ASX RELEASE

28 April 2023

Appendix 4C & Quarterly Activities Report for the period ended 31 March 2023

- Q3 total revenue of $3.44m[1] was up 10.0% vs previous corresponding period (pcp) largely due to a 108.2% increase in professional fees relating to implementation and value-add services for 2 large strata customers and 1 large FM customer in the Middle East.
- Q3 FY2023 licence revenue of $2.83m[1] was in line with pcp. Licence fee growth excluding the loss of the 3 Ventia contracts was 5.4%.
- Q3 FY2023 average monthly cash used was $265k[1]. Adjusting for late receipts, Middle East development related net cash outflow, non-recurring employment costs, and R&D rebate, underlying average monthly cash used was $162k.
- Colliers Australia went live with Urbanise's FM platform on 3 April 2023 with a high level of adoption and positive user feedback
- Large Middle East strata contract signed and implemented in Q3 FY2023 with ARR of $200k commencing from end March.
- Closing cash balance of $2.04m[1] (31 December 2022: $2.83m) and no material debt[2].
- From 1 July 2022, Urbanise is expensing all strata development costs. FM development costs are already fully expensed.
- On 18 April 2023, Urbanise announced the resignation of Almero Strauss as Non-Executive Chairman and appointment of Sam Cuccurullo to the role. Mr Strauss will remain a Non-Executive Director. Darc Rasmussen also joined the Board as Non-Executive Director and Daniel Bignold resigned from the Board.

Urbanise.com Limited (ASX: UBN) ("Urbanise" or "the Company") today provides a business update and quarterly cash flow report for the quarter ended 31 March 2023 (Appendix 4C). Urbanise is a leading provider of cloud-based Software-as-a-Service (SaaS) platforms to strata and facilities managers in Australasia, the Middle East, Europe and South Africa.

Urbanise's CEO Simon Lee said: "During Q3 FY2023, we realised a couple of important milestones for the Company. On 3 April, our project for Colliers Australia went live following a period of significant investment in the FM platform to extend its functionality for commercial property management. Colliers has commenced the roll-out of the product across its national portfolio and user feedback has been positive. The FM platform can now service property managers with national portfolios managed by multiple facilities managers leading to increased sales enquiries in recent months. We expect to commence the recognition of ARR from Colliers in Q4 FY2023 in line with the staged roll-out.

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[1] Unaudited financial information.
[2] No debt other than annual insurance premium funding

“We also secured and implemented a contract with a large Middle East strata customer in Q3 FY2023 with ARR of $200k commencing from the end of March 2023. The successful onboarding has led to new pipeline opportunities with this customer. This sales conversion was a direct result of our ongoing investment in the strata platform to integrate local Real Estate Regulatory Authority (RERA) requirements in Dubai. The RERA development, which is on track for completion in September 2023, facilitates customer compliance and improves our ability to migrate property and customer data held centrally with RERA, reducing new sales migration timeframes.

“Our pipeline and key markets remain strong, and we are well positioned to grow our ARR as a result of the investment in FM and Strata products and growing presence in these markets. The FM platform has broad appeal with FM Outsourcers, aged care/retirement villages and commercial property management. The team continues to focus on converting pipeline opportunities with new FM sales expected in Q4 FY2023. The strata platform continues to be a leading player in Australia, NZ and MENA with over 280 existing customers including large strata managers such as PICA, Nakheel, Provis and Dubai Community Management. Urbanise continues to work closely with large customers to develop the platform broadening its appeal to strata managers of all sizes.

“As part of our ongoing succession planning, we recently announced that Almero Strauss will be stepping down as Chairman after five years in the role. Sam Cuccurullo will replace Almero as Chairman. Sam has extensive experience in the property sector having previously held senior roles at Cushman & Wakefield and CBRE. I would also like to welcome Darc Rasmussen to the Board and believe he will provide us with invaluable insights in the tech space. Both Sam and Darc have run successful businesses and have deep experience in scaling operations and building strong customer relationships. I look forward to working closely with the new look Board to drive Urbanise’s growth.”

