PROPTECH GROUP LIMITED | ACN 141 276 959

PROSPECTUS

For the offer by PropTech Group Limited (ACN 141 276 959) of 42,400,000 fully paid ordinary Shares at a Cash Offer Price of $0.25 per Share to raise $10.6 million (before costs).

(PropTech Group Limited was formerly known as Real Estate Investar Group Limited).

This Prospectus also contains other Ancillary Offers for the issue of a further 67,244,059 New Shares for non-cash consideration (see inside cover for further details).

LEAD MANAGER | ORD MINNETT

CO-MANAGER | TAYLOR COLLISON

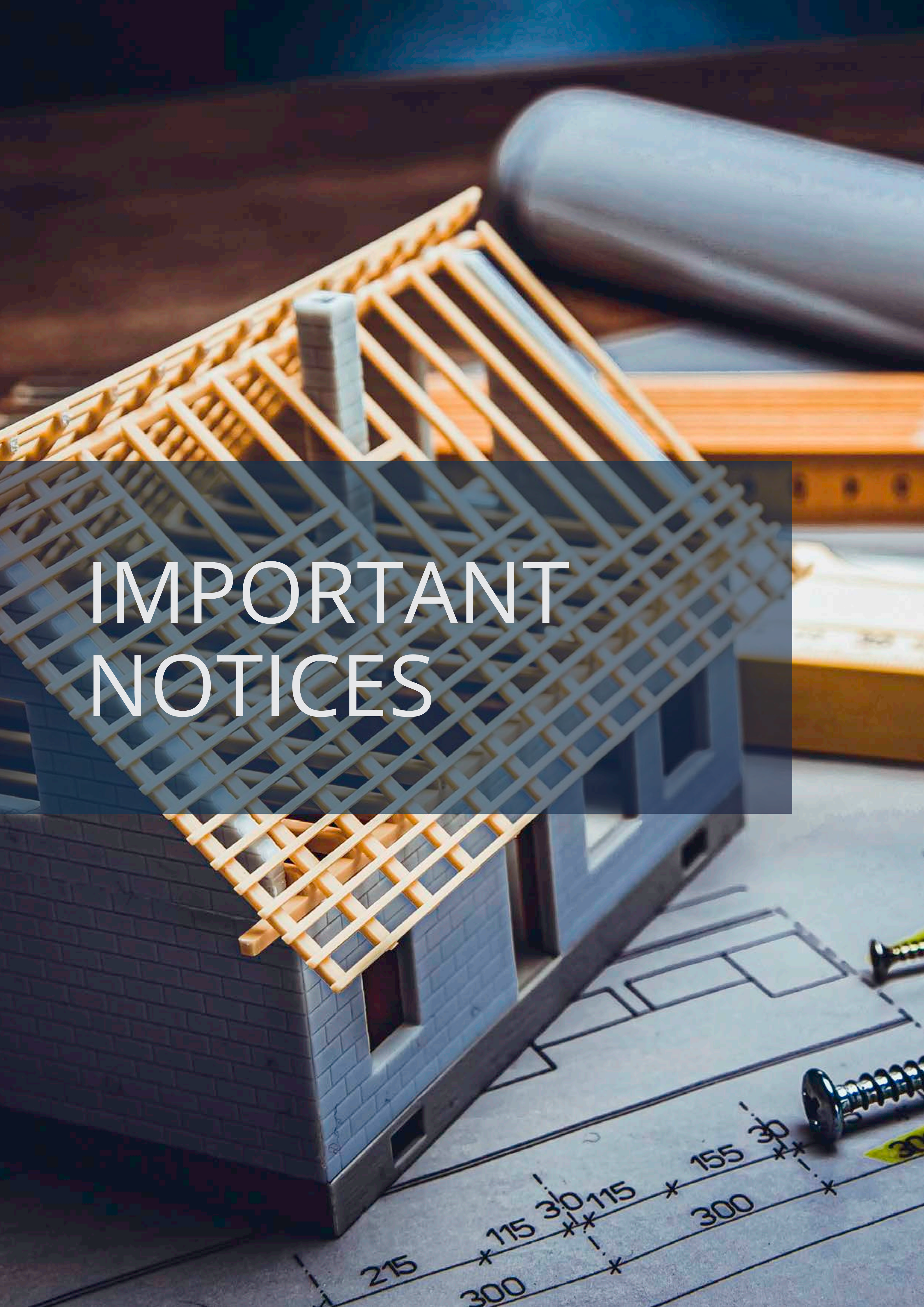
Important information

In addition to the purpose of raising funds under the Cash Offers, this is a re-compliance Prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy ASX requirements for re-listing following a change to the nature and scale of the Company's activities.

Completion of each of the Offers contained in this Prospectus is conditional upon the satisfaction of certain conditions. Further details of the conditions to the Offers are set out in Section 1.

This is an important document that you should read in full. If you do not understand it, consult your professional advisers. The Shares offered under this Prospectus are subject to certain risks as set out in Section 6. The Shares to be offered under this Prospectus should be considered speculative.

IMPORTANT NOTICES



IMPORTANT NOTICES

This Prospectus is important and should be read in its entirety prior to deciding whether to invest in the Company's Shares. There are risks associated with an investment in the Company's Shares. Some of the key risks that should be considered are set out in Section 6.

You should carefully consider these risks in light of your personal circumstances (including financial and tax issues).

There may also be risks in addition to these that should be considered in light of your personal circumstances.

If you do not fully understand this Prospectus or are in doubt as to how to deal with it, you should seek professional guidance from your stockbroker, lawyer, accountant, or other professional advisers before deciding whether to invest in the Company.

No person named in this Prospectus warrants or guarantees the Company's performance, the repayment of capital by the Company, or any return on the investment made pursuant to this Prospectus.

Lodgement and listing

This Prospectus is dated 28 October 2020 and a copy was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date (**Prospectus Date**). The Company will submit a Re-compliance Application with the ASX within 7 days after the Prospectus Date for re-quotation of its Shares on the ASX. None of ASIC, ASX or their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

The fact that the ASX may quote the Shares is not to be taken in any way as an indication of the merits of the Company. Neither the ASX nor its officers take any responsibility for the contents of this Prospectus.

The Company does not intend to issue any New Shares unless and until the Shares have been granted permission to be requoted on the ASX on terms acceptable to the Company.

Expiry Date

This Prospectus expires on the date that is 13 months after the Prospectus Date (**Expiry Date**) and no Shares will be issued on the basis of this Prospectus after the Expiry Date.

The Offers

This Prospectus is issued by PropTech Group Limited (ACN 141 276 959) (**PropTech Group Limited** or **Company**) for the purposes of Chapter 6D of the Corporations Act 2001 (Cth) (**Corporations Act**).

The Company was formerly known as Real Estate Investar Group Limited (ACN 141 276 959).

The primary offer contained in this Prospectus is an invitation to acquire fully paid ordinary shares being the offer of 42,400,000 New Shares at a Cash Offer Price of $0.25 per New Share to raise $10.6 million under the offer (**Cash Offer**) . This is both the minimum and the maximum amount being raised (before costs).

This Prospectus also includes the following Ancillary Offers comprising:

- The offer of 64,900,048 Consideration Shares to the RECRM Sellers in consideration for the acquisition by the Company of all of the shares in Real Estate CRM Pty Ltd (**RECRM Consideration Offer**); and
- The offer of 2,344,064 New Shares to the Conversion Participants who have each agreed to convert debt owed to them by the Company into equity (**Conversion Offer**).

The Cash Offers and the Ancillary Offers are together referred to as the "**Offers**". Please refer to Section 8 for further details.

None of the Offers are underwritten.

Conditional Offers

The Offers contained in this Prospectus are subject to and conditional on certain events occurring including ASX approval of the Company's Re-compliance Application and achievement of the Minimum Subscription of 42,400,000 New Shares at the Cash Offer Price of $0.25 per Share. Please refer to Sections 1, 8.5 and 8.6 for further information.

Change in Nature and Scale of Activities and Re-Compliance with Chapters 1 and 2 of the Listing Rules.

On 3 March 2020, the Company entered into an Implementation Deed with Real Estate CRM Pty Ltd ACN 141 276 959 (**Real Estate CRM**) under which it agreed, subject to Shareholder approval (which has now been obtained) and the satisfaction of certain other conditions, to acquire, all of this issued shares in the capital of Real Estate CRM in consideration for the issue of New Shares in the Company, completion of which will see Real Estate CRM become a wholly-owned subsidiary of the Company (**RECRM Acquisition**).

Refer to Section 4 for information about each of the Company and Real Estate CRM and Section 9.3 for further details of the terms and conditions of the Implementation Deed.

The RECRM Acquisition will involve a significant change in the nature and scale of the Company's activities and requires the approval of Shareholders under Chapter 11 of the Listing Rules. At the Company's General Meeting held on 30 September 2020, Shareholders approved, among other things, the issue of the New Shares the subject of the Offers, and the change in nature and scale of the Company's activities resulting from the RECRM Acquisition.

The Company must also comply with the ASX requirements for re-quotation of the Shares on the Official List, which includes re-complying with Chapters 1 and 2 of the Listing Rules. This Prospectus is issued to assist the Company to meet these requirements and to facilitate the Offers.

The Company's securities were suspended from Official Quotation on 3 March 2020 as a result of entering into the Implementation Deed and will continue to be suspended until the Company satisfies the requirements of Chapters 1 and 2 of the Listing Rules.

There is a risk that the Company may not be able to meet the requirements of the ASX for the re-quotation of the Shares on the Official List. In the event that the conditions to the Offers are not satisfied or the Company does not receive conditional approval for re-quotation of the Shares on the Official List on terms which the Board reasonably considers are capable of satisfaction, then the Company will not proceed with the Offers or the RECRM Acquisition and will repay all Application Monies (without interest) in accordance with the provisions of the Corporations Act.

Note to Applicants

The information in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation, or particular needs. It is important that you read this Prospectus carefully and in its entirety before deciding whether to invest in the Company.

In particular, you should consider the risk factors that could affect the performance of the Company. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues) and seek professional guidance from your stockbroker, solicitor, accountant, or other independent professional advisers before deciding whether to invest in the Company. Some of the key risk factors that should be considered by prospective investors are set out in Section 6. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

Except as required by law, and only to the extent required, no person named in this Prospectus, nor any other person, warrants or guarantees the performance of the Company or the repayment of capital by the Company or any return on the investment made pursuant to this Prospectus.

This Prospectus includes information regarding the past performance of the PropTech Group. Investors should be aware that past performance is not indicative of future performance.

No person is authorised to give any information or to make any representation in connection with the Offers described in this Prospectus that is not contained in this Prospectus. Any information not so contained may not be relied upon as having been authorised by the Company or any other person in connection with the Offers. You should rely only on the information contained in this Prospectus.

Financial information presentation

Section 5 details the Financial Information referred to in this Prospectus and the basis of preparation of that information.

The Financial Information has been prepared and presented in accordance with the recognition and measurement principles of Australian Accounting Standards (**AAS**) (including the Australian Accounting Interpretations) issued by the Australian Accounting Standards Board (**AASB**), which are consistent with International Financial Reporting Standards (**IFRS**) issued by the International Accounting Standards Board.

Unless otherwise stated, all financial amounts contained in this Prospectus are expressed in Australian currency. Any discrepancies between totals and sums of components in tables and figures contained in this Prospectus are due to rounding.

The Historical Financial Information in this Prospectus should be read in conjunction with, and are qualified by reference to, the information contained in Section 5 and the risk factors in Section 6.

Market and industry data based primarily on management estimates

This Prospectus (and in particular Section 3) contains data relating to the industries, segments, and end-markets in which the PropTech Group operates (**Industry Data**).

Such information includes, but is not limited to, statements and data relating to estimated historical market size, market segmentation, and its industry position. Unless otherwise stated, this information has been prepared by the Company using both publicly available data and its own internally generated data. The Company's internally generated data is based on estimates and assumptions that both the Directors and the Company's management believe to be reasonable, as at the Prospectus Date.

The Industry Data has not been independently prepared or verified, other than the Independent Market Report, and the Company cannot assure you as to its accuracy or the accuracy of the underlying assumptions used to estimate such Industry Data. The Company's estimates involve risks and uncertainties and are subject to change based on various factors, including those described in the risk factors set out in Section 6.

In addition to the Industry Data, this Prospectus uses third party market data, estimates, and projections (**Third-Party Data**). There is no assurance that any of the Third-Party Data, estimates, or projections contained in the Third-Party Data will be achieved. The Company has not independently verified the Third-Party Data. Estimates involve risks and uncertainties and are subject to change based on various factors, including those described in the risk factors set out in Section 6.

Forward-looking statements

This Prospectus contains forward-looking statements that are identified by words such as 'may', 'could', 'believes', 'estimates', 'expects', 'intends' and other similar words that involve risks and uncertainties.

Any forward-looking statements involve known and unknown risks, uncertainties, assumptions, and other important factors that could cause actual events or outcomes to differ materially from the events or outcomes expressed or anticipated in these statements, many of which are beyond the control of the Company. The forward-looking statements should be read in conjunction with, and qualified by reference to, the risk factors as set out in Section 6, and other information contained in this Prospectus.

The Directors cannot and do not give any assurance that the results, performance, or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur, and investors are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events, or any other factors affect the information contained in this Prospectus, except where required by law.

In respect of the third-party estimates and projections, the Company has obtained significant portions of this information from Third-Party Data and there is no assurance that any of the third-party estimates or projections contained in the Third-Party Data will be achieved. The Company has not independently verified the Third-Party Data. Estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed in the risk factors set out in Section 6.

Statements of past performance

This Prospectus includes information regarding the past performance of PropTech Group and prospective investors should be aware that past performance is not and should not be relied upon as being indicative of future performance.

Foreign jurisdictions

This Prospectus does not constitute an offer or invitation to apply for Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offers, or to otherwise permit a public offering of the Shares, in any jurisdiction outside Australia.

The taxation treatment of Australian securities may not be the same as those for securities in foreign jurisdictions.

The distribution of this Prospectus outside Australia may be restricted by law, and persons who come into possession of this Prospectus outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

In particular, the Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (**US Securities Act**) or any state securities laws in the United States and may not be offered, sold, pledged or transferred in the United States unless the shares are registered under the US Securities Act, or an exemption from the registration requirements of the US Securities Act and applicable US state securities laws is available.

See Section 8.23 for more details on selling restrictions that apply to the Offers and sale of Shares in jurisdictions outside Australia.

Exposure Period

The Corporations Act prohibits the Company from processing applications for Shares in the seven-day period after the Prospectus Date (**Exposure Period**). ASIC may extend this period by up to a further seven days (that is, up to a total of 14 days). The purpose of the Exposure Period is to enable the Prospectus to be examined by market participants prior to the raising of the funds. The examination may result in the identification of certain deficiencies in this Prospectus in which case any Application may need to be dealt with in accordance with section 724 of the Corporations Act. Applications received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be given to Applications received during the Exposure Period.

Prospectus availability

During the Offer Period, a paper copy of this Prospectus is available free of charge to any Applicant in Australia by calling the Share Registry on 1300 737 760 (if calling within Australia) or +61 2 9290 9600 (if calling from outside Australia) from 9.00am to 5.00pm (AEDT) Monday to Friday.

This Prospectus is also available to Applicants in Australia in electronic form at the Company's website https://proptechgroup.ltd.

The Priority Offer constituted by this Prospectus in electronic form is available only to persons downloading or printing it within Australia and is not available to persons in any other jurisdiction (including the United States). Persons who access the electronic version of this Prospectus must ensure that they download and read the entire Prospectus.

Applications

Applications may be made only during the Offer Period on the Application Form attached to or accompanying this Prospectus in its paper copy form, or in its electronic form, which must be downloaded in its entirety from https://proptechgroup.ltd. By making an Application, you represent and warrant that you were given access to the Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is attached to or accompanied by, the complete and unaltered version of this Prospectus.

Offer management

The Cash Offers are being lead-managed by The Lead Manager and co-managed by the Co-Manager. The Cash Offers are not underwritten.

No cooling-off rights

Cooling-off rights do not apply to an investment in New Shares issued under the Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

No Forecast Financial Information

After considering ASIC Regulatory Guide 170, the Directors believe that reliable financial forecasts for the Company cannot be prepared, and accordingly, financial forecasts have not been included in this Prospectus.

Disclaimers

The Lead Manager and the Co-Manager will manage the Cash Offers on behalf of the Company. Neither the Lead Manager and the Co-Manager has authorised, permitted, or caused the issue or lodgement, submission, dispatch, or provision of this Prospectus and there is no statement in this Prospectus which is based on any statement made by it or by any of its affiliates, officers or employees. To the maximum extent permitted by law, the Lead Manager, the Co-Manager, Nicholson Ryan Lawyers, RSM Australia Partners, RSM Corporate Australia Pty Ltd, the Share Registry and the affiliates, officers, employees, and advisers of each of the aforementioned entities expressly disclaim all liabilities in respect of, and make no representations regarding, and take no responsibility for, any part of this Prospectus other than references to their name and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Prospectus.

Except as required by law, and only to the extent so required, none of the Group, the Directors, the Lead Manager, the Co-Manager, the professional advisers of each of the aforementioned entities, or any other person in connection with the Offers warrants or guarantees the future performance of the Group, or any return on any investment made pursuant to this Prospectus.

References to PropTech Group or Group

References to **PropTech Group**, **Group** or **Combined Group** throughout this Prospectus are references to the corporate group detailed in Section 4. For example, the Investment Overview in Section 1 and the Company Overview in Section 4, and the Financial Information in Section 5 represents the combined business operations of the Company and its wholly-owned subsidiaries and controlled entities on Completion (and which specifically includes Real Estate CRM).

Definitions and abbreviations

Defined terms and expressions used in this Prospectus are explained in the Glossary at the end of this Prospectus. Unless otherwise stated or implied, references to times in this Prospectus are to Australian Eastern Daylight Standard Time (**AEDT**).

Privacy

By filling out an Application Form to apply for Shares, you are providing personal information to the Company and the Share Registry, which is contracted by the Company to manage Applications. The Company and the Share Registry on their behalf, may collect, hold and use that personal information in order to process your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration. Some of this personal information is collected as required or authorised by certain laws including the Income Tax Assessment Act 1997 (Cth) and the Corporations Act.

If you do not provide the information requested in an Application Form, the Company and the Share Registry may not be able to process or accept your Application Form.

Your personal information may also be used from time to time to inform you about other products and services offered by the Company that it considers may be of interest to you.

Your personal information may also be provided to the Company's agents and service providers on the basis that they deal with such information in accordance with the Company's privacy policy. The agents and service providers of the Company may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the register of members;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing the Shareholder base and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants, and other advisers for the purpose of administering, and advising on, the Shares and for associated actions.

If an Applicant becomes a Shareholder, the Corporations Act requires the Company to include information about the Shareholder (including name, address, and details of the Shares held) in its public register of members. If you do not provide all the information requested, your Application Form may not be able to be processed.

The information contained in the Company's register of members must remain there even if a person ceases to be a Shareholder. Information contained in the Company's register of members is also used to facilitate dividend payments and corporate communications (including financial results, annual reports, and other information that the Company may wish to communicate to its Shareholders) and compliance by the Company with legal and regulatory requirements. An Applicant has a right to access and correct the information that the Company and the Share Registry hold about that person, subject to certain exemptions under law.

Applicants can obtain a copy of the Company's privacy policy by visiting the Company's website https://proptechgroup.ltd. The privacy policy contains further details regarding access, correction, and complaint rights and procedures.

The Share Registry's complete privacy policy can be accessed by calling on 1300 737 760 (if calling within Australia) or +61 2 9290 9600 (if calling from outside Australia) from 9.00am to 5.00pm (AEDT) Monday to Friday, and requesting a copy.

Photographs and diagrams

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the Prospectus Date.

Company Website

Any references to documents included on the Company's website are provided for convenience only, and none of the documents or other information on the Company's website, or any other website referred to in this Prospectus, is incorporated in this Prospectus by reference.

Questions

If you have any questions about how to apply for Shares, please call the Share Registry on 1300 737 760 (if calling within Australia) or +61 2 9290 9600 (if calling from outside Australia) from 9.00am to 5.00pm (AEDT) Monday to Friday. Instructions on how to apply for Shares are set out in Section 8 of this Prospectus and on the back of the Application Form.

If you have any questions about whether to invest in the Company, you should seek professional advice from your accountant, financial adviser, stockbroker, lawyer, or other professional advisers.

TABLE OF CONTENTS

KEY OFFER INFORMATION

Key Offer Statistics

Retail Offer and Institutional Offer	
Securities Offered	42,400,000 New Shares
Cash Offer Price	$0.25 per New Share
Gross cash proceeds from the Cash Offers	A$10.6 million
RECRM Consideration Offer	
Securities Offered	64,900,048 New Shares
Gross proceeds from the RECRM Consideration Offer	None The Shares are being issued in consideration for the acquisition of all of the issued capital of Real Estate CRM
Conversion Offer	
Securities Offered	2,344,064 New Shares
Gross proceeds from Conversion Offer	None The Conversion Offer preserves the Company's cash by converting existing debt into New Shares
Total	
Total number of Shares on issue on Completion of the Offers	121,304,420 (approximate)
Total number of Options on issue on Completion of the Offers	778,750
Free Float on Completion of the Offers [1]	39%
Indicative market capitalisation at the Cash Offer Price [2]	A$30.3 million
Ownership by the RECRM Sellers on Completion of the Offers	53.50%
Ownership by investors under the Retail Offers and the Institutional Offer on Completion of the Offers	34.95%
Pro Forma net cash on Completion of the Offers [3]	A$12.3 million
Indicative Enterprise Value at Completion of the Offers [4]	A$27.0 million

[1] Free float mean the percentage (or amount) of the Shares that are not restricted securities or subject to voluntary escrow and are held by non-affiliated security holders (persons who are not Directors or substantial shareholders).
[2] Market capitalisation at the Cash Offer Price is defined as the Cash Offer Price multiplied by the total number of Shares on issue immediately following Completion of the Offers.
[3] Refer to Section 5 for components of pro forma net cash
[4] The indicative enterprise value is calculated as Indicative market capitalisation at the Cash Offer Price plus Deferred Consideration payable and contingently payable to Domain under the MyDesktop Acquisition, less pro forma net cash on completion of the Offers.

Key Dates

Key Offer Dates	
Lodgement of Prospectus with ASX and ASIC (Prospectus Date)	Wednesday, 28 October 2020
Retail Offer opens	Thursday, 5 November 2020
Institutional Bookbuild	Monday, 16 November 2020
Retail Offers close	Monday, 16 November 2020
Settlement	Wednesday, 18 November 2020
Issue of New Shares under the Offers and completion of the RECRM Acquisition	Thursday, 19 November 2020
Expected date for despatch of holding statements	Thursday, 19 November 2020
Re-compliance with Chapters 1 and 2 of the ASX Listing Rules	Monday, 23 November 2020
Re-quotation of Shares including New Shares and Consideration Shares (those not subject to escrow) on ASX.	Tuesday, 24 November 2020
Normal T+2 trading anticipated commencing on a post-Consolidation basis and commencement of trading of Shares on the ASX (subject to the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules and subject to the ASX agreeing to reinstate the Company's Shares to quotation).	Tuesday, 24 November 2020

Dates may change

This timetable is indicative only.

The Company, in consultation with the Lead Manager, reserves the right to vary dates of the Offers (subject to the ASX Listing Rules and the Corporations Act) without prior notice, including to close the Offers early, extend the date the Offers close, accept late Applications or withdraw the Offers and the issue of Shares (in each case without notifying any recipient of the Prospectus or any Applicant).

If the Offers are cancelled before the issue of Shares, then all Application Monies will be refunded in full (without interest) as soon as practicable in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their Applications as soon as possible after the Offers open.

How to invest

Applications for Shares can be made in accordance with the procedures described in this Prospectus. Instructions for how to apply for Shares in the offer are set out in Section 8.15 and 8.16 and on the back of the Application Form.

KEY OFFER INFORMATION

CHAIRMAN'S LETTER

CHAIRMAN'S LETTER

28 October 2020

Dear Investor,

On behalf of the Directors and the management of PropTech Group Limited, it is my pleasure to present this Prospectus to you.

PropTech Group Limited is the renamed Real Estate Investar Group Limited (ASX:REV) and will, following Completion of Offers in this Prospectus and the Re-compliance, operate under the ASX ticker PTG.

The Company's mission is to own, operate, and invest in high-quality property technology (**PropTech**) businesses that primarily focus on the Australian, New Zealand, and United Kingdom residential and commercial real estate markets.

The Board strongly believes that multiple investments into related PropTech businesses that service the same valuable markets has the potential to create significant value for shareholders.

Our first step to implementing this mission was announced on 3 March 2020 when the Company entered into an Implementation Deed to acquire all of the issued share capital of Real Estate CRM Pty Ltd - the holding company for Commerce Australia Pty Ltd and Vault Group Pty Ltd.

Commerce Australia Pty Ltd is the owner and operator of MyDesktop, Australia's most used residential real estate sales CRM software. Vault Group Pty Ltd, founded by the original developers of MyDesktop, has developed VaultRE, a next-generation residential sales CRM and property management software.

Combined, there are now 3,716 Australian, New Zealand and United Kingdom real estate agents using one or more of the Group's products and there is a natural migration path from the popular MyDesktop product to the next generation VaultRE product.

On Completion of the Offers, the Company will have two key business units:

- the Real Estate Agency Services business unit which focuses on B2B products and initially consists of the assets purchased by Real Estate CRM Pty Ltd; and
- the Property Tools business unit, which focuses on B2C products and consists of the original Real Estate Investar business.

Overall, PropTech Group is profitable at the EBITDA level with a wide customer base and a strong revenue track record.

To that end, the Company is raising $10.6 million (before costs associated with the Offers) through the Cash Offers to fund the Deferred Consideration payable and contingently payable for the acquisition of Commerce Australia Pty Ltd, to provide working capital, and to meet transaction costs.

This Prospectus contains detailed information about the Offers, the financial position of the Company, its operations and management team, and future growth plans.

I encourage you to read the Prospectus carefully and in its entirety before making your investment decision, particularly Section 6, which includes a description of the key risks associated with an investment in the Company. If required, please consult with your stockbroker, solicitor, accountant, or other independent professional advisers before making an investment decision.

I invite you to consider this opportunity to invest in the Company and look forward to welcoming you as a Shareholder.

Yours sincerely,

Simon Baker

Chairman

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INVESTMENT OVERVIEW

Set out below is a summary of the key information regarding the Offers and frequently asked questions.

This information is intended to be a summary only and should be read in conjunction with the more detailed information contained in this Prospectus and as cross referenced in the third column of the table below.

If you are unclear in relation to any aspect of the Offers, or if you are uncertain whether the New Shares or Consideration Shares (as relevant) are a suitable investment for you, you should consult your financial or other professional adviser.

1.1. Introduction

Topic	Summary	Where to find more information
Who is the Issuer of this Prospectus?	PropTech Group Limited ACN 141 276 959 (formerly known as Real Estate Investar Group Limited) (PropTech Group Limited or the Company).	Sections 2.1, 4.1 and 11
What is the current status of the Company?	The Company is an Australian public company that has been listed on the Official List of ASX since December 2015 under the name Real Estate Investar Group Limited with the ticker "REV". Quotation of the Company's shares is currently suspended pending the Re-compliance. Upon Completion of the Offers the Company will trade under the ASX ticker "PTG". The Company's registered office is located in Melbourne, Victoria.	Section 2.1
What is the RECRM Acquisition and what will its effect on the Company be?	The Company intends to acquire 100% of the fully paid ordinary shares in Real Estate CRM Pty Ltd (**Real Estate CRM)** in exchange for the issue to the RECRM Sellers of 64,900,048 Consideration Shares (issued in proportion to the RECRM Sellers' holdings in Real Estate CRM) (**RECRM Acquisition**). The Real Estate CRM Acquisition will result in a significant change in the nature and scale of the activities of the Company. This requires (amongst other things): ■ the approval of Shareholders under Chapter 11 of ASX Listing Rules and a number of other approvals (which was obtained at a general meeting of shareholders held on 30 September 2020 (**General Meeting**); and ■ ASX approval of the Company's Re-compliance application in accordance with the admission requirements of Chapters 1 and 2 of the ASX Listing Rules. At the General Meeting, Shareholders considered resolutions relating to the change in the nature and scale of the Company's activities, as well as a number of other resolutions required in order to achieve completion of the RECRM Acquisition and undertake the Offers. These resolutions have all been approved. The RECRM Acquisition will result in a material change in the control of the Company.	Section 2

<table>
<tr><th>Topic</th><th>Summary</th><th>Where to find more information</th></tr>
<tr><td>Who is Real Estate CRM and what businesses does it operate?</td><td>Real Estate CRM is an Australian proprietary limited company incorporated in Victoria on 13th February 2020 for the purposes of acquiring Commerce Australia and Vault Group with the intention that they would, subject to shareholder approval, subsequently be owned by the Company.

Since 13 March 2020 Real Estate CRM has owned and operated the following businesses:

MYDESKTOP

Australia’s largest real estate sales CRM software product which provides contact management, franchise management, listings & sales management, portal pushing, e-marketing & leads management, trust accounting & commissions, reporting & analytics, and office management. It operates in Australia, New Zealand and Indonesia.

VAULT CRM

VaultRE is a direct competitor of the MyDesktop product and is a next-generation real estate software system which contains both real estate sales CRM and property management functionality on the same technology platform. It operates in Australia, New Zealand and the UK.

RENTFIND INSPECTOR

Rentfind Inspector is a digital property inspection tool used by real estate property managers operating in Australia, New Zealand and the UK.</td><td>Sections 2.2, 2.4, 4.1 and 4.2</td></tr>
<tr><td>What are the businesses being acquired by the Company?</td><td>Real Estate CRM owns the following entities and business which will comprise the PropTech Group following Completion of the Offers.

<table><tr><th>Business</th><th>Entity</th><th>Ownership%</th></tr><tr><td>MyDesktop</td><td>Commerce Australia</td><td>100%</td></tr><tr><td>VaultRE CRM</td><td>Vault Group</td><td>100%</td></tr><tr><td>Rentfind Inspector</td><td>Vault Group</td><td>100%</td></tr><tr><td>HoLo Home Loans Pty Ltd</td><td>Vault Group</td><td>15%</td></tr></table></td><td>Section 2.2, 4.1 and 4.2</td></tr>
<tr><td>What is the Company’s existing business?</td><td>The Company is a leading provider of integrated online services to Australian and New Zealand property investors to assist in the identification, analysis, acquisition, tracking and accounting of residential investment property.

The Company owns and operates the Real Estate Investar branded websites realestateinvestar.com.au and realestateinvestar.co.nz.</td><td>Section 4.2 and 4.4.3</td></tr>
</table>

Topic	Summary	Where to find more information
What consideration will be provided for the RECRM Acquisition?	The Company has agreed to issue an aggregate of 64,900,048 Shares to the RECRM Sellers in consideration for the acquisition of 100% of the issued capital of Real Estate CRM. The RECRM Sellers are all of the shareholders of Real Estate CRM. They include, the founders of VaultRE and a number of professional and sophisticated investors who invested in the Vault Group business prior to its acquisition by Real Estate CRM. The RECRM Sellers also include Directors, Simon Baker, Joe Hanna and Sam Plowman together with various professional and sophisticated investors who subscribed for shares in Real Estate CRM in order to fund the initial cash consideration paid by Real Estate CRM to Domain under the MyDesktop Acquisition (see Section 9.4) and initial working capital requirements.	Section 2.2 and 9.3
Why are the Offers being conducted?	The Offers are being conducted to: ■ allow the Company to complete the RECRM Acquisition and provide the benefits of an increased profile that comes from being a listed entity; ■ pay the Deferred Consideration to Domain; ■ raise additional working capital; ■ continue to provide a liquid market for its Shares and an opportunity for others to invest in the Company; ■ assist the Company to meet the requirements of ASX and re-comply with the conditions of Chapters 1 and 2 of the ASX Listing Rules; ■ remove any secondary sale restrictions applicable to the Shares to be issued under the Ancillary Offers; and ■ pay the transaction costs of the Offers.	Sections 8.5 and 8.7

1.2. Key Features of PropTech Group

Topic	Summary	Where to find more information
What is PropTech Group's vision and business model?	The acquisition of Real Estate CRM will underpin the Company's aim to become a leading PropTech investment and operating company. The Company's growth is expected to come through organic growth of existing products and services, the acquisition of new products and by entering commercial agreements with third parties. The product and services offered by the PropTech Group can broadly be categorised as: **Real Estate Agency Services (B2B)** Business to Business (**B2B**) products that service real estate agencies. Currently PropTech Group's products include VaultRE, MyDesktop, and RentFind Inspector. **Property Tools (B2C)** Business to Consumer (B2C) products that service consumers directly, such as Real Estate Investar's property investment platform.	Sections 4.3, 4.5 and 4.8
What industry does PropTech Group operate in?	PropTech Group operates in the property technology sector with an initial focus on the sales and rental cycle, by offering software and tools that enhance these processes.	Section 3
Who uses PropTech Group's software solutions?	The current users of PropTech Group's software solutions can be categorised into two separate classes: **Real Estate Agency Services (B2B)** Users of the Real Estate Agency Services products and solutions are residential and commercial real estate agents and property managers. These users are located in Australia and New Zealand and, to a limited extent, in the United Kingdom. **Property Tools (B2C)** Users of the Property Tools products and services are generally retail property investors. They are located in Australia and New Zealand.	Sections 4.3 and 4.6
Why do PropTech Group's customers use its software?	**Real Estate Agency Services (B2B)** Customers of Real Estate Agency Services products use these tools to help run their real estate agency or property management business more efficiently and effectively. These tools provide complete end to end management of the sale and rental process. **Property Tools (B2C)** Property investors use the Property Tools to allow them to make more informed decisions about their investment in Australia and New Zealand property.	Section 4.4

Topic	Summary	Where to find more information
What are PropTech Group's key growth strategies?	Overall PropTech Group's strategy is to acquire and invest in new complementary businesses that offer the opportunity to leverage its existing assets, including its customer base, intellectual property, and experienced leadership team. These investments will initially be in Australia, New Zealand or the United Kingdom with a view to expanding into other markets where appropriate. Whilst PropTech Group intends to actively pursue acquisition opportunities following Re-compliance, as at the Prospectus Date there are currently no binding agreements relating to any future acquisitions to be made by PropTech Group. **Real Estate Agency Services (B2B)** The short-term strategy is to encourage existing MyDesktop customers to migrate to the VaultRE platform thus reducing operating costs base by eliminating one of the platforms. In the medium term, the strategy for the Real Estate Agency Services business is to increase earnings through the following strategies: ■ increasing the number of customers in Australia, New Zealand and the United Kingdom that use at least one of the Group's products; ■ increasing the number of products used by existing customers; ■ partnering with third parties to integrate third-party products with existing PropTech Group products and services; and ■ where possible and appropriate, by increasing the price of existing products and services. **Property Tools (B2C)** The strategy for the property tools business is to continue to increase revenues by focusing on migrating free members to paid memberships and by increasing the yield per member by enhancing the property investment product set.	Section 4.8
How does PropTech Group generate revenue?	PropTech Group primarily generates revenue from the offering of SaaS products to real estate agents and retail property investors. **Real Estate Agency Services (B2B)** The majority of revenue in the Real Estate Agency Services segment is captured through recurring monthly fees paid by real estate agents to access the MyDesktop and VaultRE sales CRM and property management systems. In addition, there are also minor one-off revenue streams such as those related to training, set up and customisation of the software. **Property Tools (B2C)** Revenues in the Property Tools segment are earned through monthly and annual subscriptions from paid members for access to the premium property investment software.	Section 4.5

<table>
<tr><th>Topic</th><th>Summary</th><th>Where to find more information</th></tr>
<tr><td>What are the key investment highlights?</td><td>The Directors consider PropTech Group's key investment highlights to include:

the combined MyDesktop and VaultRE business is the market leader in the provision of a sales CRM in Australia;
the underlying SaaS subscription model provides strong recurring monthly revenues;
there is a clear migration path for MyDesktop customers to VaultRE as the VaultRE management team was responsible for the development of both products;
PropTech Group is currently profitable at the EBITDA level;
PropTech Group Board and management team are highly experienced in the industry with proven track records; and
PropTech Group has access to deal flow for investments into and acquisition of complementary PropTech companies.
</td><td>Sections 4.3, 4.8 and 4.12</td></tr>
<tr><td>Who are PropTech Group's key competitors?</td><td>Real Estate Agency Services (B2B)
<table>
<tr><th>Company</th><th>HQ</th><th colspan="3">Markets Served</th><th colspan="2">Product Range</th><th>Integrated CRM/PM?</th></tr>
<tr><td></td><td></td><td>AU</td><td>NZ</td><td>UK</td><td>CRM</td><td>PM</td><td></td></tr>
<tr><td>MyDesktop/ VaultRE</td><td>AU</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>Built in</td></tr>
<tr><td>Reapit (incl. Agentbox)</td><td>UK</td><td>✓</td><td></td><td>✓</td><td>✓</td><td>✓</td><td>Separate</td></tr>
<tr><td>Box + Dice</td><td>AU</td><td>✓</td><td>✓</td><td></td><td>✓</td><td></td><td></td></tr>
<tr><td>Console</td><td>AU</td><td>✓</td><td>✓</td><td></td><td></td><td>✓</td><td></td></tr>
<tr><td>REX Software</td><td>AU</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td></td><td></td></tr>
<tr><td>Dezrez</td><td>UK</td><td></td><td></td><td>✓</td><td>✓</td><td>✓</td><td>Separate</td></tr>
<tr><td>MRI Software</td><td>US</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>Separate</td></tr>
<tr><td>Palace</td><td>NZ</td><td>✓</td><td>✓</td><td></td><td></td><td>✓</td><td></td></tr>
<tr><td>PropCo</td><td>UK</td><td></td><td></td><td>✓</td><td></td><td>✓</td><td></td></tr>
<tr><td>PropertyMe</td><td>AU</td><td>✓</td><td></td><td></td><td></td><td>✓</td><td></td></tr>
<tr><td>Property Suite</td><td>NZ</td><td>✓</td><td>✓</td><td></td><td>✓</td><td></td><td></td></tr>
<tr><td>Tilt (RentPro)</td><td>UK</td><td></td><td></td><td>✓</td><td>✓</td><td>✓</td><td>Separate</td></tr>
<tr><td>Zoopla</td><td>UK</td><td></td><td></td><td>✓</td><td>✓</td><td>✓</td><td></td></tr>
</table>
Property Tools (B2C)
There are very few, if any, comprehensive fully integrated SaaS based platforms that offer Australian and New Zealand residential property investors with comparable capabilities enabling advanced strategy based property search, deep analysis including financial forecasting, tracking, management and deep insights into property investment opportunities. The closest software competitors (who are also our partners include Core-Logic and or Pricefinder). Beyond that, competition is usually through low tech property spruikers, educators and buyers advocate services.</td><td>Section 3</td></tr>
</table>

Topic	Summary	Where to find more information
How will the funds raised be used?	Funds raised under the Cash Offers of $10,600,000 will primarily be used to fund the cash components of the Deferred Consideration payable for the RECRM Acquisition, the costs of the Offers and to provide additional working capital. The funds raised will be applied as follows:	Section 4.1 and 4.2

Description	Amount	%
Source of Funds		
Total Cash at Bank as at 30 June 2020 and receipt of the Minimum Subscription under the Cash Offers	$13,444,234	100%
Use of Funds		
Transaction costs and costs of the Offers	($1,129,167)	8%
Deferred Consideration payable and contingently payable to Domain under the MyDesktop Acquisition Agreement	($9,000,000)	67%
Repayment of unpaid outstanding accrued remuneration entitlements of KMP	($354,666)	3%
Working capital	($2,960,401)	22%
Total use of funds	**($13,444,234)**	**100%**

* In the event that all or some of the contingent consideration hurdles under the MyDesktop Acquisition (See Section 9.4) are not satisfied then the consideration payable to Domain under the MyDesktop Acquisition will be reduced, potentially by up to $7.0 million. If these amounts are not required to be paid to Domain they will be applied and used entirely for working capital purposes.

The Company has obtained Shareholder approval to issue 2,344,064 Shares to a total aggregate value of $498,996 to Messrs. Baker, Hanna and Plowman, together with the CFO, Mr Michael Fiorenza in consideration for services rendered to the Company by these persons. The balance of the remuneration owing to these persons will be paid in cash following Completion of the Offers.

The Directors believe that on Completion of the Offers the Company will have sufficient working capital to carry out the business objectives stated in this Prospectus.

1.3. Key Strengths

Topic	Summary	Where to find more information
Industry leading software	On a combined basis, MyDesktop and VaultRE is the most used residential real estate sales CRM in Australia and New Zealand. The founders of VaultRE are also the creators of MyDesktop and the VaultRE management team has over 20 years' experience in the Australian and New Zealand real estate market. The VaultRE product has been designed to serve residential and commercial real estate agents as well as residential property managers. It is currently operating in Australia, New Zealand and the United Kingdom. The MyDesktop product is primarily focused on the Australia and New Zealand residential real estate agency market.	Section 4.1 and 4.2
Compelling strategic rationale	The Company's existing business services a relatively narrow section of the property market – residential investment property sales to potential investors in Australia and New Zealand. The RECRM Acquisition enables the Company to build on and expand its existing business whilst further aligning to its broader strategic mission to become a leading ASX-listed PropTech company. The Company's mission is to make all property transactions easier, including buying, selling, renting and maintaining properties.	Section 4.8
Well positioned for long term growth	The PropTech Group is well positioned for long term growth at both the corporate and business unit level. At the corporate or Group level, PropTech Group has the ability to drive long term growth by: ■ having a diversified geographic exposure; ■ using its shares as currency to acquire and invest in high value PropTech companies; ■ having access to a strong deal flow; ■ having a strong balance sheet to allow for funding growth; and ■ having a globally experienced Board and management team. Once existing MyDesktop customers have been migrated to the VaultRE platform, the Real Estate Agency Services business unit is well positioned for long term growth by: ■ expanding its customer base in existing markets; ■ potentially expanding into new markets; ■ upselling existing customers to new products and services; and ■ partnering with third parties to drive new revenue streams.	Section 4.8

Topic	Summary	Where to find more information
Experienced Board and management team	The Company's Board and Management have extensive experience in the Australian and global PropTech market. ■ Simon Baker is the former CEO of the REA Group, former Chairman of both the Mitula Group and iProperty, and a serial investor and advisor to many PropTech companies around the world; ■ Georg Chmiel is the former CEO of LJ Hooker, the former CEO of the iProperty Group, an experienced Board member, and the Executive Chairman of Juwai IQI; ■ Joe Hanna is a former founder and Board member of the Mitula Group, a former Product and Technology Director at Fairfax Digital, and a serial founder and investor in many PropTech companies around the world; ■ Sam Plowman is the former General Manager of Domain, a former executive with the NAB and ANZ for online banking, and the current CEO of Payment Logic; and ■ Scott Wulff (incoming Director) is one of the founders of both MyDesktop and VaultRE and has over 20 years' experience in the Australian and New Zealand real estate industry.	Section 7.1
Anticipated future acquisition opportunities	Being listed on the ASX and having a strong balance sheet provides the ability for the Company to opportunistically and efficiently acquire complementary businesses to enhance capabilities and to enter markets in new countries. Whilst PropTech Group intends to actively pursue acquisition opportunities following Re-compliance, and has identified a number of possible candidates for acquisition, as at the Prospectus Date there are no binding agreements relating to any future acquisitions to be made by PropTech Group.	Sections 4.7 and 4.8

1.4. Key Risks

Topic	Summary	Where to find more information
Change in scale of activities	The RECRM Acquisition constitutes a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the Listing Rules as if it were seeking admission to the Official List of ASX. There is a risk that the Company will not be able to satisfy one or more of those requirements. Should this occur the Company's listed securities may remain suspended from quotation until such time as the Company does re-comply with the Listing Rules.	Section 6.2.1

Topic	Summary	Where to find more information
Contractual Risk – Implementation Deed	Pursuant to the Implementation Deed, the Company has agreed to acquire Real Estate CRM subject to fulfilment of certain conditions precedent. If any of the conditions precedent are not satisfied or waived, or any of the counterparties do not comply with their obligations, completion of the RECRM Acquisition may be deferred or not occur. Failure to complete the RECRM Acquisition would mean the Company may not be able to meet the requirements of the ASX for re-quotation of its securities, and the Company's Shares will remain suspended from quotation until such time as the Company does re-comply with the Listing Rules. The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under the Implementation Deed (and the offer to be made to the RECRM Sellers under the Implementation Deed). If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.	Section 6.2.2
Pricing, Competition and new technologies	The Company competes against other residential property CRM service providers and it faces the risk that one or more of its competitors, or a new entrant to the market, will increase its competitive position through aggressive marketing campaigns, product innovation, price discounting, acquisitions or through advances in technology. In order to stay competitive, the Company may need to lower its prices or invest significantly more in product innovation and development. Further, increases in costs (such as IT costs) may decrease the margin the Company can earn under its pricing models if it is unable to pass on those increases to its customers. In the event that fee changes are passed on, there is a risk that customer churn may increase. Any of these factors may lead to lower profitability.	Sections 6.3.1 and 6.3.4
Dilution Risk	The Company currently has 11,660,308 Shares on issue and will issue additional New Shares under the Offers. On Completion of the RECRM Acquisition and the Offers, the Existing Shares will account for approximately 9.61% of the issued capital of the Company, the RECRM Sellers (and/or their nominees) will hold an aggregate of 53.50% of the Shares (disregarding their possible participation in the Cash Offers), the Shares issued under the Conversion Offer will comprise 1.94% of the Shares and the Shares issued under the Cash Offers will hold an aggregate of 34.95% of the issued capital of the Company. There is also a risk that the interests of Shareholders will be further diluted as a result of future capital raisings required in order to fund the future development of the Company.	Section 6.2.3

Topic	Summary	Where to find more information
Liquidity Risk	On completion of the RECRM Acquisition, the Company proposes to issue the Consideration Shares. The Directors understand that ASX intends to treat all of these securities as restricted securities in accordance with Chapter 9 of the ASX Listing Rules. In addition, certain of the RECRM Sellers have agreed to voluntary escrow arrangements in relation to their RECRM Consideration Shares. Following Completion of the Offers, the Consideration Shares will equate to approximately 53.50% of the issued Share capital. In addition, approximately 22.46% of the Company's issued share capital will be held by the Directors (directly or indirectly) on Completion of the Offers. None of the Directors have any current intention to dispose of any securities that they hold. For these reasons, but particularly during the period in which the Consideration Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner. This could affect the prevailing market price at which shareholders are able to sell their Shares. Following the end of the relevant escrow period, a significant sale of Shares by the Escrowed Shareholders, or the perception that such a sale might occur, could also adversely affect the market price of the Shares.	Section 6.2.4 and 11.5
Limited Trading History	While the Company's Board and Management have significant experience in business, Management and the PropTech industry generally, the Company will only commence operating as a provider of real estate CRM services following Completion of the Offers. Although the MyDesktop and Vault businesses themselves have been in operation for a number of years, the Company itself has no financial and operating history with respect to the provision of CRM and PM services. The Company's ability to achieve its objectives depends on the ability of its Board and Management to successfully integrate the Vault and MyDesktop businesses as a Group, to implement the proposed business plans and to respond in a timely and appropriate manner to any unforeseen circumstances. There is a risk that the Company cannot maintain the historical performance of these businesses or will incur additional costs of operation which might have an adverse effect on profitability.	Section 6.2.5

Topic	Summary	Where to find more information
Integration Risk	In order to implement its proposed business model and maintain its financial performance, it is critical that the Company successfully integrate the VaultRE and MyDesktop businesses. There is a risk that the process of integration may take longer or be more expensive than anticipated. The performance of the two businesses may be adversely affected by changes such as an increase in overheads, or loss of customers who do not view the integration favourably. In addition, there is a risk that customers of MyDesktop do not successfully transition onto the VaultRE platform. There is also a risk that the process of transitioning customers requires significantly more financial and management resources, or time to complete, than originally planned. In addition, there is a risk that the RECRM Acquisition fails to meet the Company's strategic and financial objectives, generate the synergies and benefits expected, or provide an adequate return on the purchase price and resources invested in them. This may occur due to a variety of factors, including poor market conditions, poor integration of staff, staff losses, customer losses, technology impacts or other integration barriers.	Section 6.2.6
Competition and new technologies	PropTech Group operates in a competitive environment in which systems and practices are subject to continual development and improvement, and new or rival offerings. The Company provides services to property investors and real estate agencies that compete in part or in whole with services offered by property portals, data companies and a number of other property industry service providers, under either paid or free service offerings. There is a risk that new CRM entrants or existing competitors may deliver a superior solution and customer experience offering to that currently offered by the Company, or, subject to competition law constraints, consolidate with other providers to deliver enhanced scale benefits with which PropTech Group is unable to compete with effectively.	Section 6.3.1

