

# Domain

## ASX ANNOUNCEMENT

### Domain grants CoStar exclusive due diligence access and confirms intention to recommend

**Sydney, 31 March 2025:** Domain Holdings Australia Limited [ASX:DHG] (“**Domain**” or “**Company**”) announces that it has entered into an exclusivity and process deed (“**Exclusivity Deed**”) with CoStar Group, Inc. (“**CoStar**”) in relation to CoStar’s revised non-binding indicative proposal (“**CoStar Proposal**”) to acquire 100% of the issued capital of Domain by way of scheme of arrangement for a cash consideration of \$4.43 per Domain Share (“**Transaction**”), as announced to ASX on 27 March 2025.

The Exclusivity Deed outlines the exclusivity arrangements between the parties to facilitate CoStar conducting due diligence in connection with the Transaction. A copy of the Exclusivity Deed is attached to this announcement.

As required by CoStar as a condition of their proposal, Domain has confirmed to CoStar that each of the Domain directors intends to unanimously recommend Domain shareholders vote, and to vote or procure that any ordinary shares in Domain in which they have an interest are voted, in favour of the scheme of arrangement in relation to the Transaction in the absence of a superior proposal and subject to an independent expert concluding, and continuing to conclude, that the Transaction is in the best interests of Domain shareholders. This intention is subject to entry into a binding implementation agreement in relation to the Transaction on acceptable terms, including that the Transaction be on terms no less favourable than those set out in the CoStar Proposal.

Domain also confirms that, today, CoStar will be granted access to a virtual data room and that Domain will provide the necessary confirmation to CoStar such that the Data Room Open Date (as defined in and for the purposes of the Exclusivity Deed) will be today. Accordingly, the exclusivity period will expire in four weeks unless extended by a further two weeks, with such extension subject to CoStar providing Domain with a written reconfirmation under the terms of the Exclusivity Deed. Domain and CoStar may also extend the exclusivity period to such other date as agreed between the parties.

The CoStar Proposal remains subject to a number of conditions, including satisfactory completion of confirmatory due diligence, negotiation and execution of transaction documentation, as well as customary conditions.

# Domain

There is no guarantee that a binding agreement will be reached and therefore no certainty that the CoStar Proposal will result in a transaction. The Domain Board will update shareholders and the market in due course. Shareholders do not need to take any action in relation to the CoStar Proposal at this time.

Domain is being advised by UBS Securities Australia Limited and Gilbert + Tobin.

## Ends

**Authorised for lodgement:** Catriona McGregor, Chief Legal and Transformation Officer, Company Secretary

**Investors:** Jolanta Masojada, +61 417 261 367, [jolanta.masojada@domain.com.au](mailto:jolanta.masojada@domain.com.au)

**Media:** Sarah Macartney, +61 433 949 639, [sarah.macartney@domain.com.au](mailto:sarah.macartney@domain.com.au)

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CoStar Group, Inc.

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Domain Holdings Australia Limited

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# Deed of Exclusivity

## Contents

<b>1</b>	<b>Definitions and interpretation</b>	<b>1</b>
1.1	Definitions	1
1.2	Interpretation	5
1.3	Exercise of rights	6
<b>2</b>	<b>Exclusivity</b>	<b>6</b>
2.1	No current discussions and representation	6
2.2	No shop and no talk	6
2.3	No due diligence	7
2.4	Mutual undertakings to progress the Proposed Transaction	8
2.5	Fiduciary out	10
2.6	Notification of approaches	10
2.7	Matching right	11
2.8	Exceptions to the exclusivity arrangement	12
<b>3</b>	<b>Announcements and Recommendation</b>	<b>13</b>
3.1	Intention to recommend	13
3.2	Announcements	13
<b>4</b>	<b>No offer and acknowledgement</b>	<b>14</b>
<b>5</b>	<b>Notices</b>	<b>14</b>
5.1	Form of notice	14
5.2	How Notice must be given and when Notice is received	15
5.3	Notice must not be given by electronic communication	15
<b>6</b>	<b>General</b>	<b>15</b>
6.1	Termination	15
6.2	Legal costs	16
6.3	Amendment	16
6.4	Severability of provisions	16
6.5	No waiver	16
6.6	Rights cumulative	16
6.7	Remedies	16
6.8	Further steps	16
6.9	Assignment or other dealings	16
6.10	Governing law and jurisdiction	17
6.11	Counterparts	17
6.12	Entire understanding	17
6.13	Deed	17
	<b>Execution</b>	<b>18</b>

