



# PEXA Digital Growth

Investor Update

December 2022



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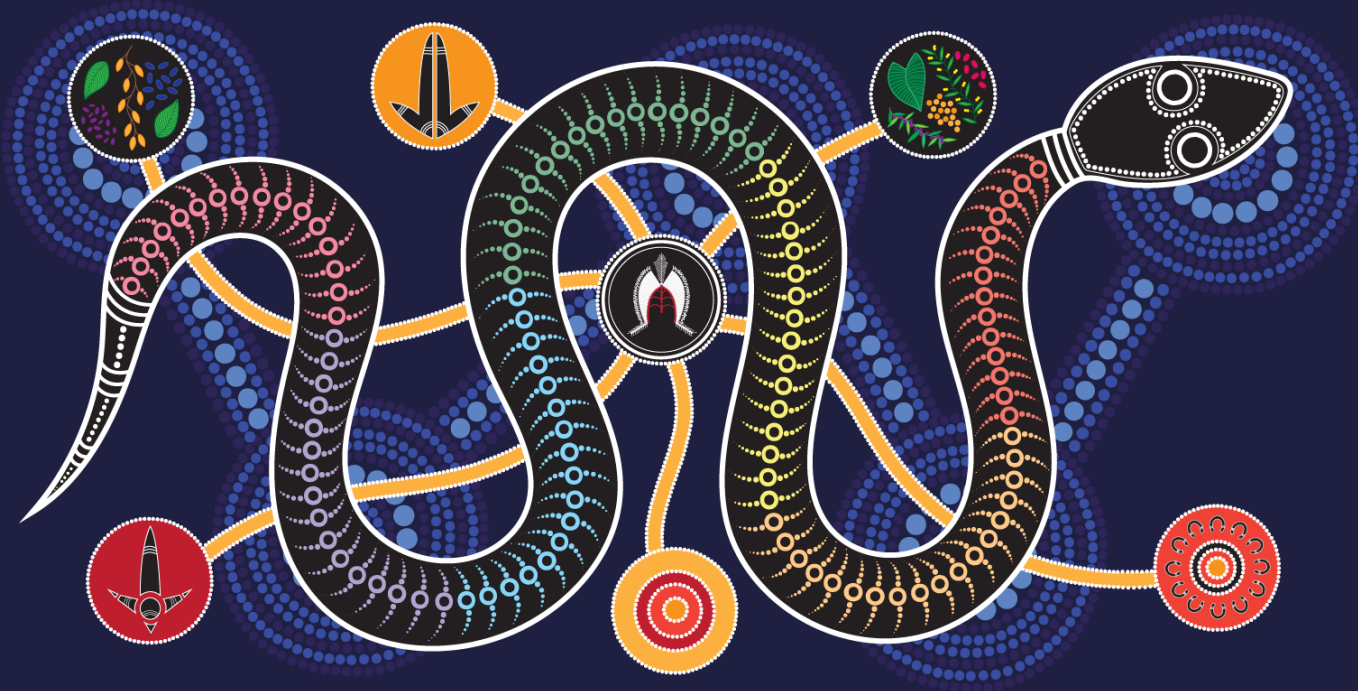
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In the spirit of reconciliation PEXA acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community.

We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

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**We accept the invitation** to walk with First Nations Peoples, to a better future for us all, and invite you to join the movement.

**For more details, go to**  
**[UluruStatement.org](http://UluruStatement.org)**



# Today's speakers



**Glenn King**

Group Managing Director and Chief Executive Officer

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**Scott Butterworth**

Chief Growth Officer

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**Ivan Motley**

Founder and Director, .id

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**Mark Nassif**

Acting General Manager, Property Value

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**Chris Bodikian**

Chief Innovation Officer

# Today's agenda



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PEXA Group Strategy	5
PEXA Digital Growth – Delivering Growth in the Australian Market	6-12
.id and Demand for Place	13-17
Value Australia and Use and Value of Place	18-23
Partner Journeys and Efficiency	24-26
Closing Remarks	27-30
Q&A	31


# PEXA Group Strategy




PURPOSE	<h2>CONNECTING PEOPLE TO PLACE</h2>			
PRIORITIES	 <p style="text-align: center;"><b>ENHANCE</b></p> <p style="text-align: center;">Enhancing the core Exchange in Australia to build deeper customer relationships</p>	 <p style="text-align: center;"><b>EXPAND</b></p> <p style="text-align: center;">Bringing digital property settlement solutions to Torrens title jurisdictions internationally</p>	 <p style="text-align: center;"><b>EXTEND</b></p> <p style="text-align: center;">Providing innovative data insights and digital services, transforming the experience of developing, buying and selling, settling, owning and servicing properties</p>	 <p style="text-align: center;"><b>EVOLVE</b></p> <p style="text-align: center;">Investing in our people, platform and brand to sustain an innovative culture and reputation trusted by stakeholders</p>

