271	131	969	28%
2Q24	654	215	129	998	22%
3Q24	537	179	120	837	21%
4Q24	670	202	136	1009	20%
1Q25	645	215	138	999	22%
2Q25	681	223	134	1038	22%
3Q25	549	202	120	871	23%

**Table 2: Optima Legal and Smoove instruction volumes<sup>5</sup> (actual per quarter, #'000)**

Quarter	Optima	Smoove	
	Remortgages	Remortgages	Sale and Purchase
1Q23	29.9	14.5	7.6
2Q23	12.2	8.2	4.2
3Q23	11.1	11.4	6.2
4Q23	9.0	12.8	7.3
1Q24	11.3	7.9	6.5
2Q24	12.7	7.6	5.9
3Q24	18.9	11.4	7.9
4Q24	14.3	10.0	8.5
1Q25	13.4	9.1	7.6
2Q25	14.6	8.5	7.0
3Q25	15.2	9.9	8.1

<sup>5</sup> Instructions occur when Optima or a conveyancer introduced by Smoove agree to provide conveyancing services for a remortgage, sale or purchase transaction. A completion occurs when these transactions are concluded. For transaction related work both Optima and Smoove recognise revenue on completion. Attachment revenue for Smoove is recognised when the attachment service is delivered, which usually precedes completion for the associated transaction. Not all instructions convert into a completion, and the timeframe for conversion of a given instruction into a completion can vary.

**Table 3: Optima Legal and Smoove completion volumes (actual per quarter, #'000)**

	Optima	Smoove	Smoove
Quarter	Remortgages	Remortgages	Sale and Purchase
1Q23	18.6	8.2	5.2
2Q23	20.8	8.5	5.4
3Q23	13.7	9.4	3.5
4Q23	7.4	8.0	3.1
1Q24	7.7	8.9	4.0
2Q24	7.4	6.5	3.9
3Q24	10.9	6.6	3.7
4Q24	11.9	8.1	4.0
1Q25	10.4	7.4	4.7
2Q25	10.9	6.7	4.8
3Q25	9.9	6.2	5.2

**Table 4: Remortgage and S&P market volumes (actual per quarter, #'000)**

	Market	Market
Quarter	Remortgages <sup>6</sup>	S&P <sup>7</sup>
1Q23	93.4	337.7
2Q23	94.7	329.9
3Q23	92.2	246.2
4Q23	74.9	236.8
1Q24	79.6	273.1
2Q24	64.6	263.4
3Q24	73.0	227.4
4Q24	76.7	261.5
1Q25	65.4	297.0
2Q25	69.8	315.9
3Q25	69.9 <sup>8</sup>	338.3 <sup>9</sup>

<sup>6</sup> Source: UK Finance: Table RL5

<sup>7</sup> Previously reported data has been changed from seasonally adjusted to as reported data. Source: UK Government Statistics – residential monthly property transactions in the UK with value £40k+

<sup>8</sup> Three months ending February 2025

<sup>9</sup> 3Q25 S&P market data is provisional