Property Connect Holdings Limited
ABN 27 091 320 464
For the year ended 30 June 2019

Contents

3	Corporate Directory
4	Directors' Report
10	Auditor's independence declaration
12	Statement of profit or loss and other comprehensive income
14	Statement of financial position
15	Statement of changes in equity
16	Statement of cash flows
17	Notes to the Financial Statements
32	Directors' declaration
33	Independent auditor's report to the members of Property Connect Holdings Limited
38	Shareholder information

Corporate Directory

Property Connect Holdings Limited
For the year ended 30 June 2019

Directors	Francessco Cavasinni Paul Tosi David Nolan
Company Secretary	David Nolan
Notice of annual general meeting	The details of the annual general meeting of Property Connect Holdings Limited are: Suite 404, 234 George Street Sydney NSW 2000 Friday 29 November 2019 at 11 am
Registered office	Property Connect Holdings Limited Suite 404, 234 George Street Sydney NSW 2000
Share register	Computershare Investor Services Pty Limited Level 4, 60 Carrington Street Sydney NSW 2000
Auditor	Pitcher Partners Level 16, Tower 2 Darling Park 201 Sussex Street Sydney NSW 2000
Solicitors	Addisons Level 12, 60 Carrington Street Sydney NSW 2000
Bankers	National Australia Bank 255 George St Sydney NSW 2000
Securities exchange listing	Property Connect Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: PCH ordinary shares)
Website	https://propertyconnect.com

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Property Connect Holdings Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2019.

The following persons were directors of Property Connect Holdings Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Francesco Cavasinni (Appointed 2 May 2019)
David Nolan
Paul Tosi (Appointed 4 December 2018)
Darren Patterson (Resigned 30 November 2018)
Michael Carter (Resigned 2 May 2019)

Principal activities
The Group is developing products for use in the Australian and International real estate technology sector. The results of this financial year reflect the continued development of the LiveOffer platform, Property Connect's real estate technology products, for commercial launch, both in their current format and potentially customised to meet targeted sectors of the domestic property market and international property markets.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $863,902 (30 June 2018: $1,608,411).

FINANCIAL UPDATE
Property Connect reported a net loss from continuing operations for the year of $863,902, a significant decrease of $413,410 from the prior corresponding period's loss of $1,277,312,. The result was driven by the previous year's winding up of PCI, the company's US subsidiary.

OPERATIONAL PROGRESS
During the first half of the year, the company made the decision to suspend further technical development of the LiveOffer platform while it sought to capitalise on existing opportunities for the integration of its LiveOffer platform with complimentary businesses.

In the second half of the year, the company undertook an operational review of the business infrastructure and how best to manage resources for its existing LiveOffer platform and future commercial market opportunities. This included engagement of software engineering staff as necessary to work with the company moving forward.

In order to complete this review, the company appointed Mr Mark Natoli to the role of General Manager, Operations. Mr Natoli is an experienced property and financial services executive and is responsible for managing the company's operational and resourcing needs and managing third party client relationships, including sales and marketing and identifying strategic opportunities for consideration by the Board.

Following completion of the operational review, the General Manager, Operations and the company's software engineering resources have continued to maintain the LiveOffer platform to ensure it is in an optimal format for implementation in the changing property market conditions domestically and internationally.

CORPORATE

<u>$450,000 Raised from Underwritten Rights Issue</u>

Following shareholder approval on 18 January 2019, the company's shares were consolidated on a 3:1 basis on 24 January 2019 (Consolidation). Following the Consolidation, the company issued 225,120,247 shares to complete a rights issue to raise $450,000 (Rights Issue). The Rights Issue was fully underwritten by JGM Property Investments Pty Ltd and David Nolan (Non-Executive Director). The company also issued 16,666,667 options to JGM Property Investments Pty Ltd as consideration for underwriting the Rights Issue. Mr Nolan did not receive any fee for his participation in the underwriting and no additional fees were paid for theunderwriting.

<u>Legal Proceedings</u>

The former CEO of the company, Darren Patterson, has commenced proceedings against the Company in relation to the termination of his engagement as CEO in October 2018. The Company intends to vigorously defend this claim.

BOARD CHANGES
On 30th November 2018, at the Company's AGM, Mr. Darren Paterson was not re-elected to the Board. On 4 December 2018, Mr. Paul Tosi was appointed to the Board. Mr. Tosi is a chartered accountant with over 25 years in finance and accounting and an experienced property executive. Mr. Tosi is a National Director with Colliers International, financially responsible for the Real Estate Management division and oversees all aspects of Risk and Control around client trusts. His expertise includes mergers and acquisitions, strategy & planning, contract negotiation and risk management.

On 2 May 2019, Mr. Michael Carter resigned as Chairman to focus on other career interests and business opportunities and Mr. Francesco Cavasinni was appointed as Chairman (2 May 2019). As the founder of LCI Partners, which has extensive experience providing commercial and industrial estate management services with a portfolio of over 55 large commercial and industrial properties, Mr. Cavasinni brings a wealth of experience to the company. In addition, LCI Partners are uniquely placed to assist the company to develop its existing business and build valuable relationships in the property sector.

OUTLOOK
The company is operating with minimal overheads and fiscal discipline. The company continues productive discussions with potential partners for the commercial application of the LiveOffer platform, both in its current format and potentially customised to meet targeted sectors of the domestic property market.

In addition, the company continues to seek to identify synergistic opportunities. The company has had discussions with a number of parties and will continue to consider complementary opportunities which may add shareholder value.

GOING CONCERN
The directors have reviewed the business outlook and cash flow forecasts and are of the opinion that the use of the going concern basis of accounting is appropriate, pending the successful completion of a future capital raising, such that it can continue to pay its debts as and when they fall due.