Topic	Summary	Where to find more information
Performance and reliability of website, databases, systems and risk of data security	PropTech Group's websites, databases, IT and management systems are fundamental to its ability to conduct its business. There is a risk that if one or more of PropTech Group's critical operating systems do not function properly, there could be system disruptions, corruption of databases or other electronic information, website slowdown or unavailability, loss of data. Such disruption could materially adversely affect the PropTech Group's financial and operational performance. PropTech Group's financial and operational performance could be adversely affected by a system failure that causes prolonged disruption to its website. This could damage the reputation and brand of the platform and lead to a decrease in revenues. PropTech group's websites, databases and systems are all hosted on platforms provided by third party providers. A failure in the systems of a third-party provider is likely to have a material impact on the PropTech Group's systems and operations. This may lead to claims from customers, customer disenchantment or reputational damage which in turn may adversely affect financial performance. Customer and third-party supplier databases and data analytics are critical to PropTech Group's continued success. There is a risk that computer viruses, theft, programming errors, operating system failures, third party provider failures and similar disruptions could lead to a loss of data. The Company would incur a financial cost to remedy the loss of data which may adversely affect its financial and/or operating performance and/or lead to reputational damage. PropTech Group collects, processes and stores through the ordinary course of its businesses a wide range of customer data. Despite the Company's best efforts to ensure the safe collection, storage and protection of customer data (including firewalls, security information and event management (SIEM) setup within AWS there is a risk that a data breach may occur or a third party may gain access to the confidential information of our customers or our internal systems. This could result in a breach of law by the Company, a breach of customer agreements and may attract media attention and damage the PropTech Group's reputation and brand. Any breach of this nature may have a material adverse effect on PropTech Group's financial or operational performance in the future.	Sections 6.3.2, 6.3.6, 6.3.11

Topic	Summary	Where to find more information
Risks of growth by acquisition	The Company intends to pursue M&A opportunities and may undertake joint ventures, or enter into strategic partnerships, in order to realise benefits including inorganic growth, accelerated development or delivery of products, increased customer base, or the provision of new product offerings. There is a risk that the Company may not be successful in identifying attractive opportunities. Furthermore, the identification, evaluation and negotiation of these opportunities may require significant time and effort from key management and employees, and may result in disruptions to the existing business. Additionally, there is a risk that the Company's competitors have a greater willingness and ability to pay for opportunities that the Company is interested in. There is also a risk that the Company is unsuccessful in integrating new businesses or assets into its existing platform in a timely manner, or that the new businesses or assets do not result in the benefits anticipated.	Section 6.3.18
COVID-19	COVID-19 has brought significant volatility in global financial markets and has impacted many aspects of life and the economy in Australia and around the world. While COVID-19 is still spreading and the final implications of the pandemic are unknown, the ongoing pandemic may have a significant adverse effect on the Company. A detailed description of the impact of COVID-19 on the Company's business as at the Prospectus Date is set out in Section 4.9 and Section 5.9.7. The Company has, to date, been able to continue to interact with its suppliers and customers without material disruption to its business. The Company has however seen some real estate agencies ceasing operations and/or reducing demand for certain services. Based on its experiences to-date and the current impacts of the COVID-19 pandemic, the Company currently expects to be able to manage through the crisis without material disruption to its business or operations and without a material adverse effect to its financial performance or position. However, the COVID-19 pandemic is a highly fluid environment and there is no certainty that this expectation will eventuate, particularly if the pandemic has a significant and negative impact on consumer demand for the Company's products specifically, or demand more generally. Likewise, if the COVID-19 pandemic spreads, if infection and mortality rates increase or lockdowns and restrictions are increased, the Company's business, operations and financial prospects may be materially and adversely affected.	Section 6.3.3

Topic	Summary	Where to find more information
No long-term agreements	The Company's business depends on its contracts and relationships with key existing customers and attracting new customers. There can be no guarantee that these contracts and relationships will continue or, if they do continue, that they will remain successful. The Company generally contracts with customers under relatively short-term arrangements on a non-exclusive basis, and customers are generally able to reduce or cancel their use of the PropTech Group products and terminate relevant contracts without penalty at relatively short notice. Any adverse changes to, or loss of, arrangements or relationships with the Company's customers may reduce the volume or consistency of customers seeking to use the Company's services.	Section 6.3.13
Loss of key customers	The Company is exposed to the loss of a key customer or if a customer reduces the services acquired from the Company. In FY20 the Proptech Group's top 20 customers accounted for approximately 46% of total pro forma revenues. In this event, this may adversely affect the Company's financial position and performance.	Section 6.3.14
Failure to increase margins per customer	The Company's ability to increase profit partially relies on its ability to increase the margins per customer through either price increases or through the same of new products. Whilst the Company's technology allows it to increase these, there is a risk that customers will not accept any increased margins and cease to be customers of the Company.	Section 6.3.8
Security software and technology breaches and improper access to the private data of the Company's customers	The use of information technology and the effectiveness of the Company's proprietary technology platform is critical to the ability of the Company to deliver services to its customers and the growth of its business. By their nature, information technology systems are susceptible to cyber-attacks, with third parties seeking unauthorised access to data. Security breaches may involve unauthorised access to the Company's networks, systems and databases, including with respect to the Company's service offerings and technology platforms and the deployment of viruses or other malicious software designed to create system and service disruptions, exposing financial, proprietary and personal user information. Any accidental or deliberate security breaches or other unauthorised access to the Company's information technology systems or client data may subject the Company to reputational damage, a loss of confidence in the services it provides, claims by customers, loss of customers, a disruption of services to customers, legal action and regulatory scrutiny. Any of these events could adversely impact the Company's reputation, business, financial condition and financial performance.	Sections 6.3.2 and 6.3.11
Loss of key personnel	The Company relies heavily on its existing key personnel and the departure of key personnel could negatively affect the Company's ability to reach its goals.	Section 6.3.10

Topic	Summary	Where to find more information
General IT infrastructure/ platform-related risks	There is a risk that the Company's technology platforms may be adversely affected by disruption, failure, service outages or data corruption caused by events outside of the Company's control, and may lead to business disruption and delay in completion of work for customers. There is also a risk that the Company's potential growth may be constrained by a lack of scalability of the IT infrastructure.	Sections 6.3.2, 6.3.9, 6.3.15, 6.3.16 and 6.3.17
Other key risks	A number of other key risks relating specifically to an investment in the Company are outlined in Section 6.3, including risks related to infringement of intellectual property rights. There are also a number of risks relating generally to an investment in the Shares that are included in Section 6.4.	Sections 6.3 and 6.4

1.5. Key Financial Information

Topic	Summary	Where to find more information
How have the Company and Real Estate CRM historically performed?	The Company is currently listed on the ASX and its annual report is available from its website (https://proptechgroup.ltd/). Following the change in the nature and scale of its activities, the Company will continue to operate its existing business but there will be a greater focus on the sales CRM and property management products owned by Real Estate CRM. Therefore, the Company's past operational and financial historical performance will not be of significant relevance to its future activities, although they will still be material. The information presented is a summary only and should be read in conjunction with the more detailed discussion of the financial information set out in Section 5 as well as the risk factors set out in Section 6. The table below is PropTech Group's Pro-Forma Historical Income Statement	Sections 5.2.1 and 5.3

$ thousands	FY18	FY19	FY20
Revenue	11,714	10,997	10,787
Gross Profit	9,970	9,858	9,684
Gross profit margin (%)	85%	90%	90%
EBITDA	2,465	2,899	2,248
EBITDA margin (%)	21%	26%	21%
EBIT	443	545	316
NPAT	(438)	(222)	(183)

Topic	Summary	Where to find more information
What is the financial outlook for the Company?	Please refer to the Investigating Accountant's Report in Section 10 and the Pro-Forma Historical Balance Sheet of the Company upon Completion of the Offers. There are significant uncertainties associated with forecasting future revenues and expenses of the Company. In light of the uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company will operate, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On these bases and after considering ASIC Regulatory Guide 170, the Directors do not believe they have a reasonable basis to reliably forecast future earnings and accordingly forecast financials are not included in this Prospectus.	Section 5.2.1, 5.6 and 10
How does PropTech Group expect to fund its operations?	The Company expects to fund its business unit operations through a combination of cash reserves, working capital raised from the proceeds of the Offers and operating free cash flow. The Company expects to fund its corporate growth objectives, acquisition of and investment in other PropTech companies, through existing cash reserves, positive business unit contribution margins, and, where appropriate, through share issuances as consideration. The Directors believe that the Company will have sufficient working capital to carry out its stated business objectives on Completion of the Offers.	Section 8.8

1.6. Directors and Key Management

Topic	Summary	Where to find more information
Who are the Directors of the Company?	On Completion of the Offers, it is intended that the Board will comprise: ■ Simon Baker – Non-Executive Chairman (current Director); ■ Joe Hanna – Managing Director and Chief Executive Officer (current Director); ■ Sam Plowman – Non-Executive Director (current Director); ■ Georg Chmiel – Independent Non-Executive Director (current Director); and ■ Scott Wulff – Executive Director (incoming Director). Each of the above persons, other than Georg Chmiel, are also directors of Real Estate CRM.	Section 7.1

<table>
<tr><th>Topic</th><th>Summary</th><th>Where to find more information</th></tr>
<tr><td>Who are the Company’s key managers?</td><td>On Completion of the Offers, the Company’s executive team will consist of the following personnel:
Joe Hanna, Group CEO and Managing Director;
Scott Wulff, Executive Director, CRM;
Michael Fiorenza, Group CFO;
Adam Campbell, Technology Director;
David James, General Manager- RentFindInspector and
Matthew Healy, Chief Technology Officer; and
Christian Scandurra, Sales Director – UK.</td><td>Section 7.2</td></tr>
</table>

1.7. Significant Interests of Key Shareholders and Related Party Transactions

<table>
<tr><th>Topic</th><th>Summary</th><th>Where to find more information</th></tr>
<tr><td>Who are the Company’s key Shareholders and what will their interests be on Completion of the Offers?</td><td>
<table>
<tr><th>Shareholder</th><th>Shares on Prospectus Date</th><th>Share-holding on Prospect- us Date (%)</th><th>Shares on Completion of the Offers*</th><th>Shares held on Completion of the Offers (%)</th></tr>
<tr><td>Simon Baker</td><td>3,924,419</td><td>33.66%</td><td>11,218,737</td><td>9.25%</td></tr>
<tr><td>Other Directors</td><td>1,322,798</td><td>11.34%</td><td>16,026,802</td><td>13.21%</td></tr>
<tr><td>Senior Management</td><td>108,175</td><td>0.93%</td><td>15,291,732</td><td>12.61%</td></tr>
<tr><td>Other Existing Shareholders</td><td>6,304,916</td><td>54.07%</td><td>6,304,916</td><td>5.20%</td></tr>
<tr><td>Other RECRM Sellers</td><td>0</td><td>0.00%</td><td>31,562,233</td><td>26.02%</td></tr>
<tr><td>New Shareholders under the Cash Offers</td><td>0</td><td>0.00%</td><td>40,900,000</td><td>33.72%</td></tr>
<tr><td>Total</td><td>11,660,308</td><td>100.00%</td><td>121,304,420</td><td>100.00%</td></tr>
</table>
* Includes Shares to be issued under the Ancillary Offers, and assumes full Director participation in the Cash Offers
</td><td>Sections 7.3 and 7.5</td></tr>
</table>

Topic	Summary	Where to find more information
What are the related party transactions the Company has entered into?	The Company has entered into the following agreements involving related parties: ■ Implementation Deed with Real Estate CRM to give effect to the RECRM Acquisition (Directors, Simon Baker, Joe Hanna, Sam Plowman and incoming Director Scott Wulff are all current directors of Real Estate CRM); ■ Share Sale Agreements with each of the RECRM Sellers (which include certain of the Directors) under the Implementation Deed relating to the RECRM Acquisition; ■ letters of appointment or executive services agreements with each of its Directors and incoming Directors on standard terms; ■ deeds of indemnity, insurance and access with each of its Directors on standard terms; and ■ agreements for the conversion of part of the Accrued Remuneration Entitlements into Shares under the Conversion Offer and payment of the balance in cash. ■ Restriction Agreements with Directors in relation to Escrowed Shares.	Section 7.5
What will be the interests of the Board and key management be following completion of the RECRM Acquisition and the Offers?	On Completion of the Offers, the Directors' relevant interests in Shares and Options are expected to be as follows. The table assumes full subscription for any Shares the Directors are entitled to acquire under the Offers.	Section 7.3.6

Director	Shares held on Prospectus Date	% of the Company (undiluted)	Shares held on Completion of the Offers	% of the Company (undiluted)	Options
Simon Baker	3,924,419	33.66%	11,218,737	9.25%	25,000
Joe Hanna	1,322,798	11.34%	4,730,421	3.90%	225,000
Sam Plowman	-	%	5,838,525	4.81%	200,000
Georg Chmiel	-	%	300,000	0.25%	
Scott Wulff	-	%	5,157,856	4.25%	

Topic	Summary	Where to find more information
What significant benefits and interests are payable to Directors and other persons connected with the Company or the Offers?	Directors Simon Baker, Joe Hanna and Sam Plowman, together with incoming Director Scott Wulff are directors of Real Estate CRM and are also RECRM Sellers under the Implementation Deed relating to the RECRM Acquisition. Each will receive Consideration Shares upon Completion of the Offers. All Directors will receive remuneration, fees and payments as set out in Sections 7.3.2, 7.3.3, 7.3.4, 7.3.5 and 7.3.6 subject to the Listing Rules. In addition, there is accrued unpaid remuneration of $853,662 due to certain of the Directors and the CFO, Michael Fiorenza, which has accrued over the last 2 years , largely due to a decision to accrue these amounts so as to preserve the Company's cash. A component of these Accrued Remuneration Entitlements includes a short-term incentive entitlement due to Joe Hanna relating to the successful completion of the MyDesktop Acquisition and the Vault Acquisition by Real Estate CRM. On Completion of the Offers a portion of the Accrued Remuneration Entitlements will be satisfied by the issue of New Shares under the Conversion Offers and the balance of ($354,666) will be paid in cash as detailed at Section 7.3.3. Members of Management will receive remuneration as detailed at Section 7.3.5 and 7.4. Advisers and other service providers are entitled to fees for services. Current remuneration/Director fees of the Board are as follows:	Sections 7.3.2, 7.3.3, 7.3.4, 7.3.5, 7.3.6 and 7.4

Director	Current base remuneration ($)
Simon Baker	$70,000
Joe Hanna	$310,000
Sam Plowman	$55,000
Georg Chmiel	$45,000
Scott Wulff	$180,000

Topic	Summary	Where to find more information
Will any Shares be subject to restrictions on disposal following Completion of the Offers?	The following Shareholders or classes of Shareholders have entered into ASX mandatory escrow agreements and voluntary escrow agreements, or, if applicable, will be given restriction notices, in relation to a total of approximately 67,244,112 Shares in which they (or their associated entities) will hold a relevant interest on Completion of the Offers. The combined effect of the ASX and voluntary escrow restrictions is summarised below:	Section 11.5.1

Class of Escrowed Shareholder	Shares held on Re-compliance	Number of Escrowed Shares	% of issued capital subject to escrow on Re-compliance	Escrow Period
Directors and CFO under the RECRM Consideration Offer and the Conversion Offer		15,788,288	13%	2 years from Re-compliance
RECRM Sellers subject to voluntary escrow arrangements (VaultRE Founders)	19,449,540	19,449,540	16%	2 years from Re-compliance
Other RECRM Sellers	31,006,284	31,006,284	26%	1 year from Re-compliance
Professional advisers/ consultants	1,000,000	1,000,000	1%	2 years from Re-compliance
Total Shares Escrowed for 12 Months		31,006,284	25%	1 year from Re-compliance
Total Shares Escrowed for 24 Months	36,237,828	36,237,828	30%	2 years from Re-compliance
TOTAL		**67,244,112**	**55%**	

1.8. Overview of the Offers

Topic	Summary	Where to find more information
What are the Offers?	The Offers comprise the Cash Offers (comprising the Broker Firm Offer, the Priority Offer and the Institutional Offer), the RECRM Consideration Offer and the Conversion Offer. The Retail Offers (which consist of a Broker Firm Offer and a Priority Offer) and the Institutional Offer together comprise an offer of a total of 42,400,000 New Shares at a Cash Offer Price of $0.25 each to raise $10.6 million (before costs) and will represent approximately 34.95% of Shares on issue on Completion of the Offers. No general public offer of Shares will be made under any of the Offers. **Retail Offers** The Retail Offers consists of: ■ The Broker Firm Offer, which is open to Australian resident retail clients of Brokers who have received a firm allocation of Shares from their Broker; and ■ the Priority Offer, which is open to Australian Existing Shareholders together with other selected investors nominated by the Company in eligible jurisdictions, who have received a Priority Offer invitation to acquire Shares under this Prospectus. **Institutional Offer** The Institutional Offer consists of an offer to Institutional Investors in Australia and certain other eligible jurisdictions around the world, made under this Prospectus. **RECRM Consideration Offer** The RECRM Consideration Offer consists of 64,900,048 Consideration Shares that will be issued to the RECRM Sellers as consideration for the Company acquiring 100% of the issued capital of Real Estate CRM. The Shares being offered under the RECRM Consideration Offer will represent approximately 53.5% of the total Shares on issue on Completion of the Offers. **Conversion Offer** The Conversion Offer is an offer of 2,344,064 New Shares to the Conversion Participants, who have agreed to convert part of the debt (being the Accrued Remuneration Entitlements) owed to them into equity. The New Shares being offered under the Conversion Offer will represent approximately 1.9% of Shares on issue on Completion of the Offers. The Ancillary Offers (being the RECRM Consideration Offer and the Conversion Offer) are being made to remove the need for an additional disclosure document to be issued upon the on-sale of any New Shares issued as part of the RECRM Consideration Offer and the Conversion Offer. **All Offers** All Offers are conditional upon the satisfaction of the conditions referred to in Sections 8.2 (Minimum Subscription) and 8.6. Following Completion of the RECRM Acquisition and the Offers, the free float (as that term is defined in the ASX Listing Rules) at the time of re-quotation will be approximately 39% (ASX Listing Rule 1.1 Condition 7).	Sections 8.1, 8.2, 8.3 and 8.4 and 8.6

Topic	Summary	Where to find more information
What is the Offer Price?	**Cash Offers** The Cash Offer Price under the Retail Offers and the Institutional Offer is $0.25 per New Share. **RECRM Consideration Offer** No cash consideration is payable to subscribe for Consideration Shares under the RECRM Consideration Offer as the Consideration Shares are being issued in consideration for the Company acquiring 100% of the issued capital of Real Estate CRM. **Conversion Offer** No cash consideration is payable under the Conversion Offer as the New Shares are being issued in partial satisfaction of existing remuneration entitlements.	Section 8.1 and 8.4
Are the Offers conditional?	Yes. The Offers under this Prospectus are subject to a number of conditions, including: ■ the Minimum Subscription of $10.6 million being raised under the Cash Offers; ■ the Company completing the RECRM Acquisition of all of the issued capital of Real Estate CRM from the Sellers; and ■ the remaining conditions precedent to the RECRM Acquisition in the Implementation Deed being satisfied (or waived) including the Company receiving conditional approval from ASX that it will re-admit the Company to the Official List and terminate the suspension from Official Quotation of Shares, subject to such terms and conditions (if any) as are prescribed by ASX or the ASX Listing Rules. Further details of the conditions precedent to completion of the RECRM Acquisition are set out in Section 9.3. If these conditions are not met, the RECRM Acquisition will not proceed and the Company will not proceed with the Offers and will repay all Application Monies received, without interest and in accordance with the Corporations Act. New Shares and Consideration Shares issued under this Prospectus will be issued on the date of completion of the RECRM Acquisition of Real Estate CRM. In this regard, if completion does not occur, no New Shares or Consideration Shares will be issued pursuant to this Prospectus and the Company will repay all Application Monies received, without interest and in accordance with the Corporations Act.	Section 8.2 and 8.6
Are the Cash Offers Underwritten	No, the Offers are not underwritten.	Section 8.1
What are the fees and costs of the Offers?	The Company will pay to the Lead Manager a management fee equal to 6.0% (excluding GST) of the total amount raised by the Company under the Retail Offers, the Institutional Offer and the Priority Offer. Other costs of the Offers are disclosed in Section 11.11.	Section 9.1 and 11.11

Topic	Summary	Where to find more information
What are the tax implications of investing in the Shares?	A summary of certain Australian tax consequences of participating in the Cash Offers and investing in Shares is set out in Section 11.10. The tax consequences of any investment in the Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether or not to invest.	Section 11.10
What is the Minimum Subscription under the Cash Offers?	The Cash Offers have a Minimum Subscription of 42,400,000 Shares to raise gross proceeds of $10,600,000. No cash is being raised by the Ancillary Offers.	Section 8.2 and 8.4
What happens if the Minimum Subscription is not achieved?	If the Minimum Subscription is not achieved then the Company will not proceed with any of the Offers and will repay all Application Monies received (without interest).	Section 8.2
How can I apply?	**Institutional Offer** The Lead Manager will provide instructions for Institutional Investors who wish to participate in the Offers. **Broker Firm Offer** Applicants under the Broker Firm Offer can apply by completing the Application Form accompanying this Prospectus. You should contact your broker for instructions on how to complete the Application Form and lodge your Application Form with the broker from whom you received your firm allocation. **Priority Offer Applicants** Applicants under the Priority Offer must apply on-line in accordance with the instructions provided in their Priority Offer invitation made under this Prospectus. **RECRM Consideration Offer** Applicants under the RECRM Consideration Offer should complete the personalised RECRM Consideration Offer Application Form accompanying or included in this Prospectus. All Application Forms must be completed in accordance with the instructions set out on the reverse of the Application Form.	Sections 8.15, 8.16, 8.19 and 8.20
What is the minimum Application size?	The minimum Application size under the Cash Offers is $2,000 (which is equivalent to 8,000 Shares in aggregate).	Sections 8.15.3 and 8.16.3
Will the Shares be quoted?	Within 7 days after the Prospectus Date, the Company will submit the Re-compliance Application to the ASX. The ASX will not allow the removal of the Company's trading suspension which currently applies to the Company's Shares until the ASX is satisfied that the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules. If approval for the Re-compliance Application is not granted by the ASX within 3 months after the Prospectus Date (or such other period varied by ASIC), then the Company will not allot or issue any Shares pursuant to the Offers and will repay all Application Monies received under the Cash Offer without any interest, as soon as practicable in accordance with the requirements of the Corporations Act.	Sections 8.14 and 8.25

Topic	Summary	Where to find more information
What will the Company's capital structure look like post completion of the Offers and the RECRM Acquisition?	The Company's projected capital structure is as follows: <table><tr><th></th><th>Shares</th><th>%</th><th>Options</th><th>%</th></tr><tr><td>On issue at the Prospectus Date</td><td>11,660,308</td><td>9.6</td><td>778,750</td><td>100.0</td></tr><tr><td>To be issued under the Retail Offers and the Institutional Offer</td><td>42,400,000</td><td>35.0</td><td></td><td></td></tr><tr><td>To be issued to the Real Estate CRM Sellers</td><td>64,900,048</td><td>53.5</td><td></td><td></td></tr><tr><td>Shares issued under the Conversion Offer</td><td>2,344,064</td><td>1.9</td><td></td><td></td></tr><tr><td>Total</td><td>121,304,420</td><td>100.0</td><td>685,000</td><td>100.0</td></tr></table>	Section 8.9
Who is the Lead Manager to the Cash Offers?	Ord Minnett Limited	Section 9.1.1
What is the allocation policy under the Cash Offers?	Allocations will be determined by the Lead Manager in consultation with the Company. In the event that there are Applications for more than 42,400,000 New Shares under the Cash Offers, Applications will be scaled back. The Company and the Lead Manager have absolute discretion regarding the allocation of Shares to Applicants and may reject any Application, or allocate fewer New Shares than applied for.	Sections 8.3.2, 8.14, 8.15.5, 8.16.5 and 8.19.2
Is there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of New Shares under the Offers.	Section 8.14
When will Successful Applicants receive their holding statements?	It is expected that holding statements will be despatched to Successful Applicants by standard post on or around 19 November 2020.	Section 8.14
Can the Offers be Withdrawn?	The Company reserves the right not to proceed with the Offers at any time before the issue of Shares to successful Applicants. If the Offers do not proceed, Application Monies will be refunded. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offers.	Section 8.14
Where can I find more information about this Prospectus or the Offers?	If you have any questions about this Prospectus or how to apply for Shares, please call the Share Registry on 1300 737 760 (if calling within Australia) or +61 2 9290 9600 (if calling from outside Australia) from 9.00am to 5.00pm (AEDT) Monday to Friday. If you are unclear or uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your lawyer, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest in Shares.	Important Notices
When can I sell my Shares on ASX?	It is expected that trading of the Shares on the ASX will commence on a normal settlement basis on or about 24 November 2020. It is the responsibility of each person who trades Shares to confirm their holding before trading Shares. Any person who sells Shares before receiving a holding statement does so at their own risk	Section 8.25.3

2

ACQUISITION OVERVIEW

2.1. Who is, and what is the current status of, the Company?

The Company is an Australian public company which has been listed on ASX since December 2015 (ASX:REV). Its registered office is located in Melbourne, Victoria.

The Company currently owns and operates a leading PropTech business that provides integrated online tools for Australian and New Zealand residential property investors. These tools consist of a software as a service (**SaaS**) product for investors which enables them to search, analyse, track and manage residential property investment opportunities. The SaaS product also helps connect potential property investors with real estate sales agents during the property acquisition phase and subsequently with real estate managers once properties are acquired.

Over the last 18 months, the Company's Board has focussed on a number of key initiatives in an effort to improve the overall performance of the business, with a focus on the core SaaS platform and revenue growth.

The Board conducted a strategic review during CY19 and as a result, the Company closed its property transaction business and re-focussed on the existing SaaS business unit. However, these initiatives alone were not, in the opinion of the Directors, sufficient to produce an acceptable level of revenue and profitability for a company listed on ASX. Accordingly, the Company had previously announced that it was proactively looking for opportunities to leverage its existing assets, including its database of property investors, via investments in Australian and NZ PropTech companies and/or other new growth opportunities with the objective of enhancing shareholder value.

This has resulted in the Company entering into the Implementation Deed relating to the RECRM Acquisition.

2.2. Acquisition of Real Estate CRM Pty Ltd

On 3 March 2020, the Company announced that it had entered into an Implementation Deed with Real Estate CRM pursuant to which the Company made offers to acquire all of the issued shares in Real Estate CRM from its shareholders. The proposed acquisition of Real Estate CRM is referred to as the RECRM Acquisition in this Prospectus.

Directors Simon Baker, Joe Hanna and Sam Plowman, together with incoming Director Scott Wulff are currently directors of, and shareholders in, Real Estate CRM.

In consideration for 100% of the issued capital of Real Estate CRM, the Company will issue 64,900,048 Shares to the shareholders of Real Estate CRM (**RECRM Sellers**) as detailed in Appendix B. The purchase price is based on:

- an agreed valuation of Real Estate CRM of $16,225,000 (being $10,000,000 for Vault Group Pty Ltd plus an amount of $5,975,000 (being the amount of equity subscribed for by investors in Real Estate CRM Pty Ltd) plus a further $250,000 (being 250,000 shares issued at a deemed issue price of $1.00 each in satisfaction of accounting and corporate advisory services rendered to Real Estate CRM in connection with the Vault Acquisition and the MyDesktop Acquisition); and
- an agreed valuation of $3,500,000 for the Company.

The RECRM Acquisition will result in a material change to the nature and scale of the Company's activities, and requires the Company to re-comply with Chapters 1 and 2 of the Listing Rules. See Section 8.5.2 for further detail.

A summary of the Implementation Deed is set out in Section 9.3.

Real Estate CRM Pty Ltd is an Australian proprietary limited company which was incorporated in Victoria on 13 February 2020 to facilitate the acquisition of two complementary real estate CRM platforms, namely:

- the 'MyDesktop' business as part of the acquisition of 100% of the issued share capital in Commerce Australia from ASX-listed company Domain Group Holdings Limited pursuant to the agreement for the MyDesktop Acquisition; and
- the 'VaultRE' business as part of the acquisition of the 100% issued share capital of Vault Group Pty Limited pursuant to the agreement for the Vault Acquisition.

MyDesktop is the leading real estate sales CRM system used by Australian real estate agents. VaultRE is an integrated residential and commercial sales CRM and property management system that is used by Australian, New Zealand and United Kingdom real estate agents.

On 13 March 2020, Real Estate CRM completed both the Vault and MyDesktop Acquisition. Summaries of the material terms of the agreements for the MyDesktop Acquisition and the Vault Acquisition are set out at Sections 9.4 and 9.5 respectively.

REV Shares have been voluntarily suspended from trading since 3 March 2020 pending Completion of the Offers and the Re-compliance.

Completion of the RECRM Acquisition is subject to a number of conditions being satisfied and/or waived, including the raising of capital (which is being conducted under this Prospectus) and the Re-compliance. See Sections 8.2 and 8.6 for further detail.

2.3. Shareholder approval and conditions precedent

At the Company's General Meeting held on 30 September 2020, the Company's shareholders approved (amongst other things):

- consolidation of the Company's existing share capital on a 1 for 20 basis;
- change to the nature and scale of the Company's activities that will result from the Company completing the RECRM Acquisition and the Offers;
- appointment of Scott Wulff to the Board as an Executive Director;
- change of the Company's name from "Real Estate Investar Group Limited" to "PropTech Group Limited";
- the issue of the Consideration Shares to the RECRM Sellers;
- issue of New Shares pursuant to a capital raising of $10.6 million at an issue price of 25 cents per New Share;
- participation by current Directors to subscribe for New Shares under the Cash Offers; and
- the issue of Shares to the Conversion Participants in partial satisfaction of outstanding remuneration payable to them by the Company.

The consolidation of the Company' share capital and change in name have already been completed.

Completion of the RECRM Acquisition is conditional upon the satisfaction (or waiver) of all the conditions precedent under the Implementation Deed. Following shareholder approval, the remaining outstanding conditions to the completion of the RECRM Acquisition are:

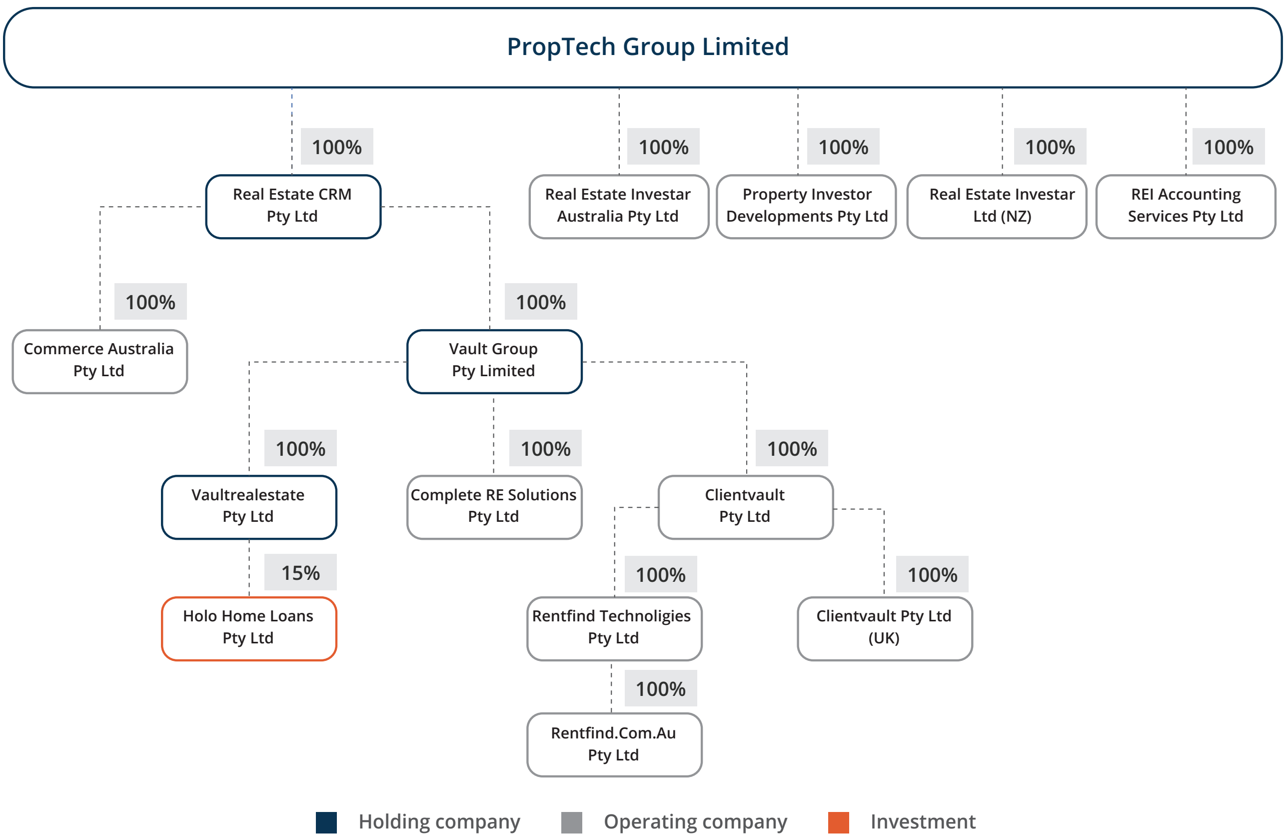
- the Company obtaining all necessary ASX approvals required to give effect to the RECRM Acquisition;
- the RECRM Sellers agreeing to exchange their shares in RECRM for Shares; and
- Completion of the Offers.

2.4. Group structure

Following Completion of the RECRM Acquisition and the Offers, the corporate structure of PropTech Group will be as detailed in Figure 2.1.

Figure 2.1 Corporate Structure of PropTech Group

The underlying structure is a result of a number of investments over the last few years. One of the objectives of management is to further streamline the corporate structure while preserving the tax benefits (if any) that may have accrued.



3

INDEPENDENT MARKET REPORT

Market Report

The Real Estate Agency Software Market

October 2020

This report describes the real estate agency software markets in Australia, New Zealand (NZ) and the United Kingdom (UK). This report has been commissioned from Frost & Sullivan by PropTech Group Ltd. (PropTech Group or the Company).

1. Introduction, Background and Methodology

PropTech Group provides online tools to support property investors in the Australian and NZ markets. As an expansion to its current activities, the Company proposes to acquire two proptech businesses (Commerce Australia (trading as MyDesktop), and Vault Group (VaultRE)) that provide software for real estate agencies, through the acquisition of a special purpose vehicle (Real Estate CRM Pty. Ltd.) established to acquire MyDesktop and VaultRE from their existing owners. As this transaction will entail a significant change of scale for PropTech Group, the Company is required to obtain the approval of its shareholders for the proposed transaction, and must also re-comply with Chapters 1 and 2 of the Listing Rules of the Australian Securities Exchange (ASX).

This report describes the real estate agency software markets in Australia, NZ and the UK, where MyDesktop and VaultRE currently operate. Information in this report has been drawn from publicly-available sources, including governmental statistics, articles, journals and industry reports. Market size estimates and growth forecasts have been developed by Frost & Sullivan based on these sources, and Frost & Sullivan's own estimations. Although the full impact of the 2020 Covid-19 pandemic on the industry is still unclear, market forecasts include an estimation of its likely effect in 2020 and 2021.

All currency quoted in this report refers to Australian dollars ($) unless specified otherwise. When converting from other currencies, the following exchange rates have been used.

$1=	NZ$1.09	£0.56	US$0.73

Source: xe.com, 10 September 2020

2. Real Estate Agency Software

2.1 Overview

Real estate agencies are businesses that manage the sale of properties or vacant land on behalf of the vendor, and undertake the letting and ongoing management of rental properties on behalf of the owner. Whilst real estate agencies as described in this report largely focus on the sale and letting of residential properties, they may also participate in small scale commercial, agricultural and industrial property sales and management (such as shops, farms, factory units and small offices). Commissions from property sales, letting fees and ongoing property management fees are the main revenue sources for real estate agencies. Real estate agencies employ individual estate agents who appraise properties for sale and manage the sales process, and who may be engaged on a salary plus commission or commission-only basis. Rental property management is generally undertaken by specialist property managers operating within the agency.

2.2 Proptech

MyDesktop and VaultRE provide customer relationship management (CRM) and property management (PM) software for real estate agencies. CRM and PM applications fall within the broader category of proptech (information technology used in the research, buying, selling and management of real estate). Proptech is an area of significant investor interest, with US$20 billion ($27.4 billion) anticipated to be invested in 2020,[1] and an estimated 265 proptech companies operating in Australia.[2] The range of applications falling within the proptech market is illustrated below.

Figure 1: The Proptech Market, 2020

Source: Frost & Sullivan based on Pielab, accessed from https://www.pielab.com.au/the-growth-of-real-estate-technology-in-australia/

[1] AFR, accessed from https://www.afr.com/property/20-billion-in-proptech-globally-by-2020-taronga-and-kpmg-20170523-gwb6h6

[2] Unissu, accessed from https://www.unissu.com/proptech-resources/proptech-in-australia

2.3 CRM and PM Software Applications

To support business activities and workflow, real estate agencies utilise applications including CRM and PM software. These applications are business-critical, and are generally provided by independent software vendors (ISVs). Some ISVs (particularly in the UK) provide solutions for both CRM and PM (a single-platform solution), however many agencies utilise separate CRM and PM software from different vendors (sometimes known as a mix-and-match or best-of-breed approach). Some larger real estate agency groups have developed in-house software for CRM and PM, however the significant costs involved in developing and maintaining in-house software when compared to using commercial software precludes this for most agencies. Across Australia, NZ and the UK, the total market size for real estate agency software (CRM and PM) is estimated at $302 million.[3]

2.3.1 CRM Software

CRM software assists agencies to automate their activities and workflow related to property sales and letting (sometimes known as "front-end" processes), including customer interaction, storage of property, vendor and buyer information, marketing (for example, generation of electronic direct marketing (EDM) activities) and tracking sales data. CRM solutions also include interfaces to property portals (such as realestate.com.au in Australia and Rightmove in the UK) allowing property listings to be easily uploaded. Whilst the use of generic (industry-agnostic) CRM software (such as Salesforce) is possible, the vast majority of agencies utilise solutions specifically developed for use by residential real estate agencies, including both commercial and in-house developed products. Generic CRM software is generally viewed as lacking the functionality required for the real estate agency industry, and few agencies regard it as a viable option for them.[4]

2.3.2 PM Software

PM software is used by property managers within agencies to automate processes and workflow related to management of rental properties, such as generating invoices and collecting and receipting rent, managing repairs, inspections, and landlord accounting including trust accounting (sometimes known as "back-end" processes).

2.4 Delivery Models

Traditionally, real estate agency software was provided through an on-premises (desktop) model, where the software was loaded onto hardware (servers or computers) at the agency. This was the most common delivery format from the introduction of business computing in the early 1980s through to the late-2000s. Since then, cloud-based delivery formats have become much more common, whereby the application is hosted at a remote data centre, and can be accessed by users wherever they are able to access the internet. This delivery model is known as software-as-a-service (SaaS), and offers a range of benefits for users, including scalability, cost-effectiveness, easier upgrades and maintenance, and the ability to access the application from any internet-enabled device and location, including through mobile devices such as smartphones. Many longstanding ISVs have needed to upgrade their on-premises applications to SaaS versions,

[3] Frost & Sullivan
[4] Competition & Markets Authority, Completed acquisition by ZPG plc of Websky Limited (Expert Agent)

and now offer both on-premises and SaaS versions. Newer market entrants tend to focus exclusively on SaaS solutions.

2.5 Buying Criteria

The market opportunity for software vendors includes new agencies which are first-time users of software, and existing agencies switching from other commercial software products, or in some cases from in-house software or manual processes. Whilst new agencies have opened in all three geographic markets in recent years, the main market opportunity for ISVs lies in switching agencies from existing products. Key buying criteria for agencies include whether the software is SaaS-based; ease-of-use; range of functionality; provider reputation; portal upload functionality; reliability; and whether the product offers a single integrated solution for CRM and PM.[5] Additionally, offices that transfer to other groups provide a switching opportunity, when the new group utilises different software. The ability to seamlessly transfer data between applications is critical when agencies are migrating to a new product.

Whilst the cost of commercial software may also influence the buying process, this is generally not critical, as the monthly cost is relatively insignificant when compared to other agency operating costs such as staff, premises and advertising. Software costs are estimated as less than 1% of total agency operating costs on average.[6]

2.6 Pricing Models

The buying point for real estate agency software is generally at the business/group level, with all agents/property managers and other staff engaged at an individual agency using the same CRM or PM products. Agencies with multiple company-owned or franchised branches will generally use common software products across all offices, although offices where in-house software is in use may also supplement this by subscribing to a separate commercial product. Software pricing is usually based on an initial implementation/set-up fee, followed by ongoing monthly subscription fees. Subscription fees vary depending on the number of users/properties managed, and the functionality offered, with most ISVs offering varying pricing packages. Typical pricing levels per month for real estate agency software are illustrated below.

Table 1: Typical Subscription Fees/Month, Real Estate Agency Software, Australia, NZ, UK, 2020

	Australia	NZ	UK
CRM	$200-600/office	NZ$180-300/office	£125-420/office
PM	$1-3/property	NZ$1.50/property	£0.50-1/property

Source: Frost & Sullivan

2.7 Market Trends and Drivers

The addressable market for real estate agency software comprises real estate agency businesses, with the number of active businesses determining the available opportunity for ISVs. Over recent years, the number of active offices in each country has increased, as new independents have started and established groups have expanded their office footprints. In Australia, for example, the number of active offices is estimated to have increased from ~9,500 in 2012 to ~11,000 in

[5] Competition & Markets Authority, Completed acquisition by ZPG plc of Websky Limited (Expert Agent)
[6] Frost & Sullivan

2019.[7] This development is largely due to relatively good property market conditions in each country (increasing property prices and rising or stable transaction volumes), which have driven an increase in revenue for agencies. In each office, several staff may use CRM and PM software, including individual agents, property managers, office managers, receptionists and other staff.

Whilst the number of customers for real estate agency software has increased, average software prices have either declined or remained broadly stable, largely resulting from the general trend towards SaaS-based offerings that are available at lower price points than on-premises solutions. SaaS-based solutions are increasingly dominating the market, offering advantages of increased scalability, improved functionality, easy upgrades and maintenance, and the ability to access from any internet-connected location, including through a remote device. However, a significant base of users still remain on older, on-premises products, particularly those offered by older, "legacy" vendors. Australian ISV Rockend Technologies, for example, still derives around 65% of its revenue from on-premises software.[8] The evolution from on-premises to SaaS-based can be challenging for older vendors, given their legacy code and database structures.

Whilst many agencies prefer a single solution that offers CRM and PM functionality, this can also be challenging for vendors to offer. Vendors offering both CRM and PM often do so through separate, non-integrated solutions. Whilst this provides some benefits for the vendor (for example, in combining sales and marketing) it does not offer the end-user an integrated experience (for example, re-entry of property data may be required). Hence solutions offering CRM and PM built on a single database and with a single coding structure are likely to be increasingly popular.

2.8 Market Participants

The real estate agency software markets in Australia, NZ and the UK are relatively fragmented, although there has been recent consolidation with a number of acquisitions as described in Section 4.5. The leading industry participants across the three markets are listed below, with all offering SaaS versions of their software. Several companies offer both CRM and PM software, although in some cases these are provided as separate, non-integrated products.

Table 2: Real Estate Agency Software Market Participants, Australia, NZ, UK, 2020

Company	HQ	Markets Served			Product Range		Integrated CRM/PM?
		AU	NZ	UK	CRM	PM	
MyDesktop/Vault RE	AU	√	√	√	√	√	√
Box + Dice	AU	√	√		√		
Console	AU	√	√			√	
Dezrez	UK			√	√	√	√
Estates IT	UK			√	√	√	√
Eurolink (Veco)	UK			√	√	√	√
MRI Software (incl. Rockend, Qube, Thesaurus,	US	√	√	√	√	√	

[7] Frost & Sullivan
[8] Rockend Technology Financial Report, 2019

Company	HQ	Markets Served			Product Range		Integrated CRM/PM?
CML)							
Palace	NZ	√	√			√	
PropCo	UK			√		√	
PropertyMe	AU	√				√	
Property Suite	NZ	√	√		√		
Reapit (incl. Agentbox)	UK	√		√	√	√	√
REX Software	AU	√	√	√	√		
Tilt (RentPro)	UK			√	√	√	√
VTUK	UK			√	√	√	√
Zoopla Property Group (incl. Alto, Jupix, Expert Agent)	UK			√	√	√	

Source: Frost & Sullivan

2.9 Impact of Covid-19

The full impact of the 2020 Covid-19 pandemic on the real estate agency industry is still uncertain, however it is likely to lead to a significant drop in transaction volumes and a decline in average property prices in 2020, given the restrictions impacting the housing market and the economic recessions in all three countries. Whilst property management services will be relatively unaffected (although there may be some revenue impact from declining rents), there is likely to be a significant decline in real estate agency revenue from sales commissions. Overall, this is likely to negatively impact agency revenues in all three geographic markets in 2020.

The downturn in agency income is likely to drive a reduction in the number of operating offices (as more marginal offices are closed), and will lead to agencies seeking to drive down operating costs. There will be continued use of CRM and PM software as these are business-critical, however agencies may seek to obtain reduced pricing from vendors, or switch to lower-cost solutions. These developments are likely to decrease the value of real estate agency software markets by up to 10% in 2020. There is also likely to be acceleration in the transition to SaaS-based solutions, given the increased flexibility and cost-effectiveness that these offer over on-premises products.

3. Real Estate Agency Industry

3.1 Overview

Residential real estate is the most valuable asset class in each geographic market. For example, in December 2019, the total value of residential real estate in Australia was $7,216 billion.[9] This compares to a total market capitalisation of the ASX of $2,118 billion at the same point.[10] In each country, the buying/selling of residential real estate, as well as the management of private-sector leased properties, comprises a very large market. The total transaction value (transactions x

[9] Australian Bureau of Statistics, 6416.0 - Residential Property Price Indexes: Eight Capital Cities, Dec 2019
[10] ASX, Market Statistics, End-of-month Values

average price, excluding stamp duty) of residential real estate in Australia in 2019 was approximately $283 billion, with NZ at NZ$49 billion ($45 billion) and the UK £273 billion ($487 billion).[11]

Table 3: Residential Real Estate Transaction Data, Australia, NZ, UK, 2019

	Total Transactions	Average Property Price	Total Transaction Value
Australia	410,000	$691,000	$283 billion
NZ	75,000	NZ$655,000	NZ$49 billion
UK	1,180,000	£231,000	£273 billion

Sources: Australian Bureau of Statistics, 6416.0 - Residential Property Price Indexes: Eight Capital Cities, Dec 2019; Real Estate Institute of NZ; HM Revenue and Customs, UK Property Transactions Statistics, March 2020

In addition to the total transaction value, services provided to facilitate residential real estate transactions also form a very large market. For example, in Australia the market size is estimated at over $20 billion (including estate agency commissions, property management fees, property advertising, valuations, conveyancing, legal and taxation services, property inspections, commissions for mortgages, insurance and utilities, removals, and repairs & maintenance of rental properties). Of this total, real estate agency income is just under 50%.[12]

Real estate agencies form the end-user market for real estate agency software. The agency industry is fragmented, with most businesses operating on a single-office basis, although there are groups operating nationally or regionally with multiple offices, either company-owned or franchised, or a combination of the two. In all markets, the majority of property sales and letting transactions are managed by agencies, with direct sale or letting by owners relatively uncommon (estimated at less than 5% of total transactions in each market). Most agencies derive revenue from property sales commissions, as well as letting fees and ongoing property management fees, although some agencies may focus exclusively on either sales or lettings.

Summary data on the estate agency industry in each market is given below.

[11] Australian Bureau of Statistics, 6416.0 - Residential Property Price Indexes: Eight Capital Cities, Dec 2019; Real Estate Institute of NZ; HM Revenue and Customs, UK Property Transactions Statistics, March 2020
[12] Frost & Sullivan

Table 4: Real Estate Agency Industry, Overview, Australia, NZ, UK, 2020

	Number of Offices	Number of Individual Agents	Total Staff*	Industry Revenue	Typical Commission (Sales)	Major Firms
Australia	~11,000	~35,000	~85,000	$9.4bn	2.0%	Ray White, LJ Hooker, Harcourts, McGrath
NZ	~1,200	~14,000	~35,000	NZ$2.7bn ($2.5bn)	3.0%	Harcourts, Ray White, Barfoot & Thompson
UK	~25,000	~51,000	~170,000	£10.7bn ($19.1bn)	1.4%	Countrywide, Connells, Savills

*includes agents, property managers, office managers, receptionists

Sources: Hallidays, Estate Agents Industry, Summary Report; Frost & Sullivan

3.2 Australia

There are an estimated 11,000 real estate agency offices in Australia, with around 35,000 individual agents estimated to be active.[13] Major agency groups include Ray White (~1,000 franchised offices, mainly in Australia, but also in 10 other countries), LJ Hooker (~600 offices), Harcourts (~400 offices) and McGrath (110 offices).