VALUES

Innovate for good



Better together



Make it happen  
Make it count





# Scott Butterworth

Chief Growth Officer

# PEXA Digital Growth extending PEXA's ambition



*Current situation*



## Relationship depth

Existing Exchange relationships generally centred on 1-2 products



*Benefits of PDG*

Greater share of 'wallet' with existing customers



## Relationship breadth

Exchange relationships strongest with Practitioners and FIs



Connection to strategically important segments



## Monetisation

Transaction data is monetised once



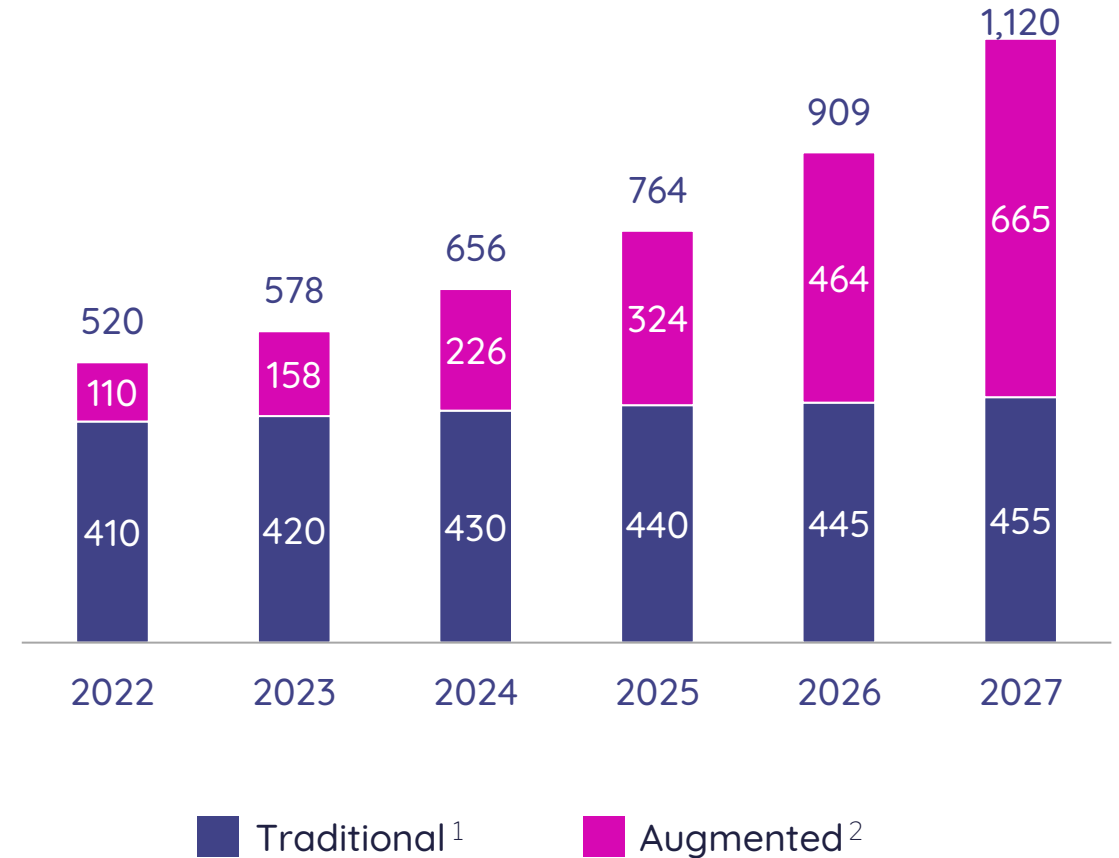
Subject to relevant approvals, re-monetise data multiple times

# An attractive growth opportunity

## Forces Reshaping the Property Market



## Estimates of Land Information Market: FY21 – FY27 (\$M)



Source: (1) Frost & Sullivan Market Report as per IPO prospectus (2) PEXA estimates  
 Note: Estimates rounded to nearest \$5m



# PDG Gameplan to support Group strategy and market opportunity



Purpose

Connecting people to place by unlocking property intel and new digital experiences

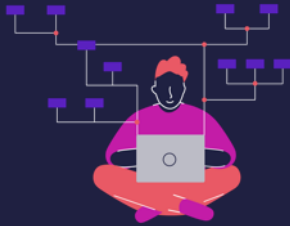
Priorities



## FOCUS

Build deep positions in four use domains

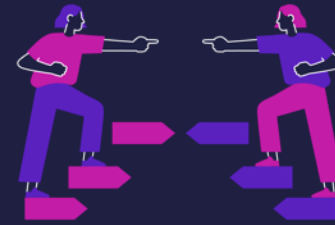
- Demand for land
- Use and value of land
- Efficient journeys
- Affordability