Q3 FY2023 Business Activity Update

- On 18 April 2023, Urbanise announced several changes at Board level which included the appointment of Sam Cuccurullo as Non-Executive Chairman and Darc Rasmussen as Non-Executive Director. Outgoing Chairman Almero Strauss will remain a Non-Executive Director. Daniel Bignold is stepping down from the Board but will continue in an advisory role.
- Mr Cuccurullo joined the Urbanise Board in April 2021 and has been Chair of the Remuneration and Nomination Committee and a member of the Audit and Risk Committee. He has broad experience in property services and a deep understanding of the facilities management industry in the Asia-Pacific region. Mr Rasmussen brings extensive SaaS and business growth experience, having worked across several international private and public companies and currently serves as director of Objective Corporation (ASX:OCL) and Gentrack Group (ASX:GTK).
- Colliers Australia went live on 3 April 2023 with positive user feedback received from the customer. The project has enhanced the functionality of the FM platform and generated interest from current and prospective customers. Urbanise expects to begin to recognise ARR from Colliers in Q4 FY2023.
- Sales conversions during Q3 FY2023 included a new contract with a large Middle East Strata customer (which was secured and implemented during the quarter and contributed $200k in ARR from the end of March 2023), small APAC strata managers, and a new contract for an existing large FM customer in the Middle East. The latter contract included professional fees for the provision of value-add services, in addition to licence fees.
- Urbanise’s pipeline for APAC FM is focused on aged care, FM outsourcers and commercial property, as well as supporting existing FM outsourcer customers with their tender pipeline. FM in the Middle East continues to focus on FM outsourcers and trades management. Urbanise continues to focus its efforts on small to medium APAC strata customers as well as large Middle East pure play strata and FM integrated strata customers.

- A primary focus in the third quarter continues to be the development of the Strata and FM platforms for the Middle East (including RERA requirements). Urbanise invested a net $62k ($140k in outflow offset by $78k in professional fees) in Q3 FY2023 to accelerate the RERA project.
- During Q3, Urbanise completed the sale of the non-core Utilities platform for an immaterial cash consideration. The Utilities platform generated 0.02% of licence revenue as of H1 FY2023 and does not align to Urbanise's growth strategy. The sale provides Urbanise with minor cost savings.
- From 1 July 2022, the Urbanise Board determined that Strata development costs would no longer be capitalised due to the maturity of the platform. All development costs have since been fully expensed. This has resulted in an increase in *Payments to suppliers and employees* from Q1 FY2023 as shown in Table 7.
- On 5 April 2022, Urbanise announced that Ventia Services Group Limited (ASX: VNT) had reduced its requirement for user licences on three existing contracts. Ventia's decision reflected the implementation of a single standardised enterprise system across that business resulting in the decommissioning of specialised applications from over 20 vendors. This change took effect from 1 April 2022 and impacted Annualised Recurring Revenue (ARR) by $630k. Since then, Urbanise has made good progress in replacing this ARR with new sales conversions. Ventia continues to use Urbanise on its Anglo-American contract.

Q3 FY2023 Financial Summary

During the March quarter, total revenue was $3.44m, an increase of 10.0% vs pcp (Q3 FY2022: $3.13m). This was driven by professional fees of $606k, which were $315k higher vs pcp primarily due to implementation and value-add services for two large strata customers and one large FM customer in the Middle East.

Q3 recurring licence fees were in line vs pcp with the implementation of new clients ($116k) and organic growth from existing clients ($78k) offset by the reduction in Ventia licence fees ($148k), other customer churn ($34k) and revenue associated with the sale of the Utilities platform ($14k). Excluding the three Ventia contracts and Utilities platform, licence fee revenue growth was 6.0% on pcp.