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
Other than the events set out above, information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report. The directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation
The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	**Francesco Cavasinni – appointed 2 May 2019**
Title:	Non-Executive Chairman
Qualifications:	LL.B, BComm
Experience and expertise:	Mr Cavasinni is an Accountant with over 35 years in Accounting, Financing and Management. Mr Cavasinni founded LCI Partners in 1985, now an established Accounting, Finance and Legal firm with offices in Sydney CBD, Parramatta CBD, Southern Sydney and Singapore and in excess of 90 staff. LCI Partners specialises in Accounting, Tax, Business, Legal, Lending, Financial services and Insurance broking. In addition, LCI Partners provides commercial and industrial estate management services with a portfolio of over 55 large commercial and industrial properties ranging from 300m2 to 40,000m2.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman
Interests in shares:	Nil
Interests in options:	Nil
Interests in rights:	Nil

Name:	**David Nolan**
Title:	Non-Executive Director and Company Secretary
Qualifications:	LL.B (Hon), BA Bond University
Experience and expertise:	Mr Nolan’s career has spanned 21-22 years as a commercial lawyer and company director. Mr Nolan has been a partner at a number of leading Sydney law firms advising Australian and international clients on all aspects of corporate law and was previously a senior adviser at the London Stock Exchange. Mr Nolan’s legal expertise includes mergers and acquisitions, IPOs and capital raisings, venture capital and private equity, restructurings and takeovers, corporate finance, joint ventures, commercial agreements and regulatory and corporate governance advice. Mr Nolan has advised across a diverse range of industries including retail, property, mining & resources, technology, funds management and financial services. Mr Nolan has valuable relationships in the advisory and regulatory community and brings a depth of transactional and corporate governance expertise.
Other current directorships:	None
Former directorships (last 3 years):	Intra Energy Corporation Ltd
Special responsibilities:	None
Interests in shares:	44,803,346 ordinary shares
Interests in options:	Nil
Interests in rights:	Nil

Name:	**Paul Tosi – appointed 4 December 2019**
Title:	Non-Executive Director
Qualifications:	BComm
Experience and expertise:	Mr Tosi is a chartered accountant with over 25 years in finance and accounting and an experienced property executive. Mr Tosi is a National Director with Colliers International,

	financially responsible for the Real Estate Management division and oversees all aspects of Risk and Control around client trusts. His expertise includes mergers and acquisitions, strategy & planning, contract negotiation and risk management.
Other current directorships:	None
Former directorships (last 3 years):	Nil
Special responsibilities:	None
Interests in shares:	2,500,001 ordinary shares
Interests in options:	Nil
Interests in rights:	Nil

Name:	**Darren Patterson – resigned 30 November 2019**
Title:	Executive Director and Chief Executive Officer – resigned 20 November 2019
Qualifications:	B.Sc (Comp Sc), MBA Chicago Booth, AICD
Experience and expertise:	Mr.Patterson has more than 20 years' experience working with both start-up and blue-chip technology companies spanning Australia, Europe, the US and Asia. He has extensive experience in the fields of networking, systems integration, IT and telecommunications. Mr.Patterson's international career has seen him hold senior leadership roles within Yahoo!, ECI Telecom, Energis Communications / Cable and Wireless PLC and Cisco Systems. Mr.Patterson has been closely involved with a number of start-up companies (either as founder or investor) that have been successfully acquired by larger organisations such as GoPro and Twitter. Mr. Patterson is also the General Partner of a Venture Capital firm – Alchemy Ventures.
Other current directorships:	None
Former directorships (last 3 years):	Blaze International
Special responsibilities:	None
Interests in shares:	3,333,334 ordinary shares
Interests in options:	Nil
Interests in rights:	Nil

Name:	**Michael Carter – resigned 2 May 2019**
Title:	Non-Executive Chairman - appointed 16 February 2018
Qualifications:	BEng (Mining) UNSW, Dip Financial Services, MAICD
Experience and expertise:	Michael is an experienced company director and has a career spanning over 30 years in the financial services sector. He brings proven leadership, corporate governance and extensive commercial background in financial services, management consulting, capital markets, corporate marketing and channel partnering. He was formerly the Non-Executive Chairman at Sequoia Financial Group Limited (ASX: SEQ) and is a Director of Qualia Financial Group Pty Ltd.
Other current directorships:	None
Former directorships (last 3 years):	Sequoia Financial Group Limited (ASX: SEQ)
Special responsibilities:	None
Interests in shares:	6,000,000 ordinary shares
Interests in options:	Nil
Interests in rights:	Nil

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
David Nolan - refer to 'Information on Directors' for further details.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2019, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Francesco Cavasinni (appointed 2 May 2019)	1	1
David Nolan	10	11
Paul Tosi (appointed 4 December 2019)	5	5
Darren Patterson (resigned 30 November 2019)	6	6
Michael Carter	10	10

Held: represents the number of meetings held during the time the director held office.

All other matters requiring formal Board approval were dealt with by way of written circular resolutions. In addition, the Directors met on an informal basis at regular intervals during the financial period to discuss the Group's affairs.

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The objective of the Group's executive remuneration framework is to ensure remuneration for performance is competitive and appropriate for the results delivered. The framework is designed to align executive remuneration with achievement of strategic objectives and the creation of value for shareholders. Given the current financial position and performance of the Group, the Board has prioritised the following key criteria contained in the framework:

- market competitiveness
- acceptability to shareholders
- capital management

The directors have determined that any bonuses payable to directors and key management personnel would be on a discretionary basis. No bonuses were paid during the financial year. At present there is no element of directors and key management personnel remuneration that is performance based.

Non-executive directors' remuneration
Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of the directors. Non-executive directors' fees and payments are reviewed annually by the Board to ensure they are appropriate and in line with the market. The Chairman's fees are determined independently to the fees of non-executive directors based on comparative roles in the external market.

As set out in the company's prospectus dated February 2016, the maximum annual aggregate remuneration for the non-executive directors had been set at $440,000.

Consolidated entity performance and link to remuneration
Currently none of the directors' remuneration are specifically linked to the consolidated entity's performance.

Voting and comments made at the company's 2018 Annual General Meeting ('AGM')
At the 2018 AGM, 97.3% of the votes on a poll supported the adoption of the remuneration report for the year ended 30 June 2018. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.
The key management personnel of the consolidated entity consisted of the following directors of Property Connect Holdings Limited:

- Francesco Cavasinni (Appointed 2 May 2019)
- David Nolan
- Paul Tosi (Appointed 4 December 2018)
- Darren Patterson (Resigned 30 November 2018)
- Michael Carter (Resigned 2 May 2019)

* Each director provides director services which are provided by an entity and no superannuation is attributable.

2019	Short-term benefits: Cash salary and fees	Short-term benefits: Cash bonus	Short-term benefits: Other	Post-employment benefits: Superannuation	Long-term benefits: Long service leave	Share-based payments: Equity settled	Termination benefit	Total
	$	$	$	$	$	$	$	$
Non - Executive Directors:								
Michael Carter *	61,667	-	-	-	-	-	-	61,667
Francesco Cavasinni	Nil	-	-	-	-	-	-	Nil
David Nolan *	129,183	-	-	-	-	-	-	129,183
Executive Directors:								
Paul Tosi*	9,000	-	-	-	-	-	-	9,000
Darren Patterson*	162,032	-	-	-	-	-	-	162,032
	361,882	-	-	-	-	-	-	361,882

2018	Short-term benefits: Cash salary and fees	Short-term benefits: Cash bonus	Short-term benefits: Other	Post-employment benefits: Superannuation	Long-term benefits: Long service leave	Share-based payments: Equity settled	Termination benefit	Total
	$	$	$	$	$	$	$	$
Non - Executive Directors								
Michael Carter *	30,738	-	-	-	-	-	-	30,738
David Nolan *	127,250	-	-	-	-	-	-	127,250
Charles Tarbey *	40,000	-	-	-	-	-	-	40,000
Michael Langoulant	6,667	-	-	633	-	-	-	7,300
Executive Directors:								
Darren Patterson*	144,905	-	-	-	-	-	-	144,905
	349,560	-	-	633	-	-	-	350,193

All director remuneration in the current and prior year is fixed, and is not performance based or at risk.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2019.