## SOLUTIONS

Provide customers with transformative D2P solutions

- Descriptive
- Predictive
- Prescriptive



## PARTNERS

Extend reach by partnering

- Data
- Analytics
- Product
- Distribution



## SOCIAL LICENCE

Champion open, ethical data usage

- Regulation
- Other obligations

Platforms

TEAM-DRIVEN



RESEARCH-LED



BUREAU-BASED



# Significant progress delivering gameplan



## May 2022

### Solutions

**2** Products in market

### Focus

**1** Key customer segments serviced

**2** Major brands

### People

**50+** Committed team members

### Partners

**2** Control and minority acquisitions

**4** Commercial and research partnerships

### Bureau

✓ Address Matching Service v1 live

**5** Data sets ingested or underway

### Research

**5** Research reports in FY23 pipeline<sup>1</sup>

## December 2022

### Solutions

**9** Products in market and in FY23 pipeline<sup>1</sup>

### Focus

**4** Key customer segments serviced

**4** Major brands

### People

**100+** Committed team members

### Partners

**5** Control and minority acquisitions

**8** Commercial and research partnerships

### Bureau

✓ Address Matching Service v2 live

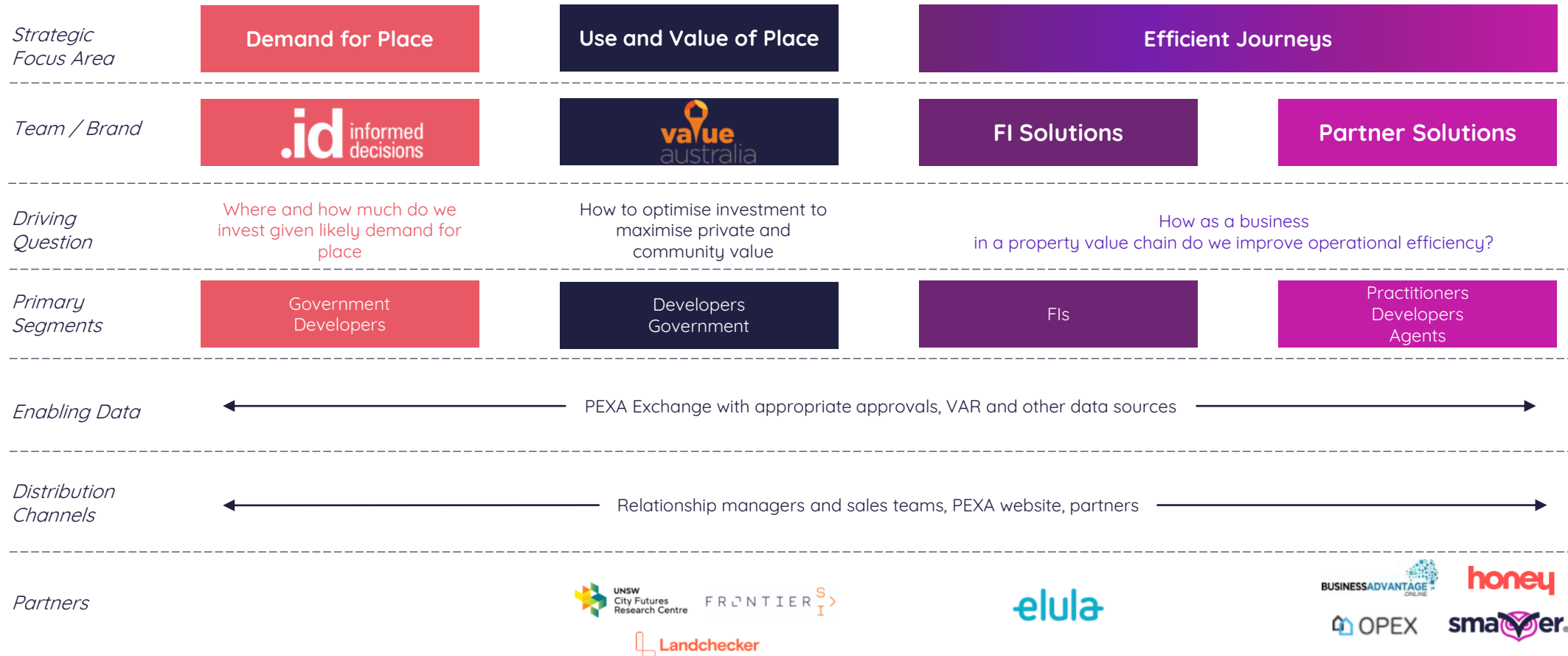
**9** Data sets ingested or underway

### Research

**4/6** Research reports in FY23 pipeline released<sup>1</sup>

<sup>1</sup> May be subject to regulatory approval

# Business aligned to deliver against our gameplan



# Today's speakers



*Strategic Focus Area*

*Team*



**Ivan Motley**

Founder and Director,  
.id

**Demand for Place**



**Mark Nassif**

Acting General Manager,  
Property Value

**Use and Value of Place**



**Chris Bodikian**

Chief Innovation Officer

**Efficient Journeys**

Partner Solutions

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# Ivan Motley

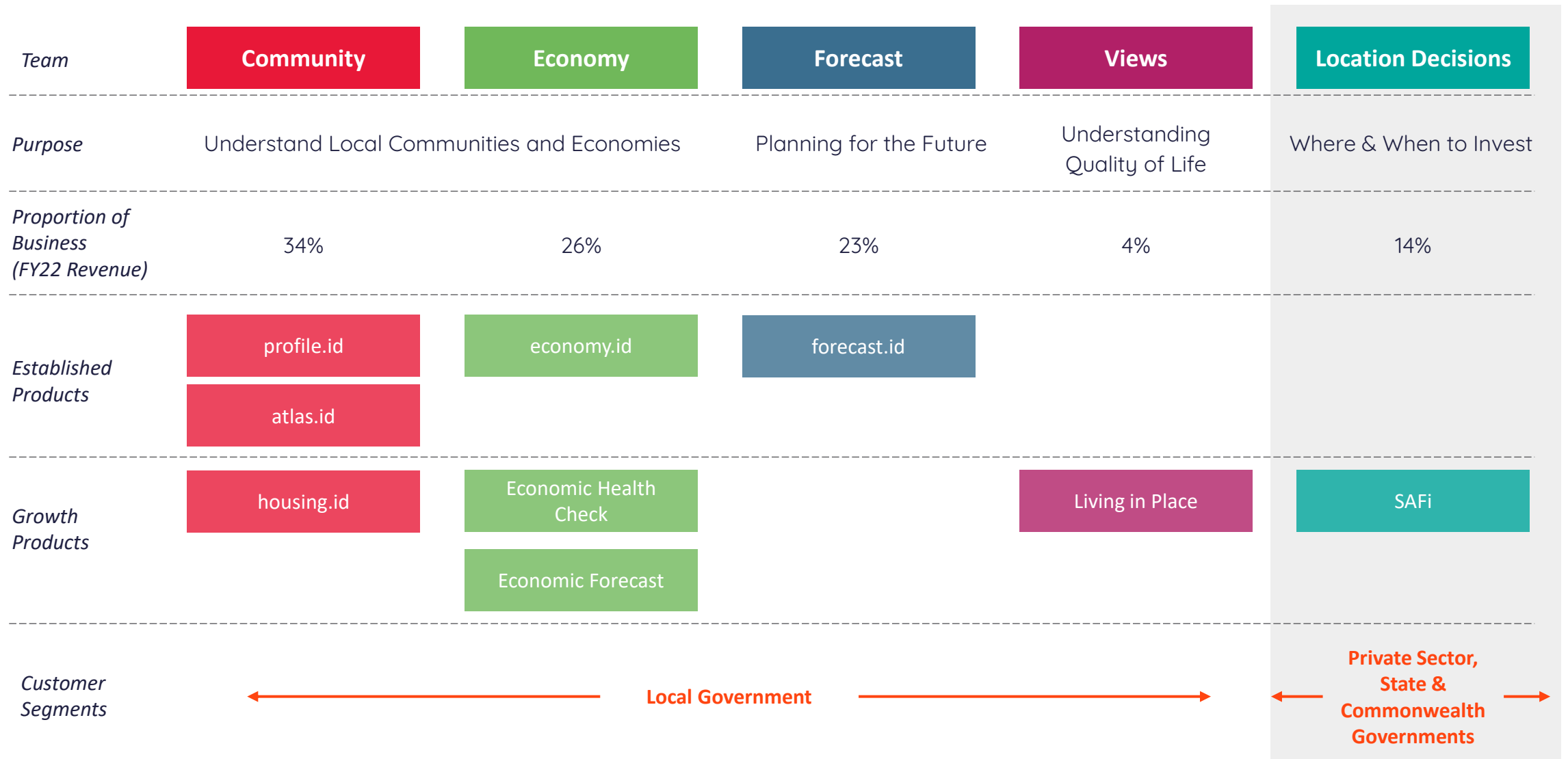
Founder and Director, .id  
Demand for Place

## We inform 350+ local governments covering over 80% of Australia's population

- .id brings almost the entire local government market to PEXA
- Established for 25 years, .id is the overwhelming market leader
- Expert team of geographers, demographers, housing analysts, forecasters, economists and software developers
- Significant growth opportunities, including new customer segments – Private sector and State and Commonwealth governments




# Strategically aligned to meet customer needs



# Solutions powering decision making


.idcommunity | demographic resources

City of Whittlesea | housing monitor 

community profile social atlas population forecast economic profile **housing monitor** community views

## Explore the housing story for City of Whittlesea


Understand housing supply and demand, housing diversity, affordability and availability.