Agency revenue from letting and property management fees has gradually increased over recent years, reflecting an increased number of rental properties in the market. However, around 60% of total agency revenue is based on sales commissions, determined by the number of transactions and average property prices. Whilst residential property prices in Australia overall have risen by 13% between December 2015 and December 2019 to reach a mean of $691,000 in December 2019, this has been accompanied by a reduction in transaction volumes, with only around 410,000 housing transactions (established houses and attached dwellings) occurring in 2019, compared to over 520,000 in 2015.[14] Hence, despite the increase in mean prices, total agency revenue has been stable or in slight decline over recent years, and is estimated at around $9.4bn in 2019.[15]

3.3 NZ

The real estate agency industry in NZ consists of around 1,200 offices, with about 14,000 individual active licensed agents.[16] Major groups include Harcourts (231 offices), Ray White (183 offices) and Barfoot & Thompson (75 offices). Over recent years the number of residential property transactions has been broadly stable, with approximately 70-80,000 per year,[17] accompanied by higher median prices, which have increased by 40% since 2015 to reach NZ$655,000 ($600,000) in February 2020.[18] Overall agency revenue is estimated at around

[13] Frost & Sullivan
[14] Australian Bureau of Statistics, 6416.0 - Residential Property Price Indexes: Eight Capital Cities, Dec 2019
[15] Frost & Sullivan
[16] REA NZ, Licensing Statistics (accessed from https://www.rea.govt.nz/news/licensing-statistics/)
[17] Real Estate Institute of NZ
[18] Real Estate Institute of NZ, Median Price (accessed from https://www.interest.co.nz/charts/real-estate/median-price-reinz)

NZ$2.66bn ($2.44bn) in 2019.[19] Typical agency commissions at ~3.0% are significantly higher than in Australia (~2.0%) and the UK (~1.4%).

3.4 UK

There are just over 21,200 real estate agency businesses in the UK,[20] with an estimated 25,000 offices. Major groups include Countrywide (850 offices), Connells (600 offices) and Savills (129 offices). There are currently no licensing or qualification requirements for individual agents, with the number of active agents estimated at about 51,000.[21] Since 2014, the annual number of residential property transactions has ranged between 1.14m and 1.32m, although the 2019 total (1.18m) was the lowest since 2014.[22] Since 2015, average UK residential property prices have increased by 20%, with an average house price of £231,000 ($412,500) in February 2020.[23] The fall in transaction volumes over recent years has more than offset the increase in average prices, and total industry revenue was estimated at around £10.7bn ($19.1bn) in 2019, a decline of around 8% over 2018.[24]

3.5 Market Trends

Real estate agencies have remained relatively immune from disruption caused by new entrants with innovative business models, and the traditional model of individual agents working from local offices still prevails for most transactions. For example, for-sale-by-owner (FSBO) business models (the practice of a vendor selling a property without involvement by an agent) have been offered by many companies that support vendors to sell their homes for several years, yet penetration of all housing sales is estimated at less than 1% in Australia and the UK.[25]

A more recent development has been the emergence of pure online or hybrid estate agencies, of which UK-based Purplebricks is the main example. Others include emoov and Yopa (UK). These businesses offer to sell a property for a fixed fee which is generally paid on listing, and provide a mainly online service which does not involve interaction with an agent. Businesses offering a "hybrid" service (such as Purplebricks) also include the services of an estate agent (local property expert), for example in providing valuations and ongoing support through the sales process. The vast majority of property vendors still prefer to deal through a local agent, despite the higher commission payable than through an online agent.

By 2019, online and hybrid agents had an 8% share of property transactions in the UK.[26] Market share in Australia is estimated to be significantly smaller (for example, Purplebricks exited the Australian market in 2019 after three years, after gaining a share of less than 1% of transactions).[27] A similar fixed-fee model has also been introduced for property management (for example, by Australian-based start-up :Different), although the share of properties managed is still very low.

[19] Frost & Sullivan
[20] UK Office for National Statistics, UK Business: activity, size and location, 2019
[21] Frost & Sullivan
[22] HM Revenue and Customs, UK Property Transactions Statistics, March 2020
[23] National Statistics, UK House Price Index summary: February 2020
[24] Hallidays, Estate Agent Industry, Summary Report
[25] Which Real Estate Agent (accessed from https://whichrealestateagent.com.au/sell-property/for-sale-by-owner/)
[26] TwentyCI, Property and Homemover Report, Q4 2019
[27] Purplebricks FY2019 Results Presentation

4. Real Estate Agency Software Markets

4.1 Overview

This section describes the size and growth of the real estate agency software market in each country, as well as giving an overview of the competitive environment. Market size is measured in value terms, and is based on the estimated total expenditure on commercial software products (implementation, training, subscription, and maintenance fees). Expenditure on in-house solutions or generic software is excluded.

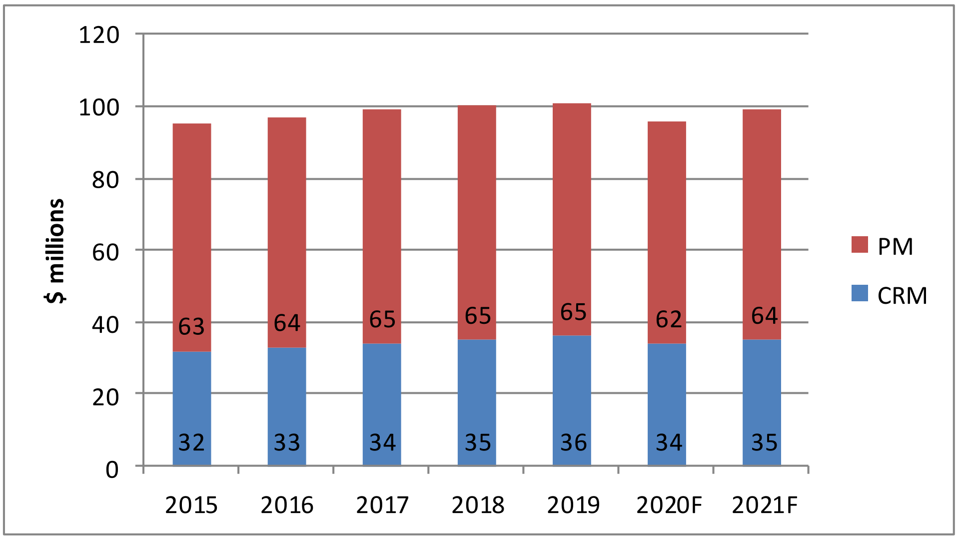
4.2 Australia

The addressable market in Australia comprises around 11,000 individual agency offices. However, around 10% of these are estimated to be using in-house systems (including Harcourts and Century 21), basic spreadsheets or generic software. The current user base of commercial CRM and PM software products is therefore around 10,000 offices.

4.2.1 Market Size

In 2019, the real estate agency software market was estimated at $101 million, with CRM comprising $36 million and PM $65 million. The market is anticipated to fall by about 5% in 2020, before recovering to $99 million by 2021. The overall growth rate between 2015 and 2021F is estimated at 1.5% for CRM and 0.3% for PM.

Figure 2: Real Estate Agency Software Market Size, Australia, 2015 to 2021F



Source: Frost & Sullivan

4.2.2 Competitive Environment

The main industry participants in Australia are listed below.

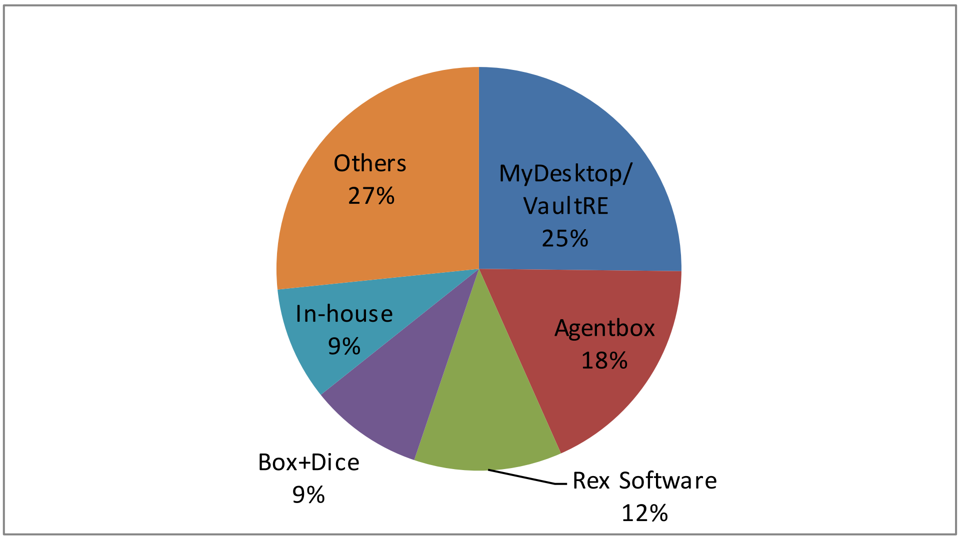
Table 5: Main Real Estate Agency Software Industry Participants, Australia, 2020

Company	Products	Date Established	Offices Served (estimate)	Comments
MyDesktop/Vault Group	MyDesktop CRM/VaultRE CRM and PM	1997 (MyDesktop), 2017 (VaultRE)	2,800 (AU), 380 (NZ)	Companies merged in 2020. Combined revenue of $9 million (ANZ). ~41,000 individual users.
Agentbox	Agentbox CRM and PM	2009	2,000	Employs over 50 staff. Acquired by UK-based Reapit funded by Acel-KKR in 2018 for up to £12 million ($21.8 million).
Box+Dice	Box+Dice CRM	2005	1,000	14,000 active users (ANZ). Claims 14% share of transactions in ANZ.
Console	Console Cloud PM	1992	3,000	Launched SaaS product in 2017 Revenue $20 million in 2019.
PropertyMe	PropertyMe PM	2013	N/A	SaaS-only product.
REI Master	REI Master PM	2003	1,300	
ReNet	Touchpoint Manager CRM	2003	N/A	Also offers print and website design services.
Rex Software	Rex CRM	2009	1,300 (ANZ)	Serves 1,300 offices in ANZ and 200 in UK. 7,500 individual users.
Rockend Technology	Rest Professional and Property Tree PM	1992	3,500	Also offers strata management software. 2019 revenue $37 million (including strata management). Acquired by MRI Software in 2018.

Source: company reports and websites

MyDesktop/VaultRE is the market leader in CRM software by installations, followed by Agentbox.

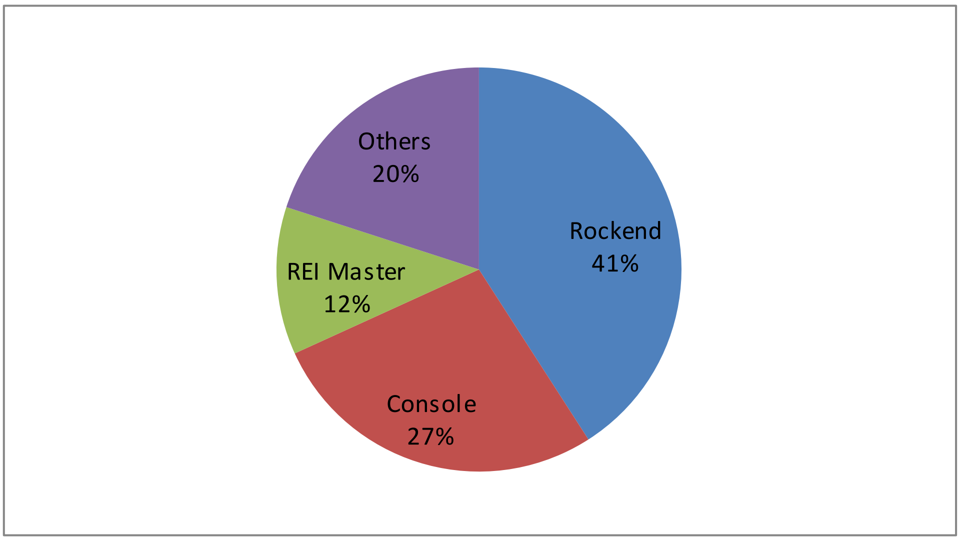
Figure 3: Market Share by Offices, Real Estate Agency CRM Software, Australia, 2019



Source: Frost & Sullivan. Others includes LockedOn, Eagle Software, Zenu, PropertySuite

In PM software, Rockend is the market leader followed by Console.

Figure 4: Market Share by Offices, Real Estate Agency PM Software, Australia, 2019



Source: Frost & Sullivan. Others include VaultRE, Agentbox, PropertyMe

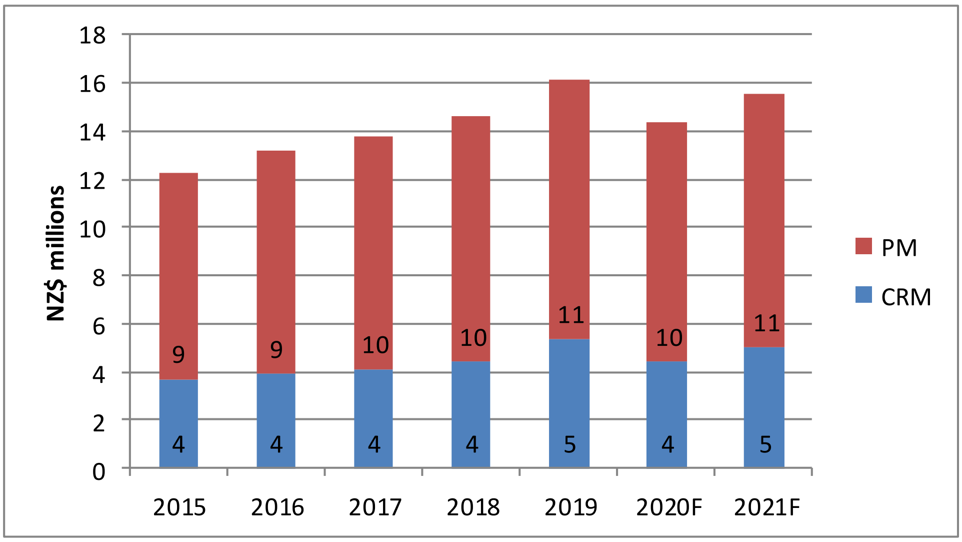
4.3 NZ

The addressable market in NZ comprises an estimated 1,200 offices. As with Australia, about 10% of these are estimated to be using in-house systems, basic spreadsheets or generic software.

4.3.1 Market Size

The real estate agency software market size in NZ was estimated at NZ$16.1 million ($14.8 million) in 2019, with CRM software estimated at NZ$5.3 million ($4.9 million) and PM software NZ$10.8 million ($9.9 million). Between 2015 and 2021F the growth rate for CRM is estimated at 5.1% and 3.4% for PM.

Figure 5: Real Estate Agency Software Market Size, NZ, 2015 to 2021F



Source: Frost & Sullivan

4.3.2 Competitive Environment

Several Australian-based companies are also active in NZ (including MyDesktop/VaultRE, Console, Rockend, Rex Software), however there are also some local NZ-based industry participants.

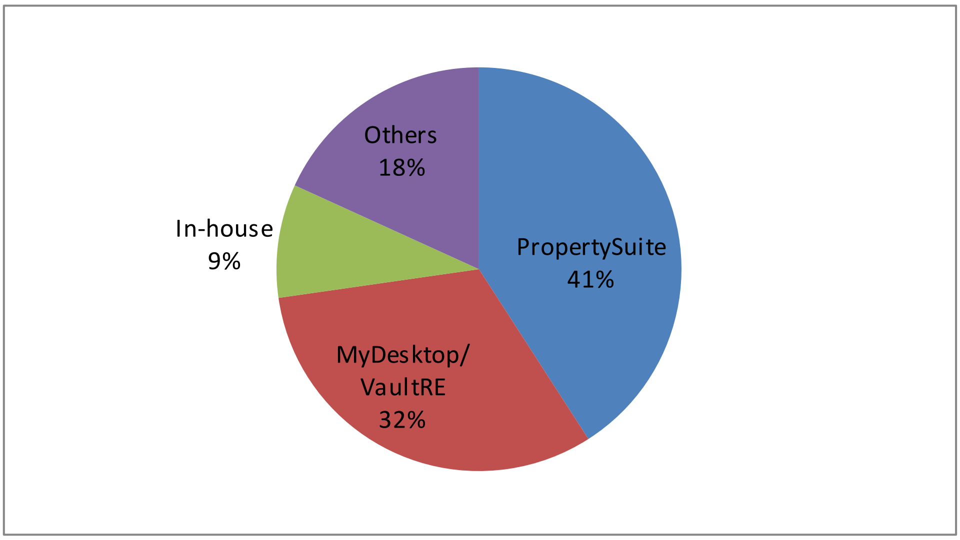
Table 6: Main Real Estate Agency Software Industry Participants, NZ, 2020

Company	Products	Date Established	Offices Served (estimate)	Comments
Palace	Palace PM	2004	600	Specialist PM software, serves NZ and AU markets.
PropertySuite	PropertySuite CRM	2007	400	Serves NZ and AU markets.

Source: company reports and websites. Table only includes NZ-headquartered companies

In CRM, PropertySuite is estimated to be market leader, followed by MyDesktop.

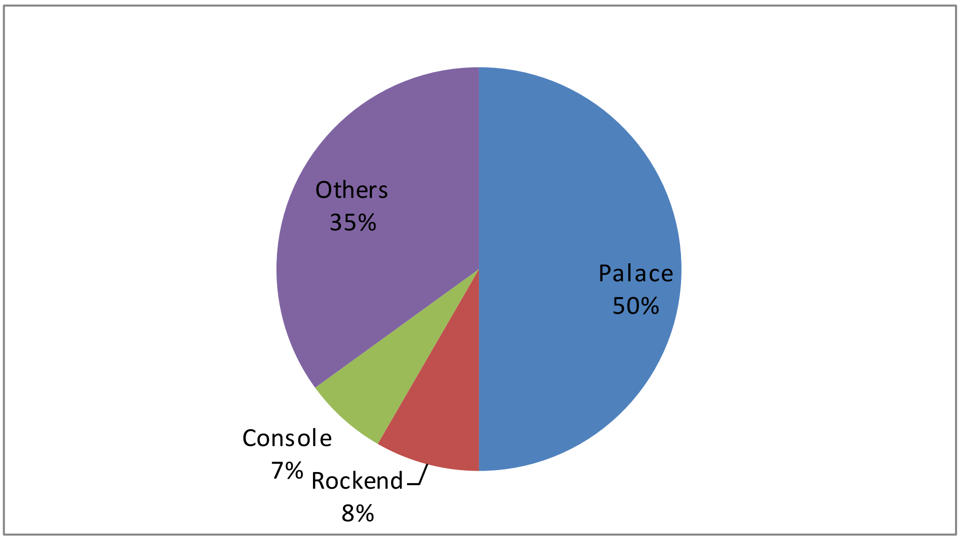
Figure 6: Market Share by Offices, Real Estate Agency CRM Software, NZ, 2019



Source: Frost & Sullivan. Others include Rex Software, Box+Dice

In PM software, Palace is the market leader. Rockend and Console also have a presence in NZ.

Figure 7: Market Share by Offices, Real Estate Agency PM Software, NZ, 2019



Source: Frost & Sullivan

4.4 UK

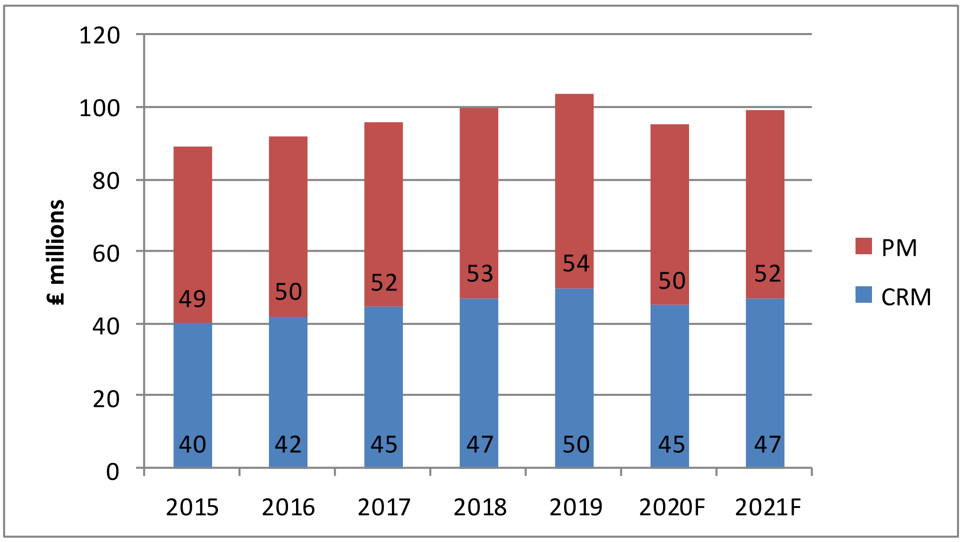
There are an estimated 21,200 real estate agency companies with about 25,000 individual offices in the UK. About 15 agency chains, representing just under 10% of offices, operate in-house systems with the balance using commercial software.[28]

[28] Competition & Markets Authority, Completed acquisition by ZPG plc of Websky Limited (Expert Agent)

4.4.1 Market Size

The UK market is estimated at £104 million ($185 million) in 2019, with CRM software £50 million ($89 million) and PM software £54 million ($96 million). Between 2015 and 2021F, the CRM software market is expected to grow at 2.7% CAGR, and PM software at 1.0% CAGR.

Figure 8: Real Estate Agency Software Market Size, UK, 2015 to 2021F



Source: Frost & Sullivan

4.4.2 Competitive Environment

Industry participants in the UK are largely distinct from those operating in ANZ, although US-based MRI Software has made acquisitions in both markets, and UK-based Reapit (funded by Acel-KKR) has acquired Agentbox in Australia. The main industry participants in the UK are listed below.

Table 7: Main Real Estate Agency Software Industry Participants, UK, 2020

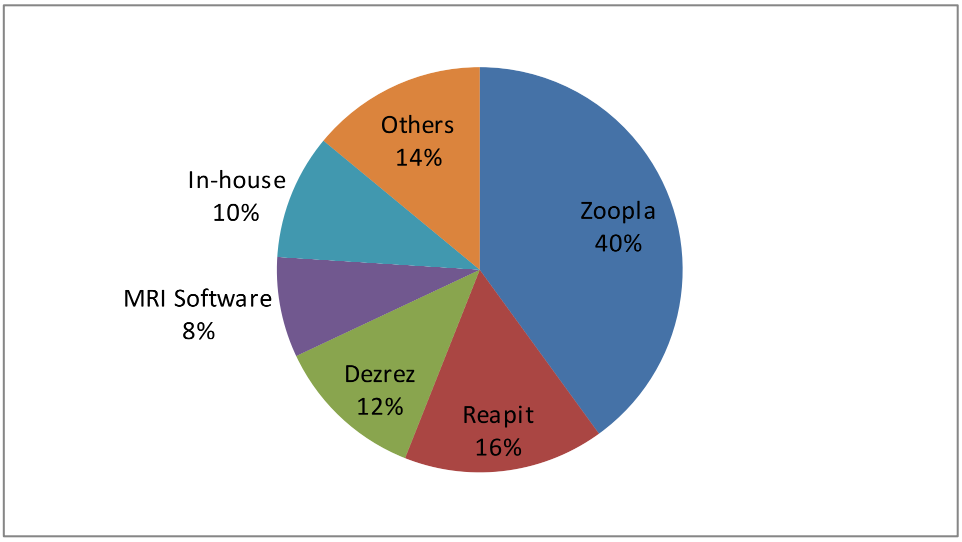
Company	Products	Date Established	Offices Served (estimate)	Comments
Dezrez	Rezi CRM	1999	3,000	2019 revenue £3.9 million ($7.0 million).
Eurolink	Veco CRM and PM	1990 (Veco launched 2008)	>200	Used to manage over 1.1m properties.
MRI Software	MRI Qube PM, MRI Sales & Lettings	N/A	2,000	US-based property software company, expanded in UK via several acquisitions including Qube Software, Thesaurus Technology and CML Software.
Reapit	Agency Cloud CRM and PM	1997	4,000 (UK)	MBO backed by Acel-KKR in 2017. Acquired Agentbox in Australia in 2018. Serves 6,000 offices in UK and AU.
Tilt (formerly RentPro)	Elevate CRM, Origin PM	2004	2,000	Serves UK and Ireland.

Company	Products	Date Established	Offices Served (estimate)	Comments
VTUK	Openview CRM and PM	1989	2,000	
Zoopla Property Group (ZPG)	Alto, Jupix, Expert Agent CRM and PM	N/A	10,000	Property Software Group (Alto and Jupix) acquired by ZPG in 2016, Expert Agent in 2017. ZPG acquired by Silver Lake in 2018.

Source: company reports and websites

In CRM software, Zoopla Property Group (through the Alto, Jupix and Expert Agent brands) is market leader, followed by Reapit.

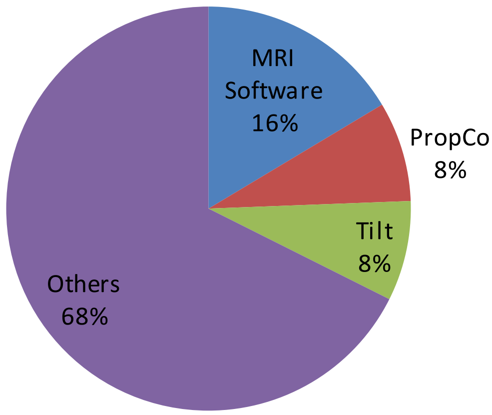
Figure 9: Market Share by Offices, Real Estate Agency CRM Software, UK, 2019



Source: Frost & Sullivan. Others includes agentOS, PropCo, 10ninety

The PM software market is relatively fragmented. MRI Software is market leader.

Figure 10: Market Share by Offices, Real Estate Agency PM Software, UK, 2019



Source: Frost & Sullivan. Others include Zoopla, Eurolink, Reapit, VTUK

4.5 Sector Transactions

Over recent years, a number of transactions of real estate agency software businesses have occurred in Australia and the UK, including several acquisitions by US-based MRI Software, Zoopla Property Group (UK) and Reapit (UK) backed by Acel-KKR. Details of relevant transactions are given below.

Table 8: Real Estate Agency Software Transactions, 2016 to 2020

Date	Country	Acquiror	Acquiree	Comments
2016	AU	Consortium led by Macquarie Group	Onthehouse (Console)	Acquisition and subsequent delisting of ASX-listed Onthehouse, which primarily consisted of the Console PM software business. Transaction valued Onthehouse at ~$70m, approximately 3.5x revenue.
2016	UK	Zoopla	Property Software Group (PSG)	Acquisition of PSG which included Jupix and Alto for £75m ($134m), approximately 3.5x revenue.
2017	UK	MBO backed by Acel-KKR	Reapit	MBO valued Reapit at £42m ($75m), approximately 3.4x revenue.
2017	UK	Zoopla	Expert Agent	Price not disclosed.
2017	UK	MRI Software	Qube Software	Price not disclosed.
2018	UK	MRI Software	Thesaurus Technology	Price not disclosed.
2018	UK	MRI Software	CML Software	Price not disclosed.
2018	UK	Reapit backed by Acel-KKR	Resource Technologies	Acquisition valued Resource Technologies at £2m ($3.6m).
2018	AU	Reapit backed by Acel-KKR	Agentbox	Price estimated as up to £12m ($21.4m).
2019	AU	MRI Software	Rockend Technology	Price not disclosed.

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Date	Country	Acquiror	Acquiree	Comments
2020	AU	Real Estate CRM (to be acquired by REV)	Commerce Australia (MyDesktop)	Acquisition valued MyDesktop at $14m, approximately 1.75x revenue.

Source: press releases and articles

5. Conclusion

CRM and PM software are business-critical proptech applications used by virtually all real estate agencies to manage activities and workflow related to sales, lettings and property management. The addressable market for these applications comprises real estate agency businesses, of which the majority are small, single-office operations, although the industry is increasingly dominated by larger franchise groups operating regionally or nationally in each market. In each market, around 10% of offices (belonging to major groups such as Century 21 or Harcourts) use in-house technology, basic spreadsheets or generic software for CRM and PM, leaving an addressable market for specialist commercial software of about 90% of offices.

A major trend over recent years has been the adoption of SaaS-based products, which has allowed new, SaaS-only vendors to enter the market as existing legacy vendors have often been slow to introduce SaaS-based versions of their software. Another major development has been the offering of CRM and PM applications from a single vendor, although many vendors still provide these as standalone rather than integrated solutions, and this is more common in the UK than in Australia and NZ.

The total market size for real estate agency software in ANZ is estimated at $117 million in 2019, of which CRM accounted for 35% and PM 65%. MyDesktop/VaultRE is market leader in CRM in Australia followed by Agentbox, with PropertySuite market leader in NZ. In PM, Rockend Technology (MRI Software) is market leader in Australia, and Palace in NZ. Across Australia and NZ, use of separate vendors for CRM and PM software is still common.

The UK market for real estate agency software is estimated at £104 million ($185 million) in 2019, with CRM software accounting for 48% and PM software 52%. Major vendors in the UK include Zoopla Property Group, MRI Software and Reapit. All these vendors offer both CRM and PM software, with provision of both from a single vendor being more common than in ANZ.

Over recent years, growth in the volume of software installations in each market resulting from an increase in real estate agency offices has been partly offset by declining average revenue per office. Overall, the estate agency software market has grown at 1-4% per annum since 2015. The 2020 Covid-19 pandemic is likely to negatively impact the market in 2020 by 5-10% in value terms, as some more marginal estate agency offices close as a result of the decline in property transactions and average prices, and as agencies look to reduce software costs or switch to lower-cost vendors. Some recovery in 2021 is anticipated, given an expected upturn in property markets.

6. Disclosure

This is an independent report prepared by Frost & Sullivan. Save for the preparation of this report and services rendered in connection with this report for which normal professional fees will be received, Frost & Sullivan has no interest in PropTech Group Ltd. and no interest in the outcome of the transaction. Payment of these fees to Frost & Sullivan is not contingent on the outcome of the transaction. Frost & Sullivan has not and will not receive any other benefits (including any commissions) and there are no factors which may reasonably be assumed to have influenced the contents of this report nor which may be assumed to have provided bias or influence. Frost & Sullivan consents to the inclusion of this report in the Prospectus in the form and context in which it is included. As at the date of this report, this consent has not been withdrawn. Frost & Sullivan does not hold a dealer's license or Financial Services License. This report does not constitute advice in respect of the transaction.

Yours Faithfully

Mark Dougan

Mark Dougan, Director, Frost & Sullivan Australia Pty. Ltd.

4 COMPANY OVERVIEW

4.1. What is PropTech Group?

The Company will, following the Re-compliance, be a PropTech investment and operating company headquartered in Australia servicing Australia, New Zealand, and the United Kingdom. The Company will seek the re-quotation of its Shares on the ASX under the code PTG.

On Completion of the RECRM Acquisition and the Offers, the PropTech Group will be a corporate group that owns, operates and invests in the products as outlined in Table 4.1 below.

Table 4.1 PropTech Group Products

			Markets		
Product	**Ownership**	**Description**	**Australia**	**New Zealand**	**United Kingdom**
MyDesktop	100%	One of the oldest and most used residential real estate sales CRM software in Australia and New Zealand	Y	Y	
VaultRE	100%	Next generation real estate sales CRM and property management software	Y	Y	Y
Rentfind Inspector	100%	App used by property managers	Y	Y	Y
Real Estate Investar	100%	Leading residential real estate investor platform	Y	Y	
Holo	15%	Online home loans broker	Y		

According to Frost & Sullivan, the combined MyDesktop and VaultRE business has an estimated 25% of the residential real estate agency sales CRM market in Australia and 32% of the residential market in New Zealand.

In Australia, the Group is the clear leader. The number two player is estimated to have only 18% of the market. In the smaller New Zealand market, the combined MyDesktop and VaultRE business is in second place with the market leader having an estimated 41%.

If Rentfind Inspector is also taken into consideration, an estimated 28% of Australian and New Zealand real estate agents use at least one of PropTech Group's products or services

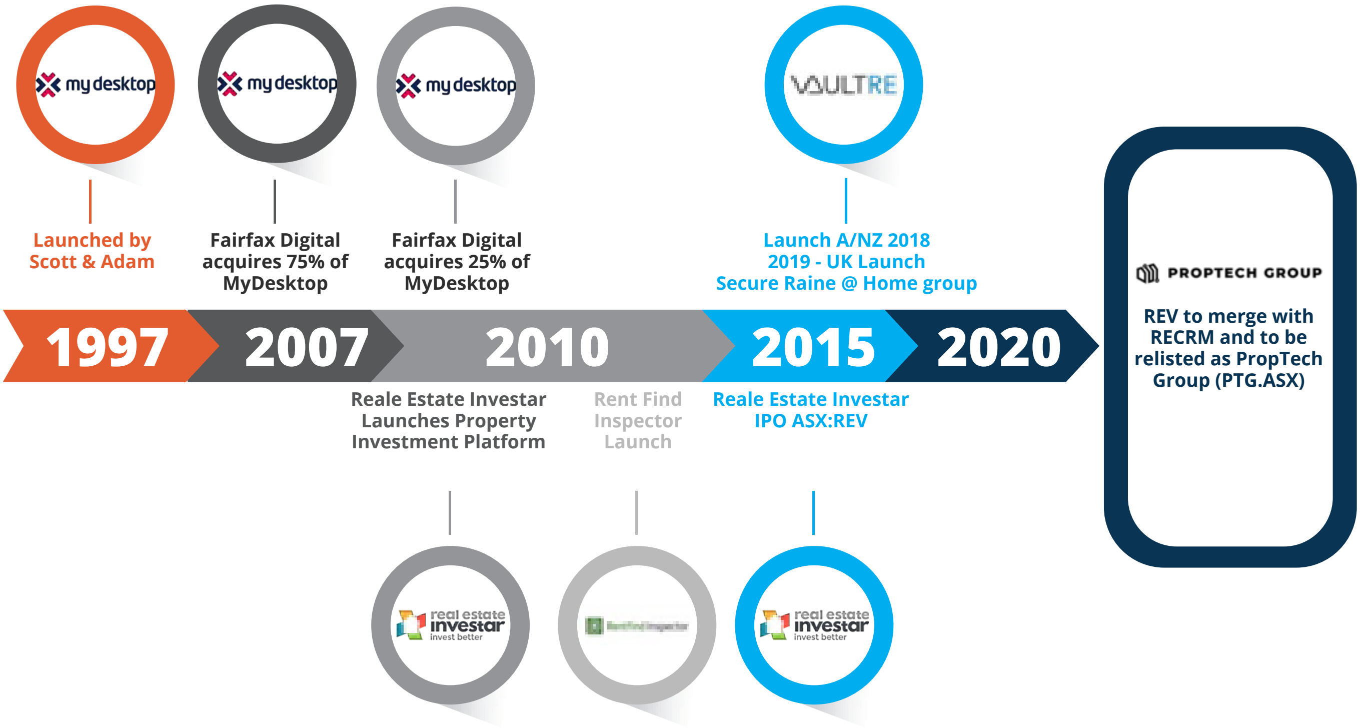
The majority of the PropTech Group's products are offered to customers on a Software as a Service (**SaaS**) subscription basis providing the Company with predictable recurring monthly income.

The PropTech Group employs 51 staff in Australia, New Zealand and the United Kingdom.

4.2. History

The PropTech Group is the amalgamation of PropTech Group Limited and the privately held Real Estate CRM Pty Ltd and their various subsidiaries.

Figure 4.1 Timeline of PropTech Group



4.2.1. PropTech Group history

The Company was originally admitted to the Official List of the ASX as Real Estate Investar Group Limited (REV:ASX) in December 2015.

Real Estate Investar is a subscription-based SaaS property investment platform that helps Australian and New Zealand investors make better residential property investment decisions.

As at 31 August 2020, the Company had 154,431 members with access to the basic property investment platform. Of the total members, 1,037 were paying for the premium service.

The Real Estate Investar product will remain in PropTech Group's portfolio and will continue to be branded Real Estate Investar.

4.2.2. Real Estate CRM history

MyDesktop was founded by Scott Wulff and Adam Campbell in 1997. Over the next ten years, MyDesktop grew to be one of the most used residential real estate sales CRM in the Australian and New Zealand market.

In 2007, Fairfax Digital acquired 75% of MyDesktop with the remaining 25% being acquired in 2010. Scott Wulff and Adam Campbell continued to run MyDesktop as a subsidiary of Fairfax Digital and maintained its market leadership.

A restructure in 2016 saw the departure of Scott Wulff, Adam Campbell and their technology leadership team ahead of MyDesktop becoming a subsidiary of the Domain Group Limited. In turn, Domain Group Limited was spun-out from Fairfax when it was separately listed on ASX in late 2017.

In 2018, Scott Wulff and Adam Campbell were joined by Matthew Healy and David James. Together they launched VaultRE, the next-generation real estate software system which contained both property sales CRM and rental PM functionality on the same technology platform.

In March 2020, Real Estate CRM Pty Ltd was created as a special purpose vehicle to acquire Commerce Australia (the owner of the MyDesktop product) from Domain Group Limited and Vault Group (the owner of the VaultRE product) respectively. At the same time, Scott Wulff, Adam Campbell and their executive team joined Real Estate CRM Pty Ltd to oversee both the MyDesktop and VaultRE products.

4.3. Rationale for forming PropTech Group

Effectively running a real estate agency requires purchasing and integrating a range of technology products and services. At its core, an agency often uses two underlying platforms: a sales CRM product and a property management product. These two products track listings, buyers, sellers, renters, landlords, and the agency's interactions with them. In essence they capture the underlying core data an agency requires to effectively operate and compete.

Other tools and services are often purchased to allow the agency to better service its clients and interact with the sales CRM and property management products, primarily to access the underlying core data. For example, agents can add image capturing and enhancement tools, call tracking technology and automated brochure production.

These products and services are usually purchased from different third party providers with minimal inbuilt interoperability leading to a range of challenges, inefficiencies and underutilisation.

Agencies that solve the integration of these products and services are often able to gain a competitive edge by operating more efficiently, capturing better data about their clients, and by enabling them to provide customised services.

The rise of investment into the global PropTech sector has recently brought with it a myriad of innovative features, applications and products.

PropTech Group was formed to help real estate agencies capture the most from their investment in technology products by owning and operating, investing in, and working with best of breed PropTech products around the world and, where possible, integrating these products to provide agents with the advantages referred to above.

The Company aims to achieve these objectives through a combination of:

- rapid continuous platform and product development;
- deep integration with best of breed products;
- adoption of leading-edge technologies including machine learning, big data mining, automation and artificial intelligence to predict the best use of an agent's time; and
- collaboration, research and development, investment, acquisition, partnerships and innovation within the industry.

4.4. Products and services overview

As outlined in the Independent Market Report (Section 2.3), real estate sales CRM and property management products are business critical applications that agencies rely on in order to automate workflows and activities associated with property and lead management. Most software providers in Australia focus on either the sales CRM or property management segments, with very few servicing both segments.

The businesses owned by Real Estate CRM, consist of two complementary sales CRM products – MyDesktop and VaultRE. Combined, they are the market leader in Australia and the second most popular sales CRM software in New Zealand as measured by the number of subscriber offices[6]. The software is also used by a limited number of real estate offices in the United Kingdom.

MyDesktop is a sales CRM product that was launched in 1997 and while the technology has been significantly updated over the intervening period, there are elements of legacy technology that still exist in the platform.

VaultRE is a next-generation product that serves both the sales CRM and property management segments. It provides a platform that enables rapid product feature development, continuous enhancements and new innovative product releases by PropTech Group's inhouse technology team of software engineers, product managers and data scientists. Instead of relying solely on PropTech Group's team of inhouse experts to continuously improve the product, VaultRE's modular based design and open API architecture enables approved third party technology products the ability to develop totally new products features, enhanced capabilities, customisations, integrations and innovative add-on modules that extend VaultRE's core and rapidly evolving platform. This open and collaborative two way integration approach provides countless possibilities to extend VaultRE's capabilities and provide further opportunity to expand the broader PropTech Group.

As VaultRE was developed by the same founders and developers as MyDesktop, there is a clear inbuilt migration path from MyDesktop to VaultRE. Following the acquisition of both MyDesktop and VaultRE by Real Estate CRM in March 2020, existing MyDesktop clients are being progressively transitioned to the VaultRE platform.

4.4.1. VaultRE sales CRM

A sales CRM is designed to assist residential and commercial real estate agents to manage the sale of real estate through their agency. Some of the key features of a sales CRM platform include:

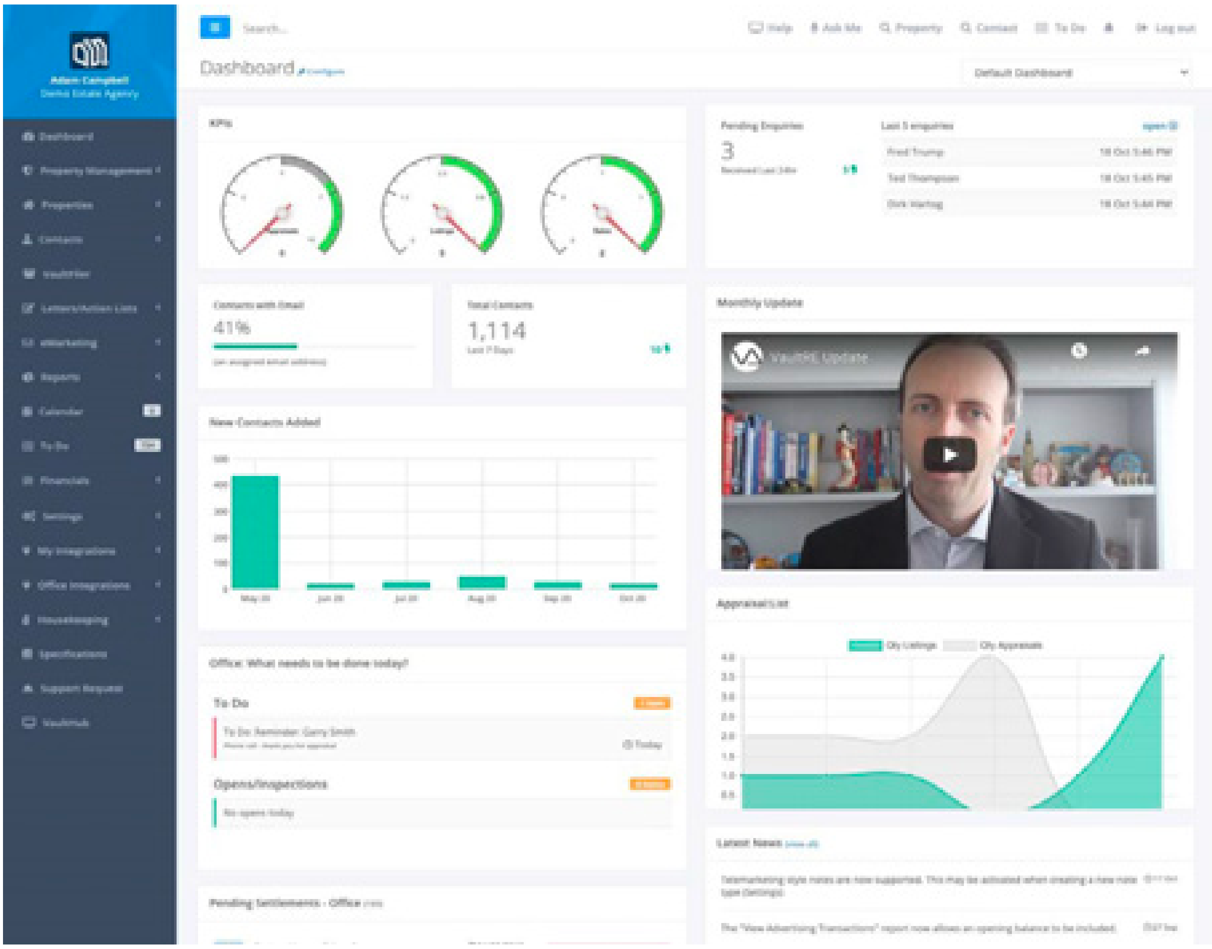
- contact management and matching;
- workflow automation;
- listing and sales management;
- marketing and leads management;
- trust accounting and commissions;
- reporting & analytics;
- franchise management; and
- third party integrations (including portal pushing and data integrations).

The VaultRE sales CRM has been developed from the base up using a modern technology stack and modular approach. It offers a feature-set extending well beyond the traditional sales CRM with the objective of reducing the need for agencies to buy products from multiple providers. Due to its modular design, features can be turned on and off based on an agency's unique requirements.

The core of the VaultRE sales CRM is the fully customisable agency dashboard (see Figure 4.2). From here, an agency is able to quickly understand the performance of its business and identify any urgent issues that need addressing.

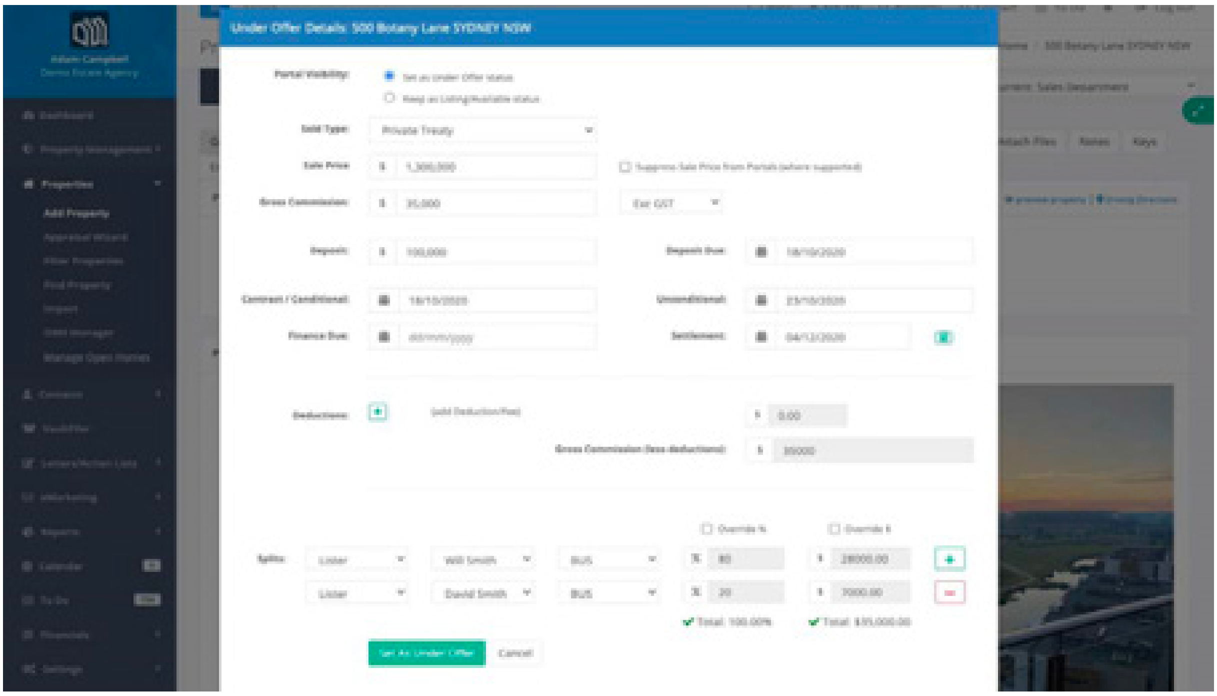
[6] Frost & Sullivan, 2020

Figure 4.2 VaultRE sales CRM dashboard



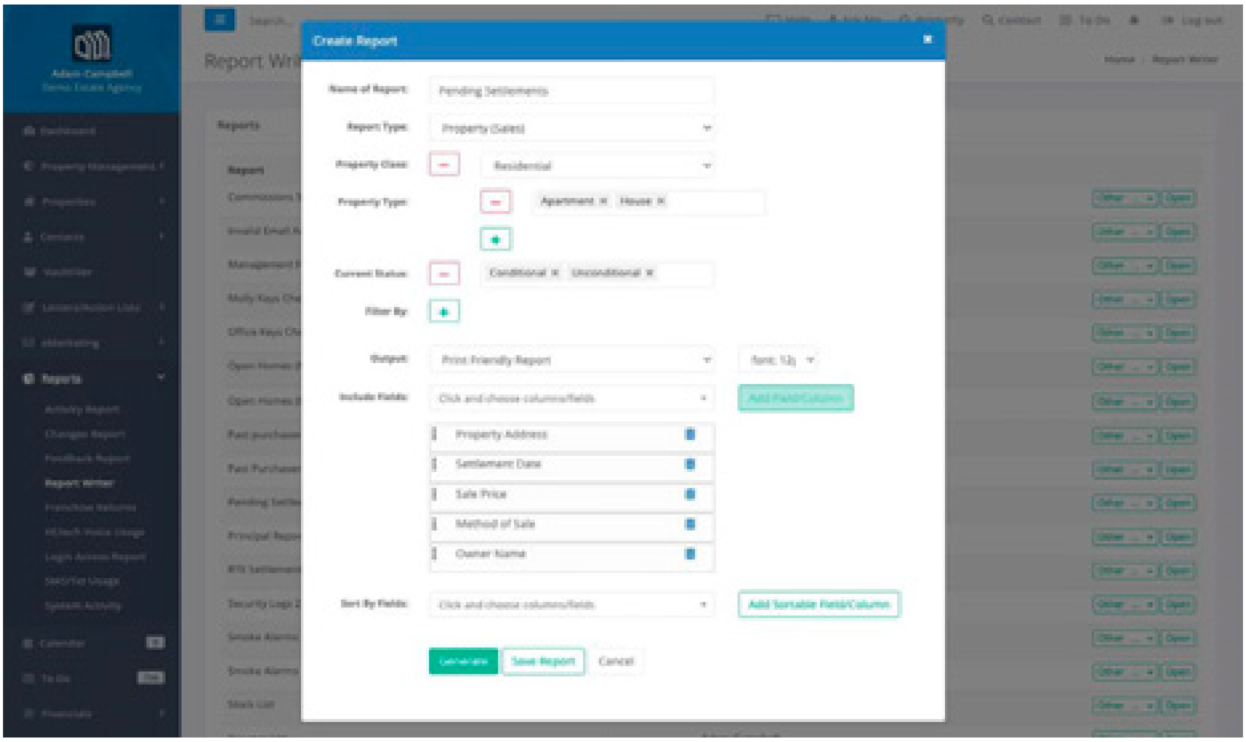
Behind the scenes, an agency is able to fully customise how the VaultRE product operates based on the agency's unique processes and workflows. Figure 4.3 shows how an office can quickly and easily enter the key data related to the sale of a property including the allocation of commission splits.

