

22 November 2016

## **URBANISE SIGNS COMMERCIAL AGREEMENT WITH THE PICA GROUP**

### **Contract value increased, now expected to be at least \$21M - \$26M over 10 years**

Urbanise.com Limited (Urbanise) (ASX:UBN) today signed the formal Commercial Agreement with Prudential Investment Company of Australia Pty Limited Group (the PICA Group) detailing its 10-year technology partnership, the largest one ever signed within the Australian Strata Industry. The agreement with the PICA Group, Australia's largest strata management company, will see the Urbanise Residential Property Cloud underpinning the PICA Group's management of more than 200,000 lots across 11,000 buildings in Australia. Under the agreement, Urbanise will receive cash payments quarterly in advance as the lots are migrated.

PICA will also use the Urbanise Residential Property Cloud to establish a strata bureau service that is accessible to the Australian strata management industry. The bureau service will allow strata managers to outsource their back office administration and financial operations to the PICA Group. This service will be built on the Urbanise Residential Property Cloud. Urbanise will receive additional revenue from each unit under management by the bureau service.

Since signing the term sheet in July 2016, the parties have explored further opportunities for PICA to use additional Urbanise software modules and have now agreed to expand their partnership beyond the initial scope. Under this expanded partnership PICA will employ additional Urbanise modules to deliver extra revenue in two main areas: the processing of approximately 900,000 invoices per year online and the use of the Urbanise Facilities Management module to manage an estimated 500,000 annual work orders for remedial and planned maintenance services. It is expected that the use of these additional modules will yield between \$0.5M and \$1M per annum in recurring revenue to Urbanise.

Urbanise and PICA are also exploring other partnership opportunities, including the use of the Urbanise IoT Cloud for remote critical asset monitoring as well as various opportunities in the utility sectors. All of these additional opportunities will, if pursued, further grow the revenue arising from this long term partnership between Urbanise and the PICA Group.

The first lots in the PICA Group portfolio will "go live" on the Urbanise Platform in January 2017 - earlier than originally anticipated – with the bulk of the portfolio commencing migration in August 2017.

Consistent with the partnership approach, Urbanise has granted to the PICA Group an option to subscribe for 5,000,000 ordinary fully paid Urbanise shares at an issue price of A\$0.47 per share. The options may be exercised within 12 months of each of six performance vesting dates which require the commitment of both parties to meet. The vesting of the options is dependent on the PICA Group meeting agreed performance targets (primarily to incentivise the timely migration of buildings onto the Urbanise platform), along with meeting future growth targets including for the Bureau service.

Commenting on the agreement, Greg Nash, the PICA Group Managing Director and Group CEO said, “Since reaching initial terms with Urbanise in early July 2016, it has been a pleasure watching our teams working closely together to plan the implementation of the Urbanise platform across the large and diverse PICA Group portfolio. We are constantly impressed with the features offered by the Urbanise technology, its leading cloud based architecture and the dedicated hardworking team that sits behind it all. We look forward to the benefits the Urbanise platform will deliver to our clients such as greater transparency, improved customer service and superior operational support. We knew we needed the best in the market, and we are confident that we have selected wisely”.

Urbanise Chairman, Tony Scotton added, “The PICA agreement represents an important partnership and milestone for Urbanise in the Australian marketplace. It will result in the wide spread adoption of Urbanise technology in thousands of buildings Australia wide, and provide Urbanise with a high quality industry partner, ensuring our current and future development of our technology maintains its industry relevancy and competitive advantage. We see great opportunities to grow with the PICA Group and also apply our platform advantages within the large global strata markets”.

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#### **About PICA**

Prudential Investment Company of Australia (the PICA Group), a joint venture between Irish based financial services company FEXCO and Nippon Kanazai Co. Ltd - Japan’s leading property management and engineering services company - is one of Australia’s leading property services companies with more than 200,000 lots under strata management. As a market leader, the PICA Group plays a significant role in the local property landscape by delivering a full range of services including facilities and receivables management. The PICA Group has over 700 staff and 30 branch offices across 11,000 strata schemes which include residential, commercial, resorts, and mixed-use properties.  
[www.picaust.com.au](http://www.picaust.com.au)

#### **About Urbanise**

Urbanise develops software that enables Building Operators to automate, streamline, simplify and optimize building operations and performance. The software is complemented by remote sensors that monitor critical assets to provide enhanced visibility and response. These two solutions are known as:

- The Urbanise Residential Property Cloud, and
- The Urbanise Internet of Things (IoT) Cloud.

[www.urbanise.com](http://www.urbanise.com)

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