At 31 March 2023, the cash balance closed at $2.04m with no material debt.[3] The average monthly cash used was $265k for Q3 FY2023. The underlying average cash used was $162k after adjusting for late receipts, non-recurring employment related payments, Middle East development net cash outflow and R&D rebate. The late receipts related to four large Middle East customers and reflected the slow processing of invoices. Q3 FY2023 was a significant billing quarter for these customers. As of 28 April 2023, $663k has been collected of these late receipts. Management have reached agreement with these customers to ensure the outstanding invoices are processed in Q4 FY2023.

[3] No debt other than annual insurance premium funding

Table 1: Q3 FY2023 Urbanise Summary (Unaudited financial information)

$000s	Q3 FY2023	Q3 FY2022	Var	Var %
FM licence fees	973	1,043	(70)	(6.7%)
Strata licence fees	1,865	1,783	82	4.6%
Utilities licence fees	(4)	10	(14)	(140.0%)
Total licence revenue	**2,834**	**2,836**	**(2)**	**(0.1%)**
Professional Fees	606	291	315	108.2%
Total revenue	**3,440**	**3,127**	**313**	**10.0%**
Average monthly cash used	(265)	(298)	33	11.1%
Underlying average monthly cash used	(162)	(324)[4]	162	50.0%
Closing cash	**2,035**	**3,840**	**(1,805)**	**(47.0%)**
Licence fees % total	**82.4%**	**90.7%**		

Facilities Management

Q3 FY2023 FM licence fees were $973k, a reduction of $70k or 6.7% vs pcp largely due to the Ventia licence fee reduction ($148k) and churn arising from customer financial stress ($15k). This was mostly offset by new sales to FM outsourcers and aged care providers in Australia as well as new FM clients in the Middle East.

Excluding the Ventia contracts, underlying FM licence fee growth was 8.7% on pcp in Q3 FY2023. Professional fees were $150k higher on pcp, primarily due to implementation and value-add services for a large customer in the Middle East. It also includes professional fees for Colliers Australia which were in line with pcp.

Table 2: Key drivers of Q3 FY2023 FM licence fee growth

FM licence fees decreased by 6.7% ($70k) vs pcp (8.7% growth excluding 3 Ventia contracts):	• Reduction in licence fee largely from Ventia ($148k) • Loss of customers ($15k) *Offset by* • New customers live since Q3 FY2022 ($62k) • Organic growth from existing customers ($31k)

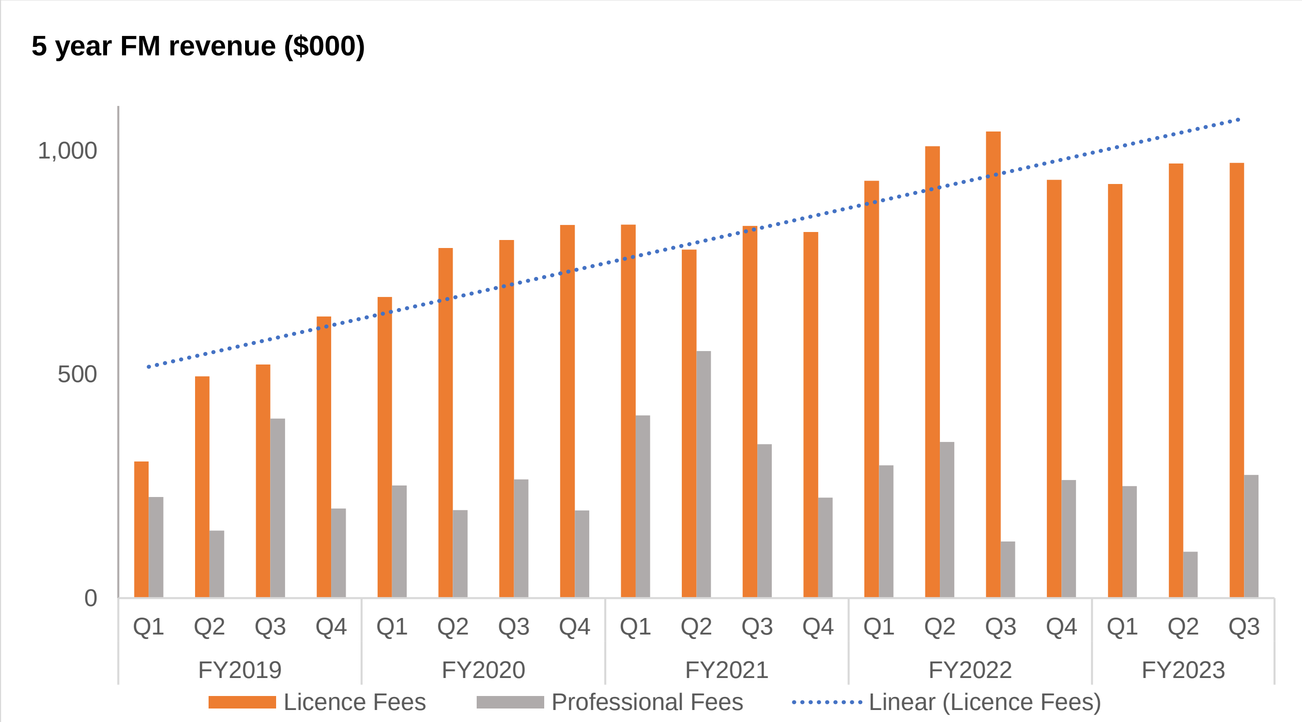
Table 3: Q3 FY2023 Facilities Management Summary (Unaudited financial information)

