

Urbanise enters strategic partnership with National Australia Bank for Australian Strata customers

Urbanise.com Limited (ASX: UBN) (“Urbanise” or “the Company”) today announces that it has entered into a Commercial Partnership Agreement with National Australia Bank Limited (ASX:NAB) (“NAB”) for the development, implementation and ongoing delivery of Data and Payments Integration Services for Australian Strata customers. The parties have also entered into an Equity Investment Agreement under which NAB has acquired 15% of Urbanise’s share capital via placement and may acquire a further 4.99% via a future placement following launch of the Data and Payments Integration Services.

Urbanise is a leading provider of cloud-based Software-as-a-Service (SaaS) platforms, Urbanise Strata and Urbanise FM, which service the strata and facilities management sectors. Urbanise provides its solutions in Australia, New Zealand, the Middle East, Europe and South Africa.

Highlights

- Under the Commercial Partnership Agreement, Urbanise will be paid by NAB upfront and on a recurring basis for building, implementing and maintaining the Data and Payments Integration Services. Urbanise will also receive from NAB an ongoing variable platform fee for supporting NAB and Urbanise customers using the new solution expected to be launched in early 2026.
- Under the Equity Investment Agreement, NAB has today subscribed for 15% of Urbanise’s share capital via a placement (“Placement 1”). NAB may also subscribe for a further 4.99% of Urbanise’s share capital (“Placement 2”) within 12 months of launch of the Data and Payments Integration Services being available to eligible Urbanise customers.

Urbanise’s CEO Simon Lee said: “The strategic partnership with NAB, Australia’s leading business bank, is an important milestone for Urbanise and illustrates the significant opportunities that exist in the strata banking market. It highlights the unique position of Urbanise’s Strata platform which is cloud-based, integration-ready and provides access to a large strata customer base.

“Strata managers are increasingly demanding new technology and banking solutions and better connectivity with their banking needs. This partnership will provide strata managers with new options for banking, payments and other financial services needs with the development of an end-to-end payment solution that is integrated into Urbanise Strata and tailored to the strata industry. It will also deliver increased automation, allowing strata managers to manage vast numbers of strata scheme bank accounts and offer their customers modern, reliable, safe, cost effective and convenient services and payment options.

“Across the strata industry, we estimate that over \$10 billion in strata funds are deposited within the banking sector each year and more than \$20 billion is generated through annual transactions involving strata levy and supplier payments. We estimate that the total market value for strata management integration software is \$30m to \$54m in revenue per annum and our priority is to capture a sizeable share of this market. Urbanise currently works with approximately one third of Australia’s major strata managers.

“We are also delighted to welcome NAB as a shareholder and believe that our partnership will have a meaningfully positive impact on Urbanise’s financial profile in future years and deliver superior outcomes for our customers through the creation of new payments and banking capabilities for the strata industry which will drive operational efficiencies and transform their ability to scale.”

Paul Riley, Executive, Transaction Banking at NAB, said: "This partnership brings a best-in-class banking and payment management experience to Urbanise's leading strata software platform to make things faster, simpler, and easier for customers. Offering integrated payments, payment choice, and reconciliation inside an existing platform like Urbanise enables banking to be part of the overall ecosystem, tailored to meet the specific needs of the strata industry."

Commercial Partnership Agreement ("Partnership Agreement")

Urbanise and NAB have entered into a Partnership Agreement to develop Data and Payments Integration Services pursuant to an agreed Joint Project Delivery Plan including agreed timeframes. Urbanise will work with NAB exclusively in relation to the new Data and Payments Integration Services, subject to Urbanise's existing relationships.

NAB will make certain payments to Urbanise to build, implement and maintain the Data and Payments Integration Services on the Urbanise Strata platform, including:

1. An initial upfront payment for building the Data and Payments Integration Services.
2. An annual fee for maintaining the Data and Payments Integration Services on the Urbanise Strata platform.
3. Variable platform fees for supporting NAB and Urbanise customers using the Data and Payments Integration Services built by Urbanise.

The economics for Urbanise will depend on the total number of customers using the Data and Payments Integration Services. The expected annual revenue to be received by Urbanise for performance in accordance with the strategic partnership is \$4.6 million in year 1, of which \$3.3m is payable on signing and \$1.3m payable on achievement of three milestones within 12 months of signing, a Fixed Annual Fee of \$1.3m in subsequent years and additional variable platform fees with upside driven by adoption.

The Partnership Agreement will have an initial term of four years, a further extension period of two years. The parties have also agreed ongoing service level requirements and customary termination rights in the event of, among other matters, a material breach by either NAB or UBN.

Equity Investment Agreement terms

The Equity Investment Agreement includes two separate placements.

1. Placement 1 – NAB has today subscribed via placement for 11,796,136 shares (equivalent to 15% of Urbanise's post issue share capital) at an issue price of \$0.747 per Ordinary share for a total cash consideration of approximately \$8.8m.

The New Shares will be issued under the Company's current placement capacity pursuant to Listing Rule 7.1 and 7.1A.

2. Placement 2 – NAB may subscribe for a further 4.99% of Urbanise's share capital at \$1.255 per Ordinary share. This placement option is exercisable within a 12-month period, commencing from the date the Data and Payments Integration Services are accessible to all eligible Urbanise customers.

Any New Shares issued to NAB in connection with Placement 2 will be issued under the Company's placement capacity at the relevant time pursuant to Listing Rule 7.1 and 7.1A or if required, by shareholder approval.

Outlook

Urbanise has been cash flow positive for the past 3 quarters. Given this announcement and the ongoing improvement in the underlying business, the Company expects to be cash flow positive in Q4 and overall for FY25. The initial payments from the NAB partnership will be received in mid-Q4 while the investment

to implement and deliver will be incurred in FY26. As a result, the Company expects cash flow from operating activities to be negative in FY26 but is targeting to be overall cash flow to be positive for the FY26 year. Once the timing differences have played out, the partnership go-to-market gets traction and with continuing growth in the business the Company targets becoming cash flow positive in FY27 and beyond. This is coupled with a considerable improvement in the strength of the Company's cash balance which is expected to be in excess of \$15m by the close of FY25. The Urbanise Board will continue to assess strategic opportunities relating to its lines of business and geographical reach.

Investor Webinar

Chairman Darc Rasmussen and CEO Simon Lee will host a zoom webinar for the investment community including a Q&A session today **19 May 2025 at 9.30am AEST**.

Please follow the link below to register for the webinar.

https://us02web.zoom.us/webinar/register/WN_jkAD2sWtQoeOInRiwjI3nw

Investors can submit questions prior to the webinar to ir@urbanise.com or ask questions via the Q&A function during the webinar.

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

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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.