Options
There were no options over ordinary shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2019.

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary Shares					
Francesco Cavasinni	-	-	-	-	-
Michael Carter *	12,000,000	-	2,000,000	(8,000,000)	6,000,000
David Nolan	47,410,692	-	36,999,782	(39,607,128)	44,803,346
Paul Tosi	-	-	5,833,334	(3,333,333)	2,500,001
Darren Patterson	61,800,058	-		(58,466,724)	3,333,334
	121,210,750	-	38,999,782	(54,273,794)	105,936,738

Option holding
Nil
Other transactions with key management personnel and their related parties

Director David Nolan has provided services for both his director and company secretarial services totaling $129,183 (2018: 127,250) through a related entity Whiteoaks Capital Pty Ltd with an amount payable at year end of $Nil ($Nil).

Former director, Darren Patterson is also a director of Digital Return$ Pty Ltd and Two Up Labs Pty Ltd. Digital Return$ Pty Ltd provided Darren Patterson's director and consultancy/CEO services amounting to $162,032 (2018: $314,478) with an amount payable at year end of $Nil (2018:

$Nil). Two Up Labs Pty Ltd provided Platform development services amounting to $Nil (2018: $235,000) with an amount payable at year end of $Nil (2018: $Nil).

Michael Carter has provided services as director / chairman totaling $61,667 (2018: $30,738) through a related entity called Qualia Financial Group with an amount payable at year end of $Nil (2018: $Nil).

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of Property Connect Holdings Limited under option at the date of this report are as follows:

Grant Date	Expiry Date	Exercise price	Number under options
10 March 2017	10 March 2020	$0.0600	11,666,667
28 February 2018	20 February 2020	$0.0750	5,000,000
28 February 2018	20 February 2020	$0.0750	1,000,000
26 March 2019	26 March 2022	$0.0030	16,666,667
			34,333,334

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

Shares issued on the exercise of options
There were no ordinary shares of Property Connect Holdings Limited issued on the exercise of options during the year ended 30 June 2019 and up to the date of this report.

Indemnity and insurance of officers
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former partners of Pitcher Partners
There are no officers of the company who are former partners of Pitcher Partners.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

Auditor
Pitcher Partners continues in office in accordance with section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*. On behalf of the directors.

David Nolan
Non-Executive Director

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Auditor's Independence Declaration
To the Directors of Property Connect Holdings Limited
ABN 27 091 320 464

In relation to the independent audit for the year ended 30 June 2019, I declare that to the best of my knowledge and belief there have been:

(i) no contraventions of the auditor's independence requirements of the *Corporations Act 2001*; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

J GAVLJAK
Partner

PITCHER PARTNERS
Sydney

3 October 2019

The financial statements cover Property Connect Holdings Limited as a consolidated entity consisting of Property Connect Holdings Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Property Connect Holdings Limited's functional and presentation currency.

Property Connect Holdings Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:
Suite 404, 234 George Street
Sydney, NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' Report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 03 October 2019. The directors have the power to amend and reissue the financial statements.

Corporate Governance Statement
The Company's Corporate Governance Statement can be assessed at http://www.propertyconnect.com/corporate-governance

Statement of profit or loss and other comprehensive income

Property Connect Holdings Limited
For the year ended 30 June 2019

	Note	Consolidated 2019 $	Consolidated Restated 2018 $
Revenue from continuing operations	5	345,422	198,177
Expenses			
Advertising and marketing expenses		(40,733)	(42,539)
Audit and accounting fees		(96,538)	(90,754)
Consultant and advisory fees		(172,991)	(164,333)
Depreciation and amortisation		(237,680)	(148,640)
Director fees		(214,000)	(220,609)
Finance expenses		(4,381)	-
Insurance		(46,930)	(23,276)
IT / computer expenses		(48,464)	(33,845)
Legal fees		(92,281)	(133,701)
Professional fees		(35,611)	(286,718)
Public company costs		(66,219)	(75,767)
Research and development costs		-	(78,000)
Rental and occupancy expenses		(64,108)	(26,647)
Travel and entertainment		(70,980)	(60,556)
Other expenses from ordinary activities		(18,408)	(37,334)
Impairment of assets		-	(52,770)
Loss before income tax expense from continuing operations		**(863,902)**	**(1,277,312)**
Income tax expense	6	-	-
Loss after income tax expense from continuing operations		**(863,902)**	**(1,277,312)**
Loss after income tax expense from discontinued operations	7	-	(331,099)
Loss after income tax expense for the year attributable to the owners of Property Connect Holdings Limited		**(863,902)**	**(1,608,411)**
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to the owners of Property Connect Holdings Limited		**(863,902)**	**(1,608,411)**
Total comprehensive loss for the year is attributable to:			
Continuing operations		(863,902)	(1,277,312)
Discontinued operations		-	(331,099)
		(863,902)	**(1,608,411)**

These financial statements should be read in conjunction with the accompanying notes

Statement of profit or loss and other comprehensive income

Property Connect Holdings Limited
For the year ended 30 June 2019

		Consolidated	
			Restated
	Note	**2019**	**2018**
		$	**$**
		Cents	**Cents**
Loss per share for loss from continuing operations attributable to the owners of Property Connect Holdings Limited			
Basic earnings per share	27	(0.17)	(0.43)
Diluted earnings per share	27	(0.17)	(0.43)
Loss per share for loss from discontinued operations attributable to the owners of Property Connect Holdings Limited			
Basic earnings per share	27	-	(0.11)
Diluted earnings per share	27	-	(0.11)
Loss per share for loss attributable to the owners of Property Connect Holdings Limited			
Basic earnings per share	27	(0.17)	(0.54)
Diluted earnings per share	27	(0.17)	(0.54)

These financial statements should be read in conjunction with the accompanying notes