$000s	Q3 FY2023	Q3 FY2022	Var	Var %
Licence fees	973	1,043	(70)	(6.7%)
Professional fees	276	126	150	119.0%
Total revenue	**1,249**	**1,169**	**80**	**6.8%**
Licence fees % total	**77.9%**	**89.1%**		

Colliers Australia went live on 3 April 2023, with a staggered roll out expected across the Colliers portfolio. Urbanise continues to advance its pipeline which is focused on aged care, FM outsourcers and commercial property.

[4] Includes $342k adjustment for late customer receipts from Q2 FY2022 received in Q3 FY2022.

Chart 1: Facilities Management delivers long term growth ($000s)



Strata Management

Q3 FY2023 Strata licence fees increased by 4.6% vs pcp due to new and backlog contracts completed since Q3 FY2022 ($54k) and additional revenue from existing customers in both APAC and Middle East ($47k). This was offset by customer churn of $19k related to small Middle East strata customers lost in Q2 FY2023. Q3 FY2023 professional fees growth of $162k was primarily due to implementation for an existing Middle East customer and development activities for another Middle East customer.

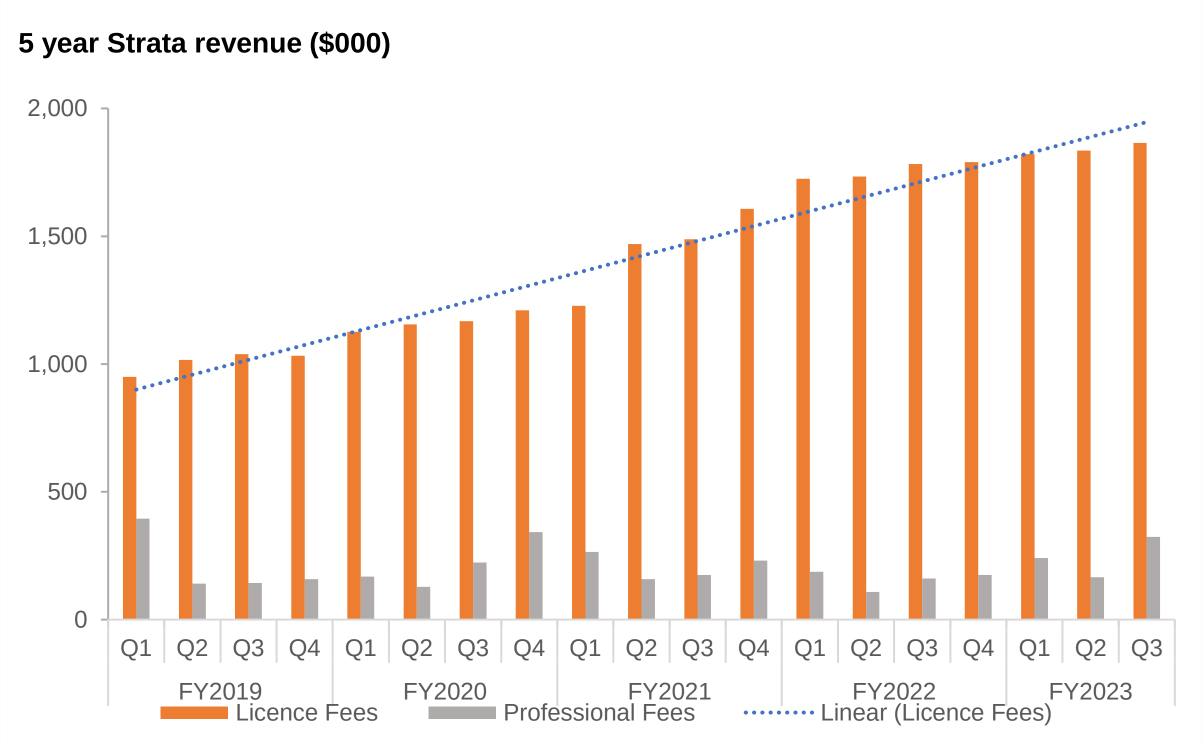
Table 4: Key drivers of Q3 FY2023 Strata licence fee growth

