

## **APPENDIX 4C FOR QUARTER ENDED 30<sup>th</sup> SEPTEMBER 2017**

**Tuesday 31<sup>st</sup> October 2017:** Property Connect Holdings Limited (ASX: PCH) ('Property Connect' or 'the Company') today lodged its Appendix 4C quarterly report of cash flows for the quarter ended 30<sup>th</sup> September 2017 with the Australian Securities Exchange (ASX).

### **Financial and Strategic Update**

Property Connect reported a cash balance of \$0.627 million at 30<sup>th</sup> September 2017.

Net operating cash flow for the quarter was (\$0.167 million) (previous quarter (\$0.86 million)), reflecting the ongoing development of Property Connect's product and the Australian market expansion activities. During the quarter, Property Connect focused on core development and marketing activities whilst implementing identified capital management measures as reflected in the significantly reduced cash outflows during the quarter.

Cash outflows in the December 2017 quarter are expected to reflect a continuing enhancement of the core functionality, with a focus towards branding, marketing and sales activities. Additional professional costs for the Company's auditors and legal counsel have resulted in an anticipated increase in costs this quarter.

As previously announced, the Company continues to iterate and enhance the platform in Australia, and is anticipating that by the end of Q1 CY2018, the platform will be complete for a full scale Australian market launch. Existing trials with Century 21 are continuing and the Company is in discussions with further agents to expand these trials.

The Company is very excited with the Australian trials and development activities to date and is confident the Property Connect product will very soon have a robust market engagement and product feature set that will not only be highly relevant for the Australian market place but also other geographies and jurisdictions.

The Company's strategy otherwise remains unchanged since previously announced and the Company will continue to keep the market updated on the execution of this strategy.

The Board has continued to defer payment of directors' remuneration until further notice.

### ***US Subsidiary – Property Connect Inc. ('PCI')***

The directors of PCI, Mr Tim Manson and Mr Sam Lee, have both resigned from PCI. Property Connect continues to take advice from its US counsel as to the most efficient process to recover the loans to PCI (totalling A\$842,050) and intellectual property,

which it has now started. The Company has confirmed the legal advice of its US counsel that it is not liable for the obligations of PCI.

### **Board Changes**

As announced on 26 October 2017, Mr Tim Manson has resigned from his position as director of Property Connect .

Mr Manson was appointed a director of Property Connect on 15 March 2016. Mr Manson recently resigned as a director of PCI, Property Connect's US subsidiary. The Board acknowledges the significant contribution of Mr Manson and wishes him all the best for the future.

The Appendix 4C is attached.

**-END-**

### **Forward-Looking Statements**

*This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning PCH's potential business development, corporate activities and any, and all, statements that are not historical facts. When used in this document, words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should" and similar expressions are forward-looking statements. PCH believes that its forward-looking statements are reasonable; however, forward-looking statements involve risks and uncertainties and no assurance can be given that actual future results will be consistent with these forward-looking statements. All figures presented in this document are unaudited and this document does not contain any forecasts of profitability or loss.*

**For more information, please contact:**

**David Nolan**

Non-Executive Director

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### **About Property Connect**

Property Connect has developed the LiveOffer™ technology, designed to create an easy, fair and transparent system under which potential tenants can negotiate the best offer on a rental property. Founded in 2012 and listed on the ASX in Australia, Property Connect enables leasing agents the opportunity to secure optimal leasing terms on each property, whilst providing transparency for tenants and landlords.

The company is listed on the Australian Securities Exchange (ASX:PCH).

[www.propertyconnect.com](http://www.propertyconnect.com)

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

#### Name of entity

Property Connect Holdings Ltd

#### ABN

22 091 320 464

#### Quarter ended ("current quarter")

30 September 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(36)	(36)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	(1)	(1)
(e) staff costs	(57)	(57)
(f) administration and corporate costs	(131)	(131)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	58	58
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(167)</b>	<b>(167)</b>



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12months) \$A'000
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	(88)	(88)
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(88)</b>	<b>(88)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-



Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12months) \$A'000
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	-	-

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	882	882
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(167)	(167)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(88)	(88)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5 Effect of movement in exchange rates on cash held	-	
<b>4.6 Cash and cash equivalents at end of quarter</b>	<b>627</b>	<b>627</b>

<b>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</b>	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	627	882
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>627</b>	<b>882</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	57
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments to directors plus superannuation.

<b>7.</b>	<b>Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

<b>8.</b>	<b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Research and development	(80)
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	(40)
9.4 Leased assets	(1)
9.5 Staff costs	-
9.6 Administration and corporate costs	(180)
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>(301)</b>

<b>10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	<b>Acquisitions</b>	<b>Disposals</b>
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

### 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.



Sign here: .....  
(Non-Executive Director)

Date: 31 October 2017

Print name: ....David Nolan.....

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.