## Date

# Parties

**CoStar Group, Inc.** of Head Office, 1201 Wilson Boulevard, Arlington, VA 22209, USA  
(Bidder)

**Domain Holdings Australia Ltd** ABN 43 094 154 364 of Head Office, Level 5, 100  
Harris Street Pyrmont, NSW 2009, Australia (**Company**)

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## Background

A The Company has agreed to grant the Bidder with a period of exclusivity for the Permitted Purpose, and each party has agreed to negotiate in good faith the Proposed Transaction, on the terms and conditions set out on this document.

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## Agreed terms

### 1 Definitions and interpretation

#### 1.1 Definitions

In this document these terms have the following meanings:

<b>Affiliate</b>	In respect of a person: <ul style="list-style-type: none"><li>(a) a Related Body Corporate of the person;</li><li>(b) an Associate of the person;</li><li>(c) any other entity that is Controlled by that person;</li><li>(d) any other entity that Controls that person; or</li><li>(e) any other entity that is under the common Control of that person.</li></ul>
<b>Associate</b>	Has the meaning given in section 12 of the Corporations Act as if a reference to the 'designated body' was a reference to the Company.
<b>Bidder Group</b>	The Bidder and its Related Bodies Corporate.
<b>Business Day</b>	A day which is not a Saturday, Sunday or public holiday or bank holiday in Sydney, Australia or in Washington D.C., United States.
<b>Company's Board</b>	The board of directors (or independent board committee, as applicable) of the Company from time to time.

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<b>Company Group</b>	The Company and its Subsidiaries and <b>Company Group Member</b> means anyone of them.
<b>Competing Proposal</b>	<p>Any proposal, offer, agreement, arrangement or transaction which, if entered into or completed, could reasonably be expected to result in a Third Party, whether alone or together with any Associate:</p> <ul style="list-style-type: none"><li>(a) directly or indirectly acquiring a Relevant Interest in (including through an equity derivative or forward contract), or having a right to acquire, a legal, beneficial or economic interest in, or control of:<ul style="list-style-type: none"><li>(i) 10% or more of the shares in Company; or</li><li>(ii) 10% or more of the business or property of the Company;</li></ul></li><li>(b) directly or indirectly acquiring Control of, or acquiring or merging with Company or any Company Group Member;</li><li>(c) directly or indirectly acquiring, becoming the holder of, or otherwise having a right to acquire, a legal, beneficial or economic interest in, or control of, all or a material part of Company and/or any other Company Group Member's business or assets; or</li><li>(d) requiring, or otherwise causing, Company to abandon, or to otherwise not proceed with, the Proposed Transaction or any director of Company not to recommend the Proposed Transaction,</li></ul> <p>whether by way of takeover bid, scheme of arrangement, reverse takeover, shareholder approved acquisition, capital reduction, buy-back, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), deed of company arrangement, any debt for equity arrangement, recapitalisation, refinancing or other transaction or arrangement. For the avoidance of doubt, each successive material modification or variation of any proposal, agreement, arrangement or transaction in relation to a Competing Proposal will constitute a new Competing Proposal.</p>
<b>Confidentiality Deed</b>	means the confidentiality deed between the parties dated on or about the date of this document.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).

