

APPENDIX 4C FOR QUARTER ENDED 31st DECEMBER 2017

Wednesday 31st January 2018: 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 31st December 2017 with the Australian Securities Exchange (ASX).

Financial and Strategic Update

Property Connect reported a cash balance of \$0.428 million at 31st December 2017.

Net operating cash outflows for the quarter was \$78,000 (previous quarter \$245,000) reflecting the ongoing development of Property Connect's online rental platform. During the quarter, Property Connect continued to develop the product and enhanced the core functionality.

Cash outflows in the March 2018 quarter will see the platform completed and ready for full scale Australian market launch.

On the 28th November 2017, the Company was very excited to announce the first properties in Australia to be successfully leased exclusively using Property Connect's technology platform. The properties attracted interested bidders and rented according to the landlord and property managers expectations.

Property Connect is in ongoing discussions with a number of real estate groups to commercially launch the platform. The engagement is welcomed during this period of technological change in the property market.

In addition, as set out in the AGM strategy presentation, the Company is exploring synergistic products for use in the property technology market.

The company obtained shareholder approval to raise \$1.5M at the AGM. Subject to completing this fundraising, the company will look to build on its online rental platform to launch online property auctions. In addition, subject also to fundraising, the company will explore solutions for the use of Blockchain technologies in the property market and electronic settlement and conveyancing, for both off the plan and existing property developments.

US Subsidiary - Property Connect Inc (PCI)

PCI was legally dissolved on 15th December 2017 and the sole director is engaged in the orderly windup of its affairs, and will incur no debts or liabilities other than in connection with the windup.

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:**Darren Patterson**

Acting CEO

darren.patterson@propertyconnect.com

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

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")

31 December 2017

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	-	-
1.2 Payments for		
(a) research and development	(33)	(69)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	(1)
(e) staff costs	-	(57)
(f) administration and corporate costs	(268)	(399)
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	181	181
1.8 Other (provide details if material)	42	100
1.9 Net cash from / (used in) operating activities	(78)	(245)



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	(121)	(209)
	(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)	-	-
2.6	Net cash from / (used in) investing activities	(121)	(209)

3.	Cash flows from financing activities		
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 (6 months) \$A'000
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	-

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	627	882
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(78)	(245)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(121)	(209)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5 Effect of movement in exchange rates on cash held	-	
4.6 Cash and cash equivalents at end of quarter	428	428

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	428	627
5.2 Call deposits	-	-
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)	428	627



6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	-
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	

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	75
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	

Legal and tech support provided by related entities

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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.		



9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	(45)
9.2	Product manufacturing and operating costs	-
9.3	Advertising and marketing	(10)
9.4	Leased assets	-
9.5	Staff costs	-
9.6	Administration and corporate costs	(96)
9.7	Other (provide details if material)	(30)
9.8	Total estimated cash outflows	(181)

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
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:
 Date: 31 January 2018
 (Non-Executive Director)

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.