Strata licence fees increased by 4.6% ($82k) vs pcp attributable to:	• New and backlog contracts ($54k) • Growth from existing customers ($47k) *Offset by* • Loss of customers ($19k)

Table 5: Q3 FY2023 Strata Summary (Unaudited financial information)

$000s	Q3 FY2023	Q3 FY2022	Var	Var %
Licence fees	1,865	1,783	82	4.6%
Professional fees	323	161	162	100.6%
Total revenue	**2,188**	**1,944**	**244**	**12.6%**
Licence fees % total	**85.2%**	**91.7%**		

Chart 2: Strata delivers consistent licence fee growth ($000s)



Q3 FY2023 Cashflow Summary

Cash receipts for the quarter of $3,177k[5] were in line with pcp (Q3 FY2022: $3,169k). Receipts were impacted by $766k in late receipts in Q3 FY2023 and $289k outstanding from Q2 FY2023 which related to the slow processing of invoices by four large Middle East customers. Q3 FY2023 was a quarter of significant billings for these customers. As of 28 April 2023, 63% or $663k of these late receipts has been collected. Management have reached agreement with these customers that the remaining invoices will be processed in Q4 FY2023.

Table 6 shows that the Q3 FY2023 adjusted cash receipts of $3.68m were 30.2% higher than the adjusted receipts for Q3 FY2022.

Table 6: Adjusted cash receipts (Unaudited financial information)

Adjusted cash receipts ($000)	Q3 FY2023	Q3 FY2022	Variance	Variance%
Total cash receipts from customers	3,177	3,169	8	0.3%
Prior quarter late receipts	(552)	(342)	(210)	61.3%
Q2 late receipts balance	289	-	-	-
Q3 late receipts	766	-	-	-
Adjusted Total	**3,680**	**2,827**	**853**	**30.2%**

Following a review of the Strata Product, Urbanise has determined that it has reached a stage of maturity whereby capitalisation of development costs no longer meet the accounting requirements. As a result, all development costs have been expensed from 1 July 2022. Table 7 provides a summary of total payments for suppliers and employees and capitalised development costs for Q3 FY2023 and Q3

[5] Unaudited financial information

FY2022. No development costs were capitalised in Q3 FY2023 with these costs included in Payments to suppliers and employees.

Table 7: Total Payments Suppliers/Employees Comparison (Unaudited financial information)

Total payments for suppliers and employees ($000s)	Q3 FY2023	Q3 FY2022	Variance
Payments to suppliers and employees	(4,341)	(4,136)	(205)
Payments for intangibles / capitalised development	-	(228)	228
Total	**(4,341)**	**(4,364)**	**23**

Q3 FY2023 cash payments to suppliers and employees of $4,341k were $23k or 0.5% lower than the equivalent figure of $4,364k in Q3 FY2022 (Payments to suppliers and employees plus capitalised development costs).

