

ASX Release

PropTech Group Delivers 12% YoY Growth in Cash Receipts

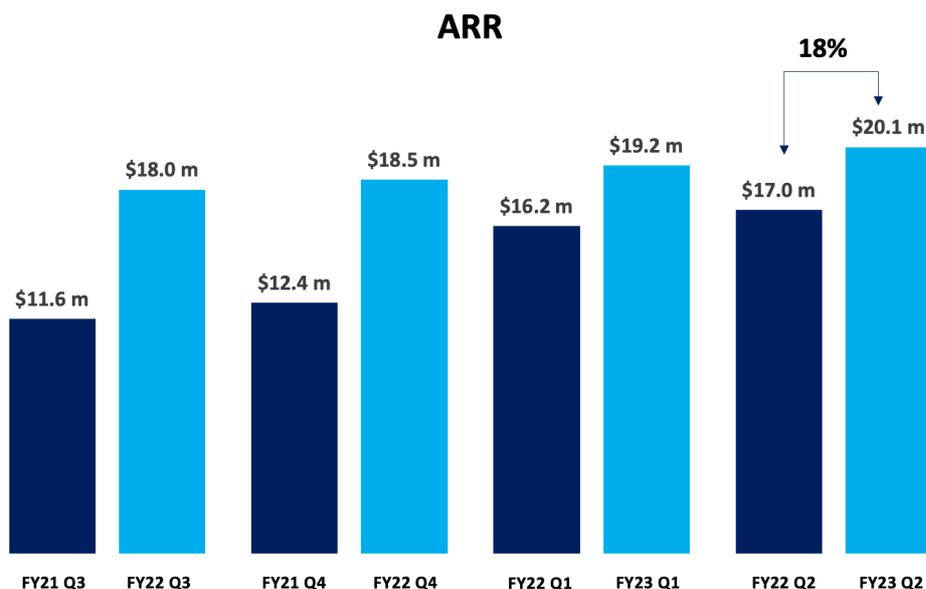
MELBOURNE, AUSTRALIA (31 January 2023) — PropTech Group Limited (ASX: PTG) (“**PropTech Group**” or “**Company**”), which provides the software that real estate agencies depend on all day, every day, is pleased to release its Appendix 4C and Activities Report for the three months ending 31 December 2022 (“**Q2 FY23**” or “**Second Quarter**” or “**Quarter**”).

Second Quarter financial highlights include:

- Positive net cash flows from operations of \$0.4 million;
- Strong cash balance of \$5.8 million as at 31 December 2022; and
- Cash receipts for the year to date of \$12.0 million, up 12% YoY.

Second Quarter operational highlights include:

- Annualised Recurring Revenue (“**ARR**”) reached \$20.1 million as at the end of the Quarter, an increase of 18% over the previous corresponding period of Q2 FY23;¹



Scheme Implementation update:

The PropTech Group Board wishes to update its shareholders on the proposed scheme of arrangement (**Scheme**) for the acquisition of PropTech Group by Rockend Technology Pty Limited, a wholly owned subsidiary of MRI Software LLC (**Scheme**).

¹ Annualised Recurring Revenue is recurring revenue calculated in the last month of the quarter and multiplied by 12. It provides a 12 month forward looking view of recurring revenue if all factors such as new, churn, pricing and foreign exchange were to remain the same for that period.

The Company is pleased to announce that the Foreign Investment Review Board has confirmed that it has no objection to the proposed Scheme. The implementation of the Scheme remains subject to the satisfaction of other conditions set out in the Scheme Implementation Deed dated 31 October 2022 including requisite approval from PropTech Group shareholders and the Federal Court of Australia.

As announced to the ASX on 19 December 2022, PropTech Group will hold a meeting (**Scheme Meeting**) for its shareholders to vote on the proposed Scheme. The Scheme Meeting is scheduled to be held at 11.00 am AEDT (Sydney, Melbourne) on Tuesday, 7 February 2023.

All registered PropTech Group Shareholders as at 7.00 pm AEDT (Sydney, Melbourne) on Sunday, 5 February 2023 will be eligible to vote at the Scheme Meeting.

All PropTech Group Shareholders are encouraged to vote on the Scheme either by completing and returning a proxy form or alternatively by attending the Scheme Meeting in person, or by proxy, attorney or corporate representative. The Scheme Booklet will provide information on how to lodge your proxy form (if applicable). The deadline for lodgement of proxy forms is 11:00am on Sunday 5 February 2023.

Shareholders may vote online and access the Scheme Booklet here:

<https://resources.proptechgroup.io/scheme-meeting?>

PropTech Group Shareholders should carefully read the Scheme Booklet in full, including the Independent Expert's Report, before deciding how to vote on the Scheme.

The PropTech Group Board continues to unanimously recommend that PropTech Group Shareholders vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of PropTech Group Shareholders. Subject to the same qualifications, each PropTech Group Director intends to vote, or procure the voting of, all shares he holds or controls at the time of the Scheme Meeting in favour of the Scheme.

Joe Hanna, Group CEO and Managing Director of the PropTech Group, said:

“The PropTech Group’s second quarter results again reveal the strength of the business with dependable recurring revenue and a significant cash balance that demonstrates our ability to fully self-fund future growth.

“Annualised recurring revenue grew by 18% over the previous corresponding period, demonstrating that we continue to be a vital partner to our existing customers and to attract new customers.

“Some receipts from large customers were pushed from Q2 into Q3 due to the holiday period. Otherwise, the financial and business metrics are directly in line with our prior quarters of excellent performance.”

**** ENDS ****

Release of market announcement authorised by the Board of PropTech Group Limited.

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About the PropTech Group

The PropTech Group provides the software that real estate agents use all day, every day in Australia, New Zealand, and the United Kingdom. Its products are used by 43% of the real estate agents in Australia and New Zealand and facilitate ~51% of real estate sales in those countries. The best real estate agents use PropTech Group apps, including Ray White and Raine & Horne in Australia and Century 21 in the United Kingdom.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

PropTech Group Limited

ABN

39 141 276 959

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	5,853	12,009
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,144)	(2,302)
(c) advertising and marketing	(205)	(362)
(d) leased assets	(16)	(36)
(e) staff costs	(2,969)	(6,263)
(f) administration and corporate costs	(1,308)	(2,606)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	7
1.5 Interest and other costs of finance paid	(5)	(13)
1.6 Income taxes paid	-	(37)
1.7 Government grants and tax incentives	194	194
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	402	591
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	(7,500)
(b) businesses	-	-
(c) property, plant and equipment	(14)	(27)
(d) investments	34	(66)
(e) intellectual property	(699)	(1,339)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	12	15
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(667)	(8,917)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(102)	(166)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(102)	(166)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6,024	14,203
4.2	Net cash from / (used in) operating activities (item 1.9 above)	402	591
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(667)	(8,917)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(102)	(166)
4.5	Effect of movement in exchange rates on cash held	98	44
4.6	Cash and cash equivalents at end of period	5,755	5,755

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	5,489	5,184
5.2	Call deposits	266	840
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,755	6,024

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	60
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		
Director fees and expenses relating to the reported quarter		

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	402
8.2 Cash and cash equivalents at quarter end (item 4.6)	5,755
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	5,755
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2023

Authorised by: By the Board of PropTech Group Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.