Figure 4.3 VaultRE sales CRM processes and workflows:



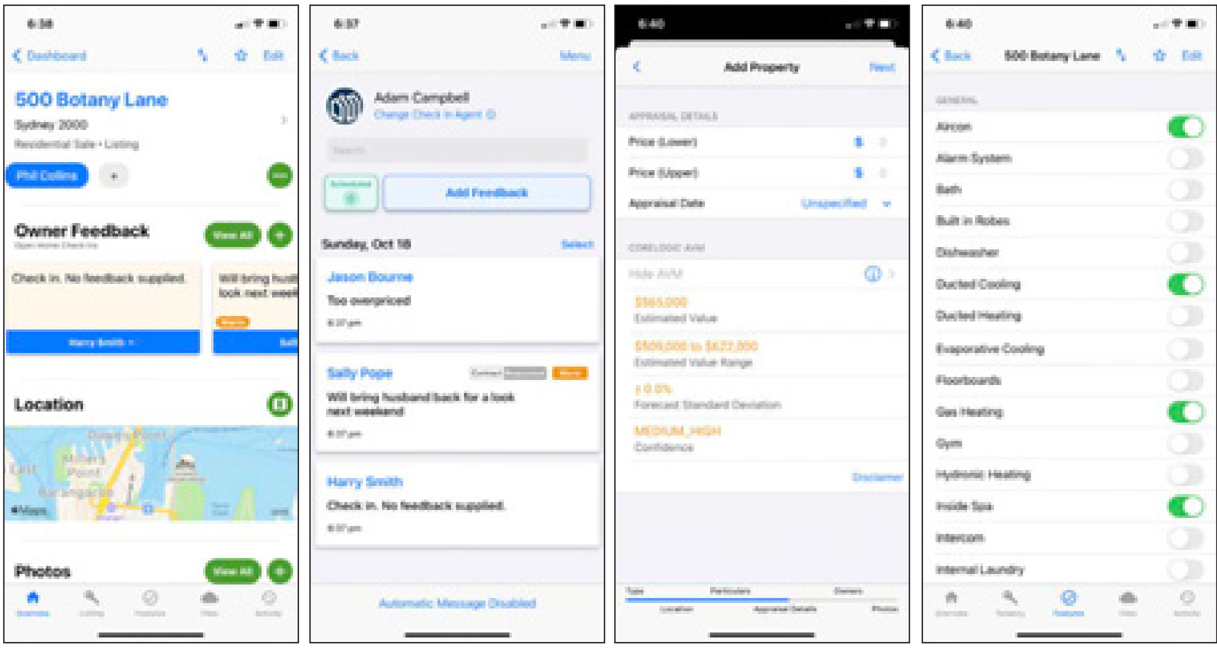
Each agency has their own reporting and analytic requirements. For example, VaultRE allows an agency to quickly and simply create customised reports that meet their own unique requirements (Figure 4.4).

Figure 4.4 VaultRE sales CRM's customisable reports



The VaultRE sales CRM is fully mobile for both Android and Apple iOS operating systems (Figure 4.5). The app allows agents to perform common actions including property check-ins, appraisals, updating contacts and listings, whilst linking via the cloud, to ensure a seamless experience across devices and agency team members.

Figure 4.5 VaultRE sales CRM mobile app



An open Application Programming Interface allows third parties to integrate their products by accessing data stored in the sales CRM thereby creating the possibility for countless product extensions. These products currently include essential services such as email, data, advertising and marketing, lead generation, social media, and website marketing. There were over 300 different third party integrations with VaultRE as at 31 August 2020.

This open API approach allows PropTech Group to identify potential acquisitions and investments with leading and early stage innovative third-party PropTech solutions.

The key technical elements of the VaultRE platform include:

- modern technology stack built from the ground up;
- enterprise grade;
- highly scalable, high availability stateless architecture;
- leveraging AI, data mining and machine learning;
- an API first approach enabling ease of advanced product upgrade modules and third-party product integrations;
- over 300 integrations including real time service APIs;
- cross platform and multi-device support;
- in-house Australian-based development team; and
- 100%-owned IP.

4.4.2. VaultRE property management

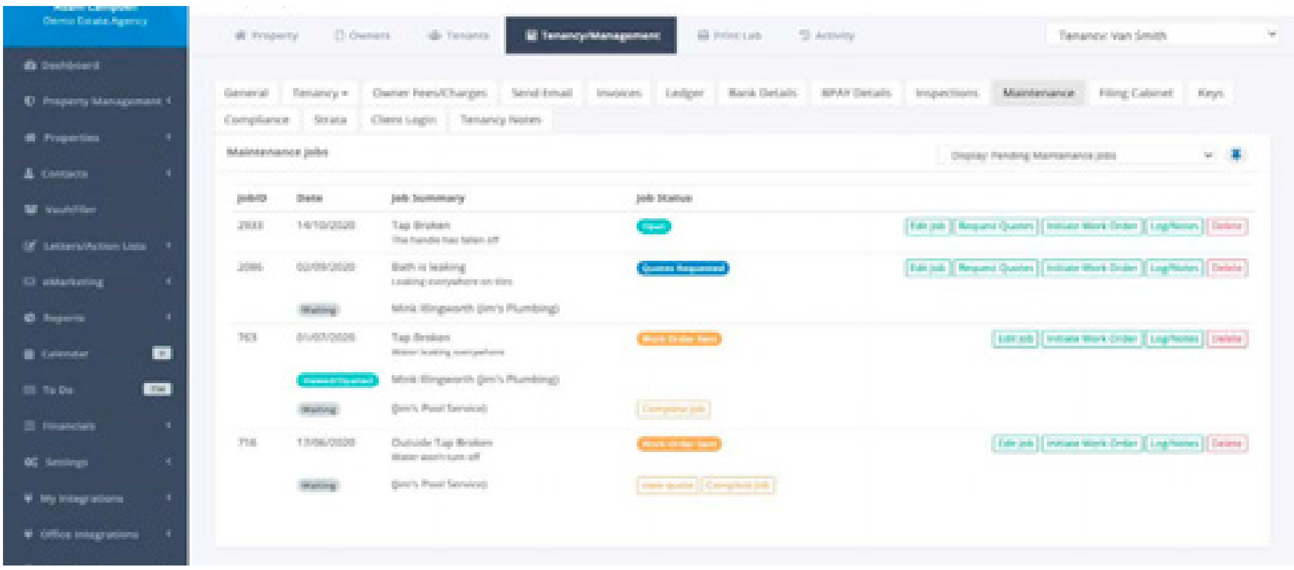
VaultRE has both a sales CRM and a property management functionality built into its product. This means that there is better interoperability between sales and rentals thus making it easier and cheaper for a real estate agency to manage these two parts of their business.

The key features of a rental PM system for real estate agents include:

- owner management;
- tenant management;
- communications & administration;
- rentals trust accounting;
- legal, invoicing & auto receipting;
- inspections & maintenance;
- reporting & analytics; and
- third party integrations.

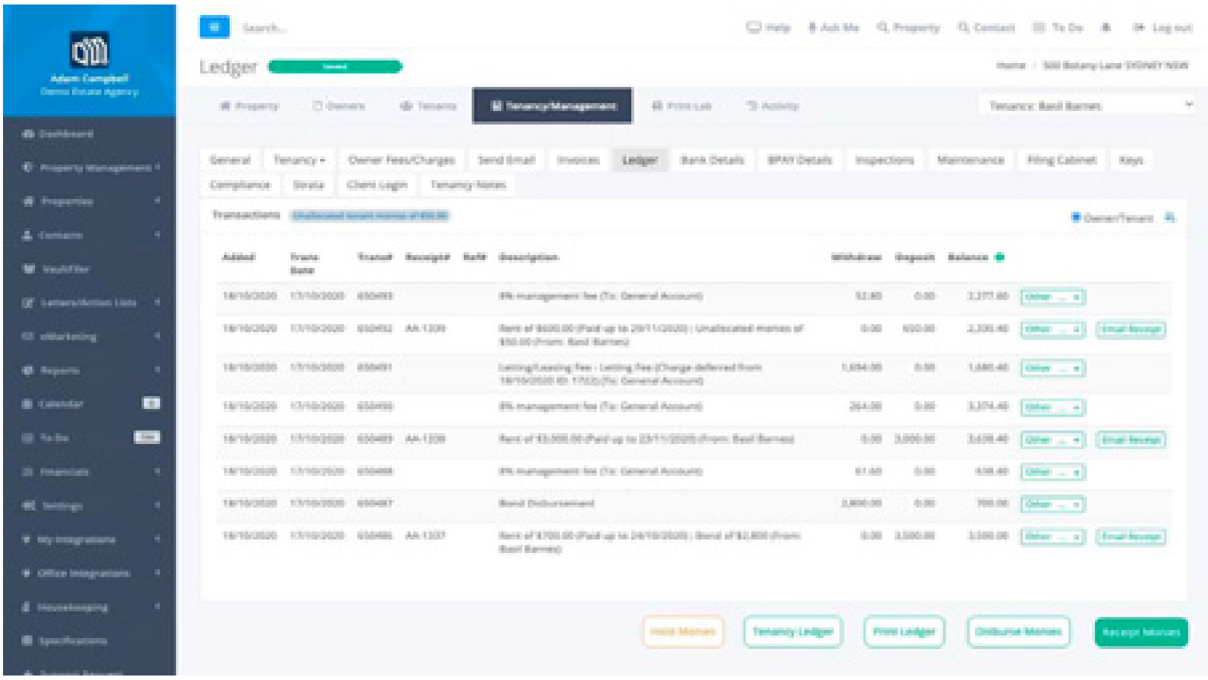
The VaultRE property management functionality allows agencies to not only manage the letting of a property but to also provide ongoing management services to the landlord. Figure 4.5 shows the property maintenance screen an agency would typically see.

Figure 4.6 VaultRE property management



Functionality of the VaultRE property management product includes the ability to track payments by tenants as well as all costs associated with the property that they rent. (Figure 4.7)

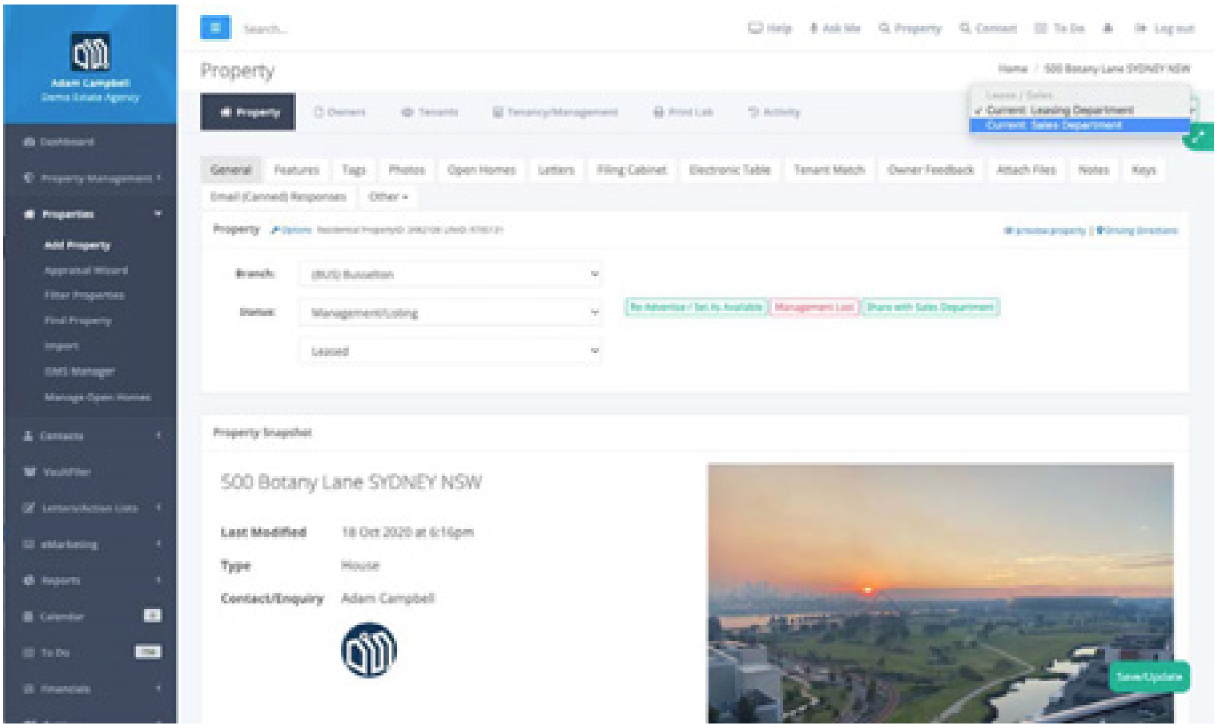
Figure 4.7 VaultRE tenancy payments



The property management functionality was released in early 2020 via a soft launch to select foundation customers and subsequently VaultRE has released it more broadly. VaultRE can now compete with competing sales CRM and property management products and it is anticipated that this will become a key driver of ARPA growth as the Company increases its sales and marketing efforts to sell the property management module.

Overall, VaultRE provides a single view of contacts and properties throughout their entire life cycle at each and every iteration with the agency.

Figure 4.8 VaultRE single view of a property



As a single system, VaultRE offers many unique advantages including:

- a single system managing both property sales and management;
- a single view of a client;

- a single view of a real estate business;
- a single view of a franchise network;
- less double-handling and less duplication of data;
- a sold property can be immediately managed by the rentals department from settlement;
- rental properties can be simultaneously advertised for sale;
- the ability to market investment properties to existing landlords on the database;
- less administration across IT systems;
- better internal reporting;
- less internal training;
- lower all-in-one subscription costs; and
- the ability to leverage the Company's existing and growing subscriber base of active real estate investors.

4.4.3. Real Estate Investar

real estate investar invest better

The Real Estate Investar product provides Australian and New Zealand property investors the ability to identify, analyse, acquire, track and account for residential investment property.

The product is provided on a subscription basis, with a range of free online tools, resources, news and educational services for all members and paid platform packages options.

As at the Prospectus Date there are approximately 150,000 members using the free basic product and of these, over 1,000 members are paying to access the premium product.

Other key highlights of the Real Estate Investar product include:

- millions of profiling data points on members;
- full market coverage of real estate listings compiled from over 20 websites daily;
- 10 years of detailed property data and editorial content; and
- API unique property data insights, statistics, suburb and market trends – which can be integrated and consumed by VaultRE.

4.4.4. Rentfind Inspector

Rentfind Inspector

Rentfind Inspector is an app based digital property inspection tool used by over 750 property managers operating in Australia, New Zealand and the United Kingdom.

Rentfind Inspector is a 100%-owned subsidiary of Vault Group and is fully integrated into the VaultRE software platform.

4.4.5. Holo Home Loans

HOLO

The PropTech Group owns a 15% equity stake in HoLo Home Loans Pty Ltd. HoLo is an start up online home mortgage brokerage platform based in Australia.

In 2017 Holo soft launched in stealth and entered its testing and learning phase. Since then it has processed approximately 100 loans with a combined value of over $55,000,000 and is now ready to scale.

4.5. Business model

There are two main categories of products within PropTech Group - Real Estate Agency products and Property Tools products.

- The Real Estate Agency products are B2B products that focus on residential and commercial real estate agents as well as property developers.
- The Property Tools products are B2C products that focus on consumers - for example property investors.

The PropTech Group's Real Estate Agency products include MyDesktop, VaultRE, and Rentfind Inspector. The Property Tools products include Real Estate Investar.

CLIENT TESTIMONIALS

"After 13 years on MyDesktop, R&H transferred across to VaultRE last year... VaultRE is a next generation CRM which can be accessed effortlessly from multiple devices... it has enabled our sales agents to provide industry-best client service... our team can now work anywhere at any time and even when they're offline."

Angus Raine

Raine & Horne Real Estate

Executive Chairman

"We feel VaultRE is far superior to anything else on the market... it allow us to become even more efficient as we expand our network... after 10 years on MyDesktop, the transition to VaultRE has been incredibly smooth with no negative impact to business as usual activities across our network."

Greg Hocking

Greg Hocking Real Estate

Director & CEO

"Our experience with VaultRE has been excellent... the team made us feel comfortable throughout the whole migration process... VaultRE has everything we need and all the tools... we can't thank VaultRE enough for their support."

Adam Gould

Gould Estate Agents

Principal

4.5.1. Sources of revenue

The businesses within the PropTech Group generate revenues from multiple sources:

- SaaS subscription based recurring monthly fees;
- one off fees;
- pay as you go usage-based fees; and
- referral fees and commissions.

SaaS subscription based recurring monthly revenues account for approximately 90% of PropTech Group's revenues.

Table 4.2 Sources of revenue by business unit

Revenue Source	Real Estate Agency Products	Property Tools
SaaS Subscription Revenue (90% of revenues)	■ Typically charged on a monthly basis to use the product ■ Rate charged per month varies due to features used, number of users, and length of contract period ■ Subscription revenue is fairly predictable ■ Key drivers of revenue are the number of offices/agencies and average revenue per agency (**ARPA**) ■ Number of offices dependent on retention of existing customers and the signing of new customers ■ ARPA is increased through purchase of additional products or features by each office and through price increases ■ Revenue is recognised at the fair value of the consideration received or receivable and is recognised over the period which the services are provided to the customer	■ Typically charged on a monthly basis to use the product ■ Rate charged per month varies due to features used and length of contract period ■ Subscription revenue is fairly predictable ■ Key drivers of revenue are the number of customers and average revenue per customer/user (**ARPU**) ■ Number of customers dependent on retention of existing customers and the conversion of trial/free customers to paying customers ■ ARPU primarily increased through price increases and sale of additional products and services ■ Revenue is recognised at the fair value of the consideration received or receivable and is recognised over the period which the services are provided to the user
One Off Fees	■ Charged to real estate agencies for training, consulting, and some customised development ■ Customised development usually undertaken at the franchise group level	
Pay as You Go Usage Fees	■ Some add-on products charged to real estate agencies on a usage basis ■ Products usually integrated into the underlying sales CRM or property management platform ■ SMS services are an example of pay as you go usage fee	
Referral and / Commission Fees	■ Products from third party provider are offered to agencies on a referral or commission sharing basis ■ These products are often integrated into the underlying sales CRM or property management platform	■ Products from third party provider are offered to agencies on a referral or commission sharing basis

4.5.2. Real estate agency sales approach

Most real estate agencies purchase a subscription to the sales CRM or the property management SaaS platform as the basis for their relationship with PropTech Group. Additional products and services are also offered to encourage users to upgrade their subscription and increase the average monthly spend with PropTech Group (ARPA).

Real Estate agencies are typically charged an initial set up fee whereby the software is configured and set up (including data migration) to adhere to the specific requirements of that office. Staff training is usually included in the set up and onboarding process with additional charges for any non-standard feature enhancements or agency specific product customisations.

Once onboarded, the real estate agency office is charged on a recurring monthly basis with the fees calculated on a per user and per product module basis.

Additional revenues are derived either from: pay as you go services such as mobile, data or add on marketing which are calculated based on usage; on a commission/referral basis; and/or one-off fees such as set up, training, consultancy and development.

4.5.3. Property Tools sales approach

The Company primarily uses online marketing including Search Engine Optimisation (**SEO**), Search Engine Marketing (**SEM**) and email marketing to attract customers to the Real Estate Investar platform.

Initially customers typically register for free products and then the sales and marketing team use online marketing to encourage customers to convert to the paid, premium products.

Access to the platform and tools are offered via paid subscription packages which include monthly or annual subscription terms, and the opportunity to gain access to third party products extensions and add-ons.

Third party products and extensions, which are not owned, but licensed, by the Company - such as Corelogic, PriceFinder or Archistar, are integrated into the Property Tools platform and either included in the subscription fee, where the Company collects a total amount and pays the commercial provider a wholesale rate, or provided as a referral, whereby the subscriber signs up directly with the third party supplier and the PropTech Group receives a revenue share or commission fee.
The Company also offers access to non-integrated third-party services (such as financial services products and advice) which it monetises through lead referral of commission fees agreed with its partners.

4.6. Key metrics

PropTech Group's revenues are primarily driven by Software as a Service (SaaS) monthly subscriptions. The key drivers of SaaS revenues are the number of users and the average amount paid per month.

In the case of Real Estate CRM, the main user group are real estate agencies - whether they are in Australia, New Zealand or the United Kingdom.

The average amount spent per month is driven by the number of products purchased by each user and the average price of those products. The average amount spent per month is called Average Revenue Per Agency or ARPA.

4.6.1. PropTech Group key metrics

On a pro-forma basis, PropTech Group delivered $10,800,000 in revenue in FY20 with EBITDA of $2,200,000 at an EBITDA margin of 21%.

$10.8m TOTAL GROUP REVENUE

90% SaaS REVENUE% OF TOTAL REVENUE

90% GROSS PROFIT MARGIN FOR GROUP

21% EBITDA MARGIN FOR GROUP

Table 4.3 Segmented Pro-Forma FY20 Revenues

FY20 Pro-Forma $	Real Estate Agency Services (B2B) FY20	Property Tools (B2C) FY20	Corporate FY20	PropTech Group FY20
SaaS Revenue	$8,742,477	$1,006,496	-	$9,748,973
Other operating revenue	$1,006,148	$32,185	-	$1,038,333
Total Revenue	$9,748,625	$1,038,681	-	$10,787,306
COS	($873,111)	($230,308)	-	($1,103,419)
Gross Profit	$8,875,514	$808,373	-	$9,683,887
GP%	91%	78%	-	90%
EBITDA	$2,946,365	$76,391	($774,783)	$2,247,973
EBITDA%	30%	7%	-	21%

See Section 5.3 for further detail in relation to PropTech Group's Pro Forma Historical Income Statement.

The Real Estate Agency Services business unit accounted for 90.4% of revenues in FY 2020 with subscription-based revenue also accounting for approximately 90% of revenues.

4.6.2. Real Estate Agency Services key metrics - summary

The Real Estate Agency Services (B2B) business units consist of the MyDesktop, VaultRE, and Rentfind Inspect products. In FY20 these products contributed $9.7 million or 90.4% of PropTech Group's revenues with an EBITDA margin of $3.0 million or 30%.

As detailed in Table 4.4, there are 3,716 unique agencies across Australia, New Zealand, and the United Kingdom using at least one of PropTech Group's products and services.

The Australia and New Zealand market accounts for 97.0% of the business unit's revenues while the United Kingdom is an early stage growth option for the business.

Table 4.4 Regional break down of Real Estate Agency Services offices

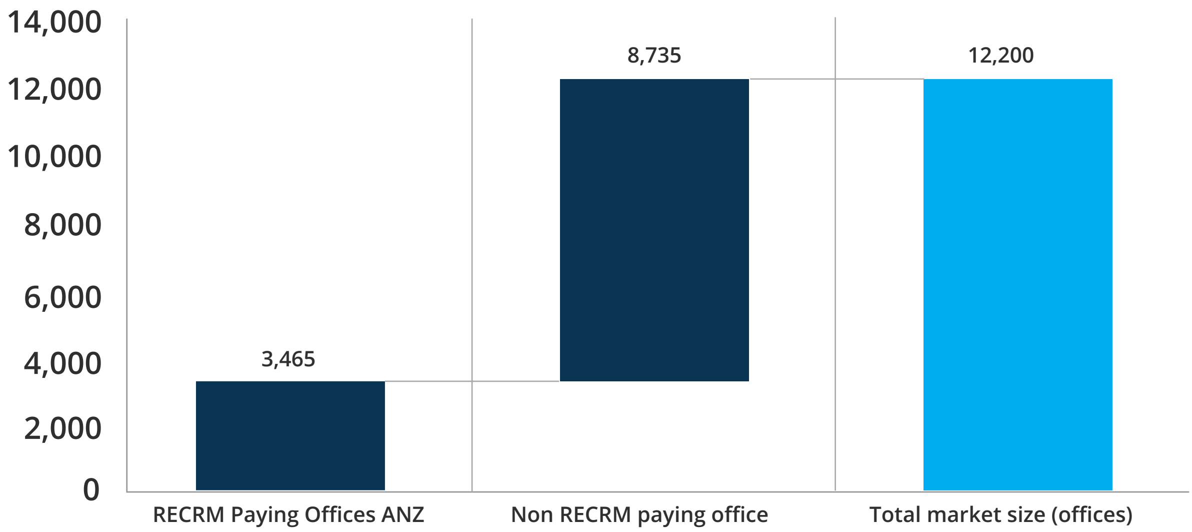
As at 31 August 2020	Real Estate Agency Services Australia & NZ	Real Estate Agency Services UK	Real Estate Agency Services TOTAL
Unique Agencies / Offices	3,465	251	3,716
Average Revenue per Office	$197	$86	$190
Approximate Market Share %	28%	1%	

4.6.3. Real Estate Agency Services key metrics - Australia and New Zealand

Combined, the Australia and New Zealand market is estimated to have around 12,200 residential real estate sale agencies. Of these, 3,465 residential agencies, approximately 28% of the market, use one or more of PropTech Group's products.

The current ARPA (average revenue per agency) using PropTech Group in Australian and New Zealand is $197 per month.

Figure 4.9 Australia / New Zealand - residential real estate sales agencies



Of the 3,465 agencies using at least one PropTech Group product, 3,157 agencies use either the MyDesktop sales CRM or the VaultRE products while another 308 agencies only use the Rentfind Inspector product.

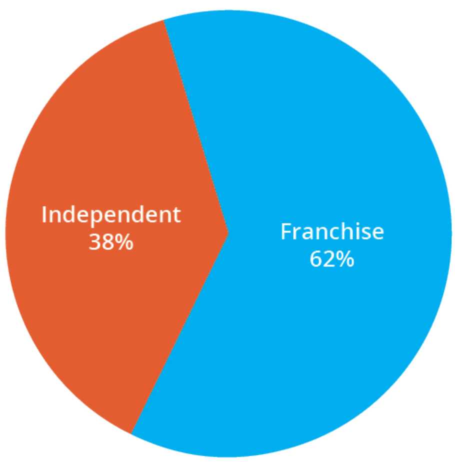
Customers of the sales CRM platforms consist of a mix of franchise groups, individual franchisees and independent offices. Approximately 38% of customers are independent agencies.

Key franchisee clients include:

- Ray White franchise group across Australia, New Zealand and Indonesia;
- Raine & Horne;
- Elders;
- PRD; and
- Professionals.

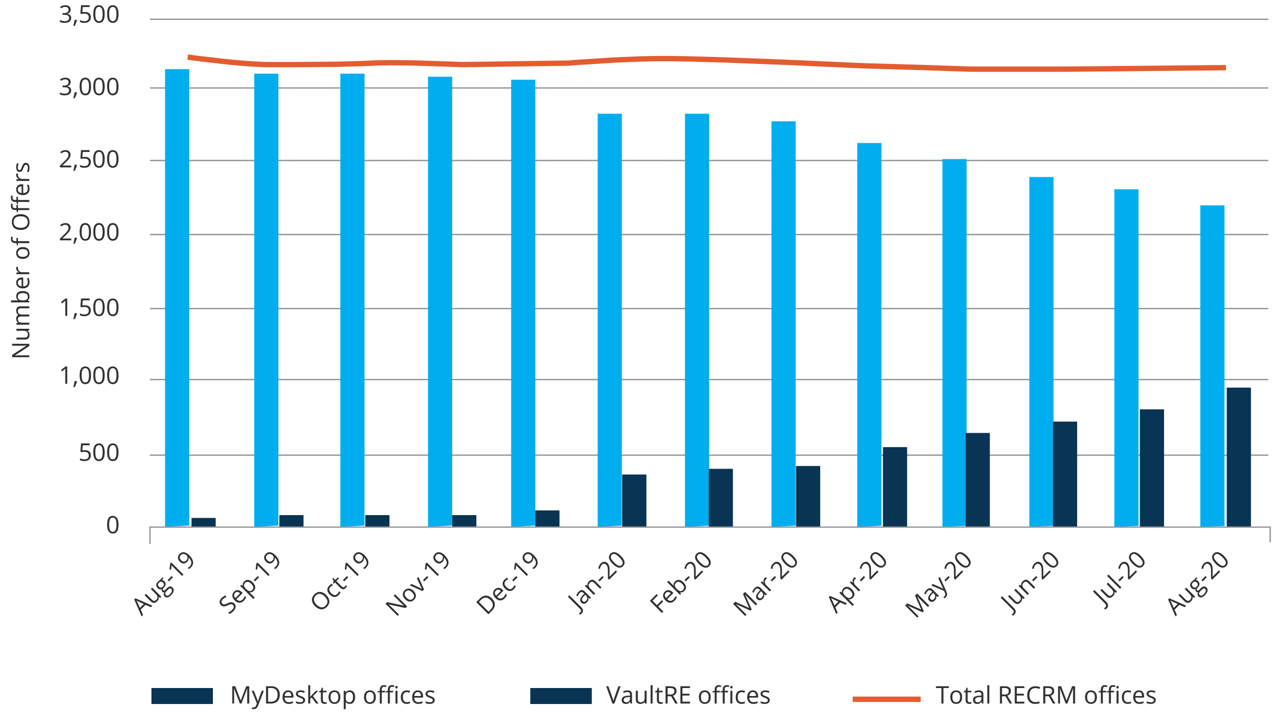
The existing Sales CRM platform caters not only to the large franchise groups, but also to smaller networks and independent offices. One notable difference between PropTech Group's Australia and New Zealand customer base and its competitors is the strong penetration into local independent real estate agencies.

Figure 4.10 Split between franchise and independent agencies



Since August 2019, the total number of agencies using either MyDesktop or VaultRE has slightly decreased by 1.9% as can be seen in Figure 4.11 and Figure 4.12.

Figure 4.10 Evolution of MyDesktop and VaultRE Usage in Australia and New Zealand



Underlying these numbers has been a decrease in the number of agencies using MyDesktop and a corresponding increase in the number of agencies using VaultRE. The majority of the decrease in MyDesktop customers has been due to migration to the VaultRE platform while any churned (lost) customers have been almost offset by new customers being signed directly to the VaultRE product.

Since acquiring Commerce Australia, a key priority for management has been to immediately reduce the previous rate of churn with the objective of achieving an overall increase in the number of customers. This has taken time to achieve but is now yielding positive results. For example, when August 2020 is compared to August 2019, the monthly churn rate has been reduced from 1.43% to 0.92%. (Figure 4.12)

The result of the focus on reducing churn means that at the current ARPA, the LifeTime Value or LTV of a customer has increased by 50% to $22,050.

Figure 4.12 Combined MyDesktop and VaultRE year on year comparison - ANZ

METRIC	AUGUST 2019	AUGUST 2020	%
Customer Life Time Value (LTV)	$14,654	$22,050	50%
Tenure (Years)	5.8	9.1	55%
Gross Churn per month (%)	1.43%	0.92%	36%
ARPA (Monthly)	$209	$203	(3%)
Paying Offices	3,218	3,157	(2%)
Market Share %	26%	26%	-%

4.6.4. Real Estate Agency Services key metrics - United Kingdom

The United Kingdom represents a significant growth opportunity for PropTech Group. According to Frost & Sullivan there are 21,200 real estate agency companies with about 25,000 individual offices in the United Kingdom.

The VaultRE Group has established a sales and marketing team in the United Kingdom and its initial focus has been the sale of its lower yielding Rentfind Inspector product.

The VaultRE sales CRM product has already been modified for the United Kingdom and it is currently being trialled with a number of estate agents who are now using it as their primary sales CRM.

As at 31 August 2020, PropTech Group had 251 real estate agency offices using its products at an ARPA of $86.

4.6.5. Property Tools - key metrics

The Property Tools business unit consists of the Real Estate Investar products. This is a freemium service with a free entry level product for members and then a premium paid product for subscribers. These products contributed $1.0 million or 9.6% of the Company's revenues with an EBITDA margin of $76,391 or 7% in FY 2020.

As at 31 August 2020, there were 154,431 members using the free Real Estate Investar products and, of these, 1,037 members became subscribers with an ARPU (average revenue per user) of $86.

Between August 2019 and August 2020, there was an 11% increase in the number of paid subscribers and a 12% in the ARPU. (Figure 4.13)

Figure 4.13 Property Tools business unit year on year comparison

METRIC	AUGUST 2019	AUGUST 2020	%
Website Total Session (Per Month)	78,036	117,129	50%
Total Paid Subscriptions	935	1,037	11%
ARPU (Monthly)	$77	$86	12%
Total Members	158,342	154,431	(2%)

4.7. Product development and innovation

Innovation is critical to the future growth of all parts of PropTech Group. As such, both the Real Estate Agency Services and Property Tools have clear product development and innovation roadmaps.

In addition, PropTech Group will continue to explore acquisition and investment opportunities that either enhance the existing products or add new innovative products.

4.7.1. Real Estate Agency Services innovation

A key focus for PropTech Group is driving innovation in the Real Estate Agency Services business unit.

VaultRE's next generation open API platform already combines sales CRM and property management for residential and commercial properties in a single solution. These features will be rebranded as Vault Residential, Vault Commercial and Vault Property Management allowing PropTech Group to better compete against incumbent solutions.

The VaultRE platform enables continuous innovation, rapid product feature releases, new capabilities and product extensions. The platforms product development roadmap is guided by the needs and demands of its broad user base and has a strong focus on automation, predictive modelling, machine learning and artificial intelligence all aimed at streamlining, optimising and improving agent efficiency, effectiveness and earnings. These new products and platform extensions, which can optionally be added to increase the monthly subscription fees, are being developed to provide a low-cost built in low cost product alternative to the third party products being purchased separately from another supplier, saving cost of integration and reducing overall software spend.

Additionally, the VaultRE open API, real time data exchange and user experience framework enables deep integrations with leading third party products either already in use by the real estate agency, or bundled as a further module updated directly within the VaultRE platform.

True innovation requires open collaboration, strong alignment with best of breed partners and a shared vision. VaultRE, through its open API platform, combined with the PropTech Groups rich repository of an anonymised aggregation of billions of data points dating back over 20 years presents a number of existing product development partnership opportunities.

4.7.2 Property Tools Innovation

The Property Tools business unit will continue to innovate in its offering. In particular the Company is exploring how to better incorporate third party products into its offering for property investors.

4.8. Growth strategy

The PropTech Group looks at the growth of its business through two lenses - the growth of PropTech Group and the growth of the underlying business units.

4.8.1. The PropTech Group growth strategy

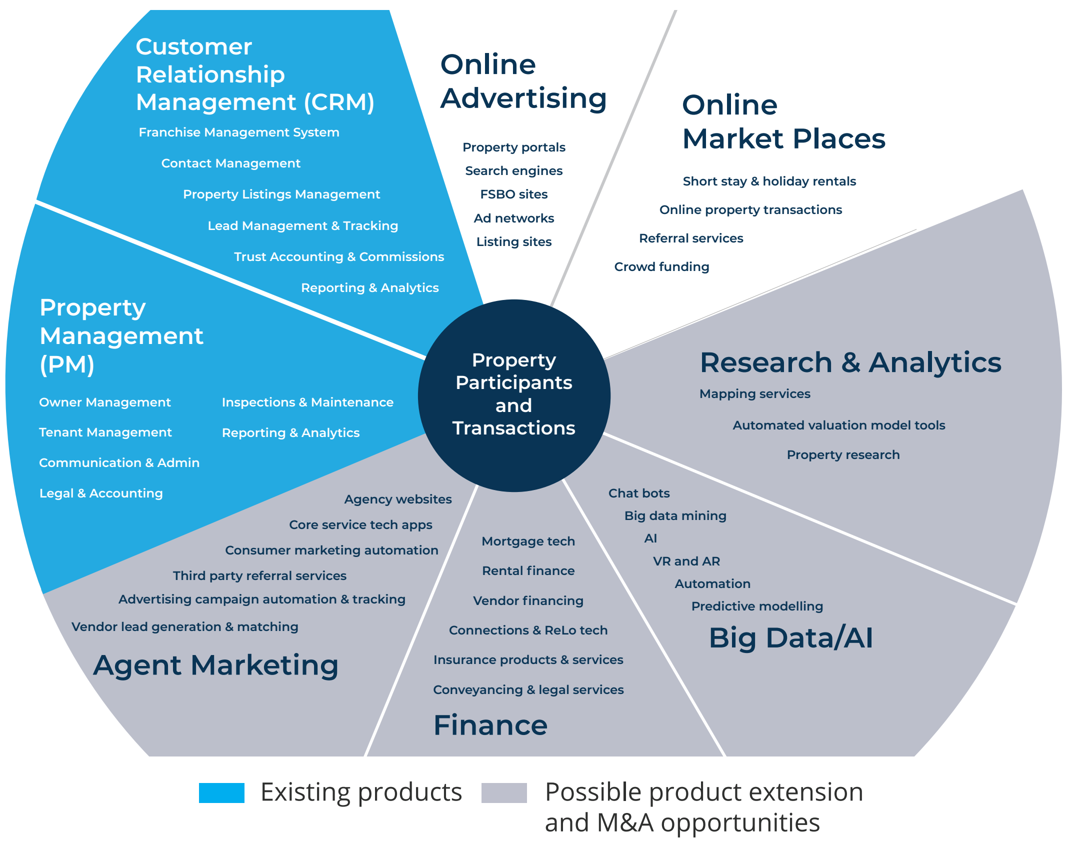
The PropTech Group's mission is to be a leading investor in and operator of PropTech companies that primarily serve residential and commercial real estate agents and property managers in selected, high value markets.

To achieve this mission, PropTech Group intends to drive growth through investment in and acquisition of PropTech companies that:

- are profitable or have a clear path to profitability;
- are complementary to the existing products and services within the Group;
- help expand its customer base;
- are applicable to its existing customer base;
- are leaders in their market or have a clear path to leadership; and
- have a strong, capable management team.

Figure 4.14 provides a framework that is assisting the Board and management to identify suitable acquisition and investment opportunities.

Figure 4.14 The Proptech opportunity landscape



Whilst PropTech Group intends to actively pursue acquisition opportunities following Re-compliance, and has identified a number of possible candidates for acquisition, as at the Prospectus Date the Board has not formed an intention to proceed with any of these opportunities and there are no binding agreements relating to any future acquisitions to be made by PropTech Group.

4.8.2. Real Estate Agency Services business unit growth strategy

The Company seeks to achieve growth in revenue from the Real Estate Agency Business Unit by increasing the number of offices using at least one of PropTech Group Real Estate Agency Services and through increasing the ARPA (average revenue per agency) from the current $197 per month.

OFFICE GROWTH STRATEGY

The Company has two dedicated new business development teams that are focused on selling at least one of the Real Estate Agency Services products to real estate agents that are not using PropTech Group products. One team is based in Australia/ New Zealand and the other is based in the United Kingdom.

In the Australia / New Zealand market, the Group has 3,465 out of an estimated 12,200 residential real estate agencies purchasing at least one of its products.

However the PropTech Group already has products that service, and can target, the number of additional real estate agency offices that specialise exclusively in property management services (commercial, residential and industrial) along with the thousands of commercial real estate only offices operating in Australia in New Zealand thereby expanding the number of potential customers to well over 18,000 offices.

The inclusion of property management only and commercial real estate only offices is important as VaultRE has an integrated property management functionality and is also developing commercial real estate functionality.

This provides significant growth opportunities for the sale of the VaultRE sales CRM and property management software, along with Rentfind Inspector, to new customers.

In the United Kingdom, where the Company recently launched a sales and marketing team, there are 251 customers primarily using the Rentfind Inspector product. Given there are 21,500 offices in the United Kingdom, the Company believes that there are significant opportunities to expand its operations in that market.

One important sales strategy for PropTech Group is to contract franchise groups as this typically involves the simultaneous signing of multiple agencies.

AVERAGE REVENUE PER AGENCY (ARPA) GROWTH STRATEGY

The growth in ARPA will be driven by:

- price increases;
- the sale of additional PropTech Group products; and
- the sale of third-party products to existing customers.

Management believes that in many instances there is an opportunity to increase the rate paid by existing offices for the sales CRM system subscription. When compared with many of the other sales CRM products in the market, the Company believes that PropTech Group products have similar or better functionality, but these are often sold at a lower monthly subscription rate.

Most real estate agency customers of PropTech Group purchase the sales CRM system offered by the Group. A key growth strategy in Australia and New Zealand will be to target existing customers with additional products and services. Initially these will be:

- VaultRE Property Management;
- VaultRE Commercial - commercial sales and rental software;
- RentFind Inspector; and
- VaultRE new developments and project marketing.

The sale of these products will help increase the ARPA captured from existing customers.

The Company is working with third parties to:

- integrate their products and services into the existing VaultRE platform and thus provide them a channel to market; and
- promote their products and services directly to the existing PropTech Group customers via the existing account management teams.

In both instances, the objective is to provide enhanced, integrated services for PropTech Group customers and to centralize the billing to and management of these customers.

4.8.3. Property Tools business unit growth strategy

As at the Prospectus Date, the Property Tools business unit currently has 154,431 members using its free basic property investment platform. Of these, 1,037 are paying customers who use the premium services offered.

The growth strategy for the Property Tools business unit is to focus on increasing the number of members using the free basic tools to upgrade to premium services. The Company aims to implement this strategy through increasing awareness and by increasing the number of paying customers through improving the quality of the premium services offered.

There is a separate team working on the sales and marketing of the Property Tools business unit products and these are primarily marketed using lower cost online marketing techniques.

4.9. Implications of COVID-19 for the Company's business

4.9.1. Overview

COVID-19 is a global pandemic that has affected businesses and workforces globally. There have been rapid developments in the spread of COVID-19 which has brought significant volatility in the financial markets both globally and in Australia.

While COVID-19 is still spreading and the final implications of the pandemic are unknown and difficult to estimate, the ongoing pandemic may have a significant adverse effect on the Combined Group (see Section 5.9.7).

As at the Prospectus Date, the implications of COVID-19 on the Company's financial performance in FY21 is not possible to estimate with any certainty.

4.9.2. Impact of COVID-19 on suppliers

The Company is not experiencing any delays or issues with respect to any of its suppliers. Given the nature of the Company's business, supply inputs are primarily intangible in nature and these arrangements have not been impacted by COVID-19.

4.9.3. Impact of COVID-19 on sales

Revenue and other income have been impacted by the COVID-19 pandemic.

REAL ESTATE AGENCY SERVICES BUSINESS UNIT

To date there has been a minor negative impact on the revenues of the Real Estate Agency Services business unit. A small number of real estate agencies have ceased operations and others have asked for discounted products and services. However the sales CRM is typically a business critical application for real estate agencies and its cost is comparably low relative to other agency outgoings, and the Group believes this has been significant in minimising the impact to the Group.

PROPERTY TOOLS BUSINESS UNIT

Since the COVID-19 pandemic was announced, there has been a slight increase in demand for the Company's B2C services through its Real Estate Investar Property Tools retail channel.

For further detail, refer to Section 5.9.7.

4.9.4. Business continuity planning

Management have developed policies to allow PropTech Group to maintain a business-as-usual position and provide a safe work environment for employees. These policies include people safety and continuous engagement, strategies for business continuity and communicating with customers and suppliers.

PropTech Group has initiated flexible work arrangements that allows employees to work remotely and safely. The business operates on cloud-based platforms and all staff have have the capability to work remotely. Management provides regular communications in accordance with government announcements to keep employees up to date and has regular 'check-ins' with employees to help staff remain engaged.

PropTech Group has not made any changes to its staffing levels as a result of the COVID-19 pandemic and at the present time does not currently anticipate needing to make any changes to its staffing levels.

4.10. Intellectual property

The various members of the PropTech Group have been developing their respective proprietary technology and intellectual property underlying their SaaS systems via developers and employees for many years.

PropTech Group's intellectual property, including the algorithms, code base, online processes, functionality, data infrastructure and other information technology underlying the technology platforms are key assets of the business.

PropTech Group has ensured that each third party developer and employee has entered into a deed of assignment of intellectual property rights (or similar) to assign to the PropTech Group all of its rights, title and interest in the intellectual property rights created, developed or otherwise held by the third party or employee, as well as all future intellectual property rights and improvements to the PropTech Group's intellectual property rights.

PropTech Group primarily relies on trade secrets and copyright to protect its intellectual property rights in its SaaS applications. Consistent with an approach taken by many technology companies, the PropTech Group believes that its intellectual property rights are best protected through the use of trade secrets rather than through registration of patents, which are expensive to develop, obtain and maintain and which can involve public disclosure of the relevant intellectual property. In order to assist in protecting these trade secrets, the PropTech Group ensures that any engagement with employees, consultants, contractors or third parties contains appropriate confidentiality provisions in its contracts and agreements to ensure that the PropTech Group's trade secrets are kept confidential and protected.

4.11. Key dependencies

The key factors that the Company will depend on to meet its objectives are:

- the successful completion of the Implementation Deed and the Re-compliance;
- the ability to protect the PropTech Group's intellectual property;
- retaining key personnel;
- retention of customers, particularly key customers; and

- achieving the Group's growth strategy, including by increasing ARPA, profit margins on existing products and sales of additional products and services to existing and new real estate agency customers.

4.12. Key strengths

The Board and Management believe PropTech Group is well positioned to execute its mission to be a leading investor in and operator of PropTech companies that primarily serve residential and commercial real estate agents and property managers in selected, high value markets.

The Company's key strengths can be divided into four key areas - strong business model, leadership, product, and market position.

4.12.1. Strong business model

The PropTech Group has a strong business model underlying its overall performance. In particular:

- PropTech Group is profitable with strong revenue streams;
- the SaaS subscription-based model generates predictable monthly revenues;
- the Group is not reliant on any one customer as its customer base includes over 3,400 real estate agencies;
- there are revenue and cost synergies that are expected to be realised following the Company's acquisition of Real Estate CRM;
- the underlying business model in both the Real Estate Agency Services business unit and the Property Tools business unit is scalable; and
- the Group has a relatively low churn in its customer base.

4.12.2. Strong and experienced leadership

PropTech Group has a strong leadership and management team in place. In particular:

- the Board has extensive experience in PropTech industry - in Australia and overseas - as investor, owners, and operators;
- the Board members have strong experience on other listed company boards in the PropTech industry;
- the CEO and CFO have extensive PropTech industry experience;
- the leadership team of VaultRE have over 20 years of experience in the industry; and
- the leadership team of VaultRE were responsible for the development of both VaultRE and MyDesktop.

4.12.3. High quality, established and well-used products

The products and services offered by PropTech Group are well established in the industry and are of high quality. In particular:

- MyDesktop has been offered to Australian and New Zealand real estate agencies for over 20 years and, prior to the migration to VaultRE, was the most popular sales CRM in Australia;
- the team that developed VaultRE also developed MyDesktop, bringing 20 years of experience to the development of the VaultRE product;
- together, MyDesktop and VaultRE are used by more than 3,400 agencies across Australia and New Zealand;
- the Rentfind Inspector product is used by over 700 agencies in Australia, New Zealand and the United Kingdom; and
- the Real Estate Investar product has over 150,000 members of which 1,037 are current subscribers to the premium service.

4.12.4. Strong market position with clear growth opportunities

The Group has developed a strong position in its core Australian and New Zealand markets from which it can expand its customer base and increase its product offering. In particular:

- the Group currently serves over 3,400 Australian and New Zealand residential real estate agencies out of a potential market of 12,200;
- there is potential upside associated with targeting property managers and commercial only real estate agencies;
- existing customers are currently purchasing only a small number of the products and services offered by the Group providing upside opportunities in ARPA;
- the Company has a foothold into the United Kingdom market from which it can grow its business; and
- the Company has a clear go to market strategy in both Australia/New Zealand and the United Kingdom that provides a platform for capturing upside potential.