Statement of financial position

Property Connect Holdings Limited
For the year ended 30 June 2019

	Note	Consolidated 2019 $	Restated 2018 $
Assets			
Current assets			
Cash and cash equivalents	8	503,715	662,362
Trade and other receivables	9	14,746	30,195
Other assets	10	335	-
Total current assets		518,796	692,557
Non-current assets			
Plant and equipment	11	3,318	-
Intangibles	12	119,288	241,959
Total non-current assets		122,606	241,959
Total assets		**641,402**	**934,516**
Liabilities			
Current liabilities			
Trade and other payables	13	43,752	39,896
Total current liabilities		43,752	39,896
Non-current liabilities			
Other non-current payables		-	-
Total non-current liabilities		-	-
Total liabilities		**43,752**	**39,896**
Net assets		**597,650**	**894,620**
Equity			
Issued capital	14	24,755,714	24,189,281
Reserves	15	312,902	312,402
Accumulated losses	16	(24,470,966)	(23,607,063)
Total equity		**597,650**	**894,620**

These financial statements should be read in conjunction with the accompanying notes

Statement of changes in equity

Property Connect Holdings Limited
For the year ended 30 June 2019

	Issued capital	Foreign Currency Translation reserves	Share based payment reserve	Accumulated losses	Total equity
Consolidated	**$**	**$**	**$**	**$**	**$**
Balance at 1 July 2017	7,478,773	(382,133)	10,000	(6,150,841)	955,799
Adjustment for prior period error (note 12)	-	-	-	47,099	47,099
Restated Balance	7,478,773	(382,133)	10,000	(6,103,742)	1,002,898
Loss after income tax expense for the year	-	-	-	(1,604,021)	(1,604,021)
Adjustment for errors	-	-	-	(4,390)	(4,390)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(1,608,411)	(1,608,411)
Deconsolidation of PCI as accounting parent entity (Note 7)	15,597,268	-	297,642	(15,894,910)	-
Release of reserves	-	382,133	(10,000)	-	372,133
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 14)	1,128,000	-	-	-	1,128,000
Share-based payments (note 28)	(14,760)	-	14,760	-	-
Balance at 30 June 2018	24,189,281	-	312,402	(23,607,063)	894,620

	Issued capital	Foreign Currency Translation reserves	Share based payment reserve	Accumulated losses	Total equity
Consolidated	**$**	**$**	**$**	**$**	**$**
Balance at 1 July 2018	24,189,281	-	312,402	(23,607,063)	894,620
Loss after income tax expense for the year	-	-	-	(863,902)	(863,902)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(863,902)	(863,902)
Release of reserves	-	-	-	-	-
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 14)	566,932	-	-	-	566,932
Share-based payments (note 28)	(500)	-	500	-	-
Balance at 30 June 2019	24,755,714	-	312,902	(24,470,966)	597,650

These financial statements should be read in conjunction with the accompanying notes

Statement of cash flows

Property Connect Holdings Limited
For the year ended 30 June 2019

	Note	Consolidated 2019 $	2018 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(948,293)	(1,047,163)
Interest received		851	476
Finance costs		(4,381)	-
R&D grant incentive received		344,571	197,701
Net cash used in operating activities	26	**(607,252)**	**(848,986)**
Cash flows from investing activities			
Payments for intangibles	12	(114,600)	(341,270)
Purchase of property, plant and equipment	11	(3,726)	-
Return from liquidation of business		-	48,395
Net cash used in investing activities		**(118,326)**	**(292,875)**
Cash flows from financing activities			
Proceeds from issue of shares	14	585,452	920,587
Transaction costs		(18,520)	-
Net cash from financing activities		**566,932**	**920,587**
Net decrease in cash and cash equivalents		**(158,646)**	**(221,274)**
Cash and cash equivalents at the beginning of the financial year		662,362	883,636
Cash and cash equivalents at the end of the financial year	8	**503,715**	**662,362**

These financial statements should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis for Preparation
These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the *Corporations Act 2001* and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is for-profit entity for the financial reporting purposes under Australian Accounting Standards.

Property Connect Holdings Ltd (the 'Company') is incorporated and domiciled in Australia.

The Company's registered office is Suite 404, 234 George Street, Sydney. These consolidated financial statements comprise the Company (the parent) and its subsidiary (together referred to as the 'Group').

The consolidated financial statements are presented in Australian dollars which is the Company's functional currency.

Except for cash flow information, the financial statements have been prepared on an accrual basis and are based on historical costs.

Parent entity information
In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 23.

Revenue and Other Income
Interest revenue is recognised using the effective interest method. R&D tax incentive revenue is recognised at the point in time in which the cash is received by the company.

Income tax
The income tax expense (income) for the period comprises current income tax expense (income) and deferred tax expense (income). Current income tax expense charged to profit or loss is the tax payable on taxable income for the period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Current and deferred tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss arising from a business combination.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable the reversal will occur in the foreseeable future.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of twelve months or less, and bank overdrafts. Bank overdrafts are reported within borrowings in current liabilities on the statement of financial position.

Financial instruments
Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Financial Liabilities
Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Plant and equipment
Plant and equipment is states at historical cost less depreciation. Historical cost includes expenditure directly attributable to the acquisition of the item. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation method and period is disclosed in note 11.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

Trade and Other Receivables
Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months at the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Intangible assets
Development of Property Connect Platform Website
Patents and trademarks are recognised at cost of acquisition. They have a finite life and are carried at cost less any accumulated amortisation and any impairmentlosses.

Refer to note 12 for details about amortisation methods and periods used by the company for intangible assets.

Software and website development
Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources; and intent to complete the development and its costs can be measured reliably.

Amortisation charge is included within the depreciation and amortisation expense in the statement of comprehensive income. Patents, trademarks, software and website development costs are amortised on a straight-line basis over 2 years.

Research and development
Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project is expected to deliver future economic benefits and these benefits can be measured reliably.

Refer to note 12 for details of amortisation methods and periods used by the company.

Impairment of non-financial assets
Intangible assets have an indefinite useful life and are not subject to amortisation. They are tested annually for impairment and if required more frequently, depending on the circumstances. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss if recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the greater of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
Trade and other payables represent the liabilities for goods and services by the entity that remain unpaid at the end of the reporting period. The balance is recognised as current liability with the amounts normally paid within 30 days of recognition of the liability.

Issued capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration. Financial instruments are recognised when the Group becomes are party to the contractual provisions of the instrument.

Share-based payments
Share-based compensation benefits are provided to suppliers and employees in exchange for services performed. Information relating to share-based payments can be found at note 28.

Business combinations
Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is obtained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations, other than those associated with the issue of a financial instrument, are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from bargain purchase.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit/(loss) attributable to equity holders of Property Connect Holdings Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST')

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the tax authority from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Rounding of amounts

The company is an entity of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by ASIC relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest dollar in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

New or Amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 9 Financial Instruments

The consolidated entity has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value.

