

DomaCom Quarterly Update

July 2017

ASX: DCL

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DomaCom

FRACTIONAL PROPERTY INVESTING

INVESTMENT HIGHLIGHTS



- **Established track record:**
 - Successfully completed 43 property crowdfunding transactions to date
 - 1,240 accounts across 864 investors as at 17th July 2017
- **Gaining traction through IFAs:**
 - On approved product list of 43 IFA groups: representing over 1,200 advisers and approx. 240,000 clients
 - DomaCom has been rated by Lonsec, SQM & PIR Investment Research companies
- **Strong macro drivers underpinning DomaCom's product suite:**
 - Housing affordability
 - Affordable housing for retirees
 - Increasing demand for bioenergy infrastructure development
- **Scale of the market opportunity:**
 - From 2010 – 2015, global property crowdfunding grew from \$20 million to \$2.5 billion (Source: 2015CF The Crowdfunding Industry Report (<http://reports.crowdsourcing.org/>))

CORPORATE SNAPSHOT



Key Statistics:

ASX Code:	DCL (Listed November 2016)
Share Price:	14.5 cents @ July 25 th 2017
Shares on Issue:	111,760,209 (Incl. Escrow)
Market Cap:	\$16.2 Million
Cash at 30 th June:	\$2.7 Million
Net Cash outflow forecast for Q3:	\$0.5 Million (incl. estimate \$1 million ATO rebate)
Est. Net Cash at 30 September:	\$2.2 Million

Highly Experienced Board:

Chairman	Grahame Evans
Non-Executive Director	Graeme Billings
Non-Executive Director	David Archbold
Non-Executive Director	Peter Church OAM
CEO	Arthur Naoumidis
COO	Ross Laidlaw
CFO	Philip Chard

