

ASX RELEASE

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PropTech Group to enter Joint Venture to launch PropPay Holdings Pty Ltd

Joint Venture Overview

- PropTech Group Limited (ASX: PTG) has executed a non-binding term sheet with Flip Money Pty Ltd (ACN 640 607 932), Convini Pty Ltd (ACN 633 994 859) and BC Investment Group Australia Pty Ltd (ACN 613 691 928) to form the "PropPay Joint Venture". The proposed PropPay Joint Venture will be conducted through a new corporate entity, PropPay Holdings Pty Ltd (**PropPay**)
- The Joint Venture will create a marketplace for real estate related payments for businesses and consumers in Australia and New Zealand
- PTG will initially hold a 20% shareholding in PropPay with the right to earn in additional equity based on its ongoing revenue contribution performance
- Each of PTG, Flip and BC will have the right to appoint one director to the board of PropPay.
- Definitive binding agreements to document the PropPay Joint Venture are currently being finalised and are expected to be completed shortly.

Commentary (Media Release)

The PropTech Group Limited (**PTG**), Flip Money Pty Ltd (**FlipPay**), Convini Pty Ltd (**Convini**) and BC Investment Group Pty Ltd (**BC Invest**) have entered into a non-binding term sheet detailing the key terms of the joint venture (**JV**), to be conducted by these parties through an incorporated joint venture vehicle, PropPay Holdings Pty Ltd.

The PropPay Joint Venture aims to simplify the payment experience when buying, selling, or renting a property.

Once formalised, the JV, will create a payments platform that will allow real estate agency operators and third-party platforms to offer payments and buy now pay later (BNPL) solutions to their customers for real estate related services.

The JV will provide real estate industry participants in Australia and New Zealand with card and online payments via open application program interface (API) and BNPL solutions to deliver a seamless customer and agent experience.

This will enable real estate agents to provide a seamless payment experience for their customers and allow them to better manage their cashflow. It will continue to advance the real estate industry towards the top of the table in the use of innovative technology to manage their businesses, while providing an enhanced and simplified offering to clients.

In a joint announcement, the CEO and Managing Director of PTG, Joe Hanna, said that PropPay's aim is to bridge the gap between PropTech and FinTech by providing the payments and BNPL technology for real estate agents to stay ahead of the game and simplify the payment experience when buying, selling, or renting.

The Co-Founder and CEO of FlipPay, Fidaa Haddad said that PropPay's platform will be made available with deep integrations into CRM platforms, property management, selling middleware and direct in terms of hierarchy.

Joe Hanna said PTG had the largest market share of any CRM company and was the ideal partner to promote PropPay's payment solutions, including BNPL to the real estate industry and its customers.

"PTG listens to the market and responds to its needs," Mr Hanna said. "Our clients are telling us that they need access to payment options that will enable them to transact quicker, provide a better user experience and allow them to offer clients access to funds throughout the selling and rental process."

"PropPay does just that and enables real estate agents to provide funding for services common in any real estate transaction, including vendor paid advertising and property styling required to make a property ready for sale or rental, plus the early payment of commissions to agents."

FlipPay's Fidaa Haddad said his firm's technology architecture and expertise will enable PropPay to offer white label payment services to real estate agencies and third-party platforms. He said that FlipPay's partnership with Till Payments for merchant acquiring and card payments would enable PropPay to bring new capabilities to the real estate sector.

"By leveraging FlipPay's proprietary white-label payments architecture for payments and buy now pay later, PropPay will be able to deliver a seamless payments experience to vendors, tenants, landlords and agents. Real estate businesses will be able to offer a range of flexible payment options, from accepting online payments, deferring marketing costs, providing customers with pay-in-instalments options for certain services and releasing commissions early."

"There is huge potential for PropPay's offering", said Cameron Owens from Convini. "We see online payments and deep, well thought out integrations with third-party property platforms as a significant game changer for real estate services."

Under the proposed JV, PropPay will create a leading marketplace for real estate related payments for businesses and consumers (owners and tenants) in Australia and New Zealand.

Cameron Owens will assume responsibility for the day-to-day operations of PropPay and build out the team to actively secure market share, initially in Australia and then New Zealand.

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Release of announcement authorised by Joe Hanna CEO and Managing Director, PropTech Group Limited joe@proptech-group.com

About the JV Parties:

PropTech Group Limited, listed on the Australian Stock Exchange (ASX: PTG) provides technology to real estate agents through brands such as VaultRE in Australia and New Zealand and Vault EA in the United Kingdom. Other prominent offerings include Eagle Software, My Desktop, Website Blue, Designly, Real Estate Investar and Rent Find Inspector.

Flip Money Pty Ltd, trading as FlipPay is a payments technology company providing payment solutions to small to medium sized businesses and SaaS platforms across Australia. FlipPay's payments technology stack enables white-label payment services for merchants operating in B2C and B2B markets.

BC Investment Group Australia Pty Ltd is a diversified financial services group specialising in mortgages and asset backed securities with more than A\$1.5b in assets under management. The group is headquartered in Hong Kong, with operations in Australia, Asia, and the United Kingdom.

Convini Pty Ltd provides innovative cashflow financing solutions including BNPL products for real estate agencies, vendors, buyers, landlords and tenants.