5 FINANCIAL INFORMATION

5.1. Introduction

Financial information for PropTech Group contained in this Section 5 is set out below for the historical financial years ended 30 June 2018 (**FY18**), 30 June 2019 (**FY19**) and 30 June 2020 (**FY20**).

This section contains a summary of the statutory historical financial information, comprising:

- PropTech Group Limited's Statutory historical consolidated statements of profit or loss and other comprehensive income for FY18, FY19 and FY20 (**Statutory Historical Income Statements**);
- PropTech Group Limited's Statutory historical consolidated statements of cash flows for FY18, FY19 and FY20 (**Statutory Historical Cash Flows**);
- PropTech Group Limited's Statutory historical consolidated statement of financial position as at 30 June 2020 (**Statutory Historical Balance Sheet**),
- Real Estate CRM Pty Ltd.'s Statutory historical amalgamated statements of profit or loss and other comprehensive income for FY18, FY19 and FY20 (**RECRM Statutory Historical Income Statements**); and
- Real Estate CRM Pty Ltd.'s Statutory historical amalgamated statements of cash flows for FY18, FY19 and FY20 (**RECRM Statutory Historical Cash Flows**);
- (together, the **Statutory Historical Financial Information**);

The pro forma historical financial information comprising:

- PropTech Group's pro forma historical consolidated statements of profit or loss and other comprehensive income for FY18, FY19 and FY20 (**Pro Forma Historical Income Statements**);
- PropTech Group's pro forma historical consolidated statements of cash flows for FY18, FY19 and FY20 (**Pro Forma Historical Cash Flows**); and
- PropTech Group's pro forma historical consolidated statement of financial position as at 30 June 2020 (**Pro Forma Historical Balance Sheet**),
- (together, the **Pro Forma Historical Financial Information**).

The Statutory Historical Financial Information and the Pro Forma Historical Financial Information together forms the "**Financial Information**".

The Company and each other member of the PropTech Group has a 30 June financial year end.

In addition, this section summarises:

- the basis of preparation and presentation of the Financial Information (refer to Section 5.2);
- information regarding certain non-IFRS financial measures (see Section 5.2.3);
- the key pro forma operating and financial metrics (see Section 5.3.1);
- the pro forma adjustments to Statutory Historical Financial Information (see Sections 5.3, 5.5 and 5.6);
- information regarding liquidity and capital resources (see Section 5.7);
- information regarding the Company's contractual obligations, commitments, and contingent liabilities (see Section 5.8);
- management's discussion and analysis of the Historical Financial Information (see Section 5.9); and
- a description of PropTech Group's critical accounting policies (see Section 5.10);
- PropTech Group's dividend policy (see Section 5.11).

The information in this Section 5 should also be read in conjunction with the risk factors set out in Section 6 and other information contained in this Prospectus.

All amounts disclosed in Section 5 and the Appendices are presented in Australian dollars and, unless otherwise noted, are rounded to the nearest dollar. Some numerical figures included in this Prospectus have been subject to rounding adjustments. Any differences between totals and sums of components in figures or tables contained in this Prospectus are due to rounding.

5.2. Basis of preparation and presentation of the Financial Information

5.2.1. Overview

The Directors are responsible for the preparation and presentation of the Financial Information.

The Financial Information included in this Prospectus is intended to present potential investors with information to assist them in understanding the underlying historical financial performance, cash flow and financial position of the PropTech Group.

Real Estate CRM was incorporated on 13 February 2020 as a special purpose vehicle for the acquisition of Commerce Australia Pty Ltd and Vault Group Pty Limited and therefore the Statutory Historical Financial Information has been prepared in a way that gives the reader of the Prospectus a more useful overview of the underlying businesses as if they were a consolidated entity for the financial years 2018, 2019 and 2020.

The Financial Information contained in this section has been prepared in order to present potential investors in the Company with information to help them understand the financial performance, financial position and cash flows of PropTech Group, the effect of the RECRM Acquisition, the Offers and other relevant pro forma transactions.

Given that the Company (and the Group) will be a significantly different business upon the acquisition of Real Estate CRM and as there are significant uncertainties associated with forecasting the future revenues and expenses of the Company, the Directors believe that there is no reasonable basis for the inclusion of financial forecasts in the Prospectus.

The Statutory Historical Financial Information has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards (**AAS**) adopted by the Australian Accounting Standards Board (**AASB**), which are consistent with International Financial Reporting Standards (**IFRS**) issued by the International Accounting Standards Board. The Financial Information is presented in an abbreviated form insofar as it does not include all the presentation and disclosures, statements or comparative information as required by AAS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

The significant accounting policies adopted in the preparation of the Financial Information are set out in Appendix A and have been consistently applied throughout the financial periods presented in this Prospectus.

The Pro Forma Historical Financial Information has been prepared in accordance with the recognition and measurement principles of AAS other than it includes certain adjustments which have been prepared in a manner consistent with AAS, that reflect (a) the exclusion of certain transactions that occurred in the relevant periods and (b) the impact of certain transactions as if they had occurred on or before 30 June 2020.

The Pro Forma Historical Financial Information does not reflect the actual financial results and cash flows of PropTech Group for the periods indicated. However, the Directors of the Company believe that it provides useful information as it permits investors to examine what it considers to be the underlying financial performance and cash flows of the businesses presented on a consistent basis.

The Financial Information is presented in an abbreviated form and it does not include all of the presentation and disclosures, statements or comparative information required by AAS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

In addition to the Financial Information, Section 5 describes certain non-IFRS financial measures that PropTech Group use to manage and report on the business that are not defined under or recognised by AAS or IFRS.

REVERSE TAKEOVER

The proposed acquisition by the Company (the legal parent) of Real Estate CRM (the legal subsidiary) is deemed to be a reverse asset acquisition under the principles of AASB 3 "Business Combinations" since the substance of the transaction is that the existing shareholders of Real Estate CRM have effectively acquired the Company. As a result of the reverse acquisition, Real Estate CRM is considered to be the accounting acquirer and the Company is considered to be the accounting acquiree. Therefore, this Financial Information has been prepared as a continuation of the financial statements of Real Estate CRM.

The actual value of goodwill and intangible assets will be determined post Completion and will be based on the final combined value of the cash and share consideration.

INDEPENDENT LIMITED ASSURANCE REPORT

The Financial Information (as defined above) has been reviewed by RSM Corporate Australia Pty Limited in accordance with the Australian Standard on Assurance Engagements ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information as stated in its Independent Limited Assurance Report set out in Section 10. Investors should note the scope and limitations of the Independent Limited Assurance Report.

5.2.2. Basis of preparation

The Statutory Historical Financial Information for FY18 for the Company has been derived from the FY18 audited general purpose financial statements of the Company.

The Statutory Historical Financial Information for FY19 for the Company has been derived from the FY19 audited general purpose financial statements of the Company.

The Statutory Historical Financial Information for FY20 for the Company has been derived from the FY20 audited general purpose financial statements of the Company.

The financial statements for the Company for FY18, FY19 and FY20 were audited by RSM Australia Partners. RSM Australia Partners has issued unqualified audit opinions containing an emphasis of matter in relation to the Company's ability to continue as a going concern on these financial statements.

The Statutory Historical Financial Information for FY18 for Real Estate CRM has been derived from the FY18 audited general purpose financial statements of the combination of the following entities on an amalgamated basis:

- Commerce Australia Pty Ltd;
- Clientvault Pty Ltd; and
- Complete RE Solutions Pty Ltd.

The Statutory Historical Financial Information for FY19 for Real Estate CRM has been derived from the FY19 audited general purpose financial statements of the combination of the following entities on an amalgamated basis:

- Commerce Australia Pty Ltd;
- Clientvault Pty Ltd; and
- Complete RE Solutions Pty Ltd.

The Statutory Historical Financial Information for FY20 for Real Estate CRM has been derived from the FY20 audited general purpose financial statements of the combination of the following entities on an amalgamated consolidated basis:

- Commerce Australia Pty Ltd (Full year);
- Clientvault Pty Ltd (Full year);
- Complete RE Solutions Pty Ltd (Full year);
- Vault Group Pty Limited (From 10 October 2019); and
- Real Estate CRM Pty Ltd (From 13 February 2020).

Real Estate CRM Pty Ltd was incorporated on 13 February 2020 as a special purpose vehicle to facilitate the acquisition of Commerce Australia Pty Ltd (t/a MyDesktop) and Vault Group Pty Limited.

Vault Group Pty Limited was incorporated on 10 October 2019 to become the holding company for the two entities that owned and operated the VaultRe business, being Complete RE Solutions Pty Ltd, Clientvault Pty Ltd and their respective Subsidiaries.

The financial statements of Real Estate CRM Pty Ltd and its combined entities for FY18 and FY19 and FY20 (as detailed above) were audited by RSM Australia Partners in accordance with Australian Auditing Standards. RSM Australia Partners has issued unqualified audit opinions on each of these financial statements.

The Pro Forma Historical Financial Information has been prepared solely for the purpose of inclusion in this Prospectus and has been derived from the Statutory Historical Financial Information of the Company and Real Estate CRM and adjusted for the effects of the pro forma adjustments.

These aggregated accounts reflect the income and expenses, cash flows, and the assets and liabilities of all entities comprising PropTech Group on an aggregated basis for each of these periods. All intercompany balances between entities comprising PropTech Group, including any unrealised profits or losses, have been eliminated on aggregation.

Table 5.3 sets out the pro forma adjustments made to the Statutory Historical Income Statements and a reconciliation of the Statutory Historical Income Statements to the Pro Forma Historical Income Statements.

Table 5.7 sets out the pro forma adjustments to the Statutory Historical Cash Flows and a reconciliation of the Statutory Historical Cash Flows to the Pro Forma Historical Cash Flows. Pro forma adjustments were made to the Statutory Historical Cash Flows to reflect the cash impact of the pro forma adjustments to the Statutory Historical Cash Flows.

Table 5.10 sets out the pro forma adjustments to the Statutory Historical Balance Sheet, and a reconciliation of the Statutory Historical Balance Sheet to the Pro Forma Historical Balance Sheet.

Pro forma adjustments were made to the Statutory Historical Balance Sheet to reflect the impact of the legal acquisition of Real Estate CRM by the Company, the Offers and related transactions as if they had occurred as at 30 June 2020.

The Pro Forma Historical Financial Information does not reflect the actual financial results and cash flows of the PropTech Group for the periods indicated. However, the Directors of the Company believe that it provides useful information as it permits investors to examine what it considers to be the underlying financial performance and cash flows of the business presented on a consistent basis.

Investors should note that past results are not a guarantee of future performance.

GOING CONCERN

The financial information of the PropTech Group for FY20 has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and discharge of liabilities in the normal course of business.

The Directors believe that there are reasonable grounds that PropTech Group will be able to continue as a going concern following Completion of the Offers.

GOODWILL AND SEPARATELY IDENTIFIABLE INTANGIBLE ASSETS – COMMERCE AUSTRALIA

Real Estate CRM was incorporated on 13 February 2020 as a proprietary company limited by shares as a special purpose vehicle to facilitate the acquisition of the MyDesktop and VaultRe business. The acquisitions of the MyDesktop and VaultRe business by Real Estate CRM are a business combination in accordance with AASB 3 “Business Combinations”. Consequently, AASB 3 requires that the identifiable assets and liabilities of the MyDesktop and VaultRe businesses are measured at their respective fair values at the respective acquisition dates.

Real Estate CRM has performed a provisional assessment of the fair values of the identifiable assets and liabilities to be acquired, based on the acquisition date balance sheets of Commerce Australia, Complete Re Solutions Pty Ltd, Clientvault Pty Ltd and their respective subsidiaries. Under the Australian Accounting Standards, Real Estate CRM has up to 12 months from the date of acquisition to complete its initial acquisition accounting exercise.

The precise impact of any acquisition accounting cannot be determined at this time as a formal purchase price allocation has not been carried out. Accordingly, the preliminary indicative estimates may change in the future.

GOODWILL AND SEPARATELY IDENTIFIABLE INTANGIBLE ASSETS – REAL ESTATE CRM

The Company was incorporated in December 2009 and listed in December 2015 on the ASX. On Completion of the Offers, the Company is expected to complete the acquisition of all of the issued shares in the capital of Real Estate CRM. This will be deemed to be a reverse acquisition under the principles of AASB 3 "Business Combinations" since the substance of the transaction is that the existing shareholders of Real Estate CRM have effectively acquired the Company. AASB 3 requires that the identifiable assets and liabilities of the acquiree (including intangible assets), with the acquiree for accounting purposes being the Company, are measured at their respective fair values at the acquisition date.

The Company has performed a provisional assessment of the fair values of the identifiable assets and liabilities of the Company being acquired by Real Estate CRM based on the 30 June 2020 consolidated balance sheet of the Company. Under the Australian Accounting Standards, the Company has up to 12 months from the date of acquisition to complete its initial acquisition accounting exercise. The precise impact of any acquisition accounting cannot be determined at this time as a formal purchase price allocation has not been carried out. Accordingly, the preliminary indicative estimates may change in the future.

5.2.3. Explanation of certain Non-IFRS Financial Measures

To assist in the evaluation of the performance of PropTech Group, certain measures are used to report on PropTech Group that are not recognised under AAS or IFRS. These measures are collectively referred to in this section and under Regulatory Guide 230 Disclosing Non-IFRS Financial Information published by ASIC as "non-IFRS financial measures". The principal non-IFRS financial measures that are referred to in this Prospectus are as follows:

- **EBITDA** is earnings/ (losses) before interest (net finance income), taxation, depreciation and amortisation. Management uses EBITDA to evaluate the operating performance of the business without the non-cash impact of depreciation, amortisation and before interest and taxation. PropTech Group also calculates EBITDA margin, which is EBITDA expressed as a percentage of total revenue. EBITDA can be useful to help understand the cash generation potential of the business. EBITDA and EBITDA margin should not be considered as an alternative to measures of cash flow under IFRS and investors should not consider EBITDA in isolation from, or as a substitute for, an analysis of the results of PropTech Group operations;
- **EBIT** is earnings/ (losses) before interest (net finance income) and taxation;
- **Average revenue per user (ARPU)** is calculated as total revenue generated for the previous 12 months divided by total number of paying subscribers at the end of the period (then divided by 12 to get an average monthly view);
- **Average revenue per agency (ARPA)** is calculated as total revenue generated for the previous 12 months divided by total number of paying office subscribers at the end of the period (then divided by 12 to get an average monthly view);
- **Monthly Recurring Revenue (MRR)** represents the monthly recurring revenue , it is calculated as the current total number of paying subscribers multiplied by the ARPA/ARPU; and
- **LifeTime Value (LTV)** is the expected revenue from a subscriber over the lifetime of that subscriber. This is calculated by using the average lifetime of a subscriber (1 divided by average churn) multiplied by ARPA.

Although the Directors believe that these measures provide useful information about the financial performance of PropTech Group, they should be considered as supplements to the income statement or cash flow statement measures that have been presented in accordance with AAS and IFRS and not as a replacement for them. As these non-IFRS financial measures are not based on AAS or IFRS, they do not have standard definitions, and the way PropTech Group calculated these measures may differ from similarly titled measures used by other companies. Investors and readers of this Prospectus should therefore not place undue reliance on these non-IFRS financial measures.

5.3. Pro Forma Historical Income Statements

Table 5.1 sets out a summary of the Pro Forma Historical Income Statements of PropTech Group for FY18, FY19 and FY20. The Pro Forma Historical Income Statements are reconciled to the respective historical income statements in Section 5.3.2.

Table 5.1: Summary of Pro Forma Historical Income Statements

$ Year Ended 30 June	Notes	FY18	FY19	FY20
Revenue		11,714,077	10,996,559	10,787,306
Cost of sales		(1,744,260)	(1,138,853)	(1,103,419)
Gross Profit		**9,969,817**	**9,857,706**	**9,683,887**
Other Income	1	104,302	401,378	379,501
Data and production costs		(719,187)	(1,016,552)	(1,332,233)
Employee benefits expenses		(5,240,097)	(5,019,882)	(4,963,505)
Legal and professional fees	2	(210,664)	(292,892)	(613,940)
Marketing expenses		(183,717)	(119,563)	(101,371)
Occupancy expenses		(344,895)	(331,530)	(230,613)
General and administration expenses		(904,481)	(560,780)	(599,349)
Total operating expenses		**(7,603,041)**	**(7,341,199)**	**(7,841,011)**
Foreign currency translation differences		(6,360)	(18,730)	25,596
EBITDA		**2,464,718**	**2,899,155**	**2,247,973**
Depreciation and amortisation		(2,021,725)	(2,353,865)	(1,932,130)
EBIT		**442,993**	**545,290**	**315,843**
Finance costs		(6,485)	(39,803)	(13,687)
Profit before income tax		**436,509**	**505,487**	**302,156**
Income tax expense	3	(874,281)	(726,997)	(485,574)
NPAT		**(437,772)**	**(221,510)**	**(183,418)**

Notes:

1. Other income includes the following:
   a R&D tax incentive and other government grants & incentives; and
   b. Debt forgiveness in FY19 for the amount of $234,955.
2. Legal and professional fees include pro forma adjustments for Relisting & Transaction Costs see table 5.3.
3. Tax rates have been adjusted for Commerce Australia from a rate of 30% due to being part of a consolidated tax group under Domain Holdings Australia Limited to a rate of 27.5%, which is the current tax rate of the Company.

5.3.1. Key Operating and Financial Metrics

Table 5.2 sets out PropTech Group's key pro forma historical operating and financial metrics for FY18, FY19 and FY20.

Table 5.2: Pro Forma Historical Key Operating and Financial Metrics

$ Year Ended 30 June		FY18	FY19	FY20
Total revenue and other income	$	11,818,379	11,397,937	11,166,807
Total revenue	$	11,714,077	10,996,559	10,787,306
Gross profit	$	9,969,817	9,857,706	9,683,887
Gross profit margin	%	85%	90%	90%
EBITDA	$	2,464,719	2,899,156	2,247,973
EBITDA margin	%	21%	26%	21%
Operating expenses (% revenue)	%	65%	67%	73%

5.3.2. Pro forma adjustments to the Statutory Historical Income Statement

Table 5.3 sets out the pro forma adjustments that have been made to the Statutory Historical Income Statements.

Table 5.3: Pro forma adjustments to the Statutory Historical Income Statement

$ Year Ended 30 June	Notes	FY18	FY19	FY20
PropTech Group Limited Statutory revenue		1,793,187	1,070,795	1,038,681
Real Estate CRM revenue prior to acquisition	1	9,920,890	9,925,764	9,748,625
Pro forma Revenue		**11,714,077**	**10,996,559**	**10,787,306**
PropTech Group Limited Statutory Other expenses		(2,462,125)	(1,565,348)	(1,807,270)
Real Estate CRM operating cost prior to acquisition		(5,140,916)	(5,775,850)	(6,728,603)
Employee benefits expenses - Elimination on Consolidation	2			109,573
Relisting & Transaction Costs	3			585,289
Pro forma Other Expenses		**(7,603,041)**	**(7,341,198)**	**(7,841,011)**
PropTech Group Limited Statutory NPAT		(2,568,257)	(1,166,829)	(1,091,928)
Real Estate CRM NPAT cost prior to acquisition		1,956,450	750,184	269,146
Relisting & Transaction Costs	2	-	-	585,289
Losses from discontinued operations		95,994	137,454	10,346
Tax impact of Pro Forma adjustments	4	78,041	57,682	43,729
Pro forma NPAT		**(437,772)**	**(221,510)**	**(183,418)**

Notes:
1. Relates to the legal acquisition of Real Estate CRM.
2. On 13 March 2020 the Company entered into an agreement with Real Estate CRM, an entity with some common directors, to offer consulting and corporate services in relation to assisting Real Estate CRM during the transition and preparation for the relisting process.
3. Relisting & Transaction Costs related to the acquisition of Real Estate CRM and the Re-compliance listing process of the Company.
4. Tax rates have been adjusted for Commerce Australia from 30% due to being a part of a tax group under Domain Holdings Australia Limited to 27.5% which is the current tax rate of PropTech Group.

5.3.3. Summary of Statutory Historical Income Statements

Table 5.4 sets out the Company's Statutory Historical Income Statements for FY18, FY19 and FY20.

Table 5.4: Summary of Statutory Historical Income Statements for PropTech Group Limited

$ Year Ended 30 June	Notes	FY18	FY19	FY20
Revenue		1,793,187	1,070,795	1,038,681
Cost of sales		(938,473)	(228,342)	(230,308)
Gross Profit		**854,714**	**842,453**	**808,373**
Other Income	1	-	250,955	150,513
Employee benefits expenses		(1,488,422)	(902,161)	(607,276)
Legal and professional fees		(210,664)	(292,892)	(863,404)
Marketing expenses		(177,446)	(99,245)	(69,510)
Occupancy expenses		(118,845)	(98,853)	(40,473)
General and administration expenses		(466,748)	(172,197)	(226,607)
Total operating expenses		**(2,462,125)**	**(1,565,348)**	**(1,807,270)**
Profit / (loss) from discontinued operations	2	(95,994)	(137,454)	(10,346)
Foreign currency translation differences		(6,360)	(18,730)	10,102
EBITDA		(1,709,765)	(628,124)	(848,628)
Depreciation and amortisation		(852,007)	(498,903)	(229,613)
EBIT		**(2,561,772)**	**(1,127,027)**	**(1,078,241)**
Finance costs		(6,485)	(39,802)	(13,687)
Profit before income tax		**(2,568,257)**	**(1,166,829)**	**(1,091,928)**
Income tax expense		-	-	-
NPAT		**(2,568,257)**	**(1,166,829)**	**(1,091,928)**

Notes:
1. Debt forgiveness in FY19 for the amount of $234,955.
2. During FY19, the board decided to discontinue the operations of the property transaction business unit, this was due to the unsatisfactory performance and lack of future growth opportunities. For clarity, this has been reported separately from the continuing operations of the business, for FY 18 , FY19 and FY20.

Table 5.5 sets out Real Estate CRM's Statutory Historical Income Statements for FY18, FY19 and FY20.

Table 5.5: Summary of Statutory Historical Income Statements for Real Estate CRM

$ Year ended 30 June	Notes	FY18	FY19	FY20
Revenue		9,920,890	9,925,764	9,748,625
Cost of sales		(805,786)	(910,510)	(873,111)
Gross Profit		**9,115,104**	**9,015,254**	**8,875,514**
Other Income		104,302	150,423	338,561
Data and production costs		(719,187)	(1,016,552)	(1,332,233)
Employee benefits expenses		(3,751,675)	(4,117,721)	(4,465,802)
Legal and professional fees	1	-	-	(335,825)
Marketing expenses		(6,271)	(20,318)	(31,861)
Occupancy expenses		(226,050)	(232,677)	(190,140)
General and administration expenses		(437,733)	(388,583)	(372,741)
Total operating expenses		**(5,140,916)**	**(5,775,851)**	**(6,728,603)**
Foreign currency translation differences		-	-	15,494
EBITDA		**4,078,490**	**3,389,826**	**2,500,967**
Depreciation and amortisation		(1,169,718)	(1,854,963)	(1,702,517)
EBIT		**2,908,772**	**1,534,863**	**798,450**
Finance costs		-	-	-
Profit before income tax		**2,908,772**	**1,534,863**	**798,450**
Income tax expense	2	(952,322)	(784,679)	(529,304)
NPAT		**1,956,450**	**750,184**	**269,146**

Notes:
1. Legal and professional fees relate to acquisition costs of Vault Group and Commerce Australia.
2. Commerce Australia had a tax rate of 30% due to being part of a tax group under Domain Holdings Australia Limited.

5.4. Segment information

In accordance with Australian Accounting Standard AASB 8 Operating Segments, the Company has determined it operates with a single operating segment for FY18, FY19 and FY20.

5.5. Pro Forma Historical Cash Flows

Table 5.6 sets out PropTech Group's Pro Forma Historical Cash Flows for FY18, FY19 and FY20.

Table 5.6: Summary of Pro Forma Historical Cash Flows

$ Year ended 30 June	Notes	FY18	FY19	FY20
Receipts from customers		13,554,460	12,249,368	11,888,962
Payments to suppliers and employees	1	(12,705,099)	(12,675,033)	(9,416,460)
Interest received /(paid)		(12,665)	(50,415)	(16,123)
Receipt from R&D claim		260,770	241,512	379,072
Receipt of government grants and tax incentives		-	-	90,940
Payments of tax		(52,555)	1,792	(95,349)
Cash flow from operating activities		**1,044,911**	**(232,776)**	**2,831,042**
(Purchase) / sale of property, plant and equipment		(818)	1,006	(12,672)
Purchase of intangibles		(267,688)	(136,978)	(56,817)
Loans (to) / from related parties	2	(2,371,174)	(622,661)	(2,487,941)
Cash flows from investing activities		**(2,639,680)**	**(758,633)**	**(2,557,430)**
Net cash flow from operating & investing activities		**(1,594,769)**	**(991,409)**	**273,612**

Notes:
1. On the basis that , historically for the periods FY18, FY 19 and FY20 (July 2019 until March 2020), Commerce Australia was operated as a division of Domain, payments to suppliers and employees included payment of management and other expenses by Commerce Australia to Domain in relation to operating expenses that were paid by Domain on behalf of Commerce Australia and then on-charged to Commerce Australia at cost.
2. Relates to intra-group transactions which includes transfers of funds between Commerce Australia and Domain.

5.5.1. Pro forma adjustments to the Statutory Historical Cash Flows

Table 5.7 sets out the pro forma adjustments that have been made to the Statutory Historical Cash Flows to reflect the post-tax cash impact of the pro forma earnings adjustments. These adjustments are summarised and explained in the table below.

Table 5.7: Pro forma adjustments to the Statutory Historical Cash Flows

$ Year Ended 30 June	Notes	FY18	FY19	FY20
The Company's statutory net cash flows from operating & investing activities		(1,776,837)	(1,060,458)	117,445
Relisting and transaction costs				355,794
Real Estate CRM net cash flow from operating & investing activities	1	104,027	11,367	(5,905,453)
Payment for purchase of Commerce Australia	2			5,416,110
Tax impact of Pro Forma adjustments	3	78,041	57,682	289,716
Pro Forma net cash flow from operating & investing activities		**(1,594,769)**	**(991,409)**	**273,612**

Notes:
1. Relates to the acquisition of Real Estate CRM including initial purchase price consideration paid.
2. Relates to the consideration paid to Domain for the acquisition of Commerce Australia by Real Estate CRM on the 13 March 2020, which was broken down into 2 payments of:
   a. Initial cash consideration of $5,000,000; and
   b. Working capital adjustment of $416,110.
3. Tax rates have been adjusted for Commerce Australia from 30% due to being part of a consolidated tax group under previous Domain Holdings Australia Limited ownership to 27.5% which is the current tax rate of the Company.

5.5.2. Summary of Statutory Historical Cash Flows for the Company

Table 5.8 sets out the Company's Statutory Historical Cash Flows for FY18, FY19 and FY20.

Table 5.8: Summary of Statutory Historical Cash Flows for the Company

$ Year Ended 30 June	Notes	FY18	FY19	FY20
Receipts from customers		3,273,911	1,444,076	1,471,567
Payments to suppliers and employees		(4,930,107)	(2,490,108)	(1,428,764)
Interest received /(paid)		(12,881)	(51,039)	(16,169)
Receipt from R&D claim		160,742	159,098	100,140
Receipt of government grants and tax incentives	1	-	-	40,940
Payments of tax		(22)	-	-
Cash flow from operating activities		**(1,508,357)**	**(937,973)**	**167,714**
(Purchase) / sale of property, plant and equipment		(818)	1,006	1,107
Purchase of intangibles		(267,662)	(123,491)	(51,376)
Loans (to) / from related parties		-	-	-
Other capital expenditure		-	-	-
Cash flows from investing activities		**(268,480)**	**(122,485)**	**(50,269)**
Net cash flow from operating & investing activities		**(1,776,837)**	**(1,060,458)**	**117,445**

Notes:
1. Relates to the ATO cash boost incentive.

Table 5.9 sets out Real Estate CRM's Statutory Historical Cash Flows for FY18, FY19 and FY20.

Table 5.9: Summary of Statutory Historical Cash Flows for Real Estate CRM

$ Year ended 30 June	Notes	FY18	FY19	FY20
Receipts from customers		10,280,549	10,805,292	10,417,395
Payments to suppliers and employees	1	(7,774,992)	(10,184,925)	(8,343,489)
Interest received /(paid)		216	624	46
Receipt from R&D claim		100,028	82,414	278,932
Receipt of government grants and tax incentives		-	-	50,000
Payments of tax		(52,533)	1,792	(95,349)
Cash flow from operating activities		**2,553,268**	**705,197**	**2,307,535**
(Purchase) / sale of property, plant and equipment		-	-	(13,779)
Purchase of intangibles		(26)	(13,487)	(5,441)
Loans (to) / from related parties	2	(2,449,215)	(680,343)	(2,777,657)
Payment for purchase of business, net of cash acquired	3	-	-	(5,416,110)
Cash flows from investing activities		**(2,449,241)**	**(693,830)**	**(8,212,987)**
Net cash flow from operating & investing activities		**104,027**	**11,367**	**(5,905,452)**

Notes:

1. Contains transactions including management fees, other expenses (on-charged at cost) and taxes between Commerce Australia and Domain Holdings Australia Limited.
2. Relates to transactions which includes transfers of funds between Commerce Australia and Domain.
3. Relates to the consideration paid to Domain Holdings Australia Limited for the acquisition of Commerce Australia by Real Estate CRM on the 13 March 2020, which was broken down into 2 payments of:
   a. Consideration of $5,000,000; and
   b. Working capital adjustment of $416,110.

5.6. Statutory Historical Balance Sheet and Pro Forma Historical Balance Sheet

Table 5.10 sets out the Statutory Historical Balance Sheet of the Company and the pro forma adjustments that have been made to prepare the Pro Forma Historical Balance Sheet. These adjustments take into account the effect of:

- impact of the proposed legal acquisition of Real Estate CRM by the Company;
- the impact of completion of the Offers net of costs of the Offers; and
- conversion of KMP outstanding Accrued Remuneration Entitlements.

As if these transactions had taken place on 30 June 2020

The Pro Forma Historical Balance Sheet is provided for illustrative purposes only and is not represented as being necessarily indicative of the Company's view of its financial position upon Completion of the Offers or at a future date. Further information on the sources and uses of funds of the Offers is contained in Section 8.8.

Table 5.10: Statutory Historical Balance Sheet and Pro Forma Historical Balance Sheet as at 30 June 2020

$	Company's Statutory Historical Balance Sheet 30-June-2020	Real Estate CRM Pro-Forma Historical Balance Sheet 30-June-2020	Conversion of KMP Accrued Entitlements	Impact of the reverse asset acquisition	Consolidation	Impact of Offer	Pro-Forma Historical Balance Sheet 30-June-2020
			1	2	3	4	
Current assets							
Cash and cash equivalents	369,419	2,474,815				9,470,833	12,315,067
Trade and other receivables	304,802	351,280					656,082
Prepayments	40,533						40,533
Total current assets	**714,754**	**2,826,095**	**-**	**-**	**-**	**9,470,833**	**13,011,682**
Non-current assets							
Plant and equipment	3,037	18,014					21,051
Deferred tax assets		557,756					557,756
Investments				2,800,000	(2,800,000)		-
Intangible assets	277,970	23,132,662			3,721,436		27,132,068
Total non-current assets	**281,007**	**23,708,432**		**2,800,000**	**921,436**	**-**	**27,710,875**
Total assets	**995,761**	**26,534,527**	**-**	**2,800,000**	**921,436**	**9,470,833**	**40,722,557**
Current liabilities							
Trade and other payables	1,852,929	1,034,921	(498,996)				2,388,854
Provisions	64,268	168,041					232,309
Current Tax Liabilities		145,790					145,790
Vendor Payables		6,000,000					6,000,000
Total current liabilities	**1,917,197**	**7,348,752**	**(498,996)**	**-**	**-**	**-**	**8,766,953**
Non-current liabilities							
Provisions		110,561					110,561
Deferred tax liability		32,894					32,894
Vendor Payables		3,000,000					3,000,000
Total non-current liabilities	**-**	**3,143,455**	**-**	**-**	**-**	**-**	**3,143,455**
Total liabilities	**1,917,197**	**10,492,207**	**(498,996)**	**-**	**-**	**-**	**11,910,409**
Net assets	**(921,436)**	**16,042,320**	**498,996**	**2,800,000**	**921,436**	**9,470,833**	**28,812,149**
Equity				.			
Issued capital	13,842,150	16,159,312	498,996	2,800,000	(13,842,150)	9,964,000	29,422,308
Retained earnings	(15,148,795)	(131,581)			15,148,795	(493,167)	(624,748)
Reserves	385,209	14,589			(385,209)		14,589
Total equity	**(921,436)**	**16,042,320**	**498,996**	**2,800,000**	**921,436**	**9,470,833**	**28,812,149**

Notes:

1. The portion of the outstanding Accrued Remuneration Entitlements of KMP's being converted into New Shares;
2. Due to the RECRM Acquisition being deemed a reverse takeover according to accounting standard AASB 3 "Business Combinations " the applicable accounting treatment means that Real Estate CRM is considered to be the accounting acquirer and the Company is considered to be the accounting acquiree, therefore the RECRM Acquisition has been reflected in the Pro Forma Balance Sheet as being calculated based on the notional Fair Value of Shares that would need to be issued by Real Estate CRM to effect the same shareholding in the Combined Group;
3. As a result, on consolidation Real Estate CRM is considered to be the accounting acquirer and the Company is considered to be the accounting acquiree, resulting in the deemed investment in the Company of $2.8 million being eliminated on consolidation, which, after elimination of pre-acquisition equity and reserves of the Company, results in expected incremental goodwill and other intangible assets of $3.7 million. The actual value of goodwill and intangible assets will be determined post Completion and will be based on the balance sheet of the Company at Completion; and
4. Represents expected amounts raised as a result of the Offers of $10.6 million, less anticipated costs associated with the Re-compliance and the Offers of approximately $1.1 million.

No adjustment has been made to reflect potential working capital and net debt adjustments at Completion as these are not expected to be material.

5.7. Liquidity and capital resources

Following Completion of the Offers, the Company will have, on a pro forma basis, cash of $12,300,000 (after paying the costs of the Offers) as at 30 June 2020.

The Company expects that it will have sufficient cash to meet its short- and medium-term operational requirements and other business needs.

5.8. Contractual obligations, commitments and contingent liabilities

Neither the Company nor Real Estate CRM had any material lease commitments as at 30 June 2020 or as at the Prospectus Date.

Real Estate CRM is party to various agreements that create contractual obligations in the ordinary course of business. Table 5.11 sets out material commitments for these contracts as at the Prospectus Date.

Table 5.11: Contractual obligations and commitments

	As at date of the Offer
Payable less than one year	9,000,000
Payable between one and five years	-
Payable after five years	-
Total	**9,000,000**

The above commitment relates to the acquisition of Commerce Australia by Real Estate CRM from Domain Holdings Australia Limited (DHG), under which Deferred Consideration of up to $9.0 million is prospectively and contingently payable to DHG, which is recognised as a contingent liability and is split into 3 separate tranches which are allocated between deferred consideration payable, and contingently payable all due in the next 12 months. The split is:

- Deferred consideration payable: $2,000,000;
- Contingency payable 1: $4,000,000; and
- Contingency payable 2: $3,000,000.

The Company has no other material contingent liabilities as at 30 June 2020 or at the Prospectus Date. (Refer to Section 9.4 Summary of Terms of MyDesktop Acquisition for further detail)

5.9. Management discussion and analysis of the Historical Financial Information

5.9.1. General factors affecting the operating results of the Company

This Section 5.9 sets out a discussion of the key factors which affected the Company's operating and financial performance during the periods the subject of the Historical Financial Information.

The management discussion in this Section focuses on the Pro Forma Historical Financial Information. The discussion of these general factors is intended to provide a brief summary only and does not detail all factors that affected the Company's historical operating and financial performance, or everything that may affect the Company's operations and financial performance in the future. The information in this section should be read in conjunction with the risk factors set out in Section 6 and other information contained in this Prospectus.

5.9.2. Revenue

The consolidated PropTech Group generates revenue from the offering of SaaS products to retail property investors and real estate agents, different products offered across the Group are broken down into:

- Real Estate Agent Services (B2B); and
- Property Tools (B2C).

Revenue is divided between SaaS based subscription revenue and revenue from other auxiliary services which are stated as Other Operating Revenue.

- **SaaS Revenue** – Comprises recurring monthly fees from subscribers to PropTech Group's products (see Table 5.12).

Table 5.12: Overview of SaaS Revenue

Revenue Stream	Real Estate Agency Services (B2B)	Property Tools (B2C)
SaaS Revenue	■ Charged to customers typically on a monthly basis, to use the software. ■ Customers are charged based on the number of users, which will vary on a per office basis. ■ Revenue from this stream is consistent and is usually impacted from new or lost agency offices and the average sales price. ■ Key driver is Number of Paying Agency Offices x Average Revenue per Agency Offices. ■ Revenue is recognised at the fair value of the consideration received or receivable, and is recognised over the period which the services are provided to the customer.	■ Charged to customers typically on a monthly basis, for use of the software. ■ Customers have the option to choose between packages or add extra tools. ■ Revenue from this stream is consistent and is usually impacted from new or lost users and the average sales price. ■ Key driver No. of paying Users x Average Revenue per User. ■ Revenue is recognised at the fair value of the consideration received or receivable, and is recognised over the period which the services are provided to the customer.

- Other operating revenue – This relates to other related services offered to subscribers including pay-as-you-go services such as mobile services, commission and referral revenue from agreements with strategic partners and one-off fees which relate to set up, training, consultancy and development. The key drivers of operating revenue are the following:
  - commission and referral fees;
  - mobile services;
  - set up and training fees; and
  - development & consultancy services.

Table 5.13 shows that the recurring SaaS subscription-based revenue accounts for approximately 90% of the overall revenues.

Table 5.13: Revenue mix for PropTech Group

PropTech Group revenue mix	FY18	FY19	FY20
SaaS Revenue	$9,941,644	$9,689,176	$9,748,973
Other operating revenue	$1,772,433	$1,307,383	$1,038,333
Total Revenue	**$11,714,077**	**$10,996,559**	**$10,787,306**
SaaS Revenue%	85%	88%	90%
Other operating revenue%	15%	12%	10%

On an absolute basis, SaaS Revenue for the combined PropTech Group has been relatively flat for the last three years. The key reasons for this are:

- Between FY18 and FY19, SaaS Revenue from the Real Estate Agency Services segment grew slightly with the decline in revenues in MyDesktop offset by strong growth in revenues from VaultRE. However, this overall growth was offset by a strong decline in SaaS Revenues from the Company's Property Tools business unit.
- Between FY19 and FY 20, there was an overall increase in SaaS Revenue from the Real Estate Agency Services segment. Underlying this was a decrease in the number of MyDesktop customers as they migrated to VaultRE and an increase in new customers to VaultRE. The Company's Property Tools segment SaaS revenue remained relatively flat during this period.

Other operating revenue has seen a decrease year on year due largely to a reduction in the amount of consulting and other services able to be charged to customers due to the competitiveness of the market.

5.9.3. Cost of sales and gross margins for PropTech Group

The major costs of sales compromise:

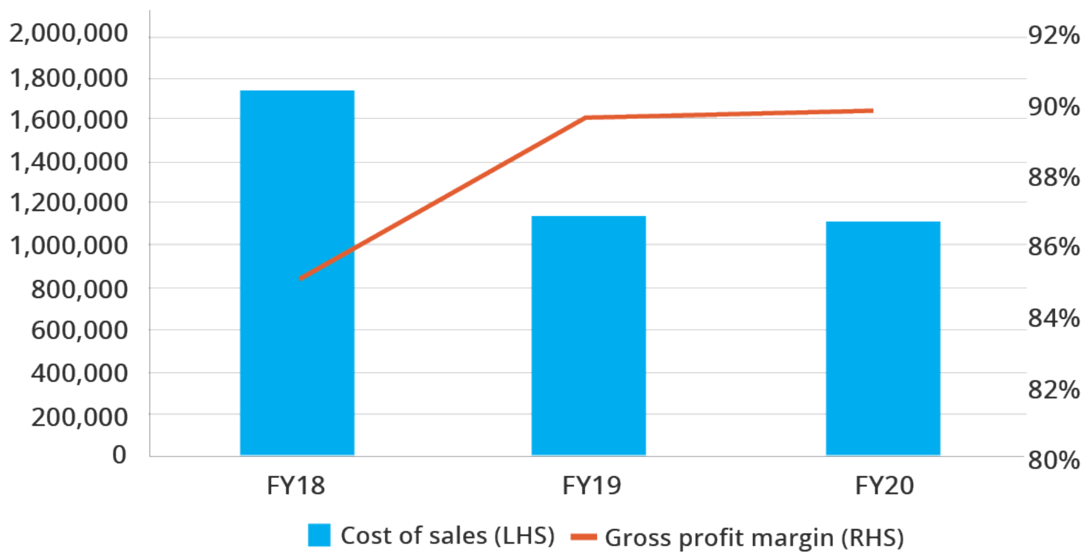
- data costs from external sources that allow the Company to deliver its analysis tools;
- transaction fees which relate to components of the software such as emailing and SMS costs; and
- sales commission to a lesser extent paid to channel partners and sales staff that generate sales for the company.

Table 5.14 sets out a breakdown of pro forma historical cost of goods and gross margins for FY18, FY19, and FY20. Figure 5.1 shows this in a graphical format.

Table 5.14: Breakdown of cost of sales and gross margin for the Group

PTG COS & GP	FY18	FY19	FY20
Cost of Sales	($1,744,260)	($1,138,853)	($1,103,419)
Gross Profit	**$ 9,969,817**	**$9,857,706**	**$9,683,887**
Gross Profit Margin	85%	90%	90%
Real Estate Agency Services GP Margin	92%	91%	91%
Property Tools GP Margin	48%	79%	79%

Figure 5.1: Evolution of PropTech Group cost of sales and gross margin



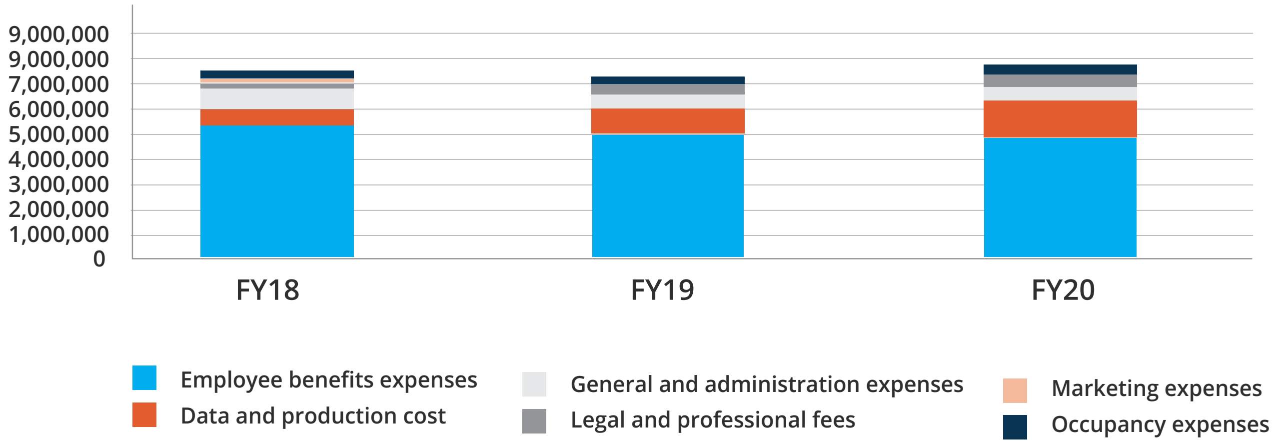
For the Real Estate Agency Services business unit, the cost of sales is relatively small (less than 10% of revenues) and as the underlying costs remain relatively stable, there is minimal opportunity to further compress these costs.

For the Property Tools business unit, the gross profit margin increased significantly between FY18 and FY19. This was primarily due to management negotiating new terms with an existing data provider which has resulted in an annual saving of c.$630,000 by moving from a fixed monthly fee to a variable fee based on a per user basis.

5.9.4. Operating expenses

Figure 5.2 provides a breakdown of pro forma historical operating expenses.

Figure 5.2: Evolution of PropTech Group operating costs



EMPLOYEE BENEFITS EXPENSES

Employee benefits are the PropTech Group's largest expense making up approximately 63% of operating expenses in FY20. Employee benefits include salary and wages to all staff within the Group and all related payroll on-costs such as superannuation, payroll tax, work cover and leave provisions.

In FY19, as part of a cost saving initiative, the Company had downsized its team which has stayed flat into FY20.

DATA AND PRODUCTION EXPENSES

Data and production expenses make up around 17% of the Group's operating expenses and these mainly relate to hosting costs such as AWS, this has increased on a year on year basis. This was due to the running of two separate systems at full capacity following the Vault Acquisition and the MyDesktop Acquisition.

OCCUPANCY EXPENSES

Occupancy expenses includes office rentals costs in Perth, Gold Coast and Sydney and any utility costs associated with running those offices.

As part of the consolidation of the Group, one of the two offices in Perth was no longer required, along with the MyDesktop Sydney office, which has resulted in some cost savings in FY20.

LEGAL AND PROFESSIONAL EXPENSES

Legal and professional expenses include consultants, IT, legal and board fees. In FY20 there was an increase in these costs due to both the Managing Director and Chief Financial Officer moving to full time roles within the business.

MARKETING EXPENSES

Marketing costs include direct sales and marketing online and offline campaigns, webinars, events and sponsorship. This has declined year on year, with less spent on direct online marketing and usage of alternative low-cost channels.

GENERAL AND ADMINISTRATION EXPENSES

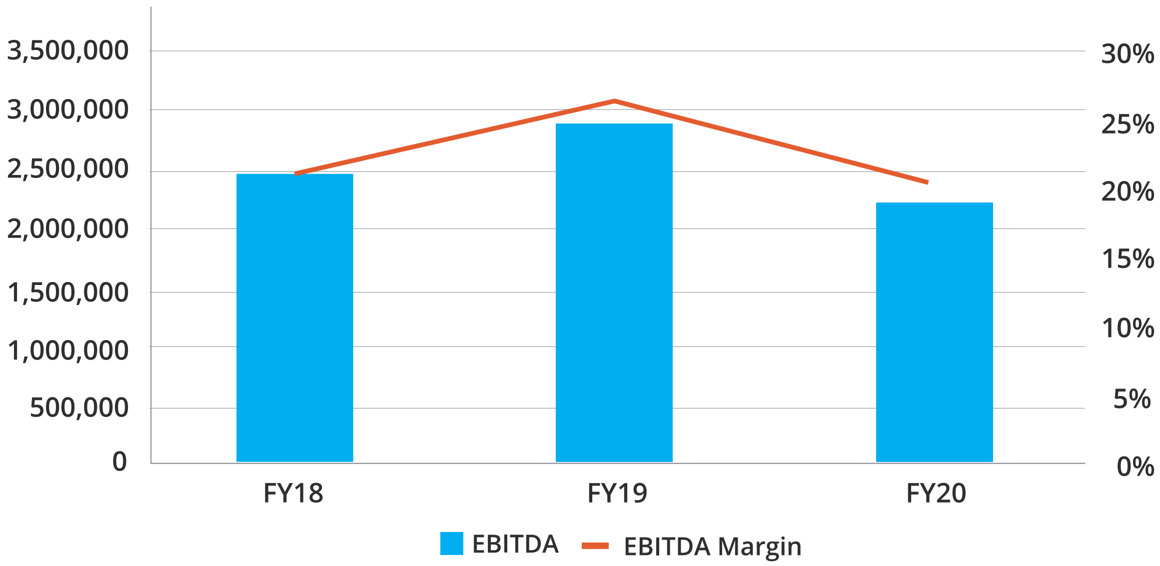
General and administration costs include insurance, audit, accounting, bank fees, bad debt write-offs, foreign currency gains or losses and other general company operating expenses.

This has seen a substantial decrease in FY19 compared to FY18 which was the result of the cost saving initiative by the Company's management team. In FY20 these items were relatively flat, with a small increase due to the running of the MyDesktop and VaultRE platforms separately at full capacity without the ability to extract ample synergies.

5.9.5. EBITDA

Figure 5.3 outlines the pro forma historical EBITDA and EBITDA Margin for the Group for FY18, FY19, and FY20.

