

ASX Market Release
1st April 2021

PropTech Group Limited Finalises Acquisition of H1 From Harcourts International Ltd

The PropTech Group Limited (ASX: PTG) ("**Company**" or "**PropTech Group**") has entered into an unconditional binding asset sale agreement to acquire Harcourts International Limited's ("**Harcourts**") H1 technology platform, along with the associated goodwill and intellectual property. The change of control is effective as at 31 March 2021.

H1 is a full-service real estate sales CRM that was first developed by Harcourts in 1998. Today over 750 Harcourts franchise offices use H1 to operate their businesses with over 600 being in Australia and New Zealand.

The agreement includes a strategic partnership which sees Harcourts exclusively endorse the PropTech Group's VaultRE sales CRM to their network in Australia and New Zealand.

The acquisition of H1 increases the share of real estate agencies which use at least one of the PropTech Group's products to over 4,050 offices across Australia and New Zealand, a market share of ~33% in Australia and New Zealand.

Steve Caradoc-Davies, CEO of Harcourts International Ltd commented: "Harcourts is a business built on enhancing the success of our network and delivering an exceptional client experience. Our new partnership with the PropTech Group, developers of VaultRE, is an important component of our enhanced technology strategy, and the ongoing development of class-leading real estate solutions.

We've entered into this partnership as we believe VaultRE is a truly exceptional product that will support us as we continue to enhance the client experience; cementing Harcourts position as number one in New Zealand and a leading Australian franchise. VaultRE will play a key role in a significantly enhanced technology offering that will assist us in delivering an exceptional experience for our network and our customers".

Joe Hanna, CEO and MD of PropTech Group commented: "We are very excited to partner with Harcourts International. We believe our suite of products is a perfect match. We look forward to working with Steve and his team to migrate their Australian and New Zealand offices to VaultRE.

This transaction enhances the PropTech Group's position as Australia and New Zealand's leading provider of innovative solutions for real estate agents."

Transaction Details

The total consideration for the purchase of the H1 platform is up to \$600,000, payable in PropTech Group shares. The consideration is applied as follows:

- Initial consideration used to offset Harcourts ongoing investment during migration is payable on completion of \$300,000 in PTC shares at the 30-day volume weighted average price (**VWAP**)¹; and
- Deferred conditional consideration of \$300,000 in PTC shares at the 30-day VWAP¹ preceding the deferred consideration payment date.

The deferred conditional consideration will not be due in the event that less than 80% of Harcourts Australian and New Zealand franchisee network migrate to the PropTech Group's VaultRE CRM within an agreed timeframe.

**** ENDS ****

Release of market announcement authorised by Joe Hanna, CEO and Managing Director.

Contact Details

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About the PropTech Group

The PropTech Group is an Australian listed company that focuses on investing in and operating PropTech companies that primarily serve the Australian, United Kingdom, and New Zealand real estate markets.

Key assets include the market leading real estate sales CRM software MyDesktop and VaultRE in Australia and New Zealand, VaultEA in the United Kingdom, Rent Find Inspector, Designly, Website Blue and Real Estate Investar.

Major customers include Ray White, Raine and Horne, and Harcourts in Australia and New Zealand, and Century 21 in the United Kingdom.

¹ VWAP will be calculated on the 30 trading days ending on the trading day immediately preceding the execution of the Asset Sale Agreement and the relevant dates for the deferred component.