

ASX Announcement | 31 January 2024
DomaCom Limited (ASX: DCL)

DomaCom secures loan funds and private placement and considers potential acquisition of Bricklet

Highlights

DomaCom Limited (ASX:DCL) (**'DomaCom'** or **'Company'**), is pleased to announce that it has entered an agreement with property co-ownership marketplace operator Bricklet Ltd (ACN 632 253 046) (**Bricklet**) to provide a \$3 million loan (**Loan**) together with an agreement to invest \$1 million into DomaCom through a private placement (**Placement**), completion of which is subject Bricklet being satisfied with its due diligence investigations on DomaCom, with due diligence to be completed by 2 February 2024.

The capital injection will be directed towards the full repayment of the \$2,450,000 currently due to existing convertible noteholders on 1 February 2024 (**Thundering Herd Notes**).

In addition, Domacom is considering the potential acquisition of Bricklet and has entered a term sheet with Bricklet to carry out due diligence as part of the process of negotiating a potential acquisition by DomaCom.

Potential strategic acquisition based on shared goals

The potential combining of the two businesses would aim to improve the product offerings available to investors through fractional property investing. The shared goal of allowing investors to gain exposure to larger inaccessible asset would aim to drive the business forward. The ability to share resources, expertise, knowledge and distribution networks would be likely to bring significant benefits to our stakeholders and would aim to help to secure our position as the market leader in Fractional Investing.

Key elements of the potential acquisition

The potential acquisition of 100% of the shares of Bricklet Ltd is set out in a signed Term Sheet and is subject to satisfactory due diligence being undertaken, valuations and acquisition terms being agreed and legally binding transaction documents being negotiated and entered. The due diligence process is required to be undertaken within a 6-month Exclusivity Period granted to DomaCom from

the date of signing the Term Sheet. A potential acquisition would be subject to meeting regulatory requirements and ASX Listing Rules. Consideration of the potential acquisition of Bricklet is at preliminary stage and there is no guarantee that transaction terms will be agreed or that the potential acquisition will proceed.

Loan Facility Agreement

DomaCom has entered into a loan agreement with Bricklet. The key terms are set out in Appendix A. The provision of the loan is conditional on Bricklet being satisfied with its due diligence investigations on DomaCom, with due diligence to be completed by 2 February 2024. The proceeds from the \$3 million loan to DomaCom will be used to repay the existing \$2.45 million Thundering Herd Notes that have a maturity date of 1 February 2024.

The Loan has a maturity date of 2 February 2026 and therefore provides sufficient runway for DomaCom to grow the combined business. The abovementioned maturity date for the Loan is linked to the potential acquisition as the Loan may (at the election of Bricklet) become repayable within 3 months of completion of the due diligence of the acquisition if the transaction does not go ahead.

Private Placement

DomaCom has entered into an agreement with Bricklet to subscribe \$1 million for 71,428,570 ordinary shares in DomaCom at a price of \$0.014 per share. The proposed issue date is 13 February 2024. The Placement is conditional on Bricklet being satisfied with its due diligence investigations on DomaCom, with due diligence to be completed by 2 February 2024, however, it is not contingent on the successful completion of the potential acquisition.

The proceeds will provide financial security through providing additional working capital as DomaCom considers the potential to bring together the two businesses and pursues further growth opportunities. The Placement will be made using the available ASX capital raising capacity under Listing Rule 7.1 and Listing Rule 7.1A. Please refer to the separate Appendix 3B for further details. The Placement will be the subject of a separate Prospectus to be released prior to the proposed issue date.

DomaCom CEO John Elkovich commented, “We are excited by the synergistic benefits that may be realised by a combined DomaCom/Bricklet business. Both groups are passionate about making it easier for investors to genuinely diversify their asset portfolios. They both allow investors access to property investments previously only available to high-net-worth investors, thanks to the power of

fractional investing platforms. Bringing the businesses together will provide the opportunity to bring to market a more diverse product offering,”

Bricklet Chairman Giuseppe Porcelli said, “Uniting our strengths, DomaCom and Bricklet embark on a transformative journey, unlocking new horizons in fractional property investing. This strategic acquisition reflects our shared commitment to empower investors with access to previously inaccessible assets. Together, we will not only expand product offerings but also create a synergy that enhances our collective impact. By joining forces, we bring forth a diversified product range, breaking barriers for investors and reinforcing our position as leaders in the Fractional Investing landscape.”