Home			
Housing Demand	+		
Housing Supply	+		
Housing Consumption	+		
Prices & Incomes	+		
Housing Stress & Need	+		
Affordability Monitor	+		


### Need for affordable housing

3,382 households  
(4.5% of all households)



### Household type in most need of affordable housing

Families  
(1,533 households)



### Median Price (Jun 2022)

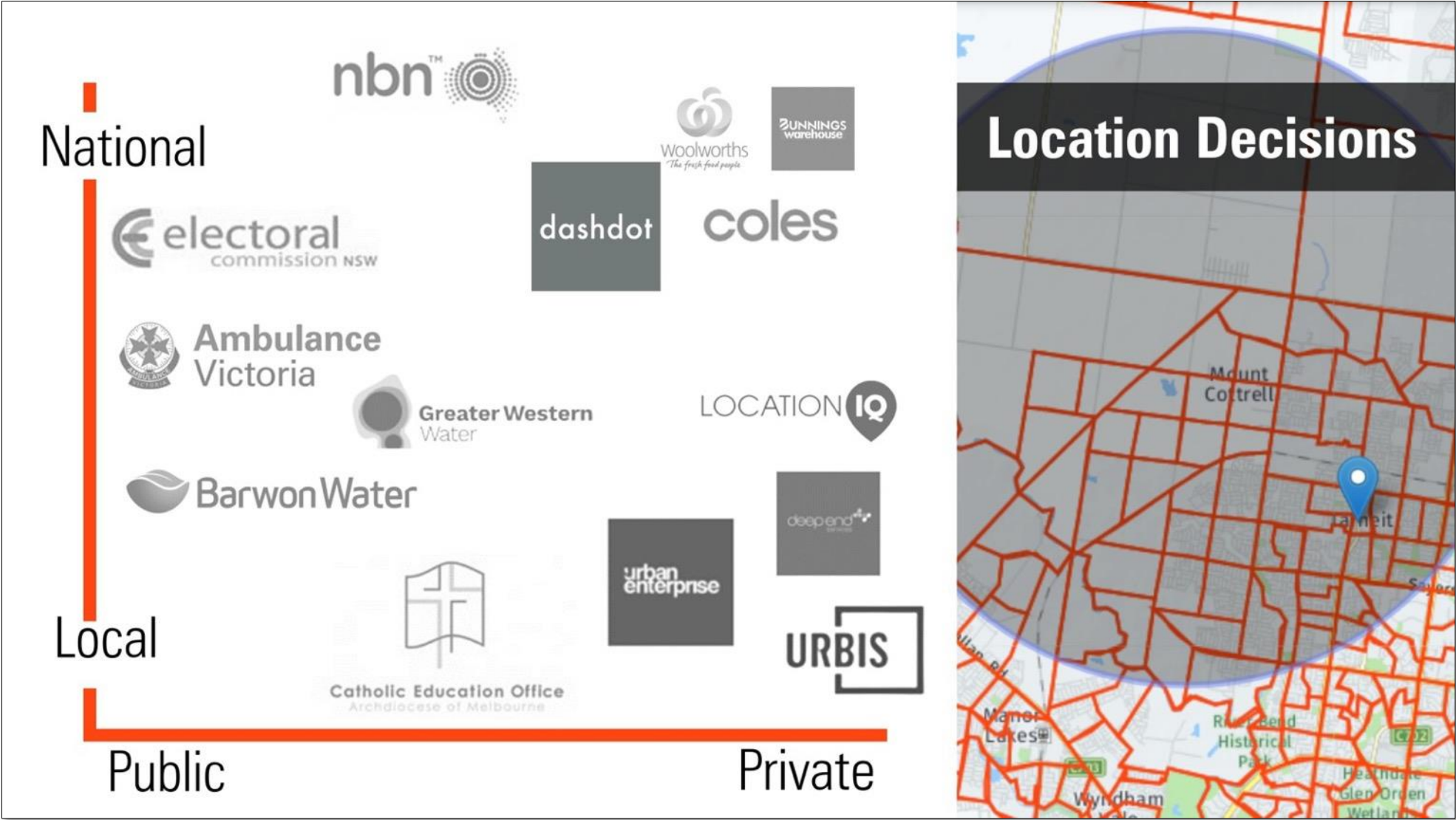
Median House Price (Jun 2022)		
Whittlesea (C)		\$735,000
Greater Melbourne		\$920,000
Median Unit Price (Jun 2022)		
Whittlesea (C)		\$500,000

### Median Rental (Jun 2022)

Median House Rental (Jun 2022)		
Whittlesea (C)		\$420/week
Greater Melbourne		\$460/week
Median Unit Rental (Jun 2022)		
Whittlesea (C)		\$360/week