<b>Control</b>	Has the meaning given in section 50AA of the Corporations Act, disregarding subsection 50AA(4), and <b>Controlled</b> and <b>under common Control</b> has a corresponding meaning.
<b>Counterproposal</b>	has the meaning given in <b>clause 2.7(b)</b> .
<b>Data Room Open Date</b>	The date on which the Company (acting reasonably) provides written confirmation to the Bidder that it has satisfied <b>clause 2.4(c)(i)</b> .
<b>Data Room Opening Date Materials</b>	means the due diligence materials to be disclosed on the Data Room Open Date as agreed in writing by the parties on or around the date of this document.
<b>Exclusivity Period</b>	The period commencing on the date of this document and ending on the earlier of: <ul style="list-style-type: none"><li>(a) if the Bidder has not provided to the Company a Written Reconfirmation no more than 2 Business Days prior to the Initial Exclusivity Deadline, the Initial Exclusivity Deadline;</li><li>(b) if the Bidder has provided to the Company a Written Reconfirmation no more than 2 Business Days prior to the Initial Exclusivity Deadline, the Extended Exclusivity Deadline;</li><li>(c) if the Parties have agreed on a later date in writing, 11.59PM (Sydney time) on such other later date as agreed between the Parties;</li><li>(d) if the Bidder gives a notice to the Company pursuant to <b>clause 2.4(e)</b> the date set out in that notice; or</li><li>(e) termination of this document.</li></ul>
<b>Extended Exclusivity Deadline</b>	11.59pm (Sydney time) on the date that is six weeks from the Data Room Open Date.
<b>Initial Exclusivity Deadline</b>	11.59pm (Sydney time) on the date that is four weeks from the Data Room Open Date.
<b>Nine</b>	Nine Entertainment Co. Holdings Limited.
<b>Nine Group</b>	Has the meaning given in <b>clause 2.1(b)</b> .
<b>Notice</b>	Has the meaning given in <b>clause 5.1</b> of this document.
<b>Offer Letter</b>	The indicative and non-binding offer letter from Bidder to Company in relation to the Proposed Transaction dated 27 March 2025 including a purchase price of A\$4.43 per share in the Company (less the amount of any pre-completion dividend determined after the date of this document and

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before the date of implementation of the Proposed Transaction).

<b>Parties</b>	The Bidder and the Company, and <b>Party</b> means each of them.
<b>Permitted Purpose</b>	Negotiating the terms of, and potentially implementing, the Proposed Transaction.
<b>Proposed Transaction</b>	A transaction recommended by the directors of the Company under which the Bidder (or any of its Related Bodies Corporate) would acquire all of the issued shares in the Company.
<b>Related Body Corporate</b>	Has the meaning given in section 50 of the Corporations Act.
<b>Related Person</b>	In relation to a person, its: <ul style="list-style-type: none"><li>(a) Affiliates;</li><li>(b) Related Bodies Corporate; and</li><li>(c) Representatives.</li></ul>
<b>Relevant Interest</b>	Has the meaning given in sections 608 and 609 of the Corporations Act.
<b>Representative</b>	In relation to a person, means: <ul style="list-style-type: none"><li>(a) a Subsidiary of the person;</li><li>(b) an officer, employee, agent or contractor of the person or of a Subsidiary of the person;</li><li>(c) a debt financier (or proposed debt financier) of the person or of a Subsidiary of the person in connection with the Proposed Transaction and any employee of, or legal adviser to, that person;</li><li>(d) a financial, tax, accounting, insurer, or legal adviser or other expert adviser or consultant to the person or to a Subsidiary of the person; and</li><li>(e) in respect of the Bidder, any equity financier of or investor in a Bidder Group Member.</li></ul>
<b>Subsidiary</b>	Of an entity means another entity which is a subsidiary of the first entity within the meaning of the Corporations Act
<b>Superior Proposal</b>	A bona fide Competing Proposal which: <ul style="list-style-type: none"><li>(a) involves an offer to acquire 100% of the issued shares of the Company; and</li><li>(b) in the determination of the Company's Board acting in good faith in order to satisfy what the Company's Board considers to be its fiduciary or statutory duties</li></ul>

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(after having taken advice from their legal and financial advisers):

- (i) is reasonably capable of being completed in accordance with its terms in a timely manner, taking into account all financial, regulatory and other aspects of the proposal, including the ability of the proposing party to consummate the transactions contemplated by the Competing Proposal and its conditionality, as well as likely views of the Company's major shareholder; and
- (ii) could reasonably be expected to result in a transaction more favourable to the Company's shareholders as a whole than the Proposed Transaction, taking into account all aspects of the Competing Proposal and the proposal provided by the Bidder to the Company, including the identity, reputation and financial condition of the person making the proposal, consideration, conditionality, funding, certainty and timing of the proposal, and any other matters affecting the probability of the relevant proposal being completed in accordance with its terms.

**Third Party**

A person other than Bidder and its Related Persons.

**Written Reconfirmation**

Written confirmation that, having taken into account the due diligence investigations conducted by Bidder and/or its Representatives to the date of the confirmation, Bidder does not, as at that date, intend to make any variations to the terms set out in its Offer Letter (including price) which would make the Proposed Transaction less favourable to Domain shareholders, subject only to finalising its due diligence enquiries, and negotiation and execution of definitive transaction documents in respect of the Potential Transaction.