Figure 5.3: Evolution of PropTech Group EBITDA and EBITDA margin



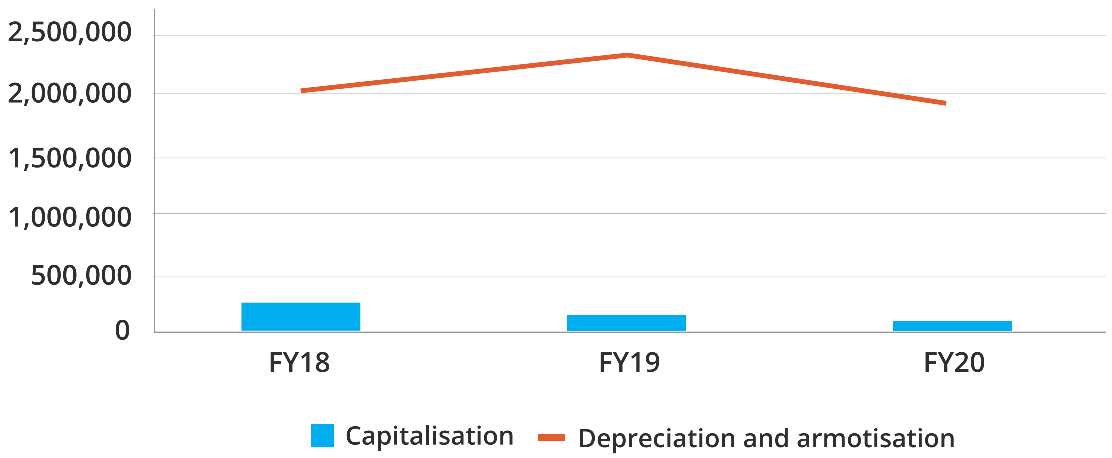
There was strong growth in EBITDA between FY18 and FY19 primarily due to the decrease in operating expenditure in the Property Tools business unit.

The decrease in EBITDA between FY19 and FY20 was driven by Real Estate CRM operating MyDesktop and VaultRE platforms separately in parallel rather than being able to extract their full synergistic benefits. In addition, there was an increase in operating expenses as the Group brought onboard a full time CEO and CFO.

5.9.6. Capital expenditure, depreciation and amortisation

Figure 5.4 outlines the pro forma historical capital expenditure, depreciation and amortisation for PropTech Group in FY18, FY19 and FY20.

Figure 5.4: Evolution of PropTech Group capitalisation, depreciation and amortisation



Currently the only capital expenditure that has been incurred is in relation to the Property Tools business where expenses directly related to the development of software have been internally capitalised. Capital expenses also include some purchases of Plant and equipment.

Commerce Australia expenses (including depreciation & amortisation, which has been separated for completeness & consistency purposes) and capitalisation of expenses prior to 13 March 2020 were charged by Domain as a management fee to Commerce Australia (and accounted for on the same basis) for the reason that many of the relevant assets and liabilities of the MyDesktop business were owned directly by Domain Group Holdings (these assets were subsequently transferred to Commerce Australia on completion of the MyDesktop Acquisition). Any capitalisation of expenses would have been included in the accounts of Domain, and therefore have not been reflected in the accounts for Commerce Australia (and therefore PropTech Group on a consolidated basis).

5.9.7. Impact of COVID-19

As at the Prospectus Date the Group's financial position has not been significantly affected by the Coronavirus (COVID-19) pandemic, but it has seen an impact to the real estate industry in general with closures of businesses higher than pre-COVID-19. However, the COVID-19 pandemic is ongoing and therefore the extent and full impact of this pandemic on the Company's results for FY21 and its operations cannot be reliably estimated or quantified. The situation is rapidly developing and is dependent upon measures imposed by the Australian Government such as maintaining social distancing requirements, travel restrictions and any economic stimulus that may be provided.

5.10. Critical accounting policies

Preparing financial statements in accordance with AAS requires management to make judgements, estimates and assumptions about the application of accounting policies that affect the reported revenues and expenses, carrying values of assets and liabilities and the disclosure of contingent liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods. Judgements the Company has made in the application of AAS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next financial year are disclosed, where applicable, in the relevant notes to the financial statements. The key areas in which critical estimates and judgements are applied, as described in the significant accounting policies outlined in Appendix A.

5.11. Dividend policy

The payment of dividends by the Company is at the complete discretion of the Directors. The Company has not to date paid any dividend on its ordinary shares. The Directors have no current intention to declare and pay a dividend and there is no certainty that the Company will pay dividends in the future.

6

RISK FACTORS

6.1. General

Investing in shares involves risk. There are a number of risks that, either individually or in combination, may materially and adversely affect the future operating and financial performance of the Company and the value of its Shares.

This section describes the risks which the Company currently believes to be the key risks associated with an investment in the Company (and the PropTech Group). It does not purport to be an exhaustive list of every risk faced by the Group, now or in the future. Many of these risks, or the consequences of them, are outside the control of the Company. If one or more of these risks or a risk not specifically referred to in this Prospectus eventuates, then the future operating performance of the Group and the value of the shares and of your investment may be significantly affected. Prospective investors should read the whole of this Prospectus (or any supplementary or replacement prospectus) and consult with their professional advisors for legal, business, financial or tax advice in order to fully appreciate such matters and the manner in which the Company intends to operate before any decision is made to apply for Shares.

The following summary, which is not exhaustive, represents some of the major risk factors that applicants need to be aware of. These risks have been separated into:

- risks related to change in nature and scale of activities;
- risks specific to an investment in the PropTech Group; and
- general risks relating to an investment in a listed company.

The selection of risks has been based on an assessment of a combination of the probability of the risk occurring, the ability to mitigate the risk and impact of the risk if it did occur.

The assessment is based on the knowledge of the Company as at the Prospectus Date, but there is no guarantee or assurance that the importance of different risks will not change, or other risks will not emerge. Any of these risks, and any other risks that may emerge, may have a material adverse effect on the business and financial position and performance.

There can be no guarantee that the Company will deliver on its business strategy, or that any forward-looking statement contained in this Prospectus will be achieved or realised. Investors should note that past performance is not a reliable indicator of future performance.

Some of these risks may be mitigated by the Group's internal controls and processes, but many are outside the control of the Company, the Directors and Management. An investment in the Company should be considered speculative.

You can do some things to reduce the impact of risk. Firstly, get professional advice suited to your investment objectives, financial situation and particular needs. Before deciding to invest in the Company, prospective investors should:

- read the entire Prospectus;
- consider the financial information and the risk factors that could affect the financial performance of the company;
- review these factors in light of their personal circumstances; and
- seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

6.2. Specific risks associated with the RECRM Acquisition and the change in nature and scale of activities

Shareholders should be aware that if the RECRM Acquisition and the Offers are completed, the Company will be changing the nature and scale of its activities and will be subject to additional or increased risks arising from Real Estate CRM, parties contracted or associated with Real Estate CRM, the RECRM Acquisition and other agreements, including but not limited to, those summarised in Section 9.

The risks and uncertainties described below are not intended to be exhaustive. There may be additional risks and uncertainties that the Company is unaware of or that the Company currently considers to be immaterial, which may affect the Company, Real Estate CRM, and their related entities.

Based on the information available, a non-exhaustive list of risk factors for the Company associated with the Company's proposal to acquire all of the Real Estate CRM shares are as follows;

6.2.1. Re-Compliance with Chapters 1 and 2 of the Listing Rules

As part of the Company's change in nature and scale of activities, the ASX will require the Company to re-comply with Chapters 1 and 2 of the Listing Rules. This Prospectus has been issued to assist the Company to re-comply with these requirements. It is anticipated that the Shares will remain suspended until completion of the Offers, completion of the RECRM Acquisition, re-compliance by the Company with Chapters 1 and 2 of the Listing Rules and compliance with any further conditions the ASX imposes on such reinstatement. There is a risk that the Company will not be able to satisfy one or more of those requirements and that the Shares will consequently remain suspended from quotation.

6.2.2. Contractual and completion risk

Pursuant to the Implementation Deed, the Company has agreed to acquire Real Estate CRM from its shareholders subject to fulfilment of certain conditions precedent. If any of the conditions precedent are not satisfied or waived, or any of the Real Estate CRM counterparties do not accept or comply with their obligations under the RECRM Share Offer Document, completion of the RECRM Acquisition may be deferred or not occur. Failure to complete the RECRM Acquisition would mean the Company may not be able to meet the requirements of the ASX for re-quotation of its Shares, and the Company's listed Shares will remain suspended from quotation until such time as the Company does re-comply with the Listing Rules.

The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under the Implementation Deed (and the underlying RECRM Share Offer Documents). If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

6.2.3. Dilution risk

The Company currently has 11,660,308 Shares on issue. On Completion, the Company will issue Shares under the Cash Offers, the RECRM Consideration Offer and the Conversion Offer.

On Completion of the Offers, the Existing Shares will only comprise approximately 9.61% of the issued capital of the Company, the RECRM Sellers (and/or their nominees) will hold an aggregate of 53.5% (disregarding their possible participation in the Cash Offers), the Shares issued under the Conversion Offer will comprise 1.94% and investors under the Cash Offers will hold an aggregate of 34.95% of the issued capital of the Company.

There is also a risk that the interests of Shareholders will be further diluted as a result of future capital raisings required in order to fund the future development of the Company.

6.2.4. Liquidity risk

On completion of the RECRM Acquisition, the Company proposes to issue the Consideration Shares to the RECRM Sellers. The Directors understand that ASX will treat all of these securities as restricted securities in accordance with Chapter 9 of the ASX Listing Rules. Based on the post-RECRM Acquisition capital structure (assuming no further Shares are issued), the RECRM Consideration Shares will equate to approximately 53.50% of the issued share capital on an undiluted basis (assuming the Minimum Subscription is achieved). In addition, 2,344,064 New Shares issued under the Conversion Offer will also be subject to escrow.

During the period in which any of these Restricted Shares are prohibited from being transferred, trading in Shares generally may be less liquid which may impact on the ability of a shareholder to dispose of his or her Shares in a timely manner. This could affect the prevailing market price at which shareholders are able to sell their Shares. Following the end of the relevant escrow period, a significant sale of Shares by the Escrowed Shareholders, or the perception that such a sale might occur, could also adversely affect the market price of the Shares.

In addition, approximately 22.46% of the Company's issued share capital is will be held by the Directors (directly or indirectly) on Completion of the Offers. None of the Directors have any current intention to dispose of any securities that they currently hold.

6.2.5. Limited trading history

While the Company's Board and management have significant experience in business, management and the PropTech industry generally, the Company will only commence operating as a provider of real estate CRM services following Completion of the Offers. Although the MyDesktop and Vault businesses themselves have been in operation for some time, the Company itself has no financial and operating history with respect to the provision of CRM and PM services. The VaultRe and MyDesktop businesses have been operating independently for several years (ranging from between 5 to 20 years) as stand-alone businesses.

The Company's ability to achieve its objectives depends on the ability of its Board and Management to successfully integrate the Vault and MyDesktop businesses as a Group, to implement the proposed business plans and to respond in a timely and appropriate manner to any unforeseen circumstances. There is a risk that the Company cannot maintain the historical performance of these businesses or will incur additional costs of operation which might have an adverse effect on profitability.

6.2.6. Integration risk

In order to implement its proposed business model and maintain its financial performance, it is critical that the Company successfully integrate the VaultRE and MyDesktop businesses. There is a risk that the process of integration may take longer or be more expensive than anticipated. The performance of the two businesses may be adversely affected by changes such as an increase in overheads, or loss of customers who do not view the integration favourably.

In addition, there is a risk that customers of MyDesktop do not successfully transition onto the VaultRE platform. There is also a risk that the process of transitioning customers requires significantly more financial and management resources, or time to complete, than originally planned. In addition, there is a risk that the RECRM Acquisition fails to meet the Company's strategic and financial objectives, generate the synergies and benefits expected, or provide an adequate return on the purchase price and resources invested in them.

This may occur due to a variety of factors, including poor market conditions, poor integration of staff, staff losses, customer losses, technology impacts or other integration barriers.

6.3. Risks specific to an investment in the Company

6.3.1. Competition and new technologies

The Company operates in a competitive environment in which systems and practices are subject to continual development and improvement, and new or rival offerings. The Company provides services to property investors and real estate agencies that compete in part or in whole with services offered by property portals, data companies and a number of other property industry service providers, under either paid or free service offerings. There is a risk that new CRM entrants or existing competitors may deliver a superior solution and customer experience offering to that currently offered by the Company, or, subject to competition law constraints, consolidate with other providers to deliver enhanced scale benefits with which the Company is unable to compete with effectively.

If this materialised, the Company may compete less effectively against its competitors and its business, financial performance and operations could be adversely affected. Examples of factors that may impact the Company's competitive position include:

- level of innovation relative to that of competitors;
- commercial factors, including pricing and liability terms;
- ability to keep up with technological or regulatory change;
- ability to respond to customer preferences for products and services; and
- ability to maintain strong relationships with existing customers by upholding the consistency and quality of services.

6.3.2. Performance and reliability of website, databases, systems and risk of data security

The Company's websites, databases, IT and management systems are fundamental to its ability to conduct its business. There is a risk that if one or more of the Company's critical operating systems do not function properly, there could be system disruptions, corruption of databases or other electronic information, website slowdown or unavailability, loss of data. Such disruption could materially adversely affect the the Company's financial and operational performance.

The Company's financial and operational performance could be adversely affected by a system failure that causes prolonged disruption to its website. This could damage the reputation and brand of the platform and lead to a decrease in revenues.

The Company's websites, databases and systems are all hosted on platforms provided by third party providers. The Company is subject to the disaster planning contingencies of those third-party providers to deal with events that are beyond the control of those parties such as earthquakes, floods, power grid issues, network failures, terrorist attacks, computer viruses and other similar events. A failure in the systems of a third-party provider is likely to have a material impact on the the Company's systems and operations. This may lead to claims from customers, customer disenchantment or reputational damage which in turn may adversely affect financial performance.

Customer and third-party supplier databases and data analytics are critical to the Company's continued success. There is a risk that computer viruses, theft, programming errors, operating system failures, third party provider failures and similar disruptions could lead to a loss of data. The Company would incur a financial cost to remedy the loss of data which may adversely affect its financial and/or operating performance and/or lead to reputational damage.

The Company collects, processes and stores through the ordinary course of its businesses a wide range of customer data. Despite the Company's best efforts to ensure the safe collection, storage and protection of customer data (including firewalls, security information and event management (SIEM) setup within AWS there is a risk that a data breach may occur or a third party may gain access to the confidential information of its customers or its internal systems. This could result in a breach of law by the Company, a breach of customer agreements and may attract media attention and damage the the Company's reputation and brand. Any breach of this nature may have a material adverse effect on the Company's financial or operational performance in the future.

6.3.3. COVID-19

COVID-19 has brought significant volatility in global financial markets and has impacted many aspects of life and the economy in Australia and around the world.

While COVID-19 is still spreading and the final implications of the pandemic are unknown, the ongoing pandemic may have a significant adverse effect on the Company.

A detailed description of the impact of COVID-19 on the Company's business as at the Prospectus Date is set out in Sections 4.9 and 5.9.7. The Company has, to date, been able to interact with its suppliers and customers without material disruption to its business. The Company has however experienced some changes for the demand for its services: the Company has experienced increased volumes through its B2C retail channel however there has been reduced demand from its B2B channel.

Based on its experiences to-date and the current impacts of the COVID-19 pandemic, the Company currently expects to be able to manage through the crisis without material disruption to its business or operations and without a material adverse effect to its financial performance or position. However, the COVID-19 pandemic is a highly fluid environment and there is no certainty that this expectation will eventuate, particularly if the pandemic has a significant and negative impact on consumer demand for PropTech Group's services specifically, or demand more generally. Likewise, if the COVID-19 pandemic spreads, if infection and mortality rates increase or lockdowns and restrictions are increased, the Company's business, operations and financial prospectus may be materially and adversely affected.

The Directors are monitoring the outbreak of COVID-19 closely and have considered the impact of COVID-19. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

In addition, the Company needs to respond effectively to any changes in the competitive landscape, which may evolve as a result of a number of factors, including the entry of new competitors into the market and the consolidation of existing market participants. Increased competition may have a materially adverse impact on the Company's financial performance and prospects.

6.3.4. Pricing competition

In order to stay competitive, the Company may need to lower its prices or invest significantly more in product innovation and development. Further, increases in costs (such as IT costs) may decrease the margin the Company can earn under its pricing models if it is unable to pass on those increases to its customers. In the event that fee changes are passed on, there is a risk that customer churn may increase. Any of these factors may lead to lower profitability.

6.3.5. Success of sales and marketing strategy

The Company's future success is partly dependent on the realisation of benefits from investment spent on sales and marketing campaigns and initiatives. Promoting awareness of the Company's services is critical to the Group's success as a real estate services and tools platform.

The Company expects that sales and marketing investment will continue to increase as the business grows. The Company may not however receive benefits from these investments for several years or may not receive benefits from these investments at all. Failure to realise benefits from sales and marketing investment could negatively impact the Company's ability to attract new customers and adversely impact the Company's operational and financial performance.

6.3.6. Disruption, failure, obsolescence of technology

The Company's ability to deliver Real Estate Services and Property Tools to its customers depends on the efficient and uninterrupted operation of its technology platform, technology used by others and the internet generally. There is a risk that these technologies and systems may experience downtime or interruption from system failures, service outages, corruption of information technology network or information systems as a result of computer viruses, bugs, worms or cyber-attacks, as well as natural disasters, fire, power outages or other events outside of its control, and that measures implemented by us to protect against such events are ineffective. Any systemic failure could cause significant damage to its reputation (particularly if the failure relates to its platform), its ability to service customers, and ability to retain customers and generate new customers, any of which could have an adverse impact on the Company's business, financial performance and operations.

6.3.7. Failure to retain existing customers and attract new customers

The Company's financial performance is dependent on its ability to retain existing customers and to attract new customers, along with its ability to cross-sell other products to these customers. This depends in part on: the functionality, reliability, pricing, client support and value that the Company's products deliver; its ability to deliver products as promised when compared to competing products; and its ability to adapt and respond to changes in the needs of customers.

Potential new customers may be reluctant to switch to a new CRM provider. This may be driven by switching costs imposed by their existing provider, the time and resources needed to set up the new system, migrate data, or the work required to introduce new systems to their employees. Customers may cease their relationship with the Company for reasons within or outside of its control (for example, a number of agencies cease to trade every year). If the Company is unable to retain existing customers or attract new customers at the pricing, size, frequency, and with the costs it currently expects, its business, financial performance and operations may be adversely impacted.

6.3.8. Failure to Increase margins per customer

The Company's ability to increase profit relies on its ability to increase margins per customer. Whilst the Company's technology allows it to increase these, there is a risk that customers will reject the increased margins and cease to be customers of the Company.

6.3.9. Operational risk

Operational risk relates to the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events which affect the Company's business. The Company's business is exposed to operational risks such as system or hardware failure and failure of information security systems.

Loss from operational risk events could divert investment from new products into remediation of existing systems and processes, damage customer relations or its reputation, adversely affect its financial results or position, as well as divert staff away from their core roles to remediation activity.

In addition, losses could include legal or remediation costs and loss of property and/or information.

In addition, a system outage could have an adverse effect on the Company's business, financial performance and operations. Not only would the Company suffer damage to its reputation in the event of a system outage, but it may also be liable to third parties. To successfully operate its business, the Company must be able to protect its systems from interruption, including from events that may be beyond its control. Events that could cause system interruptions include fire, natural disaster, unauthorised entry, power loss, telecommunications failure, computer viruses, terrorist acts and war. Events of this nature may cause the Company to lose critical data or experience system failures.

6.3.10. It may not be possible to retain key personnel

A key driver of the Company's performance is the recruitment and retention of effective and qualified employees. The Company faces the following risks in relation to personnel:

- loss of key management personnel;
- loss of other key employees;
- delay in finding suitable replacements for lost personnel; and
- inability to find suitably qualified personnel to meet the Company's business needs as it grows.

Oversight of day-to-day operations and the strategic management of Company are substantially dependent upon Company's key management personnel. Whilst these key personnel have entered into service agreements with Company, there can be no assurance given that there will not be a detrimental impact on Company if one or a number of these key personnel cease their employment or involvement.

6.3.11. Breach of information security and data privacy

The Company uses technology platforms to host a number of its key systems, processes and confidential information, including customer data. The Company has people and processes in place to maintain the confidentially and security of the personal and confidential data that it collects, and to ensure the integrity of its systems (including through third party service providers). The measures taken include firewalls, cyber security and anti-virus software programs, network separation, penetration testing, vulnerability scanning, restricted access to confidential personal data, and physical security and separation where appropriate.

Despite these efforts, there is a risk that the Company is exposed to an external or internal cyber security breach or failure, a successful cyber-attack, data theft or misplaced data, computer viruses, acts of vandalism and programming errors and similar events.

Such events may result in a significant disruption to its systems and operations, reputational damage, significant legal and financial exposure and a loss of intellectual property and confidential information. In addition, such events may give rise to breaches of obligations under applicable laws, supervisory liability and an obligation under privacy laws to notify individuals and the Office of the Australian Information Commissioner of such a breach.

Further, there is a risk that the Company may be unable to provide critical business processes due to a potential distributed denial-of-service attack, resulting in disruption of services, loss of merchants, financial loss or reputational damage

Any of these individual events could result in a loss of confidence in the security of its systems, reduce its ability to retain existing customers and attract new customers, and may have an adverse impact on its business, financial performance and operations.

6.3.12. Breach of third-party intellectual property rights

A risk exists that third parties may allege that the Company's products and services use their intellectual property without their consent or permission. In such circumstances, the Company may be subject to claims, disputes or litigation, which could result in the payment of damages, or cause delays and increase costs. This could have an adverse impact on its business, financial performance and operations.

6.3.13. Services agreements with customers may be terminated at will and do not provide minimum revenue amounts

The Company's business depends on its contracts and relationships with key existing customers and attracting new customers. There can be no guarantee that these contracts and relationships will continue or, if they do continue, that they will remain successful. The Company generally contracts with customers under relatively short-term arrangements on a non-exclusive basis, and customers are generally able to reduce or cancel their use of the PropTech Group products and terminate relevant contracts without penalty at relatively short notice. Furthermore, some of the documentation relating to certain customer relationships cannot be located.

Any adverse changes to, or loss of, arrangements or relationships with the Company's customers may reduce the volume or consistency of customers seeking to use the Company's services. Factors that could potentially adversely impact the Company's relationships with customers include commercial disputes on the terms of its existing arrangements (including if those terms are not fully documented), actions of competitors (for example, improving their offering to customers), or under-performance of the Company's product against the customer's required key performance indicators over a period of time.

6.3.14. Loss of a a key customer or a reduction in the work that the Company Receives

The Company is exposed to the loss of a key customer or if a customer reduces the amount of work that the Company receives. In FY20 the Proptech Group's top 20 customers accounted for approximately 46% of total pro forma revenues. This may adversely affect the Company's financial performance.

6.3.15. Security software and technology breaches and improper access to the private data of the Company's customers

The use of information technology and the effectiveness of the Company's proprietary technology platform is critical to the ability of the Company to deliver services to its customers and the growth of its business. By their nature, information technology systems are susceptible to cyber-attacks, with third parties seeking unauthorised access to data. Security breaches may involve unauthorised access to the Company's networks, systems and databases, including with respect to the Company's service offerings and technology platforms and the deployment of viruses or other malicious software designed to create system and service disruptions, exposing financial, proprietary and personal user information.

In addition, in providing services to its customers, the Company stores, analyses and transmits confidential and private personal information. It is possible that the measures taken by the Company to protect its proprietary information and the private information of its customers are not sufficient to prevent unauthorised access to, or disclosure of, such data. Any accidental or deliberate security breaches or other unauthorised access to the Company's information technology systems or client data may subject the Company to reputational damage, a loss of confidence in the services it provides, claims by customers, loss of customers, a disruption of services to customers, legal action and regulatory scrutiny. Any of these events could adversely impact the Company's reputation, business, financial condition and financial performance.

Further, some of the Company's third-party suppliers may receive and store information provided by the Company or its customers through mobile or web applications. Although any such information provided by the Company is limited and subject to contractual confidentiality obligations, if these third-party suppliers fail to adopt or adhere to robust security practices, or in the event of a breach of their security systems, the data of the Company's customers may be improperly accessed, used or disclosed.

6.3.16. Reliance on third party IT suppliers

The Company relies on certain contracts with third party suppliers to maintain and support its IT infrastructure and software, which underpin its core business activities. The Company's reliance on third parties to provide key services decreases its control over the delivery of these services and the quality and reliability of the services provided. The Company is also subject to the risk of any failures in each third-party provider's systems or IT infrastructure, which may impact that third party's ability to deliver the services it is contracted to provide. Any delay, disruption or deterioration in the level of service by a third-party provider could impair the Company's ability to provide services to its customers at all, or to the service levels the Company and its customers expect. In addition, if any such contracts are terminated for any reason and an alternative source of technology or systems is not found in a timely manner or on similar commercial terms, the Company's operations, earnings and financial condition could be adversely impacted.

6.3.17. Reliance on the effective performance of IT infrastructure

Technology is the key enabler of the Company's services. The Company and its customers are dependent on the effective performance, reliability and availability of the Company's technology platforms, software, third party data centres and communication systems.

While the Company's existing proprietary platforms are designed to appropriately and effectively service the Company's customers, changes and developments in technology, including by its competitors, or the commercial and/or regulatory environment may require the Company to develop and maintain new and/or enhanced technology platforms. There is a risk that the Company may fail to successfully achieve the required development of its technology and systems, which may, in turn, adversely affect its operations, relationship with customers, financial performance and financial condition.

6.3.18. Failure to identify, execute and realise benefits from M&A or strategic partnerships

We may pursue M&A or joint ventures, or enter into strategic partnerships, in order to realise benefits including inorganic growth, accelerated development or delivery of our products, increased merchant base, or the provision of new product offerings.

There is a risk that we may not be successful in identifying attractive opportunities. Furthermore, the identification, evaluation and negotiation of these opportunities may require significant time and effort from key management and employees, and may result in disruptions to our business. Additionally, there is a risk that our competitors have a greater willingness and ability to pay for opportunities that we are interested in.

There is also a risk that we are unsuccessful in integrating new businesses or assets into our existing platform in a timely manner, or that the new businesses or assets do not result in the benefits we anticipated. We cannot guarantee that every acquisition, joint venture or partnership that we make or enter into will result in favourable outcomes for our business.

6.3.19. Customer service risk

The Company's business model is based on recurring revenue arising from usage. Poor customer service experiences may result if the Company loses key customer service personnel, fails to provide adequate training and resources for customer service personnel or there is a disruption to monitoring and account management systems utilised by customer service personnel. Poor experiences may result in the loss of customers, adverse publicity, litigation, regulatory enquiries and customers reducing the use of the Company's products or services. If any of these occur, it may adversely impact the Company's revenues.

6.3.20. Regulatory compliance

The Company is subject to privacy laws in Australia and in New Zealand. These laws generally regulate the handling of personal information and data collection. Such laws impact the way the Company can collect, use, analyse, transfer and share personal and other information that is central to many of the services the Company provides. Any actual or perceived failure by the Company to comply with relevant laws and regulations may result in the imposition of fines or other penalties, customer losses, a reduction in existing services, and limitations on the development of technology and services making use of such data. Any of these events could adversely impact the Company's business, financial condition and financial performance.

6.3.21. Reputational damage

The Company's brand is important in attracting and retaining customers. There is a risk that the brand may be tarnished by incidents such as negative publicity, data security breach or one-off unforeseen events that negatively impact the Company's operations. The occurrence of any such incidents may lead to client loss and the failure to attract new customers, which, in turn, may have an adverse impact on the Company's financial performance.

6.3.22. Failure to realise value from innovation and product development investment

Developing software and technology is expensive and the development of the Group's product offerings often involves an extended period of time to achieve a return on investment. An important element of the Company's business strategy is continued investment in innovation and related product opportunities. The Directors believe that the Company must continue to dedicate resources to its innovation efforts to develop its software and technology product offering to maintain its competitive position. The Company's growth strategy is summarised in Section 4. However, the Company may not receive significant returns from its growth strategy and the associated investments for several years, or may not realise such benefits at all. Failure to successfully execute the growth strategy may unfavourably impact the market's perception of the Company's businesses and may adversely impact its business, financial performance, and operations.

6.3.23. The Company is subject to foreign currency risk

The Company currently sells services and targets subscribers outside of Australia and has growth plans to target expansion into further overseas markets which may result in a proportion of revenues and associated cost of goods sold being denominated in foreign currency. Fluctuations in the exchange rate between the Australian dollar and the relevant international currency may accordingly impact the future profitability of the Company. Any adverse exchange rate fluctuations or volatility in these currencies may have an adverse effect on the Company's future financial performance and position.

6.3.24. The Company may not be able to manage its expected growth successfully

The Company aims to deliver growth in the number of members and customers of its services and the scope of its services and operating activities, which may include operating in new countries and with new partners. This growth is anticipated to result in an increased level of responsibility for both existing and new management personnel. If the Company is unable to manage its expected growth successfully, including through the successful recruitment, training, integration and management of the staff required to support this expected growth, it may not be able to take advantage of market opportunities, satisfy customer requirements, execute its business plan as forecast or respond to competitive pressure.

6.3.25. The Company may not be able to adapt to technological change

The Company uses technology to market, sell and deliver its services and it is possible that new ways of doing business online or acquiring property may affect the future viability of the Company. Future technology development may incur significant costs and may not prove to be commercially successful. Furthermore, future technology developments may adversely affect the Company's current service offerings, business systems and how members and customers interact with the Company.

If the Company is unable to maintain and grow its existing level of services due to being slower to adapt to technological change than alternative providers of similar services, this may have an adverse effect on the Company's ability to attract new members and customers, and retain its existing customer base, which in turn could have a materially adverse impact on its financial performance and prospects.

6.3.26. Failure to protect intellectual property rights

The Company regards substantial elements of its websites, subscription model, software tools, applications, databases and underlying technology as proprietary.

There is also a risk that certain intellectual property rights may be obtained by third parties (for example, through certain breaches of agreements, fraud or theft by third parties). It is possible that employees or third-party partners may inappropriately disclose confidential information on the Company's systems, policies and procedures.

Third party partners may also inappropriately leverage the Group's intellectual property for their own offering, eroding our differentiation and competitive advantage. The Company has historically used a mixture of legal (for example, intellectual property assignment, confidentiality and escrow agreements) and technological (for example, software development, data encryption, access controls, information classification, staff controls, training and awareness) methods to protect its intellectual property. There is a risk that these actions may not be adequate in all circumstances and may not prevent the misuse or misappropriation of its intellectual property or deter independent development of similar products by others.

The Company also faces the risk that its intellectual property is improperly disclosed or accessed without authorisation. This may affect its competitive position, which may have an adverse impact on the Group's business, financial performance and operations.

6.3.27. Infringement of third-party intellectual property rights

The Company has made significant investments in developing its own proprietary technology. In doing so, it has used a combination of open source code and internally developed applications. While every reasonable precaution has been taken to ensure that no intellectual property rights have been infringed and that the Company owns all the intellectual property rights for its technology, there is the possibility that intellectual property rights of others may have been breached.

The Company sources some of the content on its websites by obtaining that data from other websites. There is a risk that an operator of a website alleges that the sourcing of its data is unauthorised and an infringement of its intellectual property rights.

if a determination was made that the Company had infringed such third-party rights, the Company's business and financial condition may be adversely affected.

6.4. General risks of an investment in the Company

6.4.1. Price of Shares

The price of Shares quoted on ASX may rise or fall due to a number of factors both within and outside the control of the Company, its Directors and senior management. The Shares may trade below or above the Cash Offer Price due to factors including but not limited to:

- economic conditions in the geographies in which the Company operates, including interest rates, exchange rates, inflation and commodity prices;
- fluctuations in the local and global market for listed stocks (especially for peers operating in similar markets to the Company);
- changes to government policy, legislation or regulation, especially around the superannuation industry;
- inclusion in or removal from market indices;
- the nature of the markets that the Company operates in;
- general and operational business risks;
- natural disasters; and
- global hostilities, tensions and acts of terrorism.

6.4.2. Force Majeure events may occur

Events may occur within or outside Australia that may have potential impacts on the Australian economy, the operations of the Company's business and the price of its Shares. These events include, but are not limited to COVID-19 or other pandemics, acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the Company's ability to conduct its business.

6.4.3. Global economic conditions may affect the Company

General economic conditions, changes in government policy, amendments to legislation, movements in interest rates, inflation and currency exchange rates may have an adverse impact on the Company's operations as well as its ability to finance its business model and pay dividends. Other general economic conditions which may adversely impact the price of Shares include an increase in unemployment rates, negative consumer and business sentiment and an increase in interest rates amongst other factors. As a result of the above-mentioned factors, the Company is unable to forecast the market price for Shares and they may trade on the ASX at a price that is below the Cash Offer Price.

6.4.4. Trading in Shares may not be liquid

There can be no guarantee that an active market in the Shares will develop. There may be relatively few potential buyers or sellers of the Shares on the ASX at any time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the price that Shareholders paid.

6.4.5. Changes in laws, Including Tax laws and accounting standards may occur

The Company is subject to local laws and regulations in each of the jurisdictions in which it operates (including taxation, copyright and privacy legislation). From time to time, changes of the laws and regulations may require the Company to obtain additional approvals and/or licences that may significantly increase compliance costs and restrict the Company's activities.

Any changes to taxation laws, regulations or policies in jurisdictions in which the Company operates may also adversely affect Shareholder returns. Any changes to the Australian Accounting Standards (AAS), as determined by the Australian Accounting Standards Board (AASB), may affect the future measurement and recognition of key income statements and balance sheet items. Such changes could materially and adversely affect the financial performance and position reported in the Company's financial statements.

Future laws or regulations may be introduced concerning various aspects of the internet as it relates to the Company's business, including online content, copyright, foreign ownership of internet and media companies, privacy, and liability for third party activities, all of which may adversely impact the Company's operations.

Changes in or extensions of laws and regulations affecting either the real estate industries or internet business operations in the countries in which the Company operates and the rules of industry organisations could restrict or complicate the Company's activities and increase its compliance costs.

6.4.6. Risk of Shareholder dilution

In the future, the Company may elect to issue Shares or engage in capital raisings to fund investments or acquisitions that the Company may decide to undertake. While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12-month period (other than where exceptions apply), Shareholders may be diluted as a result of such issues of Shares and capital raisings.

6.4.7. Additional requirements for debt

The Company may need to engage in debt financing in the future to secure additional funds. There can be no assurance that the Company will be able to obtain additional capital from debt sources on favourable terms or at all. If the Company is unable to raise debt capital if and when needed, this could delay, suspend or reduce the scope of the Company's business strategy and could have a material adverse effect on the Company's activities which could adversely affect its business, financial condition and operating results.

Any debt financing, if available, may involve restrictive covenants, which limit the Company's operations and business strategy.

6.4.8. Litigation risk

In the ordinary course of its business, the Company is subject to the risk of litigation and other disputes with its employees, customers, regulators, partners, competitors and other third parties. Proceedings may result in high legal costs, adverse monetary judgments and/or damage to the Company's reputation, which could have an adverse effect on the financial performance of its business.

6.4.9. Dividend risk

The Company has not to date paid any dividend on its ordinary shares. The Directors have no current intention to declare and pay a dividend and there is no certainty that the Company will pay dividends in the future.

6.5. Investment Speculative

The above lists of risk factors set out in this Section 6 ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above may, in the future, materially affect the financial performance of the Company and the value of the Company's securities.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares under this Prospectus.

7

KEY PEOPLE, INTERESTS AND BENEFITS

7.1. Board of Directors and incoming Director

The composition of the Board of Directors, as it will be following Completion of the Offers is set out below. The Board has a broad range of experience in technology, finance, corporate transactions, strategy and leadership development.

Each of the existing Directors will continue as Directors. In addition, it is proposed that Mr. Scott Wulff will join the Board as an Executive Director.

The following Table 7.1 provides information regarding the Directors, including their ages and positions:

Table 7.1: Current and incoming Directors of the Company

Name	Age	Position	Independent[7]
Simon Baker	53	Non-Executive Chairman	No
Georg Chmiel	53	Non-Executive Director	Yes
Joe Hanna	45	Managing Director	No
Sam Plowman	50	Non-Executive Director	No
Scott Wulff	60	Incoming Executive Director	No

[7] The Company has assessed the independence of its Directors having regard to the requirements for independence which are set out in Principle 2 of the ASX Corporate Governance Principles.

7.1.1. Simon Baker – Non-Executive Chairman

- Simon Baker was appointed Chairman of the Company in November 2010. Simon is also a non-executive director of Real Estate CRM.
- Simon was former Chief Executive Officer and Managing Director of the REA Group Ltd (ASX:REA) from 2001 through 2008.
- Simon was director and chairman of the iProperty Group Limited (ASX:IPP) from 2009 to 2012.
- Simon was director and chairman of the Mitula Group (ASX:MUA) from 2015 to 2019 before it was acquired.
- Simon holds a Bachelor of Science with a major in Computer Science from Monash University and a Master of Business Administration from the Melbourne Business School.
- Simon is not considered an independent Director.

7.1.2. Georg Chmiel – Non-Executive Director

- Georg Chmiel is the Executive Chairman of Juwai IQI Holdings.
- He is also Chairman of iCarAsia (ASX:ICQ), a leading online automotive marketplace for Malaysia, Thailand and Indonesia.
- Non-Executive Director of Centrepoint Alliance (ASX:CAF), a leading wealth management network across Australia.
- Georg was previously Managing Director and CEO of the iProperty Group (ASX:IPP), a Non-Executive Director of Mitula Group (ASX:MUA); Managing Director and CEO of LJ Hooker Group, and CFO and General Manager International at REA Group (ASX:REA).

KEY PEOPLE, INTERESTS AND BENEFITS

7.1.3. Joe Hanna – Managing Director and CEO

- Joe Hanna was a Non-Executive Director of the Company from October 2015 until Jan 2019 when he assumed an executive role. Joe is also an executive director of Real Estate CRM.
- Joe has 20 years' experience in PropTech & digital classifieds.
- He has been a Founder & Director of a number of start-up technology companies including Mitula, xLabs and PredictiveMatch.
- Previous ASX directorships include Mitula (ASX:MUA) and Latam Autos (ASX: LAA) – joined Aug 2019).
- Earlier in his career, Joe held various senior management & technology roles at Fairfax Digital (ASX:FXJ) for 8 years.
- Joe holds a Bachelor of Business with a major in Computing from the University of Victoria.
- Joe is not an independent Director.

7.1.4. Sam Plowman – Non-Executive Director

- Sam has over 25 years corporate experience across PropTech, fintech and the digital sector.
- He is the current CEO and co-principal at Payment Logic.
- Earlier in his career, Sam held senior positions at ANZ, NAB, Sandstone Technologies and Fairfax/Domain, where he led the acquisition of MyDesktop in the late 2000s.
- Sam is a Non-Executive Director of both the Company and Real Estate CRM.
- Sam is not considered to be an independent Director.

7.1.5. Scott Wulff – Incoming Executive Director

- Scott is one the founders of Vault Group Pty Ltd, the developer of the VaultRE and Rentfind Inspector technologies. Scott is also an executive director of Real Estate CRM.
- Prior to the formation of Vault Group, Scott and the core development team created and commercialised the MyDesktop system.
- Scott has a Commerce degree majoring in Accounting and prior to his PropTech experience, he was a project finance executive for a major multinational.
- By virtue of his executive role and as a key shareholder in Vault Group, Scott is not considered to be an independent Director.

The composition of Board committees and details of key corporate governance policies are set out in Section 7.10 and 7.11 respectively.

Each Director has confirmed to the Company that he anticipates being available to perform his duties as a Director without constraint from other commitments.

The Board has considered the Company's immediate requirements and is satisfied that the composition of the Board represents an appropriate range of experience, qualifications and skills at this time.

7.2. Senior Management

7.2.1. Adam Campbell - Technology Director

Adam has over 22 years' experience in PropTech sector. He was the co-founder and developer of MyDesktop in 1997 (with Scott Wulff) before the MyDesktop business was acquired by Fairfax/Domain in the late 2000s. After leaving Fairfax/Domain in 2016, Adam & Scott developed VaultRE as a next-generation real estate CRM and PM platform. Adam has close working relationships with the major real estate franchise groups across ANZ.

7.2.2. Michael Fiorenza - Group Chief Financial Officer

Michael is a member of the Chartered Accountants Australia and New Zealand (CA) and a Fellow Chartered Certified Accountants (FCCA) who has over 13 years international experience in finance & accounting, with the last 5 years focused on PropTech sector. He is the CFO of the Company and was previously CFO of the VC fund, CAV Investment Group. Earlier in his career, Michael held a range of accounting & finance roles in Australia and offshore including roles within Aurizon (ASX:AZJ), Suncorp (ASX:SUN) and Mattel (NASDAQ:MAT).

7.2.3. Joe Hanna - Managing Director and Group Chief Executive Officer

Biographical details are set out in Section 7.1.3.

7.2.4. Matthew Healy - Chief Technology Officer

Matt has over 13 years of experience in PropTech sector. He was the co-developer of MyDesktop from 2007 to 2016. Matt also co-founded the VaultRE platform and is responsible for the third-party technology integrations, commercial property system requirements, and the franchise management systems across the business.

7.2.5. David James - General Manager - Rentfind Inspector

David has 20 years' experience in PropTech sector. He joined MyDesktop in 2000 focused on core product development until the business was acquired by Fairfax/Domain. David joined the Vault team in 2016 to manage the development and rollout of Rentfind Inspector in both Australia and the UK. Earlier in his career, he worked in banking and IT in the UK.

7.2.6. Christian Scandurra - Sales Director – UK

Christian has over 15 years PropTech experience in Australia and the UK. From 2007 to 2014, he was the Sydney-based Sales Manager for MyDesktop. Christian then relocated to the UK and successfully launched Rentfind Inspector and VaultRE into that market. Earlier in his career, Christian was a real estate agent in Australia and Europe, which gave him a strong knowledge of the technology requirements of the sector.

7.2.7. Scott Wulff - Executive Director and General Manager - CRM

Biographical details are set out in section 7.1.5.

7.3. Interests and benefits

This Section 7.3 sets out the nature and extent of the interests and fees of certain persons involved in the Offers. Other than as set out below or elsewhere in this Prospectus, no:

- Director or proposed Director of the Company;
- person named in this Prospectus and who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- an underwriter to the Offers,

holds at the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or in connection with the Offers; or
- the Offers,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given to any such persons for services in connection with the formation or promotion of the Company or the Offers or to any Director or proposed Director to induce them to become, or qualify as, a Director of the Company.

7.3.1.Director disclosures

No current or proposed Director of the Company has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director of the Company or which is relevant to an investor's decision as to whether to subscribe for Shares.

No Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12-month period after they ceased to be an officer.

7.3.2. Directors' Interests and remuneration

Table 7.2 outlines the remuneration of the Directors.

Table 7.2: Director remuneration

Director	Current base executive remuneration / director fees (as applicable)
Simon Baker (Non-Executive Director)	$70,000
Joe Hanna (Managing Director and CEO)	$310,000 p.a. plus superannuation and excluding any participation in any STI/LTI program that may subsequently be introduced
Sam Plowman (Non-Executive Director)	$55,000
Georg Chmiel (Non-Executive Director)	$45,000
Scott Wulff (Executive Director)	$180,000 p.a. plus superannuation and excluding any participation in any STI/LTI program that may subsequently be introduced

7.3.3. Accrued Remuneration Entitlements

At the Prospectus Date, Directors, Simon Baker, Joe Hanna and Sam Plowman are collectively owed the Accrued Remuneration Entitlements comprising:

- total accrued but unpaid Non-Executive Director fees of $225,328 for periods from FY18 to FY20; and
- total accrued remuneration of $419,583 payable to Joe Hanna for executive services provided and STI bonuses earned during FY19 and FY20.

In addition, unpaid remuneration of $208,750 is owing to the Company's CFO, Michael Fiorenza.

It is proposed that a portion of these entitlements be satisfied by way of the issue of New Shares in the Company under the Conversion Offer. The New Shares issued under the Conversion Offer will be Restricted Shares for a period of 24 months following the date of Re-compliance. See Section 11.5 for details of all Escrowed Shares.

The balance of the remuneration owing, being an amount of $354,666, will be paid in cash following Completion of the Offers.

Details of the New Shares to be issued under the Conversion Offer and the amount of cash to be paid to these persons are set out in Table 7.3.

Table 7.3: Details of Accrued Remuneration and Conversion Offer

Name	Total outstanding Accrued Remuneration Entitlements	Amount to be converted into New Shares under Conversion Offer[1]	New Shares to be Issued[2]	Balance of remuneration to be paid in cash as at 30 June 2020
Simon Baker	$145,000	$108,750	494,318	$36,250
Joe Hanna	$442,917	$253,750	1,207,623	$189,166
Sam Plowman	$56,995	$42,746	194,301	$14,250
Michael Fiorenza	$208,750	$93,750	447,822	$115,000
Total	**$853,662**	**$498,996**	**2,344,064**	**$354,666**

Notes:

[1] All New Shares under the Conversion Offer are to be issued at an implied issue price of $0.22 except for $37,500 of accrued remuneration owed for Joe Hanna and $15,000 owed to Michael in respect of entitlements for FY19 which was agreed to be issued at an implied issue price of $0.166.

[2] The issue of these Shares, except for those to be issued to Michael Fiorenza, was approved by shareholders at the General Meeting

7.3.4. RECRM Consideration Offer

Directors Simon Baker, Joe Hanna and Sam Plowman (together with incoming Director Scott Wulff) are, directly or via associated entities, shareholders in Real Estate CRM and are therefore RECRM Sellers. The shares held in Real Estate CRM were issued to each of these Directors for cash consideration (which has already been paid) of $1.00 per ordinary share in Real Estate CRM.

Michael Fiorenza, the Company's CFO also holds shares in Real Estate CRM via an associated entity and is therefore also a RECRM Seller. The shares held in Real Estate CRM were issued to Michael Fiorenza in consideration for professional services provided to Real Estate CRM at an implied issue price of $1.00 each.

Each RECRM Seller will, on completion of the RECRM Acquisition, receive four New Shares in the Company for each ordinary share held in the capital of Real Estate CRM. Otherwise, the terms of sale for each RECRM Seller, including the Directors and Mr Fiorenza, will be the same. See Sections 2.2 and 9.3 for further details.

All Consideration Shares issued to the RECRM Sellers will be Escrowed Shares. See Section 11.5 for further information.

The number of Shares held by Simon Baker, Joe Hanna, Sam Plowman and Michael Fiorenza (directly or via associated entities) in Real Estate CRM and the number of Consideration Shares they will be issued on Completion of the Offers is as follows:

Table 7.4: Details of Consideration Shares

Name	Number of Real Estate CRM Shares held	Number of Consideration Shares to be issued
Simon Baker	1,500,000	6,000,000
Joe Hanna	500,000	2,000,000
Sam Plowman	1,361,056	5,444,224
Scott Wulff	1,289,464	5,157,856
Michael Fiorenza	250,012	1,000,048

7.3.5. Executive remuneration

The Company's philosophy on remuneration is that executive and key employee remuneration should be aligned with Shareholder interests by providing levels of fixed remuneration and "at risk" pay sufficient to attract and retain individuals with the skills and experience required to build on and execute the Company's business strategy. It aims to achieve this by ensuring "at risk" remuneration is contingent on outcomes that grow and/or protect Shareholder value.

To ensure that the Company continues to attract, retain and motivate talented staff at a competitive cost, the Company will aim to align total fixed remuneration to the median rate of the relevant market, with consideration given to experience, qualifications, performance and other non-financial benefits.

The Nomination and Remuneration Committee recommends to the Board the remuneration packages for the executive team.

It is intended that these will be reviewed annually. The Nomination and Remuneration Committee may seek external advice to determine the appropriate level and structure of the remuneration packages.

Summaries of the key terms of the employment contracts of Joe Hanna and Scott Wulff are set out below

JOE HANNA – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

The Company has entered into an Executive Services Agreement with Joe Hanna (Managing Director and Chief Executive Officer).

The key terms of that agreement are:

- (role) Joe is employed as the Company's Managing Director and Chief Executive Officer;
- (remuneration) Joe earns an annual salary of $310,000 plus superannuation;
- (incentive) Joe will be entitled to participate in any STI/LTI program that may subsequently be introduced;
- (review) the base salary component is reviewable annually in line with current market rates for the position;
- (termination) either party may terminate with 6 months' notice, or in the Company's case, by payment of 6 months' salary in lieu of notice. The Company may also summarily dismiss the executive for misconduct; and
- (restraint) a clause restraining the executive for up to 12 months from the end of his employment from engaging in a business (as an owner or employee) that competes with the Company, soliciting the custom of any Company client, or enticing any Company employee to leave their employment.

SCOTT WULFF - EXECUTIVE DIRECTOR AND GENERAL MANAGER – CRM

The Company has entered into an Executive Services Agreement with Scott Wulff (Executive Director).

The key terms of that agreement are:

- (role) Scott is employed as an Executive Director and is responsible for managing the Real Estate CRM business;
- (remuneration) Scott earns an annual salary of $180,000, plus superannuation;
- (incentive) Scott will be entitled to participate in any STI/LTI program that may subsequently be introduced;

- (review) the base salary component is reviewable annually in line with current market rates for the position;
- (termination) either party may terminate with 3 months' notice, or in the Company's case, by payment of 3 months' salary in lieu of notice. The Company may also summarily dismiss the executive for misconduct; and
- (restraint) a clause restraining the executive for up to 12 months from the end of his employment from engaging in a business (as an owner or employee) that competes with the Company, soliciting the custom of any Company client, or enticing any Company employee to leave their employment.