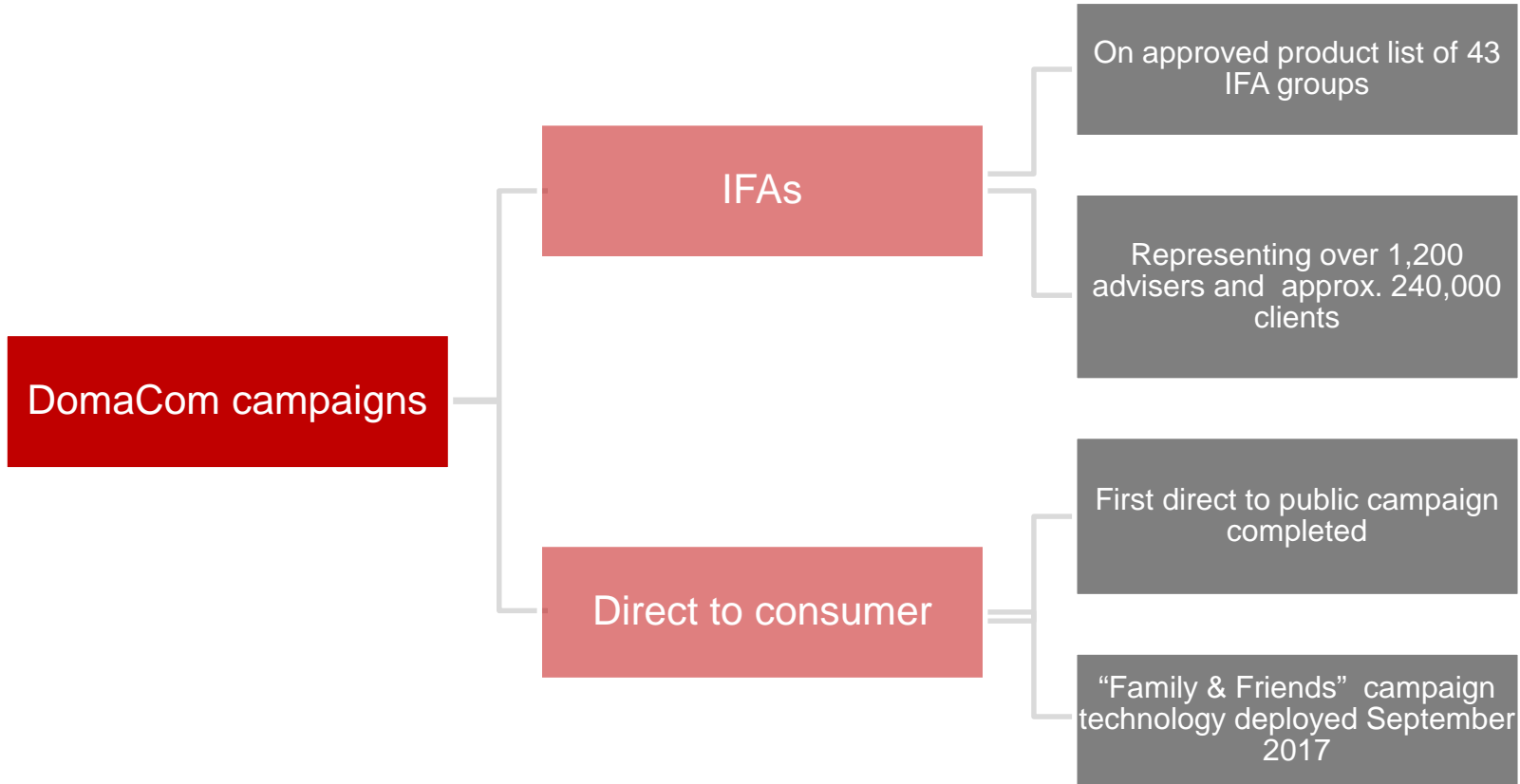
OFFERING DIVERSE PROPERTY SECTOR ACCESS

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PROPERTY			
Residential Apartments Houses Vic, NSW, QLD, etc.	Commercial Melbourne Sydney Supermarkets Office	Industrial Melbourne Sydney Factories Warehouses	Rural Beef/Sheep Cropping Dairy Vic, NSW, QLD, etc.
DOMACOM PLATFORM			

ROUTES TO MARKET

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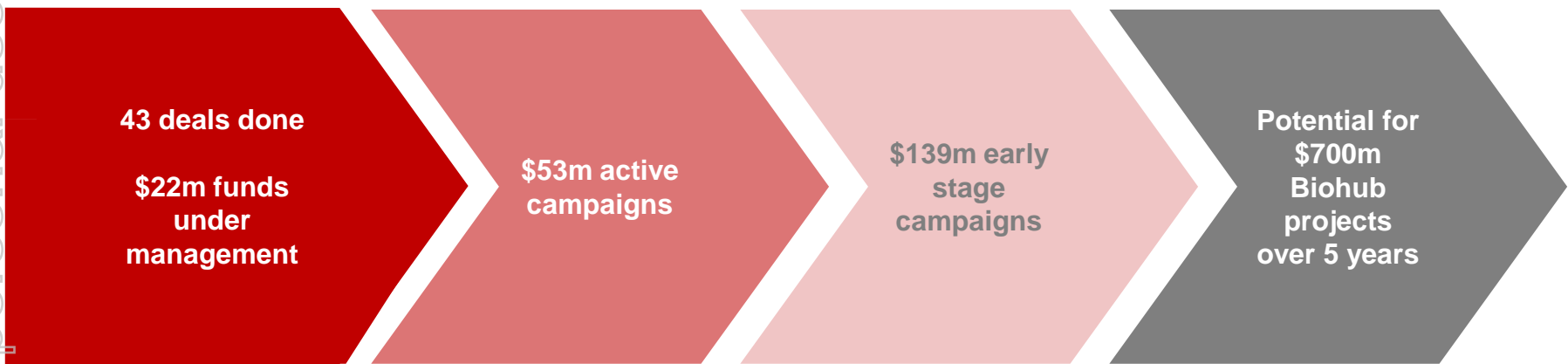
THE OPPORTUNITY

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Key milestones achieved

Near term focus

Future potential opportunities



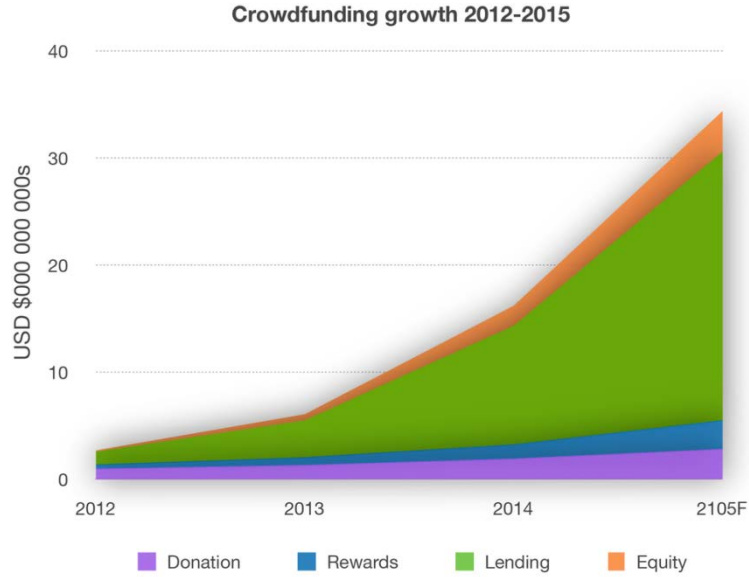
- \$16 million in adviser campaigns
- \$25 million DFS investment waiting debt
- \$12 million in public campaigns

- \$90 million Melbourne subdivision
- \$21 Million in next 4 bioHub projects
- \$13 Million in next Akuna project
- \$15 million in smaller projects

THE GROWTH OF INVESTMENT CROWDFUNDING



- In the US, significant uplift has been seen across all types of crowdfunding, and investment crowdfunding in particular
- Significant opportunity as the market matures in Australia – DomaCom is one of the first movers



Source: 2015CF The Crowdfunding Industry Report (massolution.com)