All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI').Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

AASB 15 Revenue from Contracts with Customers

The consolidated entity has adopted AASB 15 from 1 July 2018.The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

Impact of adoption

AASB 9 and AASB 15 were adopted using the modified retrospective approach, and as such, comparatives have not been restated in respect of these standards. The impact of adoption did not have a material impact on opening retaining profits as at 1 July 2018.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2019.

The consolidated entity's assessment of the impact of these new of amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB / IFRS 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB / IFRS 16 will be higher when compared to lease expenses under AASB / IFRS 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB / IFRS 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The consolidated entity will adopt this standard from 1 July 2019 but the impact of its adoption will not a have a material impact on the company.

Note 2. Critical accounting judgements, estimates and assumptions
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Note 3. Going concern
The Group incurred a loss from continued operations of $863,902 (2018: $1,277,312) and had net cash outflows from operating activities of $607,252 for the year end 30 June 2019. The opening cash balance was $662,362 (2017: $883,636) as at 30 June 2018 and subsequent to balance date, has continued to generate a loss. These conditions indicate a continued material uncertainty that may cast significant doubt over the Group's ability to continue as a going concern and therefore, whether it will realise its assets or liabilities and commitments in the normal course of business and at the amounts stated in the financial statements.

In the opinion of the directors, there are reasonable grounds to believe that the Group will be able to pay their debts as and when they fall due, and continue as a going concern for the foreseeable future. The directors have prepared the financial statements on the basis of going concern as they believe that the Group is able to raise capital or debt based on previous success, such as the recent capital raising in March 2019, raising $450,000 (before costs).

The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

Note 4. Operating segments
Property Connect Holdings Ltd has one Operating segment and the information presented is on the same basis as the internal reports provided to the Board. The Board is responsible for the allocation of resources to the operating segment and to assess its performance.

Note 5. Revenue

	Consolidated	
	2019	2018
	$	$
Interest	851	476
R&D tax incentives	344,571	197,701
Revenue from continuing operations	345,422	198,177

Note 6. Income tax expense

The difference between the prima facie tax on loss of the Group and the income tax expense reported in the statement of profit or loss and other comprehensive income is deferred tax balances not recognised as recognition criteria were not met.

	Consolidated	
	2019	Restated* 2018
	$	$
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense from continuing operations	(863,902)	(1,277,312)
Loss before income tax expense from discontinued operations	-	(331,099)
Revenue from continuing operations	(863,902)	(1,608,411)
Tax at the statutory tax rate of 27.5% [2018: 27.5%]	(237,573)	(442,313)
Current year tax losses not recognised	237,573	442,313
Income tax expense	-	-

	Consolidated	
	2019	Restated* 2018
	$	$
Tax losses not recognized		
Unused tax losses for which no deferred tax asset has been recognised	4,232,258	3,638,356
Potential tax benefit @27.5% [30 June 2018: 27.5%]	1,163,871	926,298

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed. Deferred tax has not been recognised as the recognition criteria have not been met.

Note 7. Discontinued operations

Financial performance information

	Consolidated 2019 $	Consolidated 2018 $
Loss on disposal before income tax	-	(331,099)
Income tax expense	-	-
Loss on disposal after income tax expense	-	(331,099)
Loss after income tax expense from discontinued operations	-	(331,099)

Carrying amounts of assets and liabilities disposed

	Consolidated 2019 $	Consolidated 2018 $
	-	1,602
Trade and other receivables	-	4,797
Other assets	-	4,174
Plant and equipment	-	4,735
Intangibles assets	-	223,536
Other non-current assets	-	17,387
Total assets	-	256,231
Trade and other payables		275,245
Other equity reserves		(26,375)
Total liabilities	-	248,870
Net assets	-	7,361

Carrying amounts of assets and liabilities disposed

	Consolidated 2019 $	Consolidated 2018 $
Carrying amount of net assets disposed	-	(7,361)
Derecognition of foreign currency reserve	-	(372,133)
Return from liquidation of PCI	-	48,395
Loss on disposal before income tax	-	(331,099)
Loss on disposal after income tax	-	(331,099)

Note 8. Current assets - cash and cash equivalents

	Consolidated 2019 $	Consolidated 2018 $
Cash on hand	503,715	662,362

Note 9. Current assets - trade and other receivables

	Consolidated 2019 $	Consolidated 2018 $
Other receivables	14,746	30,195

The other receivables mainly relate to GST receivables and security deposits, of which, none are considered to be past due, or impaired.

Note 10. Current assets – Other assets

	Consolidated 2019	2018
	$	$
Prepayments	335	-

Note 11. Non-current assets - plant and equipment

	Consolidated 2019	2018
	$	$
Computer equipment - at cost	3,726	-
Less: Accumulated Depreciation	(408)	-
	3,318	-

Reconciliation of plant and equipment

Consolidated	$
Balance at 1 July 2017	-
Additions	-
Disposals	-
Depreciation expense	-
Balance at 30 June 2018	-
Balance at 1 July 2018	-
Additions	3,726
Disposals	-
Depreciation expense	(408)
Balance at 30 June 2019	3,318

Note 12. Non-current assets - intangibles

	Consolidated 2019	Restated* 2018
	$	$
Development of Property Connect Platform - at cost	513,100	398,500
Less: Accumulated amortisation	(393,812)	(156,541)
	119,288	241,959
Patents applications - at cost	-	52,770
Less: Impairment	-	(52,770)
	-	-
	119,288	241,959

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Development of PCH Platform	Patent Applications	Total
	$	$	$
Balance at 1 July 2017 - Restated*	102,099	-	102,099
Additions	288,500	52,770	341,270
Impairment of assets	-	(52,770)	(52,770)
Amortisation expense - Restated*	(148,640)	-	(148,640)
Balance at 30 June 2018 - Restated*	241,959	-	241,959
Additions	114,600	-	114,600
Impairment of assets			-
Amortisation expense	(237,271)	-	(237,271)
Balance at 30 June 2019	119,288	-	119,288

Intangible assets have finite useful lives. The current amortisation changes for intangible assets are included under depreciation and amortisation expense per the statement of profit or loss.

Impairment disclosures
The total impairment loss recognised in the statement of profit or loss during the prior period amounted to $Nil (2018: $52,770) and is separately presented in the statement as "Impairment of Assets".

Prior Period restatement
During the financial year there was an adjustment required to restate the carrying amounts for intangible assets. Below is a reconciliation of the adjustments required to be made to prior periods.