# Pursuing significant growth opportunities

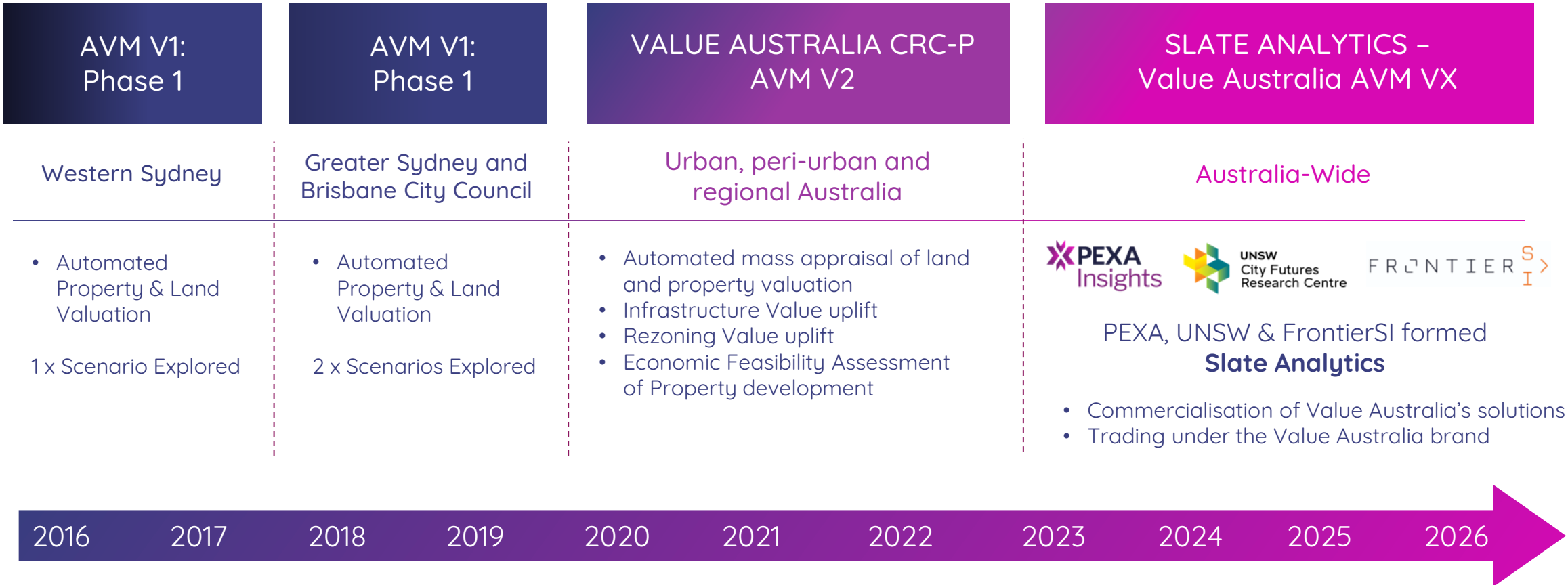


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# Mark Nassif

Acting General Manager, Property Value  
Use and Value of Place

# Building upon Value Australia's history



# Disrupting valuations in Australia

Technology Platforms	Initial Products	Description	Customer Segments
Value Australia Automated Valuation Model (AVM)	→ <b>FI AVM</b>	Next generation AVM that based on industry testing plus independent DD, out-performs competitor offerings in terms of accuracy, at the same time as providing an “Insured AVM”	<ul style="list-style-type: none"> <li>• Financial Institutions (Mortgage Lending)</li> </ul>
	→ <b>Mass Valuations</b>	Supporting State Government Valuer General (VG) handling of Mass Valuations which is used to determine Land Tax, Council rates and other property metrics. Currently a manual process, ours is an automated solution, in a digital environment.	<ul style="list-style-type: none"> <li>• State Governments</li> </ul>
Rapid Analytics Interactive Scenario (RAISE)	→ <b>Infrastructure Value Uplift</b>	Dynamically measure the value impact of proposed infrastructure projects on surrounding properties with superior speed and accuracy in “real time”. Currently a manual process.	<ul style="list-style-type: none"> <li>• Commonwealth Government</li> <li>• State Governments</li> <li>• Local Councils</li> <li>• Planners/Consultants</li> </ul>
	→ <b>Planning Scenario Modelling</b>	Model the value impact in real-time of proposed zoning changes on surrounding properties with superior speed and accuracy in “real time”. Currently a manual process.	<ul style="list-style-type: none"> <li>• Developers</li> <li>• State Governments</li> <li>• Local Government</li> </ul>

# Significant opportunity in the valuations market

## Valuation market opportunity sizing (\$M p.a.)



## Value Australia competitive differentiation

### FIIs (~25% of opportunity)

- Most accurate model, creates opportunity to provide additional wrap around services

### Developers (~20% of opportunity)

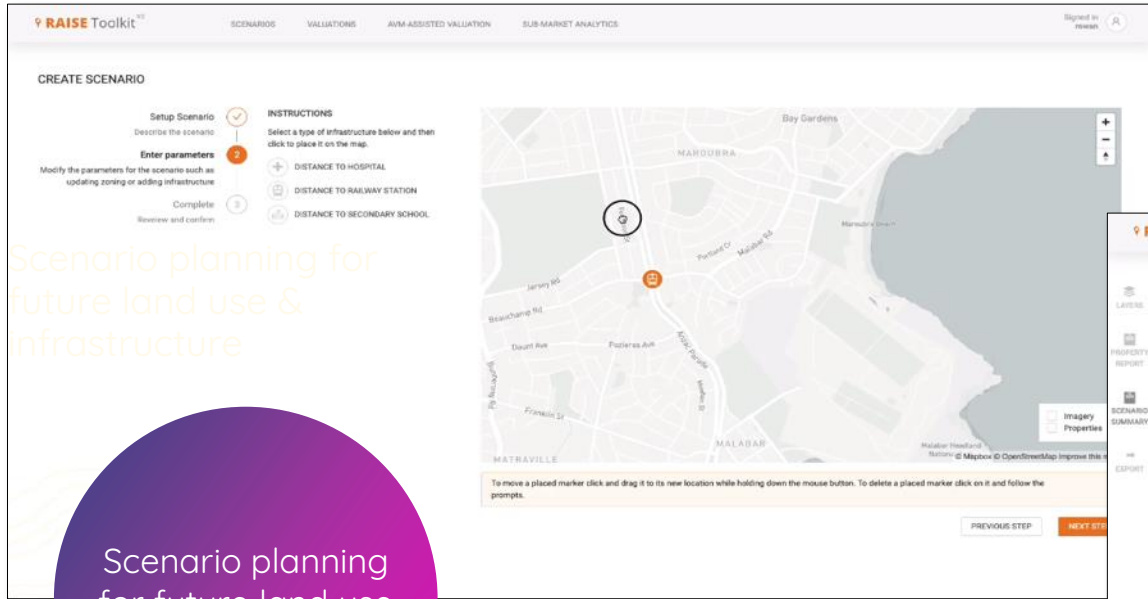
- Only automated interactive solution with the ability to measure the economic/value uplift in real time

### Government (~40% of opportunity)

- Only automated interactive solution with the ability to measure the economic/value uplift in real time

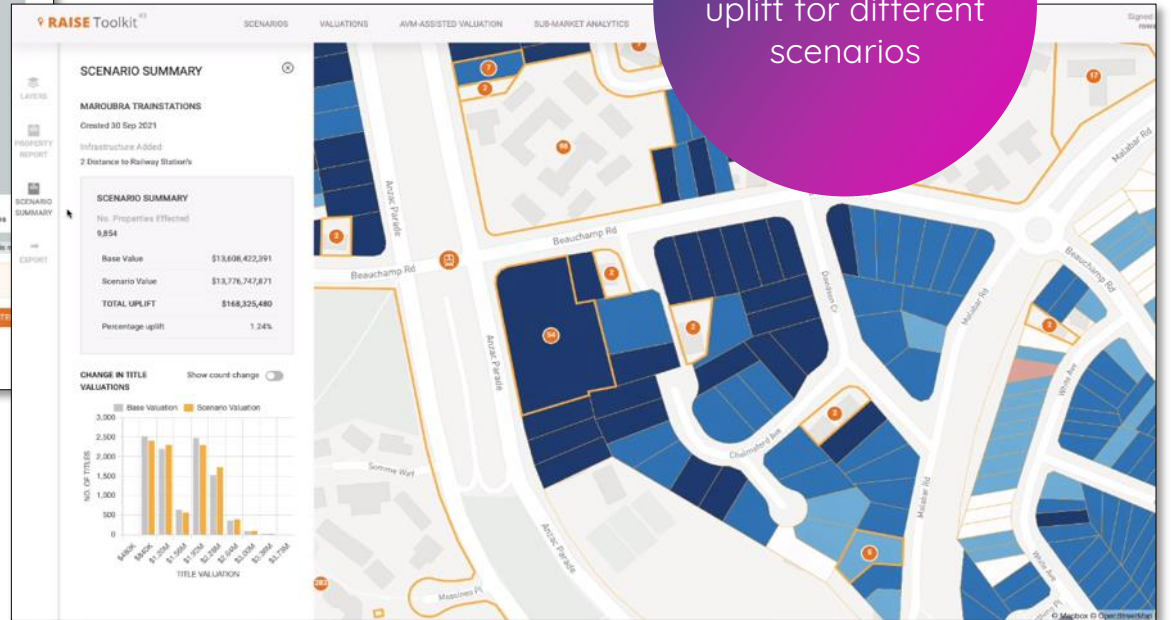
### Consumer (~15% of opportunity)

