

APPENDIX 4C FOR QUARTER ENDED 30th June 2018

Monday 23rd July 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 30th June 2018 with the Australian Securities Exchange (ASX).

Financial and Strategic Update

Property Connect reported a cash balance of \$0.662 million at 30th June 2018.

Net operating cashflow outflow for the quarter was \$278,000 (previous quarter \$329,000) reflecting the continued development and marketing of the product and the commercialisation of the LiveOffer online rental and auction platform.

In June 2018 the CEO, Darren Patterson, secured a Heads of Agreement with Pipeline Marketing Management LLC to exclusively market and license the LiveOffer platform in Dubai and other Gulf Cooperating Countries (GCC). This agreement represents the company realising its stated ambition and strategy of licensing the platform in other property markets which will benefit from the transparency and process flows that Live Offer delivers. In addition the company opened up conversations both in Australia, the GCC, HKG and SGP with numerous potential other partners for licensing and adopting the platform in those markets. These conversations are ongoing.

The next quarter's activities will see the Company continuing to commercialise the existing intellectual property of the Live Offer platform, whilst expanding it to include financing options, which facilitate the marketing and selling of property as part of an effective sales funnel.

The company anticipates that during the next quarter it will achieve first revenues through the recently announced DAMAC Properties global referral agreement. The company will integrate the Live Offer platform with the systems of DAMAC, as well as expand its marketing spend to support this ambition. A fully integrated sales and marketing campaign has already begun, leading with social media, which will then be supported by a call centre sales model to rapidly convert leads to transacting customers.

This is an exciting time for the company as it transitions into new product offerings, but also to revenue generation, realising the intellectual property and investment which has been made to date on behalf of shareholders.

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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 June 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to 12 months (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(65)	(159)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(65)	(70)
(d) leased assets	-	(1)
(e) staff costs	(67)	(152)
(f) administration and corporate costs	(110)	(816)
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	-	181
1.8 Other (provide details if material)	29	129
1.9 Net cash from / (used in) operating activities	(278)	(888)

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Consolidated statement of cash flows		Current quarter \$A'000	Year to 12 months (12 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	(46)	(272)
	(e) other non-current assets	(4)	(4)
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	(50)	(276)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	920
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	-	920

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Consolidated statement of cash flows		Current quarter \$A'000	Year to 12 months (12 months) \$A'000
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	990	882
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(278)	(875)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(50)	(240)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	895
4.5	Effect of movement in exchange rates on cash held	-	
4.6	Cash and cash equivalents at end of quarter	662	662

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	662	991
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)	662	991

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	135
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	

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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

69

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

Legal and tech support provided by related entities

8. Financing facilities available

Add notes as necessary for an understanding of the position

**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.

9. Estimated cash outflows for next quarter

\$A'000

9.1 Research and development

(100)

9.2 Product manufacturing and operating costs

-

9.3 Advertising and marketing

(93)

9.4 Leased assets

-

9.5 Staff costs

-

9.6 Administration and corporate costs

(161)

9.7 Other (provide details if material)

(5)

9.8 Total estimated cash outflows

(359)

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

-

-

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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: 23 July 2018
(Executive Director)

Print name:Darren Patterson.....

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.

-END-

Forward-Looking Statements

This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning PCH's potential business development, corporate activities and any, and all, statements that are not historical facts. When used in this document, words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should" and similar expressions are forward-looking statements. PCH believes that its forward-looking statements are reasonable; however, forward-looking statements involve risks and uncertainties and no assurance can be given that actual future results will be consistent with these forward-looking statements. All figures presented in this document are unaudited and this document does not contain any forecasts of profitability or loss.

For more information, please contact:

Darren Patterson

CEO and Executive Director

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About Property Connect

Property Connect has developed the LiveOffer technology, designed to create an easy, fair and transparent system under which potential purchasers and tenants can negotiate the best offer on a property for purchase and rental. Property Connect enables all parties in the property transaction process to secure optimal terms for each property, either in a sales or letting environment. The company is listed on the Australian Securities Exchange (ASX:PCH). www.propertyconnect.com

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