7.3.6. Non-Executive Director remuneration

Each of the Non-Executive Directors has entered into an appointment letter with the Company, confirming the terms of their appointment, their roles and responsibilities and the Company's expectations of them as Directors.

Under the Constitution, the Directors decide the total amount paid to all Directors as remuneration for their services as a Director. However, under the Listing Rules, the total amount paid to all Directors for their services must not exceed, in aggregate in any financial year, the amount fixed by the Company in general meeting. This amount has been fixed at $500,000.

The annual base Non-Executive Director fees are $65,000 per annum to the Chairman and $45,000 per annum to each other Non-Executive Director. An additional $10,000 per annum will be paid to the Chairman of the Audit Committee and $5,000 per annum to the Chairman of the Nomination and Remuneration Committee.

All Directors' fees include superannuation payments to the extent applicable and must not include a commission on, or a percentage of, profits or operating revenue.

Directors may also be reimbursed for all reasonable travelling and other expenses incurred by the Directors in attending to the Company's affairs including attending and returning from Board meetings or any meetings of committees of Directors and in attending and returning from any general meetings of the Company.

Directors may be paid such additional or special remuneration if they, at the request of the Board, and for the purposes of the Company, perform any extra services or make special exertions.

There are no retirement benefit schemes for Non-Executive Directors, other than statutory superannuation contributions.

7.3.7. Directors' Shareholdings and Option holdings

Directors are not required under the Constitution to hold any Shares. The Directors (and their associates) are entitled to apply for Shares under the Offers to the extent approved by shareholders at the General Meeting.

Table 7.5 below shows the interests of each current Director (and their associates) in the securities of the Company as at the date of this Prospectus and assumes that each Director takes up the maximum number of Shares the Directors may acquire under the Offers.

Final Director Shareholdings will be notified to ASX following Re-compliance.

Table 7.5: Directors' Shareholdings and Option holdings

Director and their associates	Holding on Prospectus Date			Holding on Completion of Offers[7]		
	Shares	%	Options[6]	Shares	%	Options
Simon Baker[1]	3,924,419	33.66%	25,000	11,218,737	9.25%	25,000
Joe Hanna[2]	1,322,798	11.34%	225,000	4,730,421	3.90%	225,000
Sam Plowman[3]	-	-	200,000	5,838,525	4.81%	200,000
Georg Chmiel[4]	-	-	-	300,000	0.25%	-
Scott Wulff (Incoming Director)[5]	-	-	-	5,157,856	4.25%	-
TOTAL	5,247,217	45.00%	450,000	27,245,539	22.46%	450,000

[1] *Simon Baker will be issued 6,000,000 New Shares under the RECRM Consideration Offer, 494,318 New Shares under the Conversion Offer and is entitled to subscribe for 800,000 New Shares under the Retail Offers.*

[2] Joe Hanna will be issued 2,000,000 New Shares under the RECRM Consideration Offer, 1,207,623 New Shares under the Conversion Offer and is entitled to subscribe for 200,000 New Shares under the Retail Offers.

[3] Sam Plowman will be issued 5,444,224 New Shares under the RECRM Consideration Offer, 194,301 New Shares under the Conversion Offer and is entitled to subscribe for 200,000 New Shares under the Retail Offers.

[4] Georg Chmiel is entitled to subscribe for 300,000 New Shares under the Retail Offers.

[5] Scott Wulff will be issued 5,157,856 New Shares under the RECRM Consideration Offer, and is entitled to subscribe for New Shares under the Retail Offers.

[6] The exercise of the Options held by Directors are S. Baker 25,000 Options vested at $4,00 ea, J. Hanna 25,000 Options vested at $4,00 ea plus 200,000 Options vested at $0.30 ea; S. Plowan 200,000 Options vested at $0.24 ea

[7] Assumes all Directors subscribe for New Shares under the Offers to the maximum extent of their entitlement.

7.3.8. Deeds of Access, Indemnity and Insurance for Directors

The Company has entered into a deed of indemnity, insurance and access with each Director, which confirms the Director's right of access to Board papers and requires the Company to indemnify the Director, on a full indemnity basis and to the full extent permitted by law, against all losses or liabilities (including all reasonable legal costs) incurred by the Director as an officer of the Company or of a related body corporate. Under the deeds of indemnity, insurance and access, the Company must maintain a directors' and officers' insurance policy insuring the Directors and officers against liability as a Director and officer of the Company and its related bodies corporate until seven years after a Director in office ceases to hold office as a Director or as a director or officer of a related body corporate (or the date any relevant proceedings commenced during the seven year period have been finally resolved).

7.4. Senior Management remuneration and service arrangements

All other senior members of management are a party to a contract of employment with the Company or one of its wholly owned subsidiaries.

The key terms and conditions of their employment include:

- total remuneration packages (including mandatory superannuation contributions);
- express provisions protecting the Company's confidential information and intellectual property;
- notice of termination of employment provisions, with the relevant notice periods varying from 1 to 12 months; and
- post-employment restrictions covering non-competition, non-solicitation of customers and non-poaching of employees, within Australia and for a maximum duration of 12 months.

Base annual salary packages for key management personnel are set having regard to market rates and are reviewed annually.

7.5. Related party transactions

Other than as set out below or elsewhere in this Prospectus, there are no existing agreements, in the Implementation Deed, or proposed arrangements and there are no currently proposed transactions in which the Company was, or is to be, a participant, and in which any related party had or will have a direct or indirect material interest. The existing related party transactions are:

- Entry into the Implementation Deed between the Company and Real Estate CRM which is described in Section 2.2 and 9.3;
- the compensation arrangements with Directors and executive officers, which are described in Sections 7.3.2, 7.3.3, 7.3.5 ,7.3.6 and 7.4;
- the indemnification arrangements with the Directors which are described in Section 7.3.8;
- the issue of Shares to related parties under the Conversion Offer, as referred to in Section 7.3.3;
- the issue of Shares to related parties under the RECRM Consideration Offer, as referred to in Section 7.3.4; and

- the issue of Shares to related parties under the Cash Offers, which are described in Section 8.

7.6. Risks related to related party arrangements

The Board does not consider that there are any specific risks associated with the related party arrangements set out in this Section 7.6.

There is a general risk that related party transactions could be assessed and monitored less rigorously than arm's length, third party transactions.

It is important for Shareholders to be able to assess whether the Company takes an appropriate approach for related party transactions. The Company's corporate governance policies, which can be accessed on the Company's website (https://proptechgroup.ltd), provide a system to see those matters addressed at Board level, considered, determined and implemented in accordance with the law.

The Company's Audit Committee is responsible for reviewing and approving all transactions in which the Company is a participant and in which any parties related to the Company, including its executive officers, Directors, beneficial owners of more than 5% of the Company's Shares, immediate family members of the foregoing persons and any other persons whom the Board determines may be considered related parties of the Company, has or will have a direct or indirect material interest.

The Audit Committee or its Chair, as the case may be, will only approve those related party transactions that are determined to be in, or are not inconsistent with, the best interests of the Company and its Shareholders, after taking into account all available facts and circumstances as the Audit Committee or the Chairperson determines in good faith to be necessary. Transactions with related parties will also be subject to Shareholder approval to the extent required by the ASX Listing Rules.

7.7. Interests of advisers

The Company has engaged the following professional advisers:

- Nicholson Ryan Lawyers has acted as Australian legal adviser to the Company in relation to the Offers (excluding in relation to taxation and stamp duty matters). The Company has paid, or agreed to pay, approximately $150,000 (excluding disbursements) plus GST for these services. Further amounts may be paid to Nicholson Ryan Lawyers in accordance with its time-based charge-out rates;
- Ord Minnett Limited has acted as Lead Manager in relation to the Cash Offers. The Company has agreed to pay the fees described in Section 9.1 for these services;
- Taylor Collison has acted as Co-Manager in relation to the Cash Offers. The Company has agreed to pay the fees described in Section 9.2 for these services;
- RSM Corporate Australia Pty Ltd has acted as the Investigating Accountant and has prepared the Independent Assurance Report for inclusion in the Prospectus. RSM has performed due diligence enquiries in relation to the Actual Historical Financial Information and the Pro Forma Historical Financial Information. The Company has paid, or agreed to pay, approximately $19,000 (plus GST) for these services to the date of this Prospectus. Further amounts may be paid to RSM Corporate Australia Pty Ltd in accordance with their normal time-based charge-out rates; and
- Frost & Sullivan Australia Pty Limited has prepared the Independent Market Report as outlined in Section 3. The Company has paid, or agreed to pay, approximately $17,500 (plus GST) for this report.

7.8. Corporate governance

This Section 7.8 explains how the Board will oversee the management of the Company's business. The Board is responsible for the overall corporate governance of the Company, including providing leadership and strategic guidance for the Company and its related entities. The Board monitors the operational and financial position and performance of the Company and oversees the implementation of the Company's strategic objectives, including approving operating budgets and significant expenditure.

The Board is committed to maximising performance, generating appropriate levels of Shareholder value and financial return, and sustaining the growth and success of the Company. In conducting business with these objectives, the Board is concerned to ensure that the Company is properly managed to protect and enhance Shareholder interests, and that the Company, its Directors, officers and employees operate in an environment of appropriate corporate governance. Accordingly, the Board has created a framework for managing the Company, including adopting relevant internal controls, risk management processes and corporate governance policies and practices, which it believes are appropriate for the Company's business and which are designed to promote the responsible management and conduct of the Company.

The main policies and practices adopted by the Company are summarised below. In addition, many governance elements are contained in the Constitution.

Details of the Company's key policies and practices and the charters for the Board and each of its committees are available at https://proptechgroup.ltd.

7.8.1. ASX Corporate Governance Council's Corporate Governance Principles and Recommendations

The Company is currently listed on the ASX. The ASX Corporate Governance Council has developed and released its Corporate Governance Principles and Recommendations 4th edition (**ASX Recommendations**) for entities listed on the ASX in order to promote investor confidence and to assist companies to meet stakeholder expectations.

The ASX Recommendations are not prescriptions, but guidelines. Under the ASX Listing Rules, the Company will be required to provide a statement in its annual report or on its website disclosing the extent to which it has followed the ASX Recommendations during each reporting period. Where the Company does not follow an ASX Recommendation, it must identify the recommendation that has not been followed and give reasons for not following it.

The Board intends to comply with all of the ASX Recommendations from the time of its Re-compliance, with the exception set out in section 7.12.

In particular:

- ASX Recommendation 1.5 provides the Company to, through its board or a committee of the board, set measurable objectives for achieving gender diversity in the composition of its board, senior executives, and workforce generally. While there is currently no gender diversity on the Board or amongst its senior executives, the Board is made up of individuals from various professions, cultures, and backgrounds.
- The Board does not (and will not on Re-compliance) consist of a majority of independent Directors as recommended in Recommendation 2.4 of the ASX Recommendations. Despite this, the Board has considered the Company's immediate requirements and is satisfied that the composition of the Board reflects an appropriate range of corporate memory, independence, skills and experience for the Company after the Re-compliance.
- ASX Recommendation 2.5 provides that the chair of the board of a listed entity should be an independent director. Simon Baker is, and will continue to be, a substantial shareholder of the Company and, in addition, is a RECRM Seller under the Implementation Deed. Accordingly, Simon Baker is not considered to be an independent Director. However, the Board considers that Simon Baker is the most appropriate person to lead the Board as Chairman because of his extensive and unparalleled knowledge of the Company and its markets, growth prospects and management structure.
- ASX Recommendation 3.1 provides that the Company should articulate and disclose its values. The Company has not adopted a formal statement however the Board and management work hard to instil a culture of acting ethically and responsibly while striving to create shareholder value. Management reinforce this behaviour on a day to day basis and in the course of performance reviews with staff. In any case, the Company has adopted a code of conduct which reflects the values of the Board and senior executives.
- ASX Recommendation 7.1 provides that adequate processes are in place to assess and determine risk. The Company does not have a separate risk committee. Instead, the Audit and Risk Committee oversees the Company's risk management framework. Additionally, the Company maintains a number of policies and practices designed to manage specific business risks. It is recognised that the level and extent of the risk management system will evolve commensurate with the evolution and growth of the Company's activities.
- ASX Recommendation 7.2 provides that an annual review of the Company's risk management framework is undertaken. Neither the Board, nor the Audit Committee, has conducted a formal review of the Company's risk framework during FY20.

7.8.2. Composition of the Board

The Board of Directors on completion of the Offers will be comprised of the Managing Director/Chief Executive Officer, one additional Executive Director and three Non-Executive Directors (including the Chairman). Biographies of the Directors are provided in Section 7.1.

Each Director has confirmed to the Company that he anticipates being available to perform his duties as a Non-Executive or Executive Director as the case may be, without constraint from other commitments.

7.8.3. Independence

The Board considers an independent Director to be a Non-Executive Director who is not a member of the Company's management and who is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to interfere with, the independent and unfettered exercise of their judgement.

The Board charter sets out guidelines of materiality for the purpose of determining independence of Directors in accordance with the ASX Recommendations and has adopted a definition of independence that is based on that set out in the ASX Recommendations.

The Board considers quantitative and qualitative principles of materiality for the purpose of determining independence on a case-by-case basis.

The Board will consider whether there are any factors or considerations that may mean that the Director's interest, business or relationship could, or could be reasonably perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

The Board considers that Georg Chmiel is free from any business or any other relationship that could materially interfere with, or reasonably be perceived to interfere with, the exercise of the Director's unfettered and independent judgement and is able to fulfil the role of independent Director for the purpose of the ASX Recommendations.

Each of the other current Directors and the incoming Director, Scott Wulff, are not considered to be independent. This is on the basis that each are RECRM Sellers under the Implementation Deed. In addition, Joe Hanna and Scott Wulff will both hold executive roles with the Company and Simon Baker is, and will continue to be, a substantial shareholder of the Company. Each of these factors impairs their independence for the purposes of the ASX Recommendations.

Accordingly, as at the time of the Re-compliance, the Board does not consist of a majority of independent Directors consistent with Recommendation 2.4 of the ASX Corporate Governance Principles and Recommendations. Furthermore, the Chair is not an independent Chair. However, the Board believes that each of these Directors brings objective and independent judgement to the Board's deliberations and are able to act impartially and make invaluable contributions to the Company.

The Directors believe that they are able to objectively analyse the issues before them in the best interests of all Shareholders and in accordance with their duties as Directors.

The Board will regularly review the independence of each Director, and any subsequent Directors appointed, in light of interests disclosed to the Board from time to time and will disclose any change to the ASX, as required by the ASX Listing Rules.

7.9. Board Charter

The Board has adopted a written Charter to provide a framework for the effective operation of the Board, which sets out:

- the Board's composition;
- the Board's role and responsibilities;
- the relationship and interaction between the Board and management;
- the authority delegated by the Board to management and Board committees; and
- the Board's process

The Board's role is to:

- represent and serve the interests of Shareholders by overseeing and appraising the Company's strategies, policies and performance. This includes overseeing the financial and human resources the Company has in place to meet its objectives and reviewing management performance;
- protect and optimize the Company's performance and build sustainable value for Shareholders in accordance with any duties and obligations imposed on the Board by law and the Company's Constitution and within a framework of prudent and effective controls that enable risk to be assessed and managed;
- set, review and ensure compliance with the Company's values and governance framework (including establishing and observing high ethical standards); and
- ensure Shareholders are kept informed of the Company's performance and major developments affecting its state of affairs.

The Board, together with the Nomination and Remuneration Committee, determines the size and composition of the Board.

The management function is conducted by, or under the supervision of, the CEO as directed by the Board (and by other officers to whom the management function is properly delegated by the CEO). Management must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively. Directors are entitled to request additional information at any time when they consider it appropriate. The Board collectively, and each Director individually, has the right to seek independent professional advice at the Company's expense, subject to the approval of the Chair of the Board.

7.10. Board Committees

The Board may from time to time establish appropriate committees to assist in the discharge of its responsibilities. The Board has established two committees to assist the Board in fulfilling its responsibilities as set out below, being the Audit and Risk Committee and the Nomination and Remuneration Committee. Other committees may be established by the Board as and when required.

Committee	Roles and Responsibilities	Initial Composition
Audit and Risk Committee	Responsible for monitoring and advising the Board on the Company's financial reporting framework. Key roles of the committee include overseeing: ■ the adequacy of the Company's corporate reporting processes and the integrity of the Company's accounting and financial statements; ■ the Company's external audit processes, including the appointment, independence, management and removal of the Company's external auditor; ■ the Company's internal audit processes; and ■ the Company's tax risk and tax governance arrangements.	■ Sam Plowman (Non-Executive Director) - Chairman ■ Georg Chmiel (independent, Non-Executive Director) ■ Simon Baker (Non-Executive Director)
Nomination and Remuneration Committee	Responsible for monitoring and advising the Board on appropriate nomination and remuneration strategies and policies consistent with business requirements. Key roles of this committee include: ■ assessing current and future director skills and experiences and identifying suitable candidates for succession; ■ annually enquiring of the Chief Executive Officer their process for evaluating their direct reports; ■ ensuring the Company has remuneration policies and practices appropriate to attracting and retaining key talent; ■ reviewing and making recommendations in relation to the remuneration of Directors and senior management; and ■ reviewing and recommending the design of any executive incentive plans and approving the proposed awards to each executive under those plans.	■ Simon Baker (Non-Executive Director) - Chairman ■ Sam Plowman (Non-Executive Director) ■ Georg Chmiel (independent, Non-Executive Director)

7.11. Corporate governance policies

The governance policies set out in this Section 7.11 have been adopted by the Board and will be made available on the Company's website prior to its admission to the Official List. The Company's corporate governance policies will continue to be reviewed regularly and will continue to be developed and refined as required to meet the needs of the Company.

7.11.1. Continuous Disclosure Policy

The Company is required to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act. Subject to the exceptions contained in the ASX Listing Rules, the Company is required to keep the ASX and the market fully informed of any information it becomes aware of concerning the Company which may have a material effect on the price or value of the Shares. The Company is committed to observing its disclosure obligations under the ASX Listing Rules and the Corporations Act.

The Company has adopted a Continuous Disclosure Policy which establishes procedures that are aimed at ensuring that Directors, management and other staff are aware of and fulfil their obligations in relation to the timely disclosure of material price sensitive information.

7.11.2. Communications with Shareholders

The Company aims to communicate all important information relating to the Company to its Shareholders. Additionally, the Company recognises that potential investors and other interested stakeholders may wish to obtain information about the Company from time to time. To achieve this, the Company communicates information regularly to Shareholders and other stakeholders through a range of forums and publications, including the Company website, at the annual general meeting, through the Company's Annual Report and ASX announcements.

7.11.3. Securities Dealing Policy

The Company has adopted a Securities Dealing Policy which is intended to explain the types of conduct in dealings in securities that are prohibited under the Corporations Act and explain the Company's policy and procedure for the buying and selling of securities that protects the Company, Directors and employees against the misuse of unpublished information which could materially affect the price or value of securities. The policy applies to Directors, officers, senior management and other employees, consultants and contractors of the Group (collectively, **Employees**).

The policy provides that Employees must not:

- deal in the Company's securities when they are aware of confidential information that is materially price sensitive or "inside" information;
- deal in the Company's securities when the Company has notified Employees that they must not do so;
- deal in the Company's securities on a speculative or short-term trading basis;
- hedge unvested Company securities acquired under an employee, executive or Director equity plan or Company securities that are subject to a holding lock or restriction on dealing under the terms of any employee, executive or Director equity plan operated by the Company; and
- deal in securities in another company where they are aware of "inside" information in relation to that company.

In addition, Directors, key management personnel and other persons who have been advised by the Company Secretary that they are subject to special restrictions (collectively, Restricted Persons) and their connected persons must not deal in the Company's securities during any of the following blackout periods (except in exceptional circumstances with approval):

- the period from the close of trading on the ASX on 30 June each year until the day following the announcement of the full-year results;
- the period from the close of trading on the ASX on 31 December each year until the day following the announcement to ASX of the Company's half-year results;
- while the Company is required to lodge an Appendix 4C (Quarterly Report) with ASX:
  - the period from the close of trading on the ASX on 31 March each year until the day following the lodgement with ASX of the Appendix 4C for that period; and
  - the period from the close of trading on the ASX on 30 September each year until the day following the lodgement with ASX of the Appendix 4C for that period;
- the period from 28 days before until the day following a prospectus, cleansing notice or similar disclosure document is lodged by the Company with ASX; and
- the period from 28 days before until the day following the Company's annual general meeting; and any other period that the Board specifies from time to time.

Incomplete buy or sell orders which are placed but not completed outside of a blackout period must be completed within 3 trading days and cannot be varied during the blackout period.

Otherwise, trading by Restricted Persons and their connected persons is permitted but must be approved by the Company prior to trading. Restricted Persons and their connected persons must also not engage in margin lending activities in respect of the Company's securities or deal in financial products issued over Company securities by third parties, unless the Company securities form a component of a listed portfolio or index product.

In all instances, dealing in the Company's securities is not permitted at any time by any person who possesses "inside" information.

7.11.4. Code of Conduct

The Board is committed to a high level of integrity and ethical standards in all business practices. Accordingly, the Board has adopted a formal Code of Conduct that outlines how the Company expects its representatives to behave and conduct business in the workplace and includes legal compliance and guidelines on appropriate ethical standards. All employees of the Company (including temporary employees, contractors and Company Directors) must comply with the Code of Conduct.

The Code is designed to:

- provide a benchmark for professional behaviour throughout the Company;
- articulate the Company's core values;
- support the Company's business reputation and corporate image within the community; and
- make Directors and employees aware of the consequences if they breach the policy.

7.11.5. Diversity Policy

The Board has formally approved a Diversity Policy in order to, among other matters, to provide a framework by which the Company will support and facilitate an environment of diversity and inclusion across the organisation.

The Board will include in the Annual Report each year a summary of the Company's progress towards achieving the measurable objectives set under the Diversity Policy for the year to which the Annual Report relates and details of the measurable objectives set under the Diversity Policy for the subsequent financial year.

7.11.6. Whistle-blower Policy

From 1 January 2020, a publicly listed company is required to have a Whistle-blower Policy. The Board has adopted a whistle-blower policy to ensure that concerns regarding breaches of the Company's codes of conduct or inappropriate behaviour can be raised without fear of reprisals, dismissal or reprimand or discriminatory treatment by the Company or members of the organisation. The purpose of the policy is to encourage and protect whistle-blowers to come forward with their concerns which may cause a risk to interest of the community and the organisation.

7.11.7. Anti-Bribery and Corruption Policy

The Board has adopted an anti-bribery and anti-corruption policy to set out the Company's position in relation potential and actual bribery and corruption events and the Company's expectation in relation to upholding its position. The policy sets out the process in relation to identifying, reporting and dealing with bribery and corruption issues.

7.12. ASX Corporate Governance Council's Corporate Governance Principles and Recommendations

The Company is committed to achieving and maintaining the highest standards of conduct and has implemented initiatives to achieve this objective. The Company's corporate governance policies are intended to institutionalise good corporate governance and build a culture of best practice both in the Company's own internal businesses and in its dealings with others.

The Company has considered the ASX Corporate Governance Principles to determine an appropriate system of control and accountability to best fit its business and operations commensurate with these guidelines. The Board will consider on an ongoing basis its corporate governance procedures and whether they are sufficient given the Company's nature of operations and size and will seek to follow these recommendations where possible.

Based on the Company's size and business on Re-compliance, the Directors believe that they are able to objectively analyse the issues before them in the best interests of Shareholders and in accordance with their duties as Directors. The Directors consider that the Board and the Directors have the skills and commitment to enable the Board to discharge its duties effectively.

Where the Company determines it would be inappropriate to follow the principles because of its circumstances, the Company will provide reasons for not doing so in its Annual Report.

As at the Prospectus Date, the Board does not anticipate that it will depart from the recommendations in the ASX Corporate Governance Principles, other than as set out below.

Table 7.5: Departure from the ASX Corporate Governance Principles

Recommendation	Comment
2.1 – Nomination Committee	The Board has departed from Recommendation 2.1 as it has not adopted a nomination committee which has at least three members, a majority of whom are independent Directors. The Company's Nomination and Remuneration Committee is comprised of three members, only one of which is independent. The Board does not consider the departure to be materially detrimental to the Company. The Board was of the view that the relative size and the particular industry in which the Company operates, did not justify appointing additional independent directors in order to satisfy the Recommendation.
2.2 – Board skills matrix	The Board has departed from Recommendation 2.2 as it has not adopted a board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve. The Board has been structured to be comprised of experienced executives with a broad and diverse range of business experience and has appointed the Nomination and Remuneration Committee to make recommendations to the Board to ensure the most appropriate mix of skills, expertise and experience to effectively govern the Company. Although the Board Charter provides for the use of the board skills matrix to identify gaps in the skills, qualifications, diversity and experience of the Directors of the Board, the Board does not consider it is necessary to develop a board skills matrix at this time. The experience and skills of each Director are set out in Section 7.1.
2.4 – Majority of Board should be independent	As set out in the Company's Board Charter, where practical and consistent with the Company's stage of development, a majority of the Board should be comprised of independent directors, and the Chairman should be an independent Non-Executive Director. However, at the time of re-admission of the Company to the Official List, the Board will have only one independent Director as Messrs Hanna and Wulff will perform an executive role and Messrs Plowman and Baker are not considered independent because Simon Baker is a substantial shareholder of the Company and both were shareholders in Real Estate CRM Pty Ltd. The Board recognises the importance of the appropriate balance between independent and non-independent representation on the Board. However, the Board considers that a Board weighted towards industry and technical experience is appropriate at this stage of the Company's development. As the Company's operations progress, it will review the composition of the Board, including independence. The Board will determine whether a director is independent in accordance with the guidelines set out in its Board Charter (which are in accordance with the Principles and Recommendations) and will assess the independence of directors at least on an annual basis.
4.1 – Audit Committee	The Board has departed from Recommendation 4.1 as it has not adopted an audit committee which has at least three members, a majority of whom are independent Directors. While the Board has adopted an audit committee with three members only one of those Directors is independent. The Board does not consider the departures to be materially detrimental to the Company. The Board was of the view that the relative size and the particular industry in which the Company operates, did not justify appointing additional independent Directors in order to satisfy the Recommendation.

7.1 – Risk Committee	The Board has departed from Recommendation 7.1 as it has not adopted a risk committee which has at least three members, a majority of whom are independent Directors. The Board does not consider this departure to be materially detrimental to the Company. The Board was of the view that the relative size and the particular industry in which the Company operates, did not justify appointing additional independent Directors in order to satisfy the Recommendation.
8.1 – Remuneration Committee	The Board has departed from Recommendation 8.1 as it has not adopted a remuneration committee which has at least three members, a majority of whom are independent Directors. The Board does not consider this departure to be materially detrimental to the Company. The Board was of the view that the relative size and the particular industry in which the Company operates, did not justify appointing additional independent Directors in order to satisfy the Recommendation.

8
DETAILS OF OFFERS

8.1. Introduction

This Prospectus relates to Offers of a total of 109,644,112 New Shares by the Company.

The Cash Offers relate to the offer of 42,400,000 Shares by the Company at the Cash Offer Price to raise $10.6 million (before costs and expenses).

The balance of the New Shares offered under the Ancillary Offers will not raise any cash proceeds.

The total number of Shares on issue at the Completion of all the Offers will be 121,304,420. Of these, a total of 67,244,112 Shares will be subject to the escrow arrangements described in Section 11.5.

The New Shares offered under this Prospectus will represent 90.39% of the Shares on issue on Completion of the Offers. The "free float" (for the purposes of ASX Listing Rule 1.1) will be 39% of the Shares on issue at Re-compliance.

All New Shares to be issued under the Offers will be fully paid ordinary shares and will rank equally with each other. A summary of the rights attaching to the Shares is set out in Section 8.26.

The Offers are not underwritten.

The Offers are made on the terms, and are subject to the conditions, set out in this Prospectus.

8.2. Minimum Subscription

The minimum subscription under the Cash Offers is $10,600,000 (being 42,400,000 New Shares) (before associated costs) (**Minimum Subscription**).

None of the New Shares offered under this Prospectus will be issued if Applications are not received for the Minimum Subscription. Should Applications for the Minimum Subscription not be received within three months from the date of this Prospectus (or such period as varied by ASIC), the Company will either repay the Application Monies (without interest) to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).

8.3. Cash Offers

8.3.1. Structure

The Cash Offers comprise:

- the Retail Offers, consisting of the:
  - Broker Firm Offer – which is open to Australian resident retail clients of participating Brokers, who have a registered address in Australia and who receive an invitation from a Broker to acquire Shares under this Prospectus and are not in the United States;
  - Priority Offer – which is open to Existing Shareholders together with other selected investors nominated by the Company in Australia and other eligible jurisdictions, who have received a Priority Offer invitation to acquire Shares under this Prospectus; and
- the Institutional Offer – which consists of an offer to Institutional Investors in Australia and certain other jurisdictions around the world, made under this Prospectus.

No general public offer of Shares will be made under any of the Offers.

Until the New Shares are issued to successful Applicants, any Application Monies for Shares offered under the Cash Offers will be held on trust for Applicants. If the Offers are withdrawn, Application Monies will be fully refunded. No interest will be paid on the Application Payments.

8.3.2. Allocations

The allocation of New Shares between the Institutional Offer, the Broker Firm Offer, and the Priority Offer will be determined by agreement between the Lead Manager and the Company. For further information regarding the allocation of Shares within each of the Broker Firm Offer, Priority Offer and the Institutional Offer, see Sections 8.14, 8.15.5, 8.16.5 and 8.19.2.

8.4. Ancillary Offers

8.4.1. RECRM Consideration Offer

This Prospectus also includes an offer of 64,900,048 Consideration Shares to be issued to the RECRM Sellers pursuant to the Implementation Deed in consideration for the acquisition by the Company of the entire issued share capital of Real Estate CRM. The material terms and conditions of the Implementation Deed are summarised in Section 9.3.

The Consideration Shares offered under the RECRM Consideration Offer are New Shares and will rank equally with all other Shares on issue.

RECRM Sellers should refer to Section 8.20.1 for details of how to accept the RECRM Consideration Offer.

All of the Consideration Shares will be subject to escrow under the ASX Listing Rules. Please refer to Section 11.5.1 for a summary of the likely escrow position.

8.4.2. Conversion Offer

This Prospectus also includes an offer of an aggregate of 2,344,064 New Shares to the Conversion Participants, being Directors Simon Baker, Joe Hanna, Sam Plowman and the Company's CFO Michael Fiorenza (and/or their nominees).

At the General Meeting, Shareholders approved:

- the issue of up to 494,318 New Shares to Simon Baker in satisfaction of Accrued Remuneration Entitlements of $108,750;
- the issue of up to 194,301 New Shares to Sam Plowman in satisfaction of Accrued Remuneration Entitlements of $42,746; and

- the issue of up to 1,207,623 New Shares to Joe Hanna in satisfaction of accrued entitlements of $253,750.

It is noted that, in addition to the above amounts, salaries/fees in the amount of $354,666, continue to remain outstanding as at the date of this Prospectus (**Outstanding Fees**). The Outstanding Fees will be paid in cash following completion of the Offers.

Details of how to accept the Conversion Offer are set out at 8.20.2.

All of the New Shares issued under the Conversion Offer will be Restricted Securities and subject to escrow under the ASX Listing Rules. Please refer to Section 11.5.1 for a summary of the likely escrow position.

8.5. Re-compliance with Chapters 1 and 2 of the Listing Rules

8.5.1. Acquisition Resolutions

The RECRM Acquisition and the Offers will result in a significant change to the scale of the Company's activities for which Shareholder approval was required.

At the Company's General Meeting held on 30 September 2020, Shareholders approved the following:

- the change in nature and scale of the activities of the Company as a result of the RECRM Acquisition (Change of Activities);
- a consolidation of the Company's share capital on a 20:1 basis;
- the issue of Shares under the Cash Offers;
- the issue of Consideration Shares to the RECRM Sellers (including to Directors, Simon Baker, Joe Hanna and Sam Plowman);
- each Director's participation in the Cash Offers;
- the issue of Shares to and/or payment of cash to Simon Baker, Joe Hanna and Sam Plowman in satisfaction of part of their Accrued Remuneration Entitlements for past services rendered by these Directors;
- the election and re-election of Directors; and
- the change of the Company's name to PropTech Group Limited.

8.5.2. Re-compliance with Chapters 1 and 2 of the Listing Rules

To give effect to the change of activities, the ASX requires the Company to re-comply with Chapters 1 and 2 of the Listing Rules. This Prospectus is issued to assist the Company to re-comply with these requirements.

Trading in Shares on the ASX has been suspended since 3 March 2020 and will not be reinstated until the Company re-complies with the requirements of Chapters 1 and 2 of the Listing Rules.

Among other things, the provision of Chapters 1 and 2 of the ASX Listing Rules require the Company to:

- subject to any exemptions granted by ASX, ensure that any new Share issues must be made at a minimum price of $0.20 per Share and any Options must have an exercise price of no less than $0.20 per Option;
- obtain the requisite Shareholder spread;
- prepare a prospectus in accordance with the provisions of the Corporations Act;
- have an appropriate structure and operations;
- satisfy the ASX Listing Rules test in relation to the Company's asset value;
- comply with Chapter 9 of the ASX Listing Rules in relation to any "restricted securities" it has on issue or is proposing to issue; and
- satisfy the ASX that each Director or proposed Director, at the date of admission, is of good fame and character.

There is a risk that the Company may not be able to meet the requirements for re-quotation on the ASX. In the event the conditions of the Offers are not satisfied or the Company does not receive conditional approval for re-quotation on the ASX on terms which the Board reasonably believes are capable of satisfaction, the Company will not proceed with any of the Cash Offers and will repay Application Monies received (without interest).

If the Company does not proceed with the Cash Offers, the Company will not proceed with the Ancillary Offers.

The Company will apply to the ASX no later than seven days from the date of this Prospectus for Official Quotation of the New Shares issued pursuant to this Prospectus. If the Shares are not admitted to quotation within three months after the date of this Prospectus, no Shares will be issued and Application Monies will be refunded in full without interest in accordance with the Corporations Act.

The Company will not apply to the ASX for Official Quotation of any Restricted Securities to be issued pursuant to this Prospectus.

Neither the ASX nor ASIC take responsibility for the contents of this Prospectus. The fact that the ASX may grant Official Quotation to the Shares issued pursuant to this Prospectus is not taken in any way as an indication by the ASX as to the merits of the Company or the Shares.

8.6. Conditional Offers

Completion of the Cash Offers and each Ancillary Offer is conditional on:

- the Company receiving conditional approval from ASX for re-quotation of the Shares on the Official List on terms which the Board reasonably considers are capable of satisfaction;
- the Company achieving the Minimum Subscription (refer to Section 8.2); and

- other than the issue of New Shares under the Offers, the Company being in a position to complete its acquisition of Real Estate CRM pursuant to the Implementation Deed.

Accordingly, completion of the RECRM Acquisition and the allotment of New Shares under the Cash Offers will occur simultaneously with the allotment of New Shares under the RECRM Consideration Offer and the Conversion Offer.

In the event that the conditions above are not satisfied and/or waived, none of the Offers will proceed and no securities will be issued under this Prospectus. If this occurs, all Application Monies received will be dealt with in accordance with the Corporations Act.

Details of the capital structure of the Company before and after completion of the RECRM Acquisition and the Offers, are provided in Section 8.9.

8.7. Purpose of the Offers

The purpose of the Offers is to:

- assist the Company to meet the re-admission requirements of the ASX under Chapters 1 and 2 of the ASX Listing Rules (see Section 11.1 for further details);
- provide the Company with sufficient funding to:
  - pay the Deferred Consideration to Domain Group under the MyDesktop Acquisition (see section 9.4 for further details);
  - satisfy the working capital requirements for the Company's future expanded business, following completion of the RECRM Acquisition; and
  - meet the costs of the Offers;
- facilitate the issue of other Shares to be issued in connection with the RECRM Acquisition and the reinstatement of the Company to Official Quotation;
- remove the need for additional disclosure documentation to be issued upon the sale of Shares to be issued under the Ancillary Offers (following expiry of the ASX imposed escrow period;
- establish a liquid market for Shares; and
- establish access to capital markets, which it expects will provide additional financial flexibility to pursue further growth opportunities and increasing its ability to attract and retain talented employees.

The Directors believe that on completion of the Offers, the Company will have sufficient working capital available from the proceeds of the Cash Offers, together with existing cash reserves, to fulfil the purposes of the Offers and meet the Company's stated business objectives.

A detailed breakdown of the Company's proposed use of funds is set out below in Section 8.8 of this Prospectus.

8.8. Sources and uses of funds

Table 8.1 sets out how the Company intends on applying the funds raised under the Cash Offers along with its current cash reserves.

As at 30 June 2020, the Company and Real Estate CRM collectively had cash reserves of approximately \$2.84 million. On Completion of the Offers the Company intends to combine its cash reserves with the cash reserves of Real Estate CRM and intends to apply these funds (plus any profits earned) together with the proceeds from the Cash Offers as follows:

Table 8.1: Sources and Use of Funds

Source of Funds	$	%	Use of Funds	$	%
Cash as at 30 June 2020	2,844,234	21	Payment of Deferred Consideration to Domain[1]	9,000,000	67
Cash proceeds from Cash Offers	10,600,000	79	working capital	2,960,401	22
			Repayment of unpaid outstanding Accrued rRemuneration Entitlements of KMP	354,666	3
			Costs of the Offers	1,129,167	8
Total sources of funds	**13,444,234**	**100**	**Total uses of funds**	**13,444,234**	**100**

Note:

[1] $2.0 million of the Deferred Consideration payable to Domain is deferred but not contingent. The balance of the Deferred Consideration is contingent on certain performance hurdles. In the event that all or some of the contingent Deferred Consideration hurdles under the MyDesktop Acquisition (see Section 9.4) are not satisfied then the Deferred Consideration payable to Domain under the MyDesktop Acquisition will be reduced. To the extent that these amounts are not required to be paid to Domain they will be applied and used entirely for working capital purposes including expanded sales and marketing teams in Australia and the UK.

The above table is a statement of current intentions as at the date of this Prospectus. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments and market and general economic conditions. In light of this, the Board reserves the right to alter the way the funds are applied.

The Board is satisfied that upon Completion of the Offers, the Company will have sufficient funds available from the proceeds of the Offers and its operations and sufficient working capital to fulfil the purposes of the Offers and carry out its stated business objectives as outlined in Section 8.7.

The use of further debt or equity funding will be considered by the Board where it is appropriate to accelerate a specific project or strategy.

8.9. Capital structure

A total of 336 Shareholders presently hold 100% of the Shares in the Company. The Existing Shareholders are expected to hold approximately 9.61% of the Shares on issue following Completion of the Offers.

The ownership structure of the Company immediately prior to and following the Completion of the Offers is shown in Table 8.2 and 8.2.1 below.

Table 8.2: Capital Structure pre and post Completion

Holder	Shares held on Prospectus Date		Shares held following Completion of the Offers	
	No.	%	No.	%
Simon Baker	3,924,419	33.66%	10,418,737	8.59%
Other Directors and Management (including Shares to be issued under the Ancillary Offers)	1,430,973	12.27%	30,618,534	25.24%
Other Existing Shareholders	6,304,916	54.07%	6,304,916	5.20%
RECRM Sellers (excluding Directors and Management)			31,562,233	26.02%
To be issued to new investors pursuant to the Cash Offers			42,400,000	34.95%
Total	**11,660,308**	**100%**	**121,304,420**	**100%**

Note:

* Includes shares issued under the Conversion Offer but does not take into account shares that Directors and senior management may subscribe for under the Cash Offers.

8.2.1 Options

Name	Number of Options	Issue Date	Expiry Date	Exercise Price
Initial Director Options	125,000 (vested)	10 Dec '15	31 Dec '20	$4.00
Joe Hanna (LTI)	200,000 (vested)	29 Nov '18	30 Nov '23	$0.30
Sam Plowman	200,000 (vested)	29 Jan '19	27 Jan '23	$0.24
Michael Fiorenza (LTI)	200,000 (vested)	31 Jan '19	30 Jan '21	$0.30
Other Employees (ESOP)	33,750 (vested)	28 Apr '16	27 Apr '21	$4.00

* Options do not attract dividends, voting rights or any capital distributions until exercised.

8.10. Effect on control

The Directors do not expect any Shareholder will control (as defined by section 50AA of the Corporations Act) the Company on completion of the RECRM Acquisition and the Offers and will allocate Shares so that the issue of Shares pursuant to this Prospectus will not result in any Shareholder or Applicant increasing its voting power in the Company:

- from 20% or below to more than 20%; or
- from a starting point that is above 20% and below 90%.

8.11. Substantial Shareholders

As at the date of this Prospectus, Shareholders holding a relevant interest in 5% or more of the Shares on issue are as follows:

Table 8.3: Substantial Holders as at the Date of this Prospectus

Name	No. of Shares	Percentage of total issued share capital (undiluted)
Simon Baker	3,924,419	33.66%
Joe Hanna	1,322,798	11.34%

At the General Meeting, Shareholders gave approval for Simon Baker (or his nominee) to participate in the Cash Offers to a maximum extent of 800,000 Shares (subscription amount of $200,000), the issue of 6,000,000 New Shares under the RECRM Consideration Offer as well as the issue of up to 494,318 Shares to Simon Baker (or his nominee) under the Conversion Offer. As such, the maximum number of Shares in which Simon Baker will have a relevant interest on Completion of the Offers will be 11,218,737 Shares (being the 3,924,419 Shares currently held plus the maximum number of 7,294,318 Shares Simon Baker may acquire under the Offers. This equates to voting power in the Company of 9.25%.

Based on the information known at the Prospectus Date, following completion of the RECRM Acquisition and the Offers, of the Company's existing Shareholders, it is expected that only Simon Baker will continue to be a substantial Shareholder of the Company (holding approximately 8.59%).

Other persons may become substantial Shareholders of the Company following completion of the RECRM Acquisition and the Offers depending on their degree of participation in the Cash Offers.

8.12. Market price of Shares

Shares were placed in a trading halt on 3 March 2020 and subsequently were suspended from trading on the ASX from that date. The closing price of Shares on 3 March 2020 was $0.011 which equates to a share price of $0.22 (on a post-Consolidation basis).

8.13. Restricted Securities

None of the Existing Shares are currently Restricted Securities or subject to escrow restrictions imposed by the ASX.

Subject to the Company re-complying with Chapters 1 and 2 of the Listing Rules, all Shares to be issued by the Company under the Ancillary Offers will be classified by the ASX as restricted securities and will be required to be held in escrow for periods of up to 24 months from the date of reinstatement to Official Quotation. During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid, which may impact on the ability of a Shareholder to dispose of Shares in a timely manner.

All Consideration Shares to be offered under the RECRM Consideration Offer will be subject to mandatory escrow by the ASX for a period of 12 months from the date of Official Quotation. All Consideration Shares, issued to the Company's Directors and Management, will be subject to mandatory and voluntary escrow restrictions for a period of 24 months from the date of Official Quotation.

The total number of New Shares that are expected to be subject to the ASX imposed escrow restrictions in respect of the Ancillary Offers represents approximately 55% of the total number of Shares on issue on completion of the RECRM Acquisition and the Offers.

None of the Shares issued pursuant to the Cash Offers will be subject to escrow restrictions.

Section 11.5 sets out further details of the Escrowed Shares on Completion of the Offers.

8.14. Terms and conditions of the Cash Offers

Table 8.4: Terms and Conditions of the Cash Offer

Topic	Summary
What is the type of security being offered?	Shares (being fully paid ordinary shares in the Company).
What are the rights and liabilities attached to the Shares?	The rights and liabilities attaching to Shares, is set out in Section 8.26.
What is the consideration payable for each New Share?	The Cash Offer Price is $0.25 per New Share.
What is the Offer Period?	The key dates, including details of the Offer Period, relating to each component of the Offers are set out in the Key Dates on page 12 of this Prospectus. The timetable is indicative only and may change. Unless otherwise indicated, all times are stated in AEST. The Company, in consultation with the Lead Manager, reserves the right to amend any and all of these dates without notice (including, subject to the ASX Listing Rules and the Corporations Act, to close the Offers early, to extend the Closing Date, to accept late Applications (either generally or in particular cases) or to cancel the Offers before Shares are issued by the Company. If the Offers are cancelled before the issue of Shares, then all Application Monies will be refunded in full (without interest) as soon as practicable in accordance with the requirements of the Corporations Act. No Shares will be issued on the basis of this Prospectus later than the Expiry Date.
What are the cash proceeds to be raised under the Offers?	$10.6 million (before costs) is expected to be raised from investors under the Cash Offers.
Is there a minimum amount to be raised?	Yes, the Minimum Subscription is $10.6 million. None of the Offers will proceed if the Minimum Subscription is not achieved.

What is the allocation policy?	The acceptance of Applications and the allocation of Shares between the Institutional Offer, Broker Firm Offer and Priority Offer are at the discretion of the Company, in consultation with the Lead Manager having regard to the allocation policies set out at Sections 8.15, 8.16, 8.19 and 8.20. In respect of the Broker Firm Offer, it is a matter for each Broker to determine how they will allocate Shares among their eligible retail clients. The final allocation of Shares under the Priority Offer will be determined by the Company, in consultation with the Lead Manager, subject to the minimum allocation for Applicants who are Existing Shareholders under the Priority Offer.
Will the Shares be quoted?	The Company will apply within seven days of the Prospectus Date to ASX for admission to the Official List and quotation of Shares on ASX (which is expected to be under the code PTG). Completion is conditional on ASX approving this Application. If approval is not given within three months after such Application is made (or any longer period permitted by law) on terms acceptable to the Company, the Offers will be withdrawn and all Application Monies received will be refunded without interest, as soon as practicable in accordance with the requirements of the Corporations Act. The Company will be required to comply with the ASX Listing Rules, subject to any waivers obtained by the Company from time to time. ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the Shares offered for subscription.
Are the Cash Offers subject to any other conditions?	Yes. The Offer has a Minimum Subscription of 42,400,000 Shares at the Cash Offer Price to raise gross proceeds of $10.6 million before costs. If the Minimum Subscription is not achieved within three (3) months after the date of this Prospectus, the Offers will not proceed, and the Application Monies will be returned (without interest). In addition, the Offers are subject to various conditions. See Sections 8.2 and 8.6 for further details.
Are the Cash Offers underwritten?	No, the Cash Offers are not underwritten.
Who is lead managing the Cash Offers	The Lead Manager is Ord Minnett Limited.
Are there any escrow arrangements?	Yes. Details are provided in Section 11.5.
Has any ASIC relief or ASX waiver been obtained or relied on?	The Company has not obtained any exemptions, declarations or confirmations from ASIC or ASX in relation to the Offers.
What is the minimum and maximum Application size under the Retail Offer?	The minimum Application under the: ■ Broker Firm Offer is $2,000 of Shares in aggregate. There is no maximum Application size under the Broker Firm Offer, however the Company and the Lead Manager reserve the right to reject any Application or to allocate to an Applicant a lesser number of Shares than that applied for; and ■ Priority Offer is $2,000 of Shares in aggregate. There is no Maximum Application size under the Priority offer, however the Company and the Lead Manager reserve the right to allocate to an Applicant a lesser number of Shares then that applied for. For more information, see Sections 8.15.3 and 8.16.3.

Is there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of Shares under the Offers. See Section 9.1 for details of various fees payable by the Company to the Lead Manager.
What are the tax implications of investing in the Shares?	A summary of certain Australian tax consequences of participating in the Offers and investing in Shares is set out in Section 11.10. The tax consequences of any investment in the Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether or not to invest
When will I receive confirmation that my Application has been successful?	You will be notified after application after the Offers close on 16 November 2020 before settlement due on 18 November 2020. It is the responsibility of each person who trades Shares to confirm their holding before trading Shares. Any person who sells Shares before receiving a holding statement does so at their own risk.
Can the Offers be withdrawn?	The Company reserves the right not to proceed with the Offers at any time before the issue of Shares to successful Applicants. If the Offers do not proceed, Application Monies will be refunded. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offers.
What is the minimum Application size?	The minimum Application size under the Cash Offers is $2,000 (which is equivalent to 8,000 Shares in aggregate).
Where can I find more information about this Prospectus or the Offers?	If you have any questions about this Prospectus or how to apply for Shares, please call the Share Registry on 1300 737 760 (if calling within Australia) or +61 2 9290 9600 (if calling from outside Australia) from 9.00am to 5.00pm (AEDT) Monday to Friday. If you are unclear or uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your lawyer, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest in Shares.

8.15. Broker Firm Offer

8.15.1. Who may apply

The Broker Firm Offer is open to clients of participating Brokers who have a registered address in Australia who received an invitation from a Broker to acquire Shares under this Prospectus and are not in the United States. You should contact your Broker to determine whether you can receive an allocation of Shares under the Broker Firm Offer.