This announcement has been authorised for release to the market by Company Secretary Philip Chard.

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About DomaCom

DomaCom Limited (ASX:DCL) is the operator of an innovative managed investments platform for a wide range of assets across wholesale and retail markets. The platform offers investors and financial advisers easy access, reporting and transparency with comparatively lower minimum investments and competitive costs and structures. Investments on the platform can include a range of unique assets from agriculture, energy, securities, commercial and residential property.

As a leader in the Australian financial sector, DomaCom has a reputation for innovative structures and making portfolio diversification a reality for investors.

To learn more, please visit: www.domacom.com.au

To learn more, please visit: www.bricklet.com.au

Appendix A: Key terms of Loan

Lender	Bricklet Ltd (ACN 632 253 046)
Face value	\$3,000,000
Finance condition	Bricklet being satisfied with its due diligence investigations on DomaCom, with due diligence to be completed by 2 February 2024.
Utilisation Date	2 February 2024
Maturity Date	24 months from the Utilisation Date
Interest	12% per annum paid quarterly in arrears
Default Interest	Interest + 5%
Review Event	A Review Event occurs if the Borrower does not enter binding transaction documents to acquire Bricklet by the date of expiry of the Exclusivity Period (6 mths from entry of the Term Sheet, being 31 July 2024).
Review Event consequences	If a Review Event occurs, the Lender may by written notice to the Borrower (Review Event Notice), require the Borrower to repay to the Lender all of the Money Owed under this agreement within three months from the date of issue of the Review Event Notice.
Exclusivity period	For a period of 6 months from the date of signing of the Term Sheet (Exclusivity Period), Bricklet shall not (directly or indirectly) solicit, conduct or enter into any formal or informal negotiations with other potential purchasers concerning the potential acquisition of Bricklet or another transaction similar to it and shall cease undertaking any such negotiations which exist as at the date of the Term Sheet.

Repayment	Repayment in full on Maturity Date or within 3 months of a Review Event (at the election of the Lender).
Security	<p>(a) The Borrower undertakes to use reasonable endeavours to procure that the relevant existing secured Noteholders approve by Ordinary Resolution the grant of the General Security Deed (over all of the assets of DomaCom) and entry into the Intercreditor Deed and subject to such approval, to procure the entry of the Intercreditor Deed by Specialised Investment and Lending Corporation Limited, within three months from the date of the Loan Agreement</p> <p>(b) Provided the Borrower has complied with its obligations it will not be an Event of Default if the relevant existing secured Noteholders do not approve by Ordinary Resolution the grant of the General Security Deed and entry into the Intercreditor Deed or Specialised Investment and Lending Corporation Limited does not enter the Intercreditor Deed.</p> <p>(c) Upon obtaining the approval and entry referred to in paragraph (a), the Borrower must grant the security interests under the General Security Deed and enter into the Intercreditor Deed.</p>
Events of default	<p>(a) (payment obligation) the Borrower does not pay any of the Money Owed that is due and payable by it under any Finance Document or if the Lender is satisfied that the sole reason for the failure is a technical or administrative difficulty within the banking system being used to effect payment, within two Business Days after the due date for payment;</p> <p>(b) (other obligation) the Borrower fails to comply with any obligation under a Finance Document (other than an obligation under paragraph (a))</p>

	<p>above) and the breach is incapable of remedy or, where the breach is capable of remedy, fails to remedy that breach within ten Business days of the earlier of:</p> <ul style="list-style-type: none">(i) receipt by the Borrower of a Notice from the Lender requesting it to do so; and(ii) it becoming aware of the failure to comply; <p>(c) (Review Event) a Review Event occurs and the Borrower has failed to comply with its obligations; or</p> <p>(d) (insolvency) an Insolvency Event occurs with respect to the Borrower; or</p> <p>(e) (Authorisation suspended) an Authorisation is suspended, revoked, terminated, cancelled or not renewed and is not replaced by another Authorisation on terms acceptable to the Lender or is varied or becomes subject to conditions unacceptable to the Lender.</p> <p>Upon an Event of Default occurring, the Lender may require all money owing to be immediately paid.</p>
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