- 'What if' functionality for renovations and home upgrades



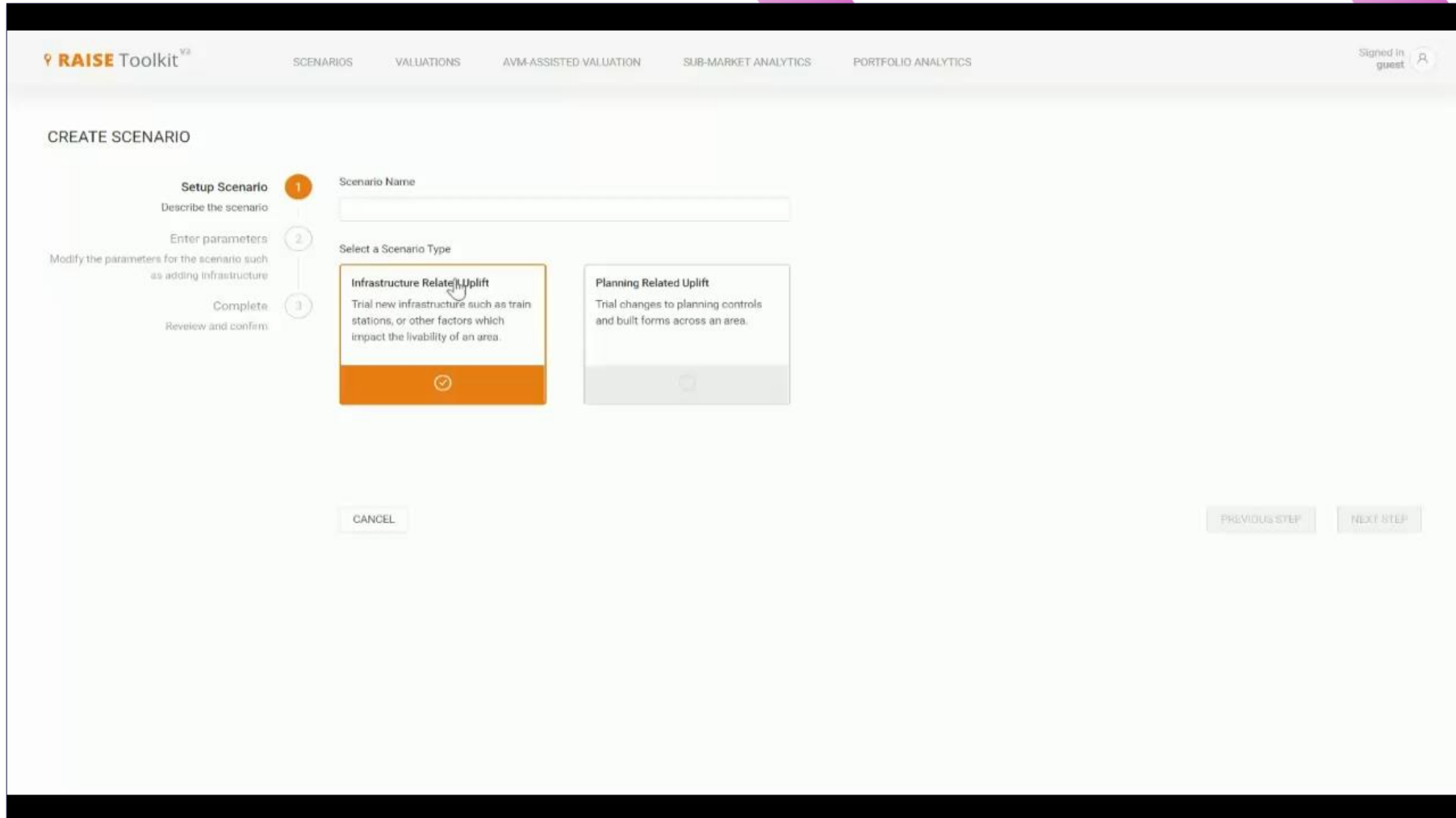
Scenario planning for future land use & infrastructure

Scenario planning for future land use & infrastructure



Test property value uplift for different scenarios

# RAISE Platform demo



The screenshot displays the RAISE Toolkit interface for creating a scenario. The top navigation bar includes the RAISE Toolkit logo and menu items: SCENARIOS, VALUATIONS, AVM-ASSISTED VALUATION, SUB-MARKET ANALYTICS, and PORTFOLIO ANALYTICS. A user is signed in as a guest.

The main section is titled "CREATE SCENARIO" and features a three-step process:

- Setup Scenario** (1): Describe the scenario. This step is currently active, showing a text input field for "Scenario Name".
- Enter parameters** (2): Modify the parameters for the scenario such as adding Infrastructure.
- Complete** (3): Review and confirm.

Under "Select a Scenario Type", two options are available:

- Infrastructure Related Uplift**: Trial new infrastructure such as train stations, or other factors which impact the livability of an area. This option is selected, indicated by an orange border and a checkmark icon.
- Planning Related Uplift**: Trial changes to planning controls and built forms across an area. This option is currently disabled, shown in grey.

At the bottom, there are three buttons: "CANCEL", "PREVIOUS STEP", and "NEXT STEP".