8.15.2. How to apply

If you have received an invitation to apply for Shares from your Broker and wish to apply for those Shares under the Broker Firm Offer, you should contact your Broker for information about how to submit your Broker Firm Application Form and for payment instructions.

Applicants under the Broker Firm Offer must not send their Broker Firm Application Forms or payment to the Share Registry.

Applicants under the Broker Firm Offer should contact their Broker to request a copy of this Prospectus and Broker Firm Offer Application Form or download a copy at https://proptechgroup.ltd.

Your Broker will act as your agent and it is your Broker's responsibility to ensure that your Broker Firm Application Form and Application Monies are received before 5:00pm (AEDT) on the Closing Date or any earlier closing date as determined by your Broker.

Broker clients should complete and lodge their Broker Firm Offer Application Form with the Broker from whom they received their invitation to participate in the Broker Firm Offer. Broker Firm Offer Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the Broker Firm Offer Application Form.

By making an Application, you declare that you were given access to this Prospectus, together with a Broker Firm Offer Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

The Company, the Lead Manager, the Co-Manager and the Share Registry take no responsibility for any acts or omissions committed by your Broker in connection with your Application.

The Broker Firm Offer opens at 9:00am (AEDT) on 5 November 2020 and is expected to close at 5:00pm on 16 November 2020.

The Company and the Lead Manager may elect to close the Broker Firm Offer or any part of it early, extend the Broker Firm Offer or any part of it, or accept late Applications either generally or in particular cases. The Broker Firm Offer, or any part of it, may be closed at any earlier date and time, without further notice. Your Broker may also impose an earlier closing date. Applicants are therefore encouraged to submit their Applications as early as possible after the Offers open. Please contact your Broker for instructions.

8.15.3. Minimum or maximum Application size

The minimum Application size under the Broker Firm Offer is $2,000 of Shares in aggregate. There is no maximum Application size under the Broker Firm Offer, however the Company and the Lead Manager reserve the right not to accept Applications in the Broker Firm Offer that are from persons they believe may be Institutional Investors or reject or scale back any Applications (or aggregation of Applications) in the Broker Firm Offer at their discretion.

The Company may determine a person to be eligible to participate in the Broker Firm Offer and may amend or waive the Broker Firm Offer application procedures or requirements, in its discretion in compliance with applicable laws.

8.15.4. How to pay

Applicants under the Broker Firm Offer must pay their Application Monies to their Broker in accordance with instructions provided by your Broker.

8.15.5. Broker Firm Offer allocation policy

The allocation of Shares to Brokers will be determined by the Lead Manager, in agreement with the Company. Shares which are allocated to Brokers for allocation to their Australian retail resident clients will be issued to the Applicants nominated by those Brokers (subject to the right of the Company and the Lead Manager to reject, aggregate or scale back Applications). It will be a matter for each Broker as to how they allocate Shares among their clients, and they (and not the Company or the Lead Manager) will be responsible for ensuring that retail clients who have received an allocation from them receive the relevant Shares.

8.15.6. Application acceptance and Application Monies

Applicants in the Broker Firm Offer will be able to call the Share Registry on Share Registry on 1300 737 760 (if calling within Australia) or +61 2 9290 9600 (if calling from outside Australia) from 9.00am to 5.00pm (AEDT) Monday to Friday to confirm their allocation. Applicants under the Broker Firm Offer will also be able to confirm their allocation through the Broker from whom they received their allocation.

However, if you sell Shares before receiving a holding statement, you do so at your own risk, even if you obtained details of your holding from the Share Registry or confirmed your allocation through the Broker from whom you received your allocation.

8.16. Priority Offer

8.16.1. Who can apply

The Priority Offer is open to selected investors nominated by the Company in Australia and other eligible jurisdictions who have received a Priority Offer invitation to acquire Shares under the Prospectus.

The Priority Offer includes a priority offer to Existing Shareholders registered at the Priority Offer Record Date with a registered address in Australia. The Company will accept applications from these Existing Shareholders up to an aggregate amount of $1,600,000 in priority to the allocation of other Shares under the Cash Offers subject to the allocation policy set out in Section 8.16.5. Directors of the Company and their associated entities are not eligible to participate in the Priority Offer.

If you are a Priority Offer Applicant, you will receive a personalised invitation to apply for Shares in the Priority Offer. The Priority Offer is not open to persons who are in the United States.

8.16.2. How to apply

If you have received a personalised invitation to apply for Shares under the Priority Offer and you wish to apply for all or some of those Shares, you must apply in accordance with the instructions provided in your personalised invitation to apply.

Recipients of the Priority Offer invitation should read the separate offer letter and this Prospectus carefully and in their entirety before deciding whether to apply under the Priority Offer. If you are unclear in relation to any matter or are uncertain as to whether Shares are a suitable investment for you, you should seek professional guidance from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest.

To apply under the Priority Offer, you must complete the online Priority Offer Application Form in accordance with the instructions provided in your Priority Offer invitation and on the website containing the Application Form.

By making an Application, you declare that you were given access to this Prospectus, together with an Application Form.

The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

Applications must be received by the date that is stated in the personalised Priority Offer Application Form and it is your responsibility to ensure that this occurs.

8.16.3. Minimum or maximum Application size

Applications under the Priority Offer must be for a minimum of $2,000 worth of Shares in aggregate. There is no maximum Application size however the Company reserves the right to scale back Applications.

8.16.4. How to pay

Applicants under the Priority Offer must pay their Application Monies by BPAY® in accordance with the instructions on the personalised Priority Offer Application Form.

For online Applications, Applicants can apply online with payment made electronically via BPAY®. Investors applying online will be directed to use an online Application Form at https://proptechgroup.ltd/offer and make payment by BPAY®. Applicants will be given a BPAY® biller code and a customer reference number (CRN) unique to the online Application once the online Application Form has been completed.

BPAY® payments must be made from an Australian dollar account of an Australian institution.

When completing your BPAY® payment, please make sure to use the specific biller code and unique CRN provided to you or generated by the online Application Form. Application Monies paid via BPAY® must be received by the Share Registry by the date that is stated in the personalised Priority Offer Application Form and it is your responsibility to ensure that this occurs. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. Neither the Company nor the Lead Manager take any responsibility for any failure to receive Application Monies or payment by BPAY® before the Priority Offer closes arising as a result of, among other things, delays in processing of payments by financial institutions.

8.16.5. What is the Priority Offer allocation policy

The allocation of Shares among Applicants in the Priority Offer will be determined by the Company, in consultation with the Lead Manager. There is no assurance that any Applicant will be allocated any Shares, or the number of Shares for which the Applicant applied.

As set out above, the Priority Offer includes a priority to Existing Shareholders registered at the Priority Offer Record Date with a registered address in Australia and selected investors in other eligible jurisdictions. There is no guaranteed allocation of Shares under the Priority Offer however those persons who are registered as Existing Shareholders on the Priority Offer Record Date will have priority to subscribe for Shares under the Priority Offer up to an aggregate amount of $1,600,000 in priority to the allocation of other Shares under the Cash Offers subject to the following considerations:

- the overall level of demand under the Retail Offers;
- the Company's desire to establish a wide spread of Shareholders;
- the desire for an informed and active market for trading Shares following Completion of the Offers.

The Directors reserve the right to reject any application or to allocate to an applicant fewer Shares than the number applied for. The Company's decision on the number of Shares to be allocated to an applicant under the Priority Offer will be final.

8.16.6. How do I confirm my allocation

Applicants in the Priority Offer will be able to call the Share Registry on Share Registry on 1300 737 760 (if calling within Australia) or +61 2 9290 9600 (if calling from outside Australia) from 9.00am to 5.00pm (AEDT) Monday to Friday to confirm their allocation.

However, if you sell Shares before receiving a holding statement, you do so at your own risk, even if you obtained details of your holding from the Share Registry.

8.17. Acceptance of Applications under the Retail Offers

An Application in the Broker Firm Offer or Priority Offer is an offer by you to the Company to apply for Shares in the dollar amount specified in the Application Form at the Cash Offer Price on the terms and conditions set out in this Prospectus (including any supplementary or replacement prospectus) and the Application Form. To the extent permitted by law, an Application by an Applicant may not be varied and is irrevocable.

An Application may be accepted by the Company in respect of the full number of Shares specified in the Application Form or some only (or the dollar value equivalent) without further notice to the Applicant. The Company reserves the right to decline any Application if it believes any provisions or procedures in this Prospectus, the Application Form or other laws or regulations may not be complied with in relation to the Application.

The Company and the Lead Manager reserve the right to reject any Application which is not correctly completed or which is submitted by a person whom they believe is ineligible to participate in the Retail Offers, or to waive or correct any errors made by the Applicant in completing their Application.

Successful Applicants in the Retail Offers will be issued Shares at the Cash Offer Price. Acceptance of an Application will give rise to a binding contract, conditional on settlement and quotation of Shares on ASX on an unconditional basis.

8.18. Application Monies

The Company reserves the right to decline any Application in whole or in part, without giving any reason. Application Monies received under the Broker Firm Offer or the Priority Offer will be held in a special purpose account until Shares are issued to Successful Applicants. Applicants under the Broker Firm Offer and Priority Offer whose Applications are not accepted, or who are allocated a lesser number of Shares than the amount applied for, will receive a refund of all or part of their Application Monies, as applicable.

Interest will not be paid on any monies refunded.

Applicants whose Applications are accepted in full will receive the whole number of Shares calculated by dividing the Application Monies by the Cash Offer Price. Where the Cash Offer Price does not divide evenly into the Application Monies, the number of Shares to be allocated will be rounded down. No refunds pursuant solely to rounding will be provided.

Interest will not be paid on any monies refunded and any interest earned on Application Monies pending the allocation or refund will be retained by the Company.

You should ensure that sufficient funds are held in the relevant account(s) to cover the amount of your cheque(s), bank draft(s) or BPAY® payment. If the amount of your cheque(s), bank draft(s) or BPAY® payment for Application Monies (or the amount for which those cheque(s) or bank draft(s) clear in time for allocation) is less than the amount specified on the Application Form, you may be taken to have applied for such lower dollar amount of Shares or your Application may be rejected.

8.19. Institutional Offer

8.19.1. Invitations to bid

The Institutional Offer consists of an invitation to certain Institutional Investors in Australia and a number of other eligible jurisdictions to apply for an allocation of Shares under this Prospectus. The Lead Manager separately advises Institutional Investors of the Application procedures for the Institutional Offer. Offers and acceptances in the Institutional Offer are made under this Prospectus and are at the Cash Offer Price per Share.

8.19.2. Allocation policy Under the Institutional Offer

The allocation of Shares among Applicants in the Institutional Offer will be determined by the Lead Manager by agreement with the Company.

Participants in the Institutional Offer have been, or will be, advised of their allocation of Shares, if any, by the Lead Manager. The allocation policy is influenced, but not constrained, by the following factors:

- number of Shares bid for by particular Applicants;
- the timeliness of the bid by particular Applicants;
- the Company's desire for an informed and active trading market following Completion of the Offers;
- the Company's desire to establish a wide spread of institutional Shareholders;
- overall anticipated level of demand under the Broker Firm Offer and Institutional Offer;
- the size and type of funds under management of particular Applicants;
- the likelihood that particular Applicants will be long-term Shareholders; and
- other factors that the Company and the Lead Manager considered appropriate.

8.20. Ancillary Offers

8.20.1. RECRM Consideration Offer

This Prospectus also includes an offer of the Consideration Shares to be issued to the RECRM Sellers pursuant to the Implementation Deed in consideration for the acquisition by the Company of the entire issued share capital of Real Estate CRM. The material terms and conditions of the Implementation Deed are summarised in Section 9.3.

The terms of the Consideration Shares offered under the RECRM Consideration Offer are summarised in Section 9.3.

The Consideration Shares will be issued pro-rata to each of the RECRM Sellers in accordance with their shareholding in Real Estate CRM. No Application Moneys are payable under the RECRM Consideration Offer.

Application for quotation of the Consideration Shares issued under the RECRM Consideration Offer (those that are not Restricted Securities) will be made to the ASX no later than 7 days after the date of this Prospectus.

Only the RECRM Sellers may accept the RECRM Consideration Offer. A personalised RECRM Consideration Offer Application Form in relation to the RECRM Consideration Offer will be issued to the RECRM Sellers together with a copy of this Prospectus.

The Consideration Shares will all subject to escrow under the ASX Listing Rules. Please refer to Section 11.5 for a summary of the likely escrow position.

All Consideration Shares issued under the Prospectus will be fully paid and will rank equally with all other Shares then currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 8.26.

8.20.2. Conversion Offer

This Prospectus also includes an offer to the Conversion Participants for the issue of New Shares pursuant to the Conversion Offer.

No Application Moneys are payable under the RECRM Consideration Offer

Only the Conversion Participants may accept the Conversion Offer. A personalised Application Form in relation to the Conversion Offer will be issued to the Conversion Participants together with a copy of this Prospectus.

All Shares issued under the Conversion Offer will be fully paid and will rank equally with all other Shares then currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 8.26.

8.21. Acknowledgements

Each Applicant under each of the Offers will be deemed to have:

- agreed to become a member of the Company and to be bound by the terms of the Constitution and the terms and conditions of the Offers;
- acknowledged having personally received a printed or electronic copy of this Prospectus (and any supplementary or replacement prospectus) including or accompanied by the Application Form and having read them all in full;
- declared that all details and statements in their Application Form are complete and accurate;
- declared that the Applicant(s), if a natural person, is/are over 18 years of age;
- acknowledged that, once the Company or a Broker receives an Application Form, it may not be withdrawn;
- applied for the number of Shares at the AUD amount shown on the front of the Application Form;
- agreed to being allocated and issued the number of Shares applied for (or a lower number allocated in a way described in this Prospectus), or no Shares at all;
- authorised the Company and the Lead Manager and their respective officers or agents, to do anything on behalf of the Applicant(s) necessary for Shares to be allocated to the Applicant(s), including to act on instructions received by the Share Registry upon using the contact details in the Application Form;
- acknowledged that the Company may not pay dividends, or that any dividends paid may not be franked;
- acknowledged that the information contained in this Prospectus (or any supplementary or replacement prospectus) is not financial product advice or a recommendation that Shares are suitable for the Applicant(s), given the investment objectives, financial situation or particular needs (including financial and taxation issues) of the Applicant(s);
- declared that the Applicant(s) is/are a resident of Australia (except as applicable to the Institutional Offer;
- acknowledged and agreed that the Offers may be withdrawn by the Company and or may otherwise not proceed in the circumstances described in this Prospectus; and
- acknowledged and agreed that if Re-compliance does not occur for any reason, the Offers will not proceed.

Each Applicant in the Broker Firm Offer, the Priority Offer, and each person to whom the Institutional Offer has been made under this Prospectus, will be taken to have represented, warranted and agreed as follows:

- it understands that the Shares have not been, and will not be, registered under the US Securities Act or the securities laws in accordance with the US Securities Act registration requirements or of any state of the United States and may not be offered, sold or resold, pledged or transferred in the United States, except in accordance with the US Securities Act regulation requirements or in a transaction exempt from, or not subject to, registration under the US Securities Act and any other applicable state securities laws;
- it is not in the United States;
- it has not sent and will not send this Prospectus or any other material relating to the Offers to any person in the United States;
- it is purchasing the Shares in an offshore transaction meeting the requirements of Regulation S; and
- it will not offer or sell the Shares in the United States or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration requirements of the US Securities Act and in compliance with all applicable laws in the jurisdiction in which Shares are offered and sold.

8.22. Ownership Restrictions

The sale and purchase of Shares in the Company is regulated by Australian laws that restrict the level of ownership or control by any one person (either alone or in combination with others). This Section 8.22 contains a general description of these laws.

8.22.1. Corporations Act

The takeover provisions in Chapter 6 of the Corporations Act restrict acquisitions of shares in listed companies, and unlisted companies with more than 50 members, if the acquirer's (or another party's) voting power would increase to above 20%, or would increase from a starting point that is above 20% and below 90%, unless certain exceptions apply.

The Corporations Act also imposes notification requirements on persons having voting power of 5% or more in the Company.

8.22.2. Foreign Acquisitions and Takeovers Act

Generally, the Foreign Acquisitions and Takeovers Act 1975 (Cth) (FATA) applies to acquisitions of shares and voting power in a company of 20% or more by a single foreign person and its associates (substantial interest), or 40% or more by two or more unassociated foreign persons and their associates (aggregate substantial interest). Where an acquisition of a substantial interest meets certain criteria, the acquisition may not occur unless notice of it has been given to the Federal Treasurer and the Federal Treasurer has either stated that there is no objection to the proposed acquisition in terms of the Australian Federal Government's Foreign Investment Policy or a statutory period has expired without the Federal Treasurer objecting. An acquisition of a substantial interest or an aggregate substantial interest meeting certain criteria may also lead to divestment orders unless a process of notification, and either a statement of non-objection or expiry of a statutory period without objection, has occurred.

On 29 March 2020, significant changes to Australia's foreign investment approval regime were announced to address risks arising from the COVID-19 pandemic. The changes substantially expand the scope of transactions requiring approval and significantly lengthen the review periods for applications. The changes have been implemented via amendments to regulations that were released on 17 April 2020 (but which take effect from 29 March 2020) and through administrative means.

The key changes are that:

- Effective from 29 March 2020, all monetary screening thresholds under the FATA have been reduced to $0. This applies to all foreign persons subject to the FATA; and
- FIRB review periods for new and existing applications under the FATA have been extended to up to 6 months.

8.23. Selling restrictions

No action has been taken to register or qualify this Prospectus, the Shares or the Offers or otherwise to permit a public offering of the Shares in any jurisdiction outside Australia. The Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (US Securities Act) or the securities laws of any state or other jurisdiction in the United States and may not be offered, sold, pledged or transferred in the United States except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act laws and any other applicable laws.

This Prospectus may only be distributed in Australia and, outside Australia, to persons to whom the Offers may be lawfully made in accordance with the laws of the applicable jurisdiction, provided that this Prospectus may not be distributed in the United States.

The Offers are not an offer or invitation in any jurisdiction where, or to any person to whom, such an offer or invitation would be unlawful.

Each Applicant will be taken to have represented, warranted and agreed as follows:

- it understands that the Shares have not been, and will not be, registered under the US Securities Act and may not be offered, sold or resold in the United States, except in a transaction exempt from, or not subject to, registration under the US Securities Act and any other applicable securities laws;
- it is not in the United States;
- it has not and will not send this Prospectus or any other material relating to the Offers to any person in the United States; and
- it will not offer or sell the Shares in the United States or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration under the US Securities Act and in compliance with all applicable laws in the jurisdiction in which the Shares are offered and sold.

Each Applicant under the Institutional Offer will be required to make certain representations, warranties and covenants set out in the confirmation of allocation letter distributed to it.

8.24. Discretion regarding the Offers

The Company reserves the right not to proceed with the Offers at any time before the issue of Shares to successful Applicants. If the Offers do not proceed, Application Monies will be refunded. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offers.

The Company and the Lead Manager also reserve the right to close the Offers or any part of them early, extend the Offers or any part of them, accept late Applications or bids either generally or in particular cases, reject any Application or bid, or allocate to any Applicant or bidder fewer Shares than applied or bid for.

8.25. ASX Listing, registers and holding statements

8.25.1. Application to the ASX for Re-compliance and Quotation of Shares

The Company will apply for readmission to the official list of the ASX and quotation of the Shares on the ASX within seven days of the Prospectus Date. The Company's ASX code is expected to be PTG.

ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that the ASX may readmit the Company to the official list is not to be taken as an indication of the merits of the Company or the Shares offered for issue.

If the Company does not make such an application within seven days after the date of this Prospectus, or permission is not granted for the official quotation of the Shares on the ASX on terms acceptable to the Company within three months after the Prospectus Date (or any later date permitted by law), all Application Monies received by the Company will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

The Company will be required to comply with the ASX Listing Rules, subject to any waivers obtained by the Company from time to time.

8.25.2. CHESS and Issuer Sponsored Holdings

The Company will apply to participate in the ASX's Clearing House Electronic Subregister System (CHESS) and will comply with the ASX Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on the ASX under which transfers are made effective in an electronic form.

When the Shares become approved financial products (as defined in the ASX Settlement Operating Rules), holdings will be registered in one of two subregisters, being an electronic CHESS subregister or an issuer sponsored subregister.

For all successful Applicants, the Shares of a Shareholder who is a participant in CHESS or a Shareholder sponsored by a participant in CHESS will be registered on the CHESS subregister. All other Shares will be registered on the issuer sponsored subregister.

Following Completion of the Offers, Shareholders will be sent a holding statement that sets out the number of Shares that have been allocated to them. This statement will also provide details of a Shareholder's Holder Identification Number (HIN) for CHESS holders or, where applicable, the Securityholder Reference Number (SRN) of issuer sponsored holders. Shareholders will subsequently receive statements showing any changes to their Shareholding. Certificates will not be issued.

Shareholders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under the ASX Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the Shareholder's sponsoring broker in the case of a holding on the CHESS subregister or through the Share Registry in the case of a holding on the issuer sponsored subregister. the Company and the Share Registry may charge a fee for these additional issuer sponsored statements.

8.25.3. Trading and selling Shares on market

It is the responsibility of each person who trades in Shares to confirm their holding before trading in Shares. If you sell Shares before receiving a holding statement, you do so at your own risk. The Company, the Share Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, if you sell Shares before receiving your holding statement, even if you obtained details of your holding from your firm allocation through a Broker.

Shares are expected to commence trading on the ASX on or about 24 November 2020.

8.26. Constitution and rights attaching to the Shares

8.26.1. Introduction

The rights and liabilities attaching to ownership of Shares arise from a combination of the Constitution, statute, the ASX Listing Rules and general law.

A summary of the significant rights, liabilities and obligations attaching to the Shares and a description of other material provisions of the Constitution are set out below. This summary is not exhaustive, nor does it constitute a definitive statement of the rights and liabilities of Shareholders. The summary assumes that the Company is admitted to the official list of the ASX.

8.26.2. Voting at a General Meeting

At a general meeting of the Company, every Shareholder present in person or by proxy, representative or attorney has one vote on a show of hands and, on a poll, one vote for each Share held. If the votes are equal on a proposed resolution, the chairperson of the meeting has a casting vote, in addition to any deliberative vote.

8.26.3. Meetings of Shareholders

Each Shareholder is entitled to receive notice of, attend and vote at general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, Corporations Act and Listing Rules. The Company must give at least 28 days' written notice of a general meeting.

8.26.4. Dividends

The Board may pay any interim and final dividends that, in its judgement, the financial position of the Company justifies. The Board may also pay any dividend required to be paid under the terms of issue of a Share and fix a record date for a dividend and the timing and method of payment.

8.26.5. Transfer of Shares

Subject to the Constitution and to any restrictions attached to a Shareholder's Share, Shares may be transferred in accordance with the ASX Settlement Operating Rules, Corporations Regulations and ASX Listing Rules or by a written transfer in any usual form or in any other form approved by the

Board and permitted by the relevant laws and ASX requirements. The Board may decline to register a transfer of Shares or apply a holding lock to prevent a transfer in accordance with the Corporations Act or the ASX Listing Rules.

8.26.6. Issue of further Shares

The Board may, subject to the Constitution, Corporations Act and the ASX Listing Rules issue, allot or grant options for, or otherwise dispose of, Shares in the Company on such terms as the Board decides.

8.26.7. Winding Up

If the Company is wound up, then subject to the Constitution, the Corporations Act and any rights or restrictions attached to any Shares or classes of shares, Shareholders will be entitled to a share in any surplus property of the Company in proportion to the number of Shares held by them.

If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders the whole or part of the Company's property and decide how the division is to be carried out as between Shareholders or different classes of shareholders.

8.26.8. Non-Marketable Parcels

In accordance with the ASX Listing Rules, the Board may sell Shares that constitute less than a marketable parcel by following the procedures set out in the Constitution. An unmarketable parcel of shares is defined in the ASX Listing Rules and is generally, a holding of shares with a market value of less than $500.

8.26.9. Proportional Takeover provisions

The Constitution contains provisions requiring Shareholder approval in relation to any proportional takeover bid. These provisions will cease to apply unless renewed by Shareholders passing a special resolution by the third anniversary of either the date those rules were adopted or the date those rules were last renewed.

8.26.10. Variation of class rights

The procedure set out in the Constitution must be followed for any variation of rights attached to the Shares. Under that section, and subject to the Corporations Act and the terms of issue of a class of shares, the rights attached to any class of Shares may be varied:

- with the consent in writing of the holders of 75% of the issued shares included in that class; or
- by a special resolution passed at a separate meeting of the holders of those shares.

8.26.11. Directors – appointment and removal

Under the Constitution, the Board consists of a minimum of three Directors and a maximum of ten Directors, unless the Shareholders pass a resolution varying that number at a general meeting. Directors are elected or re-elected at annual general meetings of the Company.

No Director (excluding the Chief Executive Officer) may hold office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected. The Board may also appoint any eligible person to be a Director either to fill a casual vacancy on the Board or as an addition to the existing Directors, who will then hold office until the conclusion of the next annual general meeting of the Company following their appointment.

8.26.12. Directors – voting

Questions arising at a meeting of the Board must be decided by a majority of votes of the Directors present at the meeting and entitled to vote on the matter. In the case of an equality of votes on a resolution, the chairperson of the meeting has a casting vote in addition to his or her deliberative vote, unless there are only two Directors present or entitled to vote in which case the chairperson of the meeting does not have a second or casting vote and the proposed resolution is taken as lost.

8.26.13. Directors – remuneration

Under the Constitution, the Board may decide the remuneration from the Company to which each Director is entitled for his or her services as a Director. However, the total aggregate amount provided to all Directors for their services as Directors must not exceed in any financial year the amount fixed by the Company in general meeting. The remuneration of a Director must not include a commission on, or a percentage of, profits or operating revenue. The current maximum aggregate sum of Non-Executive Director remuneration is set out in Section 7.3.6. Any change to that maximum aggregate amount needs to be approved by Shareholders.

Directors may be paid for all travelling and other expenses the Directors incur in attending to the Company's affairs, including attending and returning from general meetings of the Company or meetings of the Board or of committees of the Board. Any Director who performs extra services which, in the opinion of the Board, are outside the scope of ordinary duties of a Director, may be remunerated for the services (as determined by the Board) out of the funds of the Company.

Directors' remuneration is discussed in Section 7.3.6.

8.26.14. Powers and duties of Directors

The business and affairs of the Company are to be managed by or under the direction of the Board, which (in addition to the powers and authorities conferred on it by the Constitution) may exercise all powers and do all things that are within the Company's power and the powers that are not required by law or by the Constitution to be exercised by the Company in general meeting.

8.26.15. Preference Shares

The Company may issue preference Shares including preference Shares which are, or at the option of the Company or holder are, liable to be redeemed or convertible to ordinary shares. The rights attaching to preference Shares are those set out in the Constitution unless other rights have been approved by special resolution of the Company.

8.26.16. Indemnities

The Company, to the extent permitted by law, indemnifies each Director and executive officer of the Company on a full indemnity basis against all losses, liability, costs, charges and expenses incurred by that person as an officer of the Company or of a related body corporate.

The Company may, to the extent permitted by law, purchase and maintain insurance or pay, or agree to pay, a premium for a contract insuring each Director and executive officer of the Company against any liability incurred by that person as an officer of the Company or of a related body corporate, including for negligence or for reasonable costs and expenses incurred by that person in defending or responding to proceedings (whether civil or criminal and whatever the outcome).

8.26.17. Access to records

The Company may enter into contracts with a Director or former Directors agreeing to provide continuing access for a specified period after the Director ceases to be a Director to Board papers, books, records and documents of the Company which relate to the period during which the Director or former Director was a Director. The Company may procure that its subsidiaries provide similar access to board papers, books, records or documents.

8.26.18. Amendment

The Constitution can only be amended by special resolution passed by at least three-quarters of Shareholders present (in person or by proxy) and entitled to vote on the resolution at a general meeting of the Company.

9

MATERIAL CONTRACTS

The Directors consider that certain contracts are material to the Company or are of such a nature that an investor may wish to have particulars of them when making an assessment of whether to apply for Shares under the Offers.

Each of the Company and Real Estate CRM have entered into various agreements which the Board considers to be material and relevant to potential investors in the Company. The provisions of such material contracts are summarised in this Section.

9.1. Offer Management Agreement

9.1.1. Overview

The Company and the Lead Manager signed the Offer Management Agreement on or about the date of this Prospectus. Under the Offer Management Agreement, the Company appointed Ord Minnett Limited as Lead Manager to the Cash Offers. The following is a summary of the principal provisions of the Offer Management Agreement.

Under the Offer Management the Lead Manager has agreed to manage the Cash Offers and to provide settlement support for the settlement obligations of successful Applicants and bidders under the Broker Firm Offer and Institutional Offer.

9.1.2. Fees and Costs

The Lead Manager will be paid a management fee of 2% (plus GST) plus a selling fee of 4% (plus GST) of the total proceeds raised under the Cash Offers. The estimated aggregate fees payable by the Company to the Lead Manager under the Offer Management Agreement are therefore approximately $636,000 (exclusive of GST).

In addition, the Company must pay or reimburse the Lead Manager for reasonable expenses, including legal and travel costs.

The Lead Manager may terminate its obligations under the Offer Management Agreement prior to the settlement date of the Offers (as defined in the Offer Management Agreement) on the occurrence of a number of customary termination events, including (among others):

- (**failure of a condition precedent**) any of the condition's precedent to the Lead Managers' obligations under the Offer Management Agreement are not satisfied. The Offer Management Agreement contains typical conditions precedent for an agreement of this kind, including lodgement of the Prospectus by a certain time and delivery of certain signoffs and documents in connection with the due diligence process undertaken in connection with the Offers;
- (**insolvency**) the insolvency of the Company;
- (**prosecution**) any of the following occurs:
  - a Director of the Company is charged with an indictable offence;
  - any Government Agency commences any public action against the Company or any of its Directors in their capacities as directors of the Company or announces that it intends to take such action; or
  - any Director of the Company is disqualified from managing a corporation under Part 2D.6 of the Corporations Act;
- (**disclosures**) disclosures in certain Offer documents (including the Prospectus) containing omissions of material required by applicable law to be included or containing a statement that is misleading or deceptive or likely to mislead or deceive in a material respect (whether by omission or otherwise);
- (**supplementary prospectus**) the Company lodging a supplementary prospectus (without the prior approval of the Lead Manager (acting reasonably)) or in the reasonable opinion of the Lead Manager (acting reasonably), the Company being required to lodge a supplementary prospectus under section 719 of the Corporations Act;
- (**withdrawal of consent**) any person who has provided their consent to the issue of this Prospectus or who has previously consented to the issue of this Prospectus withdraws such consent, or any person gives a notice under section 733(3) of the Corporations Act or any person who has previously consented to the inclusion of their name or any statement in this Prospectus withdraws that consent;
- (**section 730 notice**) a person gives a notice to the Issuer under section 730 of the Corporations Act;
- (**ASX listing approvals and conditional trading**) approval is refused or not granted to the official quotation of the Shares or, if granted, the approval is subsequently withdrawn, qualified or withheld, or ASX makes an official statement to any person or indicates to the Company or the Lead Manager that official quotation of the Shares will not be granted;
- (**ASIC Investigation**) any of the following notifications are made:
  - an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the Offers or the Offer materials; or
  - ASIC commences any investigation or hearing under Part 3 of the Australian Securities and Investments Commission Act 2001 (Cth) in relation to the Offers or Offer documents;

The Lead Manager may terminate its obligations under the Offer Management Agreement if in the reasonable opinion of that the Lead Manager an event has had or is likely to have a material adverse effect on the success or settlement of the Offers or on the ability of the Lead Manager to settle the Offers. These events include:

- (**public information**) a statement contained in any public information released by the Company in the period from 1 July 2020 until completion of the Offers is or becomes misleading or deceptive or likely to mislead or deceive (whether by omission or otherwise);
- (**breach**) the Company fails to perform one or more of its obligations under the Offer Management Agreement, or a representation or warranty made or given by the Company under the Offer Management Agreement proves to be, or has been, or becomes, untrue, incorrect or misleading and does not remedy the breach within 11 Business Days' after being given notice to do so;
- (**Index fall**) the S&P/ASX 200 Index closes on any three consecutive ASX trading days at a level that is more than 10% below the level of that index at the close of normal trading on the trading day prior to signing the Offer Management Agreement;
- (**change of law**) there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia, any State or Territory of Australia (as applicable) a new law; or a Government Agency, the Reserve Bank of Australia or any Minister of a Federal, State or Territory Government of Australia (as applicable) or any Federal or State authority of Australia or New Zealand adopts or announces a proposal to adopt a new policy; and
- (**timetable**) an event specified in the timetable set out in the Offer Management Agreement up to and including the settlement date is delayed by more than five business days (without the prior written approval of the Lead Manager).

Please note that the above is not an exhaustive list of the termination events in the Offer Management Agreement.

9.1.3. Effect of termination of the Offer Management Agreement

If a the Lead Manager terminates its obligations under the Offer Management Agreement, the Lead Manager will be relieved of all further obligations under the Offer Management from the time of termination and will be entitled to payment and reimbursement of expenses (if any).

9.1.4. Representations, warranties and undertakings

The Company gives various representations, warranties and undertakings to the Lead Manager which are standard for offers of this kind, including that the documents issued or published by or on behalf of the Company in respect of the Offers are to comply with all applicable laws. These representations, warranties and undertakings relate to matters such as the conduct of the parties, the conduct and outcome of the due diligence process, information provided to the Lead Manager, financial information, licences, compliance with the Listing Rules and laws, information contained in this Prospectus and the conduct of the Offers.

With the exception of the Shares issued under the Offers and certain other limited exceptions, the Company has also agreed that it will not, without the Lead Manager' prior written consent (which must not be unreasonably withheld or delayed), allot or agree to allot or indicate that it may or will allot, any Shares of the Company or any group member, or reduce reorganise or otherwise alter or restructure its capital structure at any time after the date of the Offer Management Agreement. The Company has also undertaken to conduct its business in the ordinary course and not dispose of, or grant security over, all or any material part of its business, property or securities (and to procure its group members to conduct their business and not dispose of, or grant security over, all or any material part of its business, property or securities), except as disclosed in public information or as disclosed in writing to the Lead Manager before the date of the Offer Management Agreement.

9.1.5. Indemnity

Under the Offer Management Agreement, the Company has agreed to indemnify the Lead Manager, its affiliates and related bodies corporate, and the officers, directors and employees of the Lead Manager and their affiliates and related bodies corporate against all claims, demands, damages, losses, costs, charges, expenses and liabilities incurred by them in connection with the Offers (subject to limited exclusions).

9.2. Co-Manager Mandate

The Company and the Co-Manager have entered into a mandate agreement (as amended) dated 21 August 2020, pursuant to which the Company has appointed the Co-Manager to act as the co-manager of the Cash Offers and to allocate Shares by agreement with the Company. The following is a summary of the principal provisions of the Co-Manager Mandate.

9.2.1. Fees

Within 5 Business Days of Completion of the Offers, the Lead Manager must pay the Co-Manager a fixed fee of $37,500 (plus GST).

9.2.2. Termination

The Co-Manager Mandate will continue until the date that is 6 months after completion of the IPO, unless terminated earlier.

The Company may terminate the Co-Manager Mandate if it decides not to proceed with the Offers or the Co-Manager commits a material breach of the

Co-Manager Mandate which is not remedied within 5 Business Days. The Co-Manager may terminate the Co-Manager Mandate if the Company commits a material breach of the Co-Manager Mandate which is not remedied within 5 Business Days The termination will take effect upon receipt by the other party of the written notice.

In the event of expiry or termination, the Co-Manager will only be entitled to receive payment in full of any fees that have accrued or been incurred which have not yet been invoiced or paid.

9.2.3. Representations, warranties and undertakings

The Co-Manager Mandate contains warranties, representations and undertakings standard for an agreement of this nature.

The representations and warranties relate to matters such as disclosures and accuracy of information, compliance with applicable laws (including the ASX Listing Rules), documents to be prepared and due diligence investigations in connection with the Offers, approvals, validity of issued securities and conduct.

9.2.4. Indemnity

The Company agrees to keep the Co-Manager and certain of its affiliated parties indemnified from losses suffered in connection with the Offers, subject to customary exclusions (including negligence, recklessness, misconduct, wilful default or fraud).

9.3. Implementation Deed

In accordance with the Implementation Deed, the Company will make offers to each of the Shareholders in Real Estate CRM to acquire 100% of the issued share capital of Real Estate CRM. The terms of the Implementation Deed are outlined in Table 9.1.

Table 9.1: Key Terms of the Implementation Deed

Parties:	The Company and Real Estate CRM
Acquisition:	The entire issued share capital of Real Estate CRM
Consideration:	64,900,048 Consideration Shares (on a post-Consolidation basis) to be issued pro-rata to each of the RECRM Sellers based on their existing proportionate shareholdings based on a share exchange ratio: ■ an agreed valuation of $3,500,000 for the Company; and ■ an agreed valuation of Real Estate CRM of $16,225,012 (being $10,000,000 for Vault plus $5,975,000 (being the amount of equity subscribed for by investors in Real Estate CRM Pty Ltd) plus a further $250,000 (being 250,000 shares issued at a deemed issue price of $1.00 each in payment of accounting and corporate advisory services rendered to Real Estate CRM in connection with the Vault Acquisition and the MyDesktop Acquisition). As between the Company and the RECRM Sellers only, no additional value was ascribed to the MyDesktop Acquisition (i.e. the benefit of the MyDesktop Acquisition will accrue to the RECRM Sellers and Existing Shareholders pro rata based on the respective agreed valuation for the Company and Real Estate CRM. Based on the agreed valuation metrics above the Company will issue four Consideration Shares for each ordinary share on issue in the capital of RECRM at a deemed valuation for each Consideration Share equal to the Cash Offer Price. The Consideration Shares to be issued to the RECRM Sellers are on the same terms and rank equally with the Company's quoted ordinary Shares. Escrow restrictions in accordance with Chapter 9 of the ASX Listing Rules will apply to all the Consideration Shares. See Section 11.5 for details of the escrow restrictions that apply to the Consideration Shares.

Conditions Precedent:	The RECRM Acquisition is conditional upon, and subject to, a number of conditions. Other than those that have already been satisfied, the outstanding material conditions precedent include: ■ Share Sale Agreements: Each Real Estate CRM shareholder agreeing and being bound to sell their Real Estate CRM Shares to the Company pursuant to the terms of the Real Estate CRM Offer; ■ Compliance with ASX Listing Rules and the Corporations Act: The Company receiving all necessary or desirable regulatory approvals to effect the RECRM Acquisition as required under the Corporations Act and the ASX Listing Rules, with the key these include: ○ **Re-compliance with ASX Listing Rules Chapters 1 and 2**: The Company receives from the ASX written conditional approval that the ASX will re-admit the Company to the Official List of the ASX subject to the terms and conditions as are prescribed by the ASX and the ASX Listing Rules; ○ **Regulatory Approvals**: The Company receives any necessary regulatory and other consents and approvals (including shareholder approvals) necessary to effect the Transaction (including those required under the Act, the Listing Rules or required by ASIC or ASX policy) and where conditions are imposed by the ASX or ASIC, they are reasonably acceptable to the Company; ○ **Capital Raising**: Completion of the Capital Raising; and ○ **Other Conditions**: Other customary conditions usual for a transaction of this nature.
Proposed Director	The appointment of Mr. Scott Wulff as an Executive Director of the Company, with effect from completion of the RECRM Acquisition. The appointment of Mr Wulff was approved by shareholders at the General Meeting. A summary of the background and experience of Mr. Scott Wulff is set out in Section 7.1.5 above.
Representations and Warranties	The Implementation Deed included representations and warranties from each of the parties that are standard for an agreement of this nature.
Share Sale Agreements	Pursuant to the Implementation Deed and the Prospectus, the Company has made offers to each the shareholders in Real Estate CRM to acquire all of their shares in Real Estate CRM in exchange for the issue of New Shares in the Company, based on the share exchange ratio discussed above. The terms and conditions of each offer will be consistent with the terms of the Implementation Deed and completion of the sale and purchase of each offer is subject on completion occurring under the Implementation Deed as well as the Company receiving acceptances from all Real Estate CRM shareholders.
RECRM Sellers	The RECRM Sellers include the founders of VaultRE and a number of professional and sophisticated investors who invested in the Vault Group business prior to its acquisition by Real Estate CRM. The RECRM Sellers also include Directors, Simon Baker, Joe Hanna and Sam Plowman together with a number of professional and sophisticated investors who subscribed for shares in Real Estate CRM in order to fund the initial cash consideration paid by Real Estate CRM to Domain under the MyDesktop Acquisition (see Section 9.4) and initial working capital requirements.

9.4. Summary of terms of MyDesktop Acquisition

Table 9.2: Key terms of the MyDesktop Acquisition

Parties:	Real Estate CRM and Domain Holdings Australia Limited.
Status:	Completed on 13 March 2020.
Acquisition:	Acquisition by Real Estate CRM of the entire issued share capital of Commerce Australia Pty Ltd (Trading as MyDesktop).
Consideration:	Total consideration of up to maximum $14,000,000 cash payable as follows: **Paid on Completion:** Cash payment of $5,000,000 paid on completion (with minor subsequent adjustments for working capital and other operational and billing adjustments). This has already been paid. **Deferred and Contingent Consideration:** UNCONDITIONAL DEFERRED PURCHASE PRICE: $2,000,000 cash due March 2021. CONTINGENT CONSIDERATION: Up to $4,000,000 cash on or around 31 January 2021 conditional upon the ongoing retention of an agreed customer base between the date of completion and contingent payment date. The total amount payable is determined by a sliding scale based on the customer retention percentage. No payment is due if retention is below 65%, with the total amount becoming payable if retention is 85% or above. Up to $3,000,000 cash on or around 30 September 2021 conditional upon the retention of a key customer licensing MyDesktop via a current global enterprise agreement. The qualification for this hurdle requires that customer extend the contract (migrating to VaultRE) for a minimum term of 2 years beyond the current contract expiry date of 1 July 2021. The total amount payable is tied to the extension for each country (note that Australia accounts for over 80%).
Warranties and Disclosures	Warranties and indemnities from DHG including detailed warranties as to the MyDesktop business and operations. The warranties are subject to typical qualifications including qualifications as to disclosed matters.

9.5. Summary of terms of the Vault Acquisition

Table 9.3: Key Terms of the Vault Acquisition

Parties:	Real Estate CRM and Vault Group Pty Ltd.
Status:	Completed on 13 March 2020.
Acquisition:	The entire issued share capital of Vault Group.
Consideration:	The issue of 10,000,000 ordinary fully paid shares in the capital of Real Estate CRM to the shareholders in Vault Group in consideration for the acquisition of all the issued capital of Real Estate CRM.
Warranties and Disclosures	All major shareholders in Vault Group provided warranties and indemnities which are commercially acceptable in relation to those agreements. These warranties include warranties in respect of the accuracy of the financial information of the business, ownership of intellectual property, taxation matters and the absence of claims and litigation against Vault Group and the business, and compliance with all relevant laws. Minority sellers provided customary warranties as to title to shares and capacity.

9.6. Customer Agreements

The PropTech Group has a range of standard form licence, service or subscription agreements under which it delivers its various products and services to many of its customers (Customer Agreements). The Customer Agreements are in a standard form for agreements of this nature. These arrangements typically have no minimum volume requirements and can be varied or terminated by the customer on short notice (or no notice) and without penalty.

9.7. Domain Mutual Services Agreement

Table 9.4: Summary of Domain Mutual Services Agreement

Nature of Agreement	Agreement for the provision of mutual services between Real Estate CRM and Domain.
Services to be provided by Domain	Provision of the Domain vendor lead/propensity service to Real Estate CRM and to recommend and promote the MyDesktop or VaultRE CRM products to Domain's real estate agent customers. Domain has not agreed to any minimum volumes of referrals.
Services to be provided by Real Estate CRM	Real Estate CRM agrees to provide certain integration services and access to data feeds for the purposes of enabling Domain to provide Domain customers with access to certain Domain products and services through the MyDesktop or VaultRE CRM products including: ■ Domain's Listing Services, Domain Agent Portal, Homepass Services, Pricefinder Services and Real Time Agent Services; and ■ the Domain vendor lead/propensity service.
Term and Expiry	5 years commencing March 2020.
Termination	■ Upon an insolvency event or a material breach by either party which is not remedied within a 14-day cure period; ■ By Domain, upon a change of control where a competitor of Domain acquires control of (directly or indirectly) of Real Estate CRM.
Fees	Real Estate CRM to pay to Domain a commission of 5% of the gross revenue for the first 12 months of each new customer of Real Estate CRM's CRM service where the customer is referred through Domain. Domain to pay Real Estate CRM a commission of 5% on subscriptions for the Domain vendor lead/propensity service via the MyDesktop or VaultRE CRM products.
Other Terms	Real Estate CRM must: ■ ensure that real estate agent customers that elect to upload their listings to Domain have access to Domain on no less favourable terms than any other real estate listings portal; ■ not provide more favourable product functionality within the Buyer CRM to another real estate listing portal in Australia or New Zealand than the functionality provided to Domain; and ■ promote the Domain propensity service as its preferred vendor lead/propensity service and not to promote competing third party competitive products unless requested by the customer.

9.8. Domain Supply Agreement (Ray White)

Table 9.5: Summary of Supply Agreement (Ray White)

Nature of Agreement	Agreement for the provision of MyDesktop Services by Commerce Australia to Domain to enable Domain to continue to provide the MyDesktop Services to various offices owned and franchised offices in the Ray White Group.
Services to be provided by Commerce Australia	Commerce Australia agrees to supply the MyDeskTop Service to Domain for the purpose of on-supply to Ray White.
Invoicing	Domain to invoice the various Ray White Customers under its bundled agreements and remit to Commerce Australia an agreed percentage of fees paid to Domain under the bundled agreement.
Term and Expiry	Ongoing (until termination of the service agreement between Domain and the Ray White Group.
Upgrade and Migration	Parties to cooperate to negotiate with Ray White with a view to migrating services from the MyDesktop Services to VaultRE and to contract directly with Real Estate CRM. As at the Prospectus Date Real Estate CRM has not entered into a new binding contract with the Ray White Group.

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INVESTIGATING ACCOUNTANT'S REPORT

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28 October 2020

The Board of Directors
PropTech Group Limited
Level 6, 330 Collins Street
Melbourne, VIC 3000

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT

Independent Limited Assurance Report on PropTech Group Limited's statutory historical financial information and pro forma historical financial information

We have been engaged by PropTech Group Limited ("PropTech Group" or "the Company") to report on certain statutory historical financial information and pro forma historical financial information for inclusion in a Prospectus ("Prospectus") dated on or about 28 October 2020.

The Prospectus relates to a Capital Raising of the Company to raise $10.6 million ("Offer"), before costs of the Offer.

Upon completion of the Offer, PropTech Group will acquire Real Estate CRM, a proprietary company which was incorporated on 13 February 2020 to effect the acquisition of two real estate CRM platforms:

- the 'MyDesktop' business as part of the acquisition of all of the issued share capital of Commerce Australia; and
- the VaultRE business as part of the acquisition of all of the issue share capital of Vault.

On 13 March 2020, Real Estate CRM completed both the Vault Acquisition and the MyDesktop Acquisition.

Expressions and terms defined in the Prospectus have the same meaning in this report.

Scope

Statutory Historical Financial Information

You have requested RSM Corporate Australia Pty Ltd ("RSM") to review the statutory historical financial information included in Section 5 of the Prospectus, comprising:

- the audited statutory historical consolidated income statements of PropTech Group for the years ended 30 June 2018, 30 June 2019 and 30 June 2020;
- the audited statutory historical amalgamated income statements of Real Estate CRM for the years ended 30 June 2018, 30 June 2019 and 30 June 2020;

- the audited statutory historical consolidated cash flow statements of PropTech Group for the years ended 30 June 2018, 30 June 2019 and 30 June 2020;
- the audited statutory historical amalgamated cash flow statements of Real Estate CRM for the years ended 30 June 2018, 30 June 2019 and 30 June 2020; and
- the audited statutory historical consolidated statement of financial position of PropTech Group as at 30 June 2020,

collectively "the Statutory Historical Financial Information".

The Statutory Historical Financial Information of PropTech Group has been derived from the audited general purpose financial statements of PropTech Group for the years ended 30 June 2018, 30 June 2019 and 30 June 2020, which were audited by RSM Australia Partners. RSM Australia Partners has issued unqualified audit opinions on these financial statements.

The Statutory Historical Financial Information of Real Estate CRM have been derived from the audited financial statements for the years ended 30 June 2018, 30 June 2019 and 30 June 2020 of the trading entities acquired by Real Estate CRM being Commerce Australia, Complete RE Solutions Pty Ltd and Clientvault Pty Ltd together with the audited financial statements of Real Estate CRM for the period from 13 February 2020 to 30 June 2020.

The financial statements of Commerce Australia, Complete RE Solutions Pty Ltd and Clientvault Pty Ltd for the years ended