	(Previously stated)	Re-measurement Increase/ (Decrease)	Restated
	$	$	$
Balance at 1 July 2016	-	-	-
Additions	110,000	-	110,000
Impairment of assets	-	-	-
Amortisation expense	(55,000)	47,099	(7,901)
Balance at 1 July 2017	55,000	-	102,099
Additions	288,500	-	288,500
Impairment of assets	-	-	-
Amortisation expense	(144,250)	(4,390)	(148,640)
Balance at 30 June 2018	**199,250**	**(4,390)**	**241,959**

Note 13. Current liabilities - trade and other payables

	Consolidated	
	2019	2018
	$	$
Trade payables	7,085	2,396
Other payables	36,667	37,500
	43,752	39,896

Refer to note 17 for further information on financial instruments.

Due to the short term nature of these payables, their carrying amounts are reasonable approximations of their fair values

Note 14. Equity - issued capital

	Consolidated			
	2019 Shares	2018 Shares	2019 $	2018 $
Ordinary shares - fully paid	685,863,475	1,201,935,732	24,755,714	24,189,281

Movements in ordinary share capital

Details	Date	Shares	$
Balance	1 July 2017	721,935,732	7,478,773
Deconsolidation of PCI as accounting parent		-	15,597,268
Capital raising		368,234,800	920,587
Shares issued in lieu of fees		111,765,200	279,413
Share issue costs		-	(86,760)
Balance	30 June 2018	1,201,935,732	24,189,281
Capital raising	15 November 2018	180,290,360	135,211
Share restructure	22 January 2019	(921,484,061)	-
Capital raising	11 March 2019	75,608,490	151,215
Capital raising	27 March 2019	149,512,954	299,026
Share issue cost			(19,020)
Balance	30 June 2019	685,863,475	24,755,713

Ordinary shareholders participate in dividends and the proceeds on winding-up of the parent entity in proportion to the number of shares held. At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

Note 15. Equity - reserves

	Consolidated	
	2019	2018
	$	$
Share-based payments reserve	312,902	312,402
	312,902	312,402

Nature and purpose of reserves

(i) Share-based payments reserve
The share-based payments reserve is used to recognise their fair value of share based payments, be that shares and/or options made to directors and/or consultants. Reserve items are transferred to issued equity upon the issue of ordinary shares in relation to the share based payment.

Consolidated	Share based payment reserve $	Total $
Balance at 1 July 2017	10,000	10,000
Deconsolidation of PCI as accounting parent (Note 6)	297,642	297,642
Release of reserves	(10,000)	(10,000)
Share based payment	14,760	14,760
Balance at 30 June 2018	312,402	312,402
Share based payment	500	500
Balance at 30 June 2019	312,902	312,902

Note 16. Equity - accumulated losses

	Consolidated	
	2019	Restated 2018
	$	$
Accumulated losses at the beginning of the financial year (Restated, see note 12)	(23,607,063)	(6,103,742)
Correction of Prior period error (see note 12)	-	(4,390)
Loss after income tax expense for the year	(863,902)	(1,604,021)
Deconsolidation of PCI as accounting parent (Note 7)	-	(15,894,910)
Accumulated losses at the end of the financial year	(24,470,966)	(23,607,063)

Note 17. Financial instruments

The company and the Group have exposure to the following risks, from their use of financial instruments: credit risk, liquidity risk, currency risk and fair values.

This note presents information about the company and Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing the risk, and the management of capital. Further quantitative disclosures are included throughout this financialreport.

The Board of Directors has overall responsibility for the establishment and oversight of the risk of management framework.

Risk management policies are established to identify and analyse the risks faced by the company and the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

The Group's financial instruments consists mainly of deposits with banks and accounts payable. The totals for each category of financial instruments, measured in accordance with AASB 130: Financial Instruments: Recognition and Measurement as detailed in the accounting policies to these financial statements, are as follows:

	Consolidated	
	2019	2018
	$	$
Financial Assets		
Cash and cash equivalents	503,715	662,362
Trade and other receivables	14,746	30,195
Total Financial Assets	518,461	692,557
Financial Liabilities		
Trade and other payables	43,752	39,896
Total Financial Liabilities	43,752	39,896

Currency risk

Foreign currency risk
The consolidated entity undertakes transactions in foreign currencies. The Group manages foreign exchange exposure by constantly monitoring and analysing exchange rates and currency utilised within its operations. This is not material and will be less material given the strategy to focus on the Australian market.

Interest rate risk
The Group manages interest rate risk by constantly monitoring and analysing its interest rate sensitive assets and liabilities. Sensitivity to interest rates movements are currently not material to the Group given the current low interest environment and the company's low cash levels. However, the interest rate is calculated to be between a range of 1.6%p.a. - 2.2% p.a.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's cash and cash equivalents. The other receivables mainly relates to GST receivable and security deposit which are deemed to be low risk due to nature of these balances. Other than the other receivables, the maximum exposure to credit risk is limited to the Group's cash and cash equivalents balance at 30 June 2019 being $503,715 (2018: $662,362).

Liquidity risk
Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. The cash is continually monitored matching forecast cash flows with the maturity profile of financial assets and liabilities.

The following table details the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid.

Consolidated - 2019	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 Years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	43,752	-	-	-	43,752
Total non-derivatives		43,752	-	-	-	43,752

Consolidated – 2018	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 Years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	39,896	-	-	-	39,896
Total non-derivatives		39,896	-	-	-	39,896

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Group. Most of these instruments, which are carried at amortised cost (i.e. term receivables, held-to-maturity assets, loan liabilities), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the Group.

The carrying amounts of financial instruments reflect their fair value.

Capital Management

There were no changes in the Group's approach to capital management during the year. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

Note 18. Key management personnel disclosures

Directors

The following persons were directors of Property Connect Holdings Limited during the financial year:

Francesco Cavasinni (Appointed 2 May 2019)
David Nolan
Paul Tosi (Appointed 4 December 2018)
Michael Carter (Resigned 2 May 2019)
Darren Patterson (Resigned 30 November 2018)

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2019	**2018**
	$	**$**
Short-term employee benefits	361,882	349,560
Post-employment benefits	-	633
Termination benefits	-	-
	361,882	350,193

More information regarding KMP remuneration can be found in the Remuneration Report

Note 19. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Pitcher Partners, the auditor of the company:

	Consolidated	
	2019	**2018**
	$	**$**
Audit Services - Pitcher Partners		
Audit or review of the financial statements	45,000	54,000

Note 20. Contingent liabilities

Claims

A claim for unspecified damages was lodged against Property Connect Holdings Limited by the former CEO of the company. The claim is in relation to the termination of his engagement as CEO in October 2018. The company intends to vigorously defend this claim. It is not practical to estimate the potential effect of this claim.

Note 21. Commitments

	Consolidated	
	2019	**2018**
	$	**$**
Lease commitments - operating		
Within twelve months	57,605	54,000
Between twelve months and within five years	47,854	-
More than five years	-	-
	105,459	54,000

Operating lease commitments includes contracted amounts for office rental under non-cancellable operating leases payable within the next 12 months.