**1.2 Interpretation**

- (a) Headings are for convenience only and do not affect interpretation of this document.
- (b) This document includes any schedule, attachment or annexure.
- (c) In this document, unless the context otherwise requires:
  - (i) words importing the singular include the plural and vice versa;
  - (ii) a reference to any thing (including, but not limited to, any right) includes a part of that thing but nothing in this **clause 1.2(c)(ii)**

implies that performance of part of an obligation constitutes performance of the obligation;

- (iii) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and any government agency;
  - (iv) 'includes' means includes without limitation;
  - (v) a reference to a person includes that person's successors and legal personal representatives; and
  - (vi) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments under any of them.
- (d) In this document, the term "takeover bid" has the meaning given in Chapter 6 of the Corporations Act.

### 1.3 Exercise of rights

- (a) Unless expressly required by the terms of this document, a Party is not required to act reasonably in giving or withholding any consent or approval or exercising any other right, power, authority, discretion or remedy, under or in connection with this document.
- (b) A Party may (without any requirement to act reasonably) impose conditions on the grant by it of any consent or approval, or any waiver of any right, power, authority, discretion or remedy, under or in connection with this document. Any conditions must be complied with by the Party relying on the consent, approval or waiver.

## 2 Exclusivity

### 2.1 No current discussions and representation

The Company represents and warrants that, as at the date of this document:

- (a) it and each Company Group Member and their Representatives has ceased and will not continue any existing negotiations or discussions, with any person in respect of any actual, proposed or potential Competing Proposal, except as otherwise permitted by this document; and
- (b) it has informed Nine of its obligations in **clauses 2.1(a), 2.2, 2.3, 2.6 and 2.8** and received binding written confirmation from Nine that Nine and its Subsidiaries (other than the Company Group) (**Nine Group**) will act consistently with those obligations as though each reference to the Company and the Company Group were a reference to Nine and the Nine Group, even though they do not apply to the Nine Group under this document.

### 2.2 No shop and no talk

During the Exclusivity Period, the Company:

- (a) must not;
- (b) must procure that each Company Group Member and their Representatives do not; and
- (c) must not procure that any other Related Person, directly or indirectly:
- (d) **(No shop)** solicit, invite, encourage or initiate (including by the provision of non-public information to any Third Party) any inquiry, expression of interest, offer, proposal, discussion or other communication by any person in relation to, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal, or communicate to any person an intention to do anything referred to in this **clause 2.2(d)**; or
- (e) **(No talk)** subject to **clause 2.5**:
- (i) participate in any negotiations or discussions with respect to any inquiry, expression of interest, offer, proposal or discussion by any person to make, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal or facilitate, participate in or continue any negotiations, discussions or other communications with respect to any actual, proposed or potential Competing Proposal;
  - (ii) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding an actual, proposed or potential Competing Proposal; or
  - (iii) communicate to any person an intention to do anything referred to in the preceding paragraphs of this **clause 2.2(e)**.

### 2.3 No due diligence

Without limiting the general nature of **clause 2.2** and subject to **clause 2.5**, during the Exclusivity Period:

- (a) the Company:
- (i) must not,
  - (ii) must procure that each Company Group Member and their Representatives do not; and
  - (iii) must not procure that any other Related Person, directly or indirectly, except with the prior written consent of Bidder, make available to any Third Party or permit any Third Party to receive any further information relating to Company or the Company Group, in connection with such Third Party formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal; and

- (b) if any information referred to in clause 2.3(a) is provided or made available to any Third Party, the Company must promptly, and in any event within 2 Business Days of the date on which such information is provided or made available to such Third Party, provide to the Bidder:
- (i) in the case of any written materials, a copy thereof; and
  - (ii) in any other case, a written summary thereof.

Clause 2.3(b) does not require the Company to provide or make available to the Bidder any information which the Company reasonably considers is likely to disclose information relating to that Third Party which is commercially sensitive to that person.