KEY DRIVERS: COMMERCIAL INFRASTRUCTURE



- Commercial infrastructure is appealing
 - Attractive returns – 15-20% in development uplift & 8% ongoing rent
 - In a challenging environment for other sectors:
 - Low returns for fixed interest rate products
 - Volatile listed equities markets
 - Constant negative market commentary on Australian Residential markets
 - Attractive underlying investment themes:
 - Affordable housing for retirees
 - Bioenergy infrastructure development
 - Regional social infrastructure
- Provides pathway for more advisers & investors to use DomaCom
 - An easy discussion for advisers to have with investors
 - Can then use DomaCom for other projects

UPCOMING PUBLIC CAMPAIGNS



- Affordable housing
 - Capitalising on appeal of Akuna Cobram Lifestyle Community, further similar projects in pipeline
- Commercial Infrastructure
 - Solar Farms - towns disconnecting from mains – mostly locally crowd funded
 - Biofuel Energy Infrastructure – 20% development upside and 8% ongoing rent
 - Regional Entertainment Infrastructure – locally crowd funded movie/brasserie developments
- Badgery's Creek Land Bank project
 - Crowdfund a 10 year land banking project
 - Initial size expected to be approx. \$5 million

KEY DRIVERS: HOUSING AFFORDABILITY



- DomaCom platform provides compelling part solution to housing affordability crisis
 - Affordable housing for retirees
 - Gen X/Y housing solution
- Enabling Gen X/Y to get on the property ladder now:
 - Invest savings in the property market now without waiting for a full deposit
- Facilitates ‘rent-to-own’:
 - Rent property – acquire units over time to increase ownership
 - Renters have security of tenure
- Enabling “Family & Friends” campaigns:
 - Co-invest with “family & friends”
 - Retain control if you collectively own 25%+



CURRENT CAMPAIGNS: AKUNA LIFESTYLE ESTATE

- Launched in July 2017: \$6.1 million campaign, \$1.7 million already committed
- Lifestyle development in Cobram, regional Victoria
- 148 houses plus a club house and sports centre; 3-4 year project
- High quality manufactured homes with the land to be leasehold
- Ongoing annual rental income of \$800,000
- Investors will receive 70% of gross profits – target return of 15%+ p.a., ongoing gross rent of approx. 8%
- No debt



CURRENT CAMPAIGNS: CASINO BIOHUB PLANT



- Crowdfunding campaign underway
 - \$4.3 million being raised
 - No debt
 - Flow on potential of other projects using this model
- Attractive return targets
 - Development return is targeted to be 20% over 12-18 months
 - Ongoing lease is expected to be around 8% p.a. on uplifted value after running costs
- Socially responsible investment – attracts a new group of potential investors to DomaCom
 - Creating energy from waste
 - Providing energy price solution to regional businesses
 - Creates local jobs in regional Australia



SENIOR EQUITY RELEASE PRODUCT



- A mechanism for elderly Australians to realise part of the value of their home to help fund their retirement
- DomaCom will be targeting “Baby Boomers” with this Senior Equity Release product
- Allows IFAs to include property in multi-generational wealth planning
- Targeting Q4 2017 (subject to ASIC approvals)
- Help solve funding issue for retirees
- The size of the senior Australian population is set to increase by more than 50% in the next decade (source: Deloitte)
- The potential pool of home equity funds that Australian could access in their retirement is estimated to be in excess of \$500 billion (source: Deloitte)

SMSF ACCESS TO PROPERTY



- Spearheading a legal challenge which if successful will open up vast new property investment opportunities for SMFs
- DomaCom is actively progressing Federal Court/AAT Action for a ruling for SMSF impact
- Seeking confirmation that the legislation allows SMSFs to invest in a DomaCom sub-fund that owns a residential property that is rented by a related party (i.e. family member)
 - Seeking court confirmation that DomaCom Fund is one widely held trust & does not breach sole purpose test
 - Targeting Superannuation Industry (Supervision) Act 1993 (SIS Act) exemption for widely held trusts
- Case management hearing on 8th August expected to set actual hearing date
- The ruling, if successful, would open the entire SMSF industry to property in a way that has not been possible before

KEY UPCOMING MILESTONES FOR DOMACOM



- **SMSF Ruling:** Case management hearing on 8 August 2017 to set actual hearing date
- **“Family & Friends”** campaign technology being developed – September 2017
- **Senior Equity Release** product targeted for Q4 2017 (subject to ASIC approvals)
- **Debt for residential investments:** Expected to be implemented by October 2017
 - This will be particularly attractive to IFAs
 - We expect transaction volumes to significantly accelerate once we have debt
- **Multiple projects in pipeline across residential, commercial, rural and industrial sectors.**

HIGHLY EXPERIENCED BOARD



Chairman
Grahame Evans
30+ years financial services
Extensive board experience



Non-Executive Director
Graeme Billings
34 years PWC audit



Non-Executive Director
David Archbold
45 years property veteran



Non-Executive Director
Peter Church OAM
Extensive legal experience



Chief Executive Officer
Arthur Naoumidis
22+ years financial services
Ex-CEO of Praemium (ASX:PPS)
13 years senior IT



Chief Operating Officer
Ross Laidlaw
25+ years financial services
Ex-CEO of Skandia Australia



Chief Financial Officer
Philip Chard
20+ financial services

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