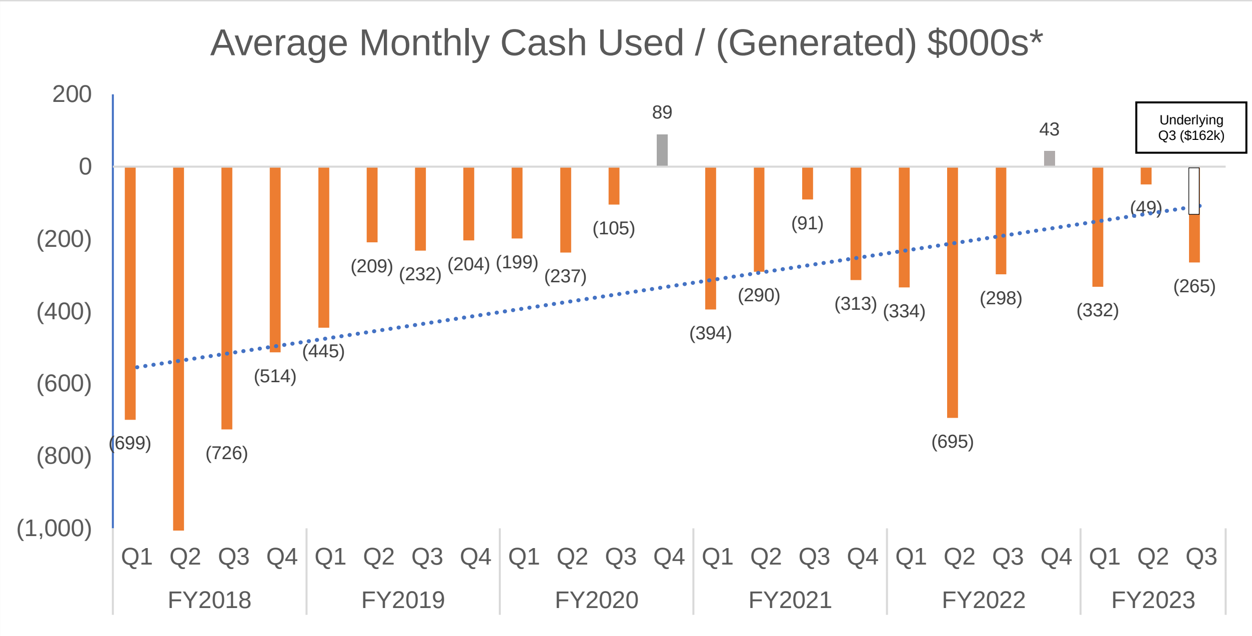
Q3 FY2023 payments that were incremental to pcp included spend on project managers and non-core contract developers for development in the Middle East (primarily RERA integration) and Colliers ($360k); non-recurring employment costs ($133k); timing of payments between quarters ($59k); and other net employee movements ($40k). Note that the $360k in costs associated with the Middle East development and Colliers was partially offset by professional fees received in the quarter.

Closing cash was $2,035k and the average monthly cash used was $265k for Q3 FY2023. The underlying average monthly cash used was $162k after adjusting for net late receipts, project related net cash outflow, non-recurring employment costs related to projects and an R&D rebate. Table 8 sets out the cash flow for Q3 FY2023 vs pcp and the impact of exceptional items.