## **2.4 Mutual undertakings to progress the Proposed Transaction**

- (a) During the Exclusivity Period, the Bidder and the Company must each commit all reasonably necessary resources and use its best endeavours:
- (i) in the case of the Bidder, to conduct, facilitate and complete (to the Bidder's reasonable satisfaction), the Bidder's due diligence of the Company and the Company Group; and
  - (ii) in the case of Company, to make available reasonable access to due diligence materials and key personnel for the purposes of discussing, assessing or negotiating the Proposed Transaction (acknowledging that certain due diligence materials will be held back for a later stage of diligence, with such materials and disclosure to be assessed by the Company (acting reasonably and in good faith) for disclosure to Bidder having regard to Bidder's request that such information be provided within a reasonable period prior to the expiry of the Exclusivity Period).
- (b) During the Exclusivity Period, the Parties must each negotiate in good faith the terms of definitive transaction documents to be entered into in relation to, and on terms no less favourable to the Company than those terms set out in, the Offer Letter, before the end of the Exclusivity Period.
- (c) The Company must use its best endeavours to ensure that the virtual data room is made available to the Bidder, which virtual data room must:
- (i) be substantially populated with the Data Room Opening Date Materials as soon as reasonably practicable after the date of this document and in any event within 5 Business Days of the date of this document;
  - (ii) provide for a facility for the Bidder (acting reasonably) to request further information from the Company during the Exclusivity Period and track the progress of responses to those requests; and
  - (iii) be populated with all documents (to the extent they exist) reasonably requested under **clause 2.4(c)(ii)** as soon as reasonably practicable.

- (d) The Bidder must immediately notify the Company if at any time the Bidder forms the view that it:
- (i) does not wish to, or is unable to progress to, negotiate the terms of the Proposed Transaction on terms no less favourable to the Company than those terms set out in the Offer Letter; or
  - (ii) does not intend to, or forms the view that it is unable to, consummate the Proposed Transaction on terms no less favourable to the Company than those terms set out in the Offer Letter by signing the definitive transaction documents with the Company.
- (e) The Bidder may at any time during the term of this document, by written notice to the Company, terminate the exclusivity obligations under this **clause 2**.
- (f) If, during the Exclusivity Period, the Bidder gives notice under **clause 2.4(d)** or materially breaches this document or the Confidentiality Deed, the Company may give the Bidder notice in writing terminating this document.
- (g) The Company has no obligation to provide the Bidder with access to materials or personnel under this document if that access would:
- (i) result in unreasonable disruptions to the Company Group's business;
  - (ii) require a Company Group Member to take any action that would be reasonably expected to result in a Company Group member breaching any applicable law, order, rule or direction of any government agency (including the *Competition and Consumer Act 2010* (Cth));
  - (iii) breach confidentiality obligations owed to any third party (including any government agency);
  - (iv) result in the disclosure of information which, in the reasonable opinion of the Company, is commercially or competitively sensitive information having regard to the fact that the Bidder is a potential competitor of Domain, provided that the Company hereby agrees it will provide such information to the Bidder in an unredacted form shortly prior to entry into a binding implementation agreement in relation to the Proposed Transaction in a 'black box' diligence phase; or
  - (v) require the Company to make any disclosure that would compromise legal privilege, or that relates to the Company's Board or management's consideration of the Proposed Transaction or a Competing Proposal or any professional advice in relation to those matters,

in each case in the opinion of the Company acting reasonably.

## 2.5 Fiduciary out

- (a) From the date of this document until 11.59 pm (Sydney time) on the Data Room Open Date, and on and from the Initial Exclusivity Deadline until the expiry of the Exclusivity Period, each of **clauses 2.2(e)** and **2.3** do not apply to the extent that the relevant clause restricts the Company Group, the Company's Board or the Representatives of the Company from taking or refusing to take any action with respect to an actual, proposed or potential bona fide Competing Proposal (in relation to which there has been no breach of **clause 2.2(d)**) if the Company's Board has determined, acting in good faith:
- (i) after consultation with its external financial and legal advisers, that the Competing Proposal is or may reasonably be expected to become a Superior Proposal; and
  - (ii) after receiving written advice from the Company's external legal adviser (with experience in advising on Australian public M&A transactions) that compliance with **clauses 2.2(e)** and/or **2.3** (as the case may be) would, or would be reasonably likely to constitute, a breach of the fiduciary or statutory duties of any director of the Company.
- (b) For the avoidance of doubt, the evaluation of a Competing Proposal for the purposes of this **clause 2.5** is not a breach of this **clause 2**, further, nothing in this **clause 2** prevents or restricts the Company, the Company's Board, or any of the Representatives of the Company from responding to an expression of interest, offer, proposal or discussion in relation to, or that may be reasonably expected to encourage or lead to, a Competing Proposal to (i) acknowledge receipt or (ii) advise that Domain is bound by the provisions of this **clause 2**.