Note 22. Related party transactions

Parent entity

Property Connect Holdings Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 24.

Key management personnel

Disclosures relating to key management personnel are set out in note 18 and the remuneration report included in the directors' report.

Transactions with related parties
David Nolan has provided services for both his director and company secretarial services totaling $129,183 (2018: $127,250) through a related entity Whiteoaks Capital Pty Ltd with an amount payable at year end of $Nil ($Nil).

Former director, Darren Patterson is also a director of Digital Return$ Pty Ltd and Two Up Labs Pty Ltd. Digital Return$ Pty Ltd provided Darren Patterson's director and consultancy/CEO services amounting to $162,032 (2018: $314,478) with an amount payable at year end of $Nil (2018: $Nil). Two Up Labs Pty Ltd provided Platform development services amounting to $Nil (2018: $235,000) with an amount payable at year end of $Nil (2018: $Nil).

Former director, Michael Carter has provided services as director totaling $61,667 (2018: $30,738) through a related entity called Qualia Financial Group with an amount payable at year end of $Nil (2018: $Nil).

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 23. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
		Restated
	2019	**2018**
	$	**$**
Loss after income tax	(863,602)	(1,608,411)
Total comprehensive loss	(863,602)	(1,603,347)

Statement of financial position

	Parent	
	2019	**2018**
	$	**$**
Total current assets	518,796	692,557
Total assets	641,402	934,516
Total current liabilities	43,752	39,896
Total liabilities	43,752	39,896
Equity		
Issued capital	24,755,714	24,189,281
Reserves	312,902	312,402
Accumulated losses	(24,470,966)	(23,607,063)
Total equity	597,650	894,620

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2019 and 30 June 2018.

Contingent liabilities
Claims
A claim for unspecified damages was lodged against Property Connect Holdings Limited by the former CEO of the company. The claim is in relation to the termination of his engagement as CEO in October 2018. The company intends to vigorously defend this claim. It is not practical to estimate the potential effect of this claim. There were no contingent liabilities to declare at 30 June 2018.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2019 and 30 June 2018.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 24. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	2019 %	2018 %
Property Connect Operations Pty Ltd	Australia	100%	100%

Note 25. Events after the reporting period

No matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 26. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2019 $	Restated 2018 $
Loss after income tax expense for the year	(863,902)	(1,604,021)
Adjustments for:		
Depreciation and amortisation	237,680	144,250
Impairment of intangibles	-	52,770
Share-based payments	-	207,413
Loss on disposal of subsidiary	-	331,099
Change in operating assets and liabilities:		
Decrease in trade and other receivables	15,115	68,708
Decrease in trade and other payables	3,855	(49,205)
Net cash used in operating activities	(607,252)	(848,986)

Note 27. Earnings per share

	Consolidated 2019 $	Consolidated Restated 2018 $
Loss per share for loss from continuing operations		
Loss after income tax attributable to the owners of Property Connect Holdings Limited	(863,902)	(1,277,312)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	499,763,454	294,124,696
Weighted average number of ordinary shares used in calculating diluted earnings per share	499,763,454	294,124,696
	Cents	**Cents**
Basic earnings per share	(0.17)	(0.43)
Diluted earnings per share	(0.17)	(0.43)

	Consolidated 2019 $	Consolidated Restated 2018 $
Loss per share for loss from discontinued operations		
Loss after income tax attributable to the owners of Property Connect Holdings Limited	-	(331,099)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	499,763,454	294,124,696
Weighted average number of ordinary shares used in calculating diluted earnings per share	499,763,454	294,124,696
	Cents	**Cents**
Basic earnings per share	-	(0.11)
Diluted earnings per share	-	(0.11)

	Consolidated 2019 $	Consolidated Restated 2018 $
Earnings per share for loss		
Loss after income tax attributable to the owners of Property Connect Holdings Limited	(863,902)	(1,608,411)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	499,763,454	294,124,696
Weighted average number of ordinary shares used in calculating diluted earnings per share	499,763,454	294,124,696
	Cents	
Basic earnings per share	(0.17)	(0.54)
Diluted earnings per share	(0.17)	(0.54)

The FY2018 balances above were restated to reflect the restated loss amounts for FY2018, as well as to reflect the impact of the share consolidation as required under AASB 133 Earnings per share.

Note 28. Share-based payments

On the 26 March 2019, the company issued 16,666,667 options to a third-party investor in payment for services performed. The company could not identify a fair value for comparable services provided. Therefore, the company has determined the fair value of these services using the market value of the options granted. The fair value of options issued totaled $500.00. The amount of $500 was applied as follows:
- Increase to the share-based payments reserve
- Increase to the share capital transaction costs

On 28 February 2018, the company issued 111,765,200 ordinary shares to brokers and suppliers as consideration paid for services performed. The company could not identify a fair value for comparable services, and as such, the fair value of these services was determined using the market price of the shares issued. Using the market value, a fair value of $279,413 has been recognised as share-based payment. The fair value was recognised the accounts as follows:
- $207,413 has been recognised as an expense in the profit or loss; and
- $72,000 has been recognised as share issue costs (offset against the share capital account)

Set out below are summaries of options granted:

2019

Grant Date	Expiry Date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
26/03/2019	28/02/2020	0.003	-	16,666,667	-	-	16,666,667
24/10/2016	10/03/2020	0.060	35,000,000	-	-	(23,333,333)	11,666,667
28/02/2018	28/02/2020	0.075	18,000,000	-	-	(12,000,000)	6,000,000
			53,000,000	16,666,667	-	(35,333,333)	34,333,334
Weighted average exercise price			$0.020	$0.003	$0.000	$0.000	$0.046

2018

Grant Date	Expiry Date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
24/10/2016	10/03/2020	0.020	35,000,000	-	-	-	35,000,000
28/02/2018	28/02/2020	0.025	-	18,000,000	-	-	18,000,000
			35,000,000	18,000,000	-	-	53,000,000
Weighted average exercise price			$0.020	$0.025	$0.000	$0.000	$0.022

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.68 years (2018: 1.42 years). Fair value of the options was derived by the Black Scholes method.

For the options granted during the current financial year, the valuation model inputs used to determine the fair value of the options at the grant date, are as follows:

Grant Date	Expiry date	Share price at grant	Exercise price	Expected volatility	Dividend Yield	Risk-free interest rate	Fair value at grant date
26/03/2019	26/03/2022	$ 0.002	$ 0.003	231.00%	-	0.96%	$0.003

The volatility of the share price was determined by an external valuation after taking into account the various ASX announcements, the 12 months volatility, the potential of the Company, the term of the options and the general trend in the shares of companies in similar businesses.

