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Domain

ASX ANNOUNCEMENT

Improved non-binding indicative proposal from CoStar

Improved Proposal:

- CoStar has improved its proposal to $4.43 per Domain share on a best and final basis, in the absence of a competing proposal.
- Opportunity to provide eligible Domain shareholders with up to $0.04 per share of additional value by way of franking credits.
- The Domain Board has unanimously determined to engage with CoStar to facilitate due diligence.

Sydney, 27 March 2025: Domain Holdings Australia Limited [ASX:DHG] ("**Domain**" or "**Company**") today has received an improved, non-binding indicative proposal ("**Improved Proposal**") from CoStar Group, Inc. ("**CoStar**") 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**").

The Improved Proposal follows an earlier proposal from CoStar on 21 February 2025 to acquire all of the shares in Domain for a cash consideration of $4.20 per share ("**Original Proposal**").

The Improved Proposal represents a 42.0% premium to the closing share price of Domain on 20 February 2025, being the last trading day before announcement of CoStar's original proposal, and a 5.5% uplift on the Original Proposal.

Subject to any additional value that may be realised from franking credits attaching to any dividend, the Improved Proposal price of $4.43 per Domain share has been described by CoStar as representing the best and final price it is willing to offer under the Transaction, in the absence of a competing proposal.

Summary of Improved Proposal conditions

The Improved Proposal is subject to the same conditions as the Original Proposal (as outlined in Domain's announcement on 21 February 2025) but is also conditional on:

- Domain confirming to CoStar that its directors intend to unanimously recommend the Transaction and to vote or procure that any ordinary shares in Domain in which they have an interest are voted in favour of the resolutions to

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implement the Transaction, in the absence of a superior proposal and, subject only to entry into a binding implementation agreement on acceptable terms and an independent expert concluding, and continuing to conclude, that the Transaction is in the best interests of Domain shareholders; and

- Domain's Board entering into an exclusivity and process deed on terms acceptable to CoStar,

in each case by no later than 7 pm (Sydney time) on Friday 28 March 2025, unless CoStar otherwise consents.

Under the Improved Proposal, Domain may declare and pay a pre-completion special dividend, in which case the cash consideration under the Improved Proposal will be reduced by the amount of that dividend. Domain currently considers that it may be able to pay a pre-completion special dividend that would have the effect of delivering eligible Domain shareholders, subject to their individual tax position, up to $0.04 per share of additional value by way of franking credits[1].

Conclusion

In light of the Improved Proposal and following discussions with Domain's major shareholder, Nine Entertainment Co. Holdings Limited, the Domain Board has unanimously determined to engage with CoStar and, subject to entering into an appropriate confidentiality agreement and exclusivity and process agreement, facilitate appropriate due diligence access in relation to Domain.

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

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

Ends

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[1] Based on an assumed available franking credit balance of approximately $27.5 million.