## 2.6 Notification of approaches

- (a) During the Exclusivity Period, the Company must promptly notify the Bidder (and in any event within 48 hours of becoming aware) in writing if it, or any of its Related Persons:
- (i) is approached by any Third Party requesting or proposing that it take any action which would breach its obligations under **clauses 2.2** or **2.3** (but for any applicable exception under **clause 2.5**); or
  - (ii) it proposes to take any action which would breach its obligations under **clauses 2.2** or **2.3** (but for any applicable exception under **clause 2.5**).
- (b) A notification given under **clause 2.6(a)** must include:
- (i) the details of and the identity of the Third Party;
  - (ii) all material terms and conditions of the applicable Competing Proposal (including but not limited to price, value, funding, conditions and timing, to the extent known).

## 2.7 Matching right

- (a) Without limiting **clauses 2.1, 2.2 and 2.3**, during the Exclusivity Period, the Company:
- (i) must not, and must procure that the Company Group Members do not, enter into any legally binding agreement (whether or not in writing), other than a confidentiality agreement in respect of a Competing Proposal to which clause 2.5(a) applies, pursuant to which any person proposes, or proposes to undertake or to give effect to, any Competing Proposal; and
  - (ii) must ensure that no director of the Company publicly recommends a Competing Proposal (or recommend against the Proposed Transaction) or a proposed or potential Competing Proposal, or makes any public statement to the effect that they may do so at a future point,

unless:

- (iii) the Company's Board, acting in good faith and in order to satisfy what the Company's Board considers to be their statutory or fiduciary duties (having received written legal advice from their external financial and legal advisers) determine that the Competing Proposal is, or could reasonably be considered to become, a Superior Proposal;
- (iv) the Company has provided the Bidder with the material terms and conditions of the Competing Proposal, including the price and identity of the Third Party making the Competing Proposal;
- (v) the Company has given the Bidder at least 4 Business Days from the provision of the information under **clause 2.7(a)(iv)** to provide a matching or superior proposal to the terms of the Competing Proposal; and
- (vi) either:
  - (A) the Bidder has not provided a Counterproposal by the expiry of the period in **clause 2.7(a)(v)**; or
  - (B) the Bidder has provided a Counterproposal by the expiry of the period in **clause 2.7(a)(v)** and:
    - (1) the Company's Board has made a determination under **clause 2.7(b)** that the Counterproposal would not provide an equal or superior outcome to the Company's shareholders as a whole compared to the Competing Proposal; and
    - (2) the Company has promptly given the Bidder notice of the determination of the Company's Board (stating reasons for such determination),

provided that, for the avoidance of doubt, this **clause 2.7(a)** will be separately applied to each new Competing Proposal that is a material modification or variation of an existing Competing Proposal.

- (b) If the Bidder provides the Company with a proposal as contemplated by **clause 2.7(a)(v) (Counterproposal)** the Company must procure that the Company's Board considers the Counterproposal and determines whether, acting in good faith and taking into account all of the terms and conditions of the Counterproposal and such factors that the Company's Board considers relevant, including the views of the major shareholder of the Company and the ability to implement the Counterproposal, the Counterproposal would provide an equal or superior outcome to the Company's shareholders as a whole compared to the Competing Proposal, and then promptly give the Bidder notice of the determination of the Company's Board (stating reasons for such determination).
- (c) If the Company's Board has determined that the Counterproposal:
  - (i) would provide an equal or superior outcome to the Company's shareholders compared to the Competing Proposal, then the Company and the Bidder must use their reasonable endeavours to agree any necessary amendments to this document and agree such other documents that are reasonably necessary to reflect the Counterproposal as soon as reasonably practicable; or
  - (ii) would not provide an equal or superior outcome to the Company's shareholders compared to the Competing Proposal, then the Bidder may take steps to amend the Counterproposal to address the reasons given by the Company for that determination and must provide such revised Counterproposal to the Company within a further period of 3 Business Days, and if the Bidder does so to the satisfaction of the Company's Board, then the process in **clause 2.7(b)** applies to that revised Counterproposal.

