

ASX Release

PropTech Group Delivers 136% YoY Growth in Annual Net Cash Flow from Operating Activities

MELBOURNE, AUSTRALIA (28 July 2022) — The PropTech Group Limited (ASX: PTG), which provides the software that real estate agencies depend on all day, every day, is pleased to release its Appendix 4C and Activities Report for the three months ending 30 June 2022 (“Q4 FY22” or “Fourth Quarter” or “Quarter”).

Fourth Quarter financial highlights include:

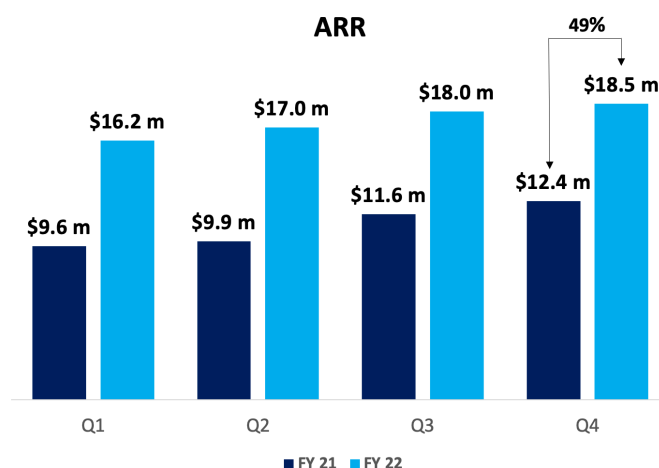
- Cash receipts of \$5.4m, an increase of 33% over the same quarter in the previous year;
- Positive net cash flows from operations of \$0.7m; and
- Strong cash balance of \$14.2 million as at 30 June 2022.

FY22 financial highlights include:

- Total cash receipts in FY22 were \$21.4m – an increase of 74% over the previous year; and
- Positive net cash flow from operations of \$2.7m, an increase of 136% over the previous year.

Fourth Quarter operational highlights include:¹

- Annualised Recurring Revenue (“ARR”) reached a record \$18.5 million as at the end of the Quarter, an increase of 49% over the previous corresponding period (“Q4 FY21”);²

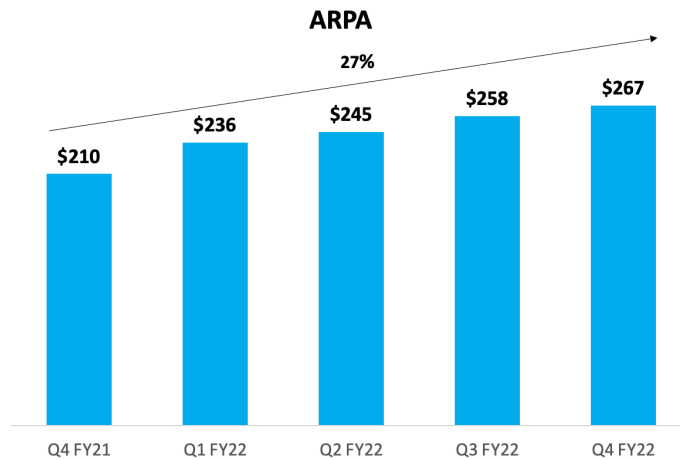


¹ Australia-New Zealand business-to-business accounts only.

² Annualised Recurring Revenue is recurring revenue calculated in the last month of the quarter and multiplied by 12. It provides a 12 month forward looking view of recurring revenue if all factors such as new, churn, pricing and foreign exchange were to remain the same for that period.

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- Average revenue per account (“**ARPA**”) was \$267 per month in the Quarter, an increase of 27% over the previous corresponding period of Q4 FY21; and



- Market share remained stable, with 42% of agencies in Australia and New Zealand using at least one of our products.

Joe Hanna, Group CEO and Managing Director of the PropTech Group, said:

“The Fourth Quarter’s strong financials demonstrate the continued strong growth of the PropTech Group. We have delivered an annual growth in cash receipts of 74% to \$21.4m for the full 2022 financial year. In addition, our net cash flow from operations for the full year increased by 136% over the full 2021 financial year.

“Our focus continues to be on capturing greater value from our existing customer base, as can be seen through the increase in ARPA and our Annualised Recurring Revenue, while maintaining our market share. This is being achieved through strengthening our sales and marketing team.

“Our strong balance sheet and earnings enable us to self-fund our growth without needing to raise funds and dilute shareholders. Our end-of-quarter cash balance was \$14.2m.

“This Quarter was also important for the PropTech Group because of the earlier-announced strengthening of the management team. The moves will more tightly knit together our subsidiary businesses, and we expect to see positive results from the changes beginning in the upcoming Quarter.”

**** ENDS ****

Release of market announcement authorised by the Board of the PropTech Group Limited.

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About the PropTech Group

The PropTech Group provides the software that real estate agents use all day, every day in Australia, New Zealand, and the United Kingdom. Its products are used by 42% of the real estate agents in Australia and New Zealand and facilitate ~51% of real estate sales in those countries. The best real estate agents use PropTech Group apps, including Ray White and Raine & Horne in Australia and Century 21 in the United Kingdom.

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

PropTech Group Limited

ABN

39 141 276 959

Quarter ended ("current quarter")

30 June 2022

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	5,387	21,448
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(959)	(4,172)
(c) advertising and marketing	(238)	(720)
(d) leased assets	(77)	(381)
(e) staff costs	(2,624)	(10,376)
(f) administration and corporate costs	(1,148)	(3,538)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	4
1.5 Interest and other costs of finance paid	(14)	(22)
1.6 Income taxes paid	254	365
1.7 Government grants and tax incentives	71	71
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	654	2,679
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	(6,795)
(b) businesses	-	-
(c) property, plant and equipment	-	(94)
(d) investments	-	(150)
(e) intellectual property	(837)	(2,605)
(f) other non-current assets	-	(83)

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	10	10
2.3	Cash flows from /(to) loans to other entities	(134)	(134)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(961)	(9,851)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	15,506
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(732)
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	-	14,774
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	14,590	6,731
4.2	Net cash from / (used in) operating activities (item 1.9 above)	654	2,679
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(961)	(9,851)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	14,774
4.5	Effect of movement in exchange rates on cash held	(80)	(130)
4.6	Cash and cash equivalents at end of period	14,203	14,203

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	8,418	7,506
5.2	Call deposits	5,785	7,084
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)	14,203	14,590

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	44
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>Director fees relating to the reported quarter.</p>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	654
8.2 Cash and cash equivalents at quarter end (item 4.6)	14,203
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	14,203
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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.

Date: 28 July 2022.....

Authorised by: By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.