

APPENDIX 4C FOR QUARTER ENDED 30th JUNE 2019

Wednesday 31 July 2019: Property Connect Holdings Limited (ASX: PCH) ('Property Connect' or 'the Company') today lodged its Appendix 4C quarterly report of cash flows for the quarter ended 30 June 2019 with the Australian Securities Exchange (ASX).

Financial and Strategic Update

Property Connect reported a cash balance of \$504,000 at 30 June 2019.

Net operating cash flow for the quarter was (\$106,000), representing the Company's ongoing operational activities for its LiveOffer Rental and Property Sales platforms. This represents a significant reduction from the previous quarter of (\$162,000). Operational costs were kept to a minimum during the period while the Company sought to commercialise its LiveOffer Rental and Property Sales platforms and identify synergistic opportunities.

As announced to ASX on 2 May 2019, Mr Frank Cavasinni was appointed as Chairman of PCH. 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 PCH to develop its existing business and build valuable relationships in the property sector.

Following completion of the operational review of the Company's activities earlier this year, the General Manager, Operations and the Company's software engineering resources have continued to maintain the LiveOffer Rental and Property Sales platforms to ensure they are in an optimal format for implementation in the changing property market conditions domestically and internationally.

PCH continues productive discussions with potential partners for the commercial application of the LiveOffer platforms, both in their 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.

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.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

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

Name of entity

PROPERTY CONNECT HOLDINGS LTD

ABN

22 091 320 464

Quarter ended ("current quarter")

30 JUNE 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing		(41)
(d) leased assets		
(e) staff costs	(36)	(207)
(f) administration and corporate costs	(71)	(692)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		(4)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		345
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(106)	(599)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		(4)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(d) intellectual property		(122)
	(e) other non-current assets		
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment		
	(b) businesses (see item 10)		
	(c) investments		
	(d) intellectual property		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities		(126)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares		585
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		(18)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities		567

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	610	662
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(106)	(599)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	0	(126)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	0	566

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of quarter	504	504

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	504	610
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	504	610

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter
\$A'000

36

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter
\$A'000

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

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	
9.2 Product manufacturing and operating costs	
9.3 Advertising and marketing	
9.4 Leased assets	
9.5 Staff costs	34
9.6 Administration and corporate costs	96
9.7 Other (provide details if material)	
9.8 Total estimated cash outflows	130

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

Compliance statement

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

Sign here: Date:
Non-Executive Director

Print name: David Nolan

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.