## 2.8 Exceptions to the exclusivity arrangement

Nothing in this **clause 2** prevents a Company Group Member from:

- (a) providing any information to its Related Bodies Corporate or their Representatives;
- (b) providing any information required to be provided by any applicable law, including to satisfy its legal obligations owed to any government agency and its continuous disclosure requirements;
- (c) providing any information to its auditors, customers, financiers, joint venturers and suppliers acting in that capacity in the ordinary course of business;
- (d) engaging with its shareholders (in their capacity as a shareholder of the Company) and their advisers, including in relation to any Competing Proposal (in relation to which there has been no breach of **clause 2.2(d)**); or

- (e) making presentations to, or responding to enquiries from, brokers, portfolio investors, analysts and other third parties, and engaging with financiers and potential financiers, in the ordinary course of business in relation to the Company Group's business generally.

### 3 Announcements and Recommendation

#### 3.1 Intention to recommend

The Company represents and warrants to the Bidder that , as at the date of this document:

- (a) no independent board committee of the board of directors of the Company has been formed and the Company is not aware of any existing circumstances requiring an independent board committee to be established to consider the Proposed Transaction; and
- (b) each of its directors has confirmed by unanimous resolution that they intend, upon entry into this document, to:
  - (i) unanimously recommend to the Company's shareholders to vote; and
  - (ii) vote or procure that any ordinary shares in the Company in which they have a Relevant Interest are voted,

in favour of the scheme of arrangement in relation to the Proposed Transaction on terms no less favourable than those set out in the Offer Letter, in the absence of a Superior Proposal, subject to entry into a binding implementation agreement in relation to the Proposed Transaction on acceptable terms and an independent expert concluding, and continuing to conclude, that the Proposed Transaction is in the best interests of the Company's shareholders (the **Recommendation**).

#### 3.2 Announcements

- (a) To the extent reasonably practicable and subject to any obligations of either Party under applicable laws each Party agrees to notify and consult with the other Party prior to making any public announcement to the ASX in connection with the Proposed Transaction.
- (b) On the first Business Day after the date of this document (or, if a trading day on the ASX falls before the first Business Day after the date of this document, that trading day), the Company will make a public announcement including the Recommendation and otherwise in a form agreed between the Parties in writing.
- (c) Clause 3.2(a) does not apply to:
  - (i) any announcement in connection with a Competing Proposal or withdrawal of the Recommendation; or

- (ii) any disclosure by Bidder of any information concerning a dispute between the Parties in relation to this document or the Proposed Transaction.

## 4 No offer and acknowledgement

Each Party acknowledges that:

- (a) this document is not intended to constitute, and does not constitute, an offer capable of acceptance or to otherwise give rise to a binding contract to proceed with the Proposed Transaction;
- (b) there is no certainty that the Proposed Transaction will proceed;
- (c) this document does not constitute a proposal to make a takeover bid for the purpose of section 631 of the Corporations Act; and
- (d) this document does not affect or restrict the Company from any action required by it to comply with its obligations at law.

## 5 Notices

### 5.1 Form of notice

A notice or other communication to a Party (**Notice**) must be:

- (a) in writing and in English; and
- (b) addressed to that Party in accordance with the details set out below (or any alternative details nominated to the sending Party by Notice).

Party	Address	Attention	Email
Bidder	Head Office, 1201 Wilson Boulevard, Arlington, VA 22209, USA	Gene Boxer  (General Counsel and Corporate Secretary)	generalcounsel@costar.com  with a copy to (which by itself does not constitute a Notice) Sandy Mak (Partner, Corrs Chambers Westgarth) and Adam Foreman (Partner, Corrs Chambers Westgarth):  <a href="mailto:sandy.mak@corrs.com.au">sandy.mak@corrs.com.au</a>  <a href="mailto:adam.foreman@corrs.com.au">adam.foreman@corrs.com.au</a>
Company	Head Office, Level 5, 100 Harris Street Pyrmont, NSW 2009, Australia	Catriona McGregor  (Chief Legal & Transformation Officer and Company Secretary)	c.mcgregor@domain.com.au  With a copy to (which by itself does not constitute a Notice) Costas Condoleon, Partner, Gilbert + Tobin and Karen Evans-Cullen, Partner, Gilbert + Tobin:

[ccondoleon@gtlaw.com.au](mailto:ccondoleon@gtlaw.com.au)[kevans-cullen@gtlaw.com.au](mailto:kevans-cullen@gtlaw.com.au)

## 5.2 How Notice must be given and when Notice is received

- (a) A Notice must be given by one of the methods set out in the table below.
- (b) A Notice is regarded as given and received at the time set out in the table below, unless this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (addressee's time) on a Business Day (**business hours period**), then the Notice will instead be regarded as given and received at the start of the following business hours period.