Table 8: Q3 FY2023 & Q3 FY2022 Cashflow Summary (Unaudited financial information)

$000s	Q3 FY2023	Q3 FY2022
Opening Cash Balance	**2,829**	**4,733**
Receipts from customers	3,177	3,169
R&D tax rebate	389	352
Payments to suppliers and employees	(4,341)	(4,136)
Interest	(13)	(7)
Net cash used in operating activities	**(788)**	**(622)**
Payments for equipment	(5)	(30)
Payments for intangibles / capitalised development	-	(228)
Net cash used in investing activities	**(5)**	**(258)**
Net increase in cash and cash equivalents	**(793)**	**(880)**
Effect of movement in exchange rates on cash balances	(1)	(13)
Net cash flow for the period	(794)	(893)
Cash at 31 Mar	**2,035**	**3,840**
Average Monthly Cash Used	**(265)**	**(298)**
Net cash flow for the period	**(794)**	**(893)**
Termination payouts	-	271
Non-recurring salaries	-	268
Recruitment Costs	-	27
Investment for Strata migration	-	49
Middle East development net cash outflow	62	-
Non-recurring employment costs	133	-
R&D tax rebate	(389)	(352)
Prior quarter late receipts	(552)	(342)
Q2 late receipts balance	289	
Q3 late receipts	766	-
Underlying cash flow for the period	**(485)**	**(972)**
Underlying Average Monthly Cash Used	**(162)**	**(324)**

Chart 3: Average monthly cash used / generated ($000s)* (Unaudited financial information)



** Excludes proceeds from capital raises / placements and sale of business assets*

Payments to related parties in Item 6.1 of Appendix 4C consisted of fees paid to the Board of Directors.

This announcement has been authorised for release by the UBN Board of Directors

Investor enquiries

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About Urbanise
Urbanise is a leading provider of cloud-based Software as a Service (SaaS) platforms for property management, specifically strata and facilities management. The Strata platform manages the communications and accounting functions for apartment buildings, strata commercial towers and large housing communities. The Facilities Management platform manages the repair and maintenance for infrastructure, buildings, residential and commercial properties. Urbanise technology is used in some of the tallest towers and most prestigious communities around the globe. www.urbanise.com

Forward-looking statements
This announcement may contain forward-looking statements regarding the Company's financial position, business strategy and objectives (rather than being based on historical or current facts). Any forward-looking statements are based on the current beliefs of the Company's management as well as assumptions made by, and information currently available to, the Company's management. Forward-looking statements are inherently uncertain and must be read accordingly. There can be no assurance that some or all of the underlying assumptions will prove to be valid.

All data presented in this announcement reflects the current views of the Company with respect to future events. Forward-looking statements are subject to risk, uncertainties and assumptions relating to the operations, results of operations, growth strategy and liquidity of the Company. To the maximum extent permitted by law, the Company, its officers, employees and agents do not accept any obligation to release any updates or revisions to the information (including any forward-looking statements) in this announcement to reflect any change to expectations or assumptions; and disclaim all responsibility and liability for any loss arising from reliance on this announcement or its contents.

Appendix 4C

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

Name of entity
Urbanise.com Limited

ABN	Quarter ended ("current quarter")
70 095 768 086	31 March 2023

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (9 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	3,177	10,312
1.2	Payments for		
	research and development		
	product manufacturing and operating costs	(521)	(1,551)
	advertising and marketing	(57)	(228)
	leased assets		
	staff costs	(2,283)	(6,763)
	administration and corporate costs	(1,480)	(4,039)
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid	(13)	(40)
1.6	Income taxes paid		
1.7	Government grants and tax incentives	389	389
1.8	Other (provide details if material)		
1.9	**Net cash from / (used in) operating activities**	**(788)**	**(1,920)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) Entities		
	Businesses		
	property, plant and equipment	(5)	(41)
	Investments		
	intellectual property		
	other non-current assets		

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from disposal of:		
	(b) Entities		
	Businesses		
	property, plant and equipment		
	Investments		
	intellectual property		
	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**	**(5)**	**(41)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
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		
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 period	2,829	3,970
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(788)	(1,920)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5)	(41)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(1)	26
4.6	**Cash and cash equivalents at end of period**	**2,035**	**2,035**

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	2,035	2,829
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)**	**2,035**	**2,829**

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	(71)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
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.

N/A

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(789)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	2,035
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	2,035
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	2.6

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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:

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:

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:

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 April 2023

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.