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# Chris Bodikian

Chief Innovation Officer

Partner Journeys and Efficiency



# Partner Journeys



## Our Objective

- Digitalisation creating new ways to **remove frictions** arising from manual processes, duplication, opacity, poor handoffs/no integration
- Opportunity to **leverage PEXA's core skills** in managing difficult digital collaboration tasks across multiple stakeholders
- Obtain greater share of non-exchange TAM of circa **\$400b+**



## Our Offer

- Incubated **8** new offers through PEXA and partners
- Today discussing a developer-focused offer, **OPEX**, which is nearing launch



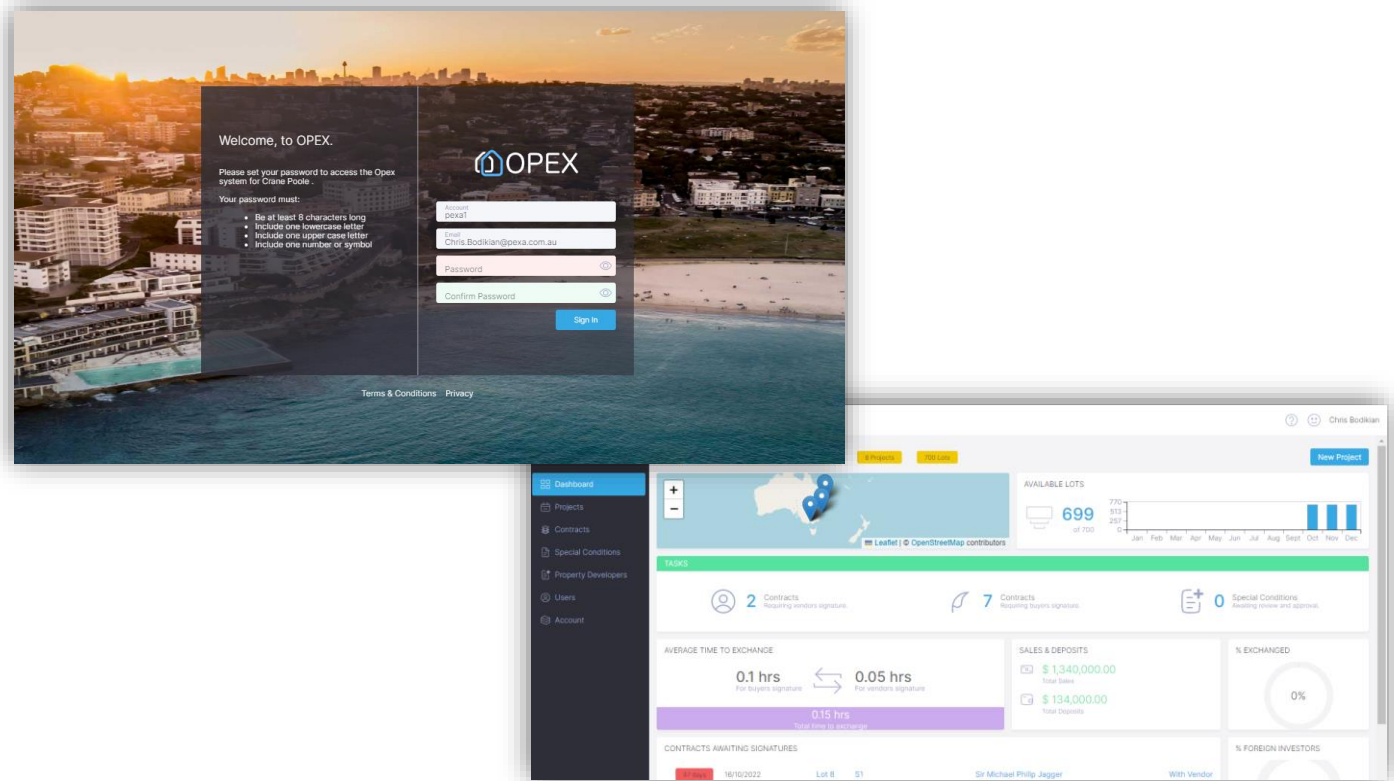
## Targeted Outcomes

- **New revenue sources:** subscriptions, distribution commission, consumer leads
- **Ahead of schedule:** in developing product and being in market

# Rewiring the developer journey



- PEXA Projects allows large law firms, acting on behalf of developers, to create a great number PEXA workspaces
- The same way PEXA Projects creates efficiencies late in the process, OPEX creates efficiencies for those same clients early in the process at the contract of sale
- Much like the PEXA fee, OPEX's revenue model will charge per lot, and can be a disbursement to lawyers and conveyancers



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# Scott Butterworth

Chief Growth Officer

# Creating seamless digital journeys



**Journey Example: Refinancing**

*Build demand*

Unique research on state of the refinancing market – drawing on PEXA’s 95% refi coverage

