

APPENDIX 4C FOR QUARTER ENDED 30th SEPTEMBER 2018

Monday 5 November 2018: Property Connect Holdings Limited (ASX: PCH) ('Property Connect' or 'the Company') today lodged its Appendix 4C quarterly report of cash flows for the quarter ended 30 September 2018 with the Australian Securities Exchange (ASX).

Financial and Strategic Update

Property Connect reported a cash balance of \$387,000 at 30 September 2018.

Net operating cash flow for the quarter was (\$275,000) reflecting the Company's investment in progressing the development, marketing and licensing of the LiveOffer Auction platform. The Company notes timing issues of approximately \$150,000 that are included in the forecast 31 December figures stated.

The Company does not forecast receiving sales revenue in the coming quarter but does anticipate receipt of a substantial research and development refund in December 2018. Expenses have been substantially reduced whilst the Company progresses opportunities to generate further revenue and supplementary working capital.

Given its forecast cash position, the Company will focus its activities in the next quarter upon its core business of marketing and selling of GCC properties through its LiveOffer Auction platform and expand on building relationships with additional regional GCC partners. The company has suspended further technical development given that the integration with Damac Properties has reached a certain point without the need to incur additional costs. A partnership with Damac Properties is being explored.

Consistent with its strategy of financial prudence, the Board has agreed to defer payment of director's fees for the coming quarter. In addition, the Board has agreed (by majority) to cease Mr Patterson's engagement as CEO and Executive Director. Mr Patterson is in dispute with the Board in relation to the termination of this engagement. Notwithstanding this dispute, Mr Patterson remains a Non-Executive Director and the Board will seek to consult him on necessary matters to progress its core business of real estate sales and rentals in GCC countries through the LiveOffer platforms.

In addition to its core business, the Company will explore opportunities for expansion and development with synergistic businesses which the Board believes could add shareholder value. The Company will keep the market updated on the execution of its business strategy.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

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

Name of entity

PROPERTY CONNECT HOLDINGS LTD

ABN

22 091 320 464

Quarter ended ("current quarter")

30 SEPTEMBER 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 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	(31)	(31)
(d) leased assets		
(e) staff costs	(60)	(60)
(f) administration and corporate costs	(97)	(97)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(188)	(188)

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

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(d) intellectual property	(87)	(87)
(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	(87)	(87)

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

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	662	662
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(188)	(188)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(87)	(87)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	387	387

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	387	662
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)	387	662

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	68
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	

Remuneration and fees paid to Directors excluding GST

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

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.		

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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	17
9.4 Leased assets	-
9.5 Staff costs	27
9.6 Administration and corporate costs	344
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	388

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: 5 November 2018

Non-Executive Director

Print name: David Nolan

Notes

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