Directors' declaration

Property Connect Holdings Limited
For the year ended 30 June 2019

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.
Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the directors

David Nolan
Non-Executive Director
3 October 2019

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Independent Auditor's Report
To the Members of Property Connect Holdings Limited
ABN 27 091 320 464

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Property Connect Holdings Limited ("the Company") and the entity it controlled ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Property Connect Holdings Limited is in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001.*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (*"the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Company, would be on the same terms if given to the Directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 3 of the financial report, which indicates that the Group incurred a loss after income tax of $863,902 and has cash outflows from operating activities of $607,252 for the year ended 30 June 2019. As stated in Note 3, these events or conditions, along with the other matters set forth, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of matter – Restatement of Comparatives

We draw attention to Note 12 of the financial report, which describes the adjustments as a consequence of the restatement of the 2018 comparatives to reflect an error identified in the carrying amount of intangible assets. Our report is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	***How our audit addressed the matter***
Going concern ***Refer to Note 3: Going concern***	
The Group incurred a loss after income tax of $863,902 and has cash outflows from operating activities of $607,252 for the year ended 30 June 2019. The continuing viability of the Group and its ability to continue as a going concern is dependent on the Group being successful in securing additional fund and meeting its cash flow forecasts. The Directors have continued to adopt the going concern basis of preparation in preparing the financial report, after having prepared cash flow projections which support the assertion that the Group will have sufficient resources to continue to operate for a period of at least twelve months from the date the financial report was approved. The Director's assessment of the Group's going concern ability was an area of focus and we paid particular attention to the key assumptions, estimates and judgements made by the Directors that most significantly impacted these cash flow forecasts.	Our procedures included, amongst others: ▪ Documenting our understanding of management's processes and relevant controls; ▪ Evaluating and challenging the Group's future cash flow forecasts, and the process by which they were prepared; ▪ Performing our own sensitivity analysis over the key assumptions, estimates and judgements contained within the cash flow forecasts; ▪ Obtaining representations from the Group's corporate advisors surrounding the ability to raise additional funding for the Group, and challenging the representations, including the conditions required of the Group; and ▪ Assessing the adequacy of the Group's disclosures in the financial statements in respect of the going concern assumption.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Group's Annual Report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 9 of the Directors' Report for the year ended 30 June 2019. In our opinion, the Remuneration Report of Property Connect Holdings Limited, for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

J GAVLJAK
Partner

Pitcher Partners

PITCHER PARTNERS
Sydney

3 October 2019

Shareholder information

Property Connect Holdings Limited
For the year ended 30 June 2019

The shareholder information set out below was applicable as at 24 September 2019.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares	Number of holders of unlisted options exercisable at $0.02 expiring on 10/03/2020	Number of holders of unlisted options exercisable at $0.025 expiring on 28/02/2020	Number of holders of unlisted options exercisable at $0.025 exercisable 12 months after issue and satisfaction of milestone, expiring on 28/02/2020
1 to 1,000	1,095	-	-	-
1,001 to 5,000	68	-	-	-
5,001 to 10,000	18	-	-	-
10,001 to 100,000	202	-	-	-
100,001 and Over	333	6.00	-	-
	1,716	6.00	-	-
Holding less than a marketable parcel	1,439	-	-	-

Shareholder information

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number Held	% of total share issued
JGM PROPERTY INVESTMENTS PTY LTD	52,145,181	7.60
MR DAVID NOLAN	44,803,346	6.53
MR SUFIAN AHMAD	37,870,000	5.52
JLM CORPORATION PTY LTD	34,000,000	4.96
RIMOYNE PTY LTD	33,850,001	4.94
MARKOVIC FAMILY NO 2 PTY LTD	30,000,001	4.37
HIX CORP PTY LTD <HIX CORP A/C>	26,941,032	3.93
MR BILAL AHMAD	22,500,000	3.28
MENDOORAN CUSTODIAN PTY LTD <MENDOORAN FAMILY A/C>	18,600,020	2.71
JGM PROPERTY INVESTMENTS PTY LTD	17,425,961	2.54
ONE TREE HILL SMSF PTY LTD <ONE TREE HILL SMSF A/C>	17,000,000	2.48
NANDIL PTY LTD	15,244,972	2.22
DDPEVCIC (WA) PTY LTD <DOMINIC FAMILY A/C>	14,444,445	2.11
BAB SUPER FUND PTY LTD <BAB SUPER FUND A/C>	10,000,001	1.46
MR JAMES VINCENT CHESTER GUEST + MRS SARAH LOUISE GUEST + MR MATTHEW HARRY CHESTER GUEST <GUEST FAMILY SUPER FUND A/C>	10,000,000	1.46
MS AUTUMN BLOOM	8,000,000	1.17
MAESTRO CAPITAL PTY LTD <MAESTRO CAPITAL SUPER A/C>	8,000,000	1.17
MR JAMES EDWARD GOSLING	7,666,667	1.12
AEQUUS CAPITAL PTY LTD <STERLING SUPER A/C>	7,114,955	1.04
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	6,730,370	0.98
	422,336,952	61.58

Unquoted equity securities

	Number on issue	Number of holders
UNLISTED OPTIONS EXPIRING 10/03/2020 @ $0.06	11,666,667	6
UNLISTED OPTIONS EXPIRING 28/02/2020 @ $0.075	5,000,000	1
UNLISTED OPTIONS EXPIRING 28/02/2020 @ $0.075, EXERCISABLE 12 MONTHS AFTER ISSUE AND SATISFACTION OF MILESTONE	1,000,000	1
UNLISTED OPTIONS EXPIRING 26/03/2020 @ $0.03	16,666,667	1

The Following persons hold 20% or more of unquoted equity securities:

Name	Class	Number held
QOC FOUNDERS NOMINEES PTY LIMITED	UNLISTED OPTIONS EXPIRING 10/03/2020 @ $0.06	4,166,667
QOC FOUNDERS NOMINEES PTY LIMITED	UNLISTED OPTIONS EXPIRING 28/02/2020 @ $0.075	5,000,000
PISTACHIO PTY LTD <THE SURE THING A/C>	UNLISTED OPTIONS EXPIRING 28/02/2020 @ $0.075	2,905,000
QOC FOUNDERS NOMINEES PTY LIMITED	UNLISTED OPTIONS EXPIRING 28/02/2020 @ $0.075, EXERCISABLE 12 MONTHS AFTER ISSUE AND SATISFACTION OF MILESTONE	1,000,000
JGM PROPERTY INVESTMENTS PTY LTD	UNLISTED OPTIONS EXPIRING 26/03/2022 @ $0.030	16,666,667

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
John Markovic	99,571,143	14.51
David Nolan	44,803,346	6.53
Sufian Ahmad	37,870,000	5.52

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.