*Assist customers to manage business risk*

Predict refinancing risk and give next best actions

Understand market share risk implications

*Support customers with analytics and workflow tools*

Manage refi specific pipeline

Manage settlement workflows

**Journey Example: Development**

*Build demand*

Unique research on population flows – leverage PEXA’s 85% transaction coverage

*Assist developers with assessing, selecting and valuing development sites*

Deep local area insight – forecasts for dwellings, pop, economy

*Assist developers with assessing, selecting and valuing development sites*

Deep local site research – permissions, dimensions, usage

*Assist developers with assessing, selecting and valuing development sites*

Site valuation – including ‘what if’ scenarios

*Support developers with workflow tools*

Manage off the plan settlement work flows

*Enable consumers to move efficiently*

Pre-close

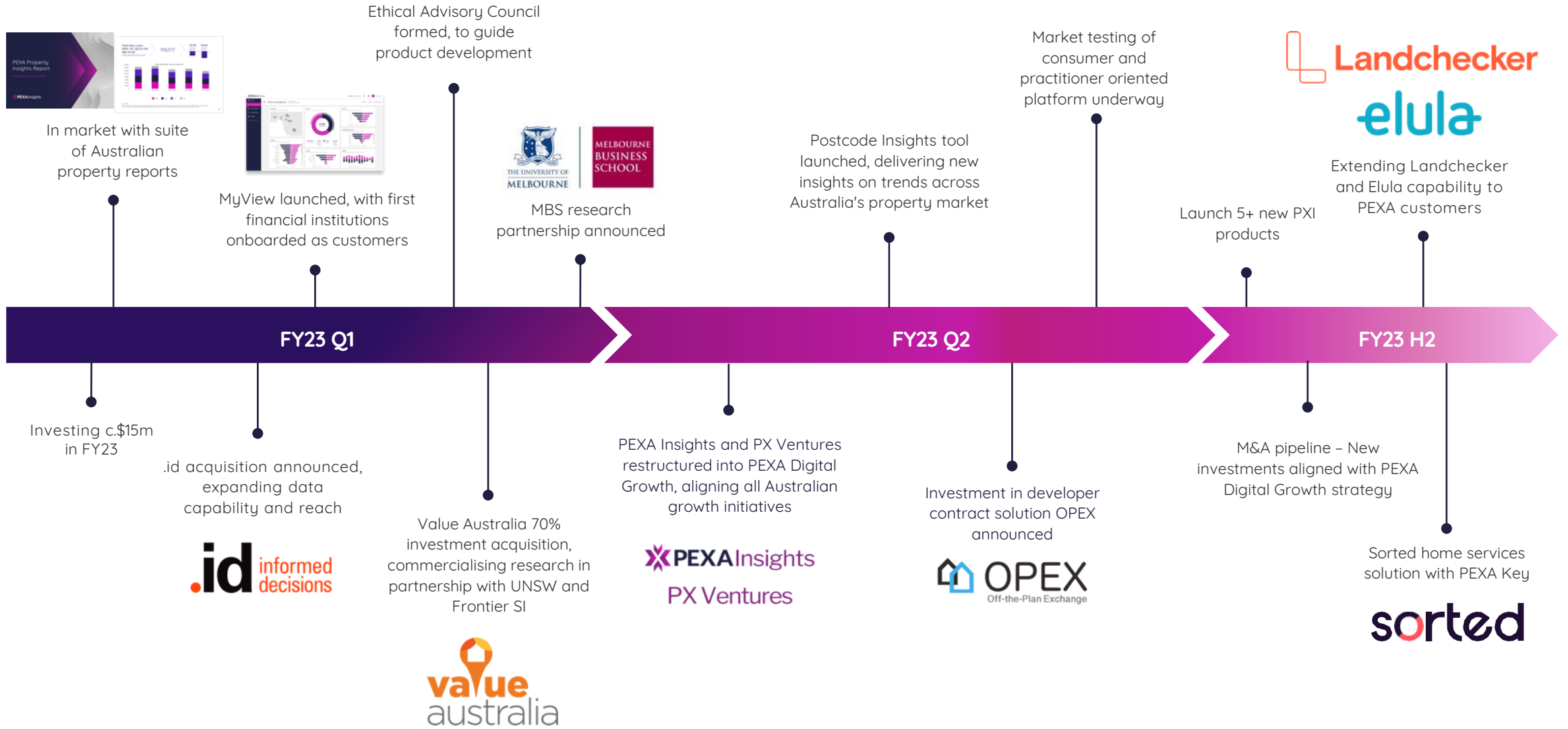
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Post-close

Pre and post-settlement support for consumers – additional data opportunity

Note: Subject to regulatory approvals where required

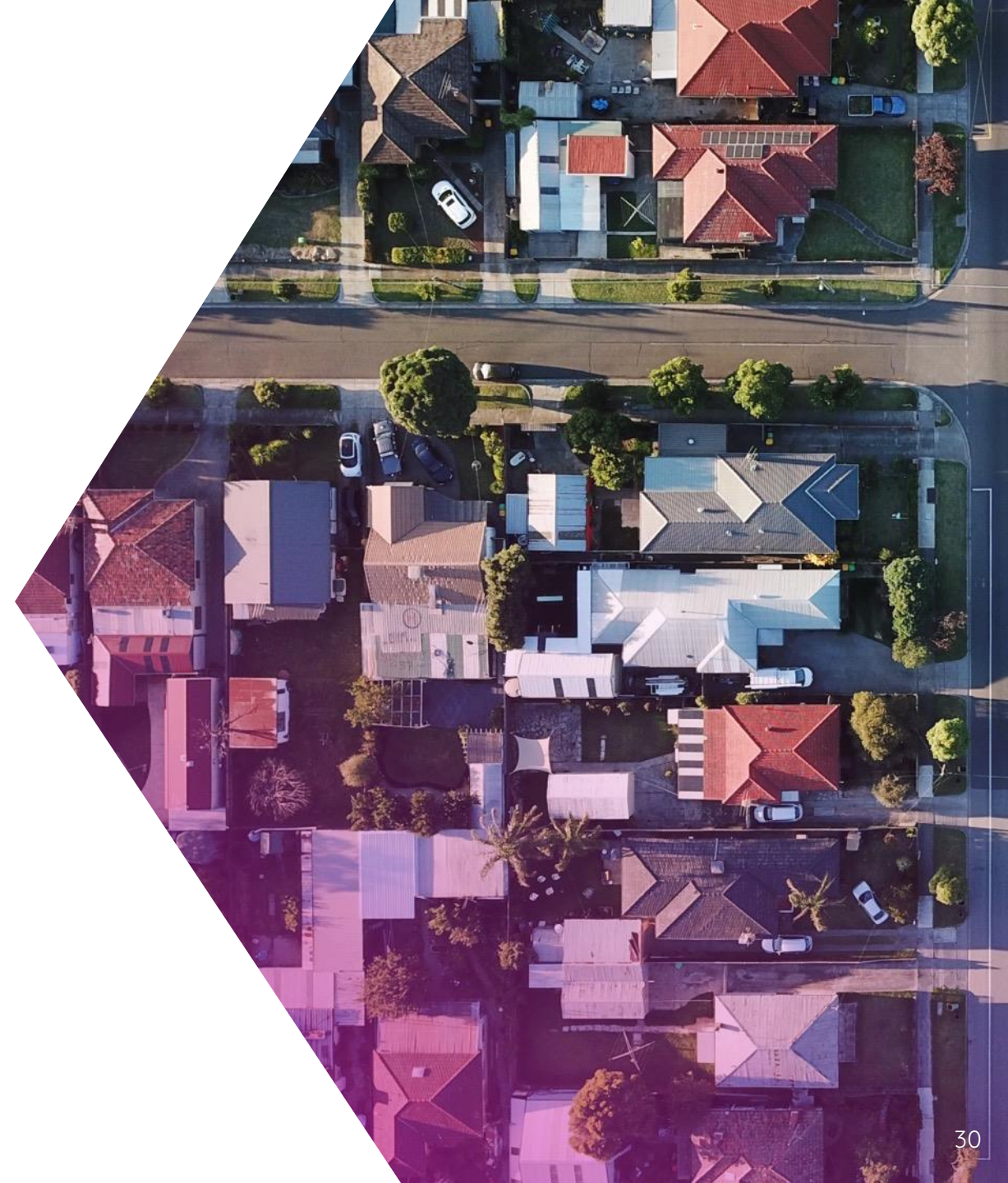
# Delivering growth





# PDG's growth runway

- The Extend pillar of the PEXA Group strategy - providing innovative data insights and digital services to the Australian market - is progressing at pace and as planned
- Investments announced to date are forming the nucleus for each of PEXA Digital Growth's strategic focus areas
- Prioritising value and speed to market when pursuing organic and/or inorganic growth opportunities
- Continued focus on building opportunities that support and lead to enhanced property experiences and insights across the property ecosystem, complementing the PEXA Exchange
- Remain on track to realise circa \$50m revenues p.a. in 2025 from both organic and inorganic activity, with sufficient scale to sustain business



# Q&A