Method of giving Notice	When Notice is regarded as given and received
By hand to the nominated address	When delivered to the nominated address.
By email to the nominated email address	The first to occur of: <ul style="list-style-type: none"> <li>(a) the sender receiving an automated message confirming delivery; or</li> <li>(b) two hours after the time that the email was sent (as recorded on the device from which the email was sent) provided that the sender does not, within the period, receive an automated message that the email has not been delivered.</li> </ul>

## 5.3 Notice must not be given by electronic communication

A Notice must not be given by electronic means of communication (other than email as permitted in **clause 5.2**).

# 6 General

## 6.1 Termination

This document, and the Parties' obligations under it, will terminate on the earliest of the following to occur:

- (a) the expiry of the Exclusivity Period;
- (b) the Bidder disposing of any shares in the Company;
- (c) the Company gives the Bidder written notice under **clause 2.4(f)**; and
- (d) the Parties executing definitive transaction documents relating to the Proposed Transaction.

No Party may terminate or rescind this document except as permitted under this **clause 6**.

**6.2 Legal costs**

Except as expressly stated otherwise in this document, each Party must pay its own legal and other costs and expenses of negotiating, preparing, executing and performing its obligations under this document.

**6.3 Amendment**

This document may only be varied or replaced by a document executed by the Parties.

**6.4 Severability of provisions**

Any provision of this document which is prohibited or unenforceable in any jurisdiction is ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That will not invalidate the remaining provisions of this document nor affect the validity or enforceability of that provision in any other jurisdiction.

**6.5 No waiver**

A failure to exercise or a delay in exercising any right, power or remedy under this document does not operate as a waiver. A single or partial exercise or waiver of the exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver is not valid or binding on the Party granting that waiver unless made in writing.

**6.6 Rights cumulative**

Except as expressly stated otherwise in this document, the rights of a Party under this document are cumulative and are in addition to any other rights of that Party.

**6.7 Remedies**

Each Party acknowledges that any breach of this document may cause material damage to the other Party and that damages may not be a sufficient remedy for such breach. Accordingly, the other Party has the right to seek injunctive relief or specific performance as a remedy for any actual or threatened breach, in addition to any other remedies available at law or in equity under or independently of this document.

**6.8 Further steps**

Each Party must promptly do whatever any other Party reasonably requires of it to give effect to this document and to perform its obligations under it.

**6.9 Assignment or other dealings**

A Party may not assign or otherwise deal with its rights under this document or allow any interest in them to arise or be varied without the consent of the other Party which consent must not be unreasonably withheld.

For personal use only

### **6.10 Governing law and jurisdiction**

- (a) This document is governed by and is to be construed in accordance with the laws applicable in New South Wales, Australia.
- (b) Each Party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in New South Wales, Australia and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

### **6.11 Counterparts**

This document may consist of a number of counterparts and, if so, the counterparts taken together constitute one document.

### **6.12 Entire understanding**

- (a) This document and the Confidentiality Deed contains the entire understanding between the Parties as to the subject matter of this document.
- (b) All previous negotiations, understandings, representations, warranties, memoranda or commitments concerning the subject matter of this document are merged in and superseded by this document and are of no effect. No Party is liable to any other party in respect of those matters.
- (c) No oral explanation or information provided by any Party to another:
  - (i) affects the meaning or interpretation of this document; or
  - (ii) constitutes any collateral agreement, warranty or understanding between any of the Parties.

### **6.13 Deed**

This document is a deed. Factors which might suggest otherwise are to be disregarded.

## Execution

**Executed** as a deed.

**Executed by CoStar Group, Inc.** in )  
accordance with the laws of its )  
jurisdiction of incorporation:

.....  
Signature of authorised signatory

.....  
Name of authorised signatory

Date:

**Executed by Domain Holdings** )  
**Australia Limited** in accordance with )  
section 127 of the *Corporations Act*  
2001 (Cth):

.....  
Company Secretary/Director

.....  
Director

.....  
Name of Company Secretary/Director  
(print)

.....  
Name of Director (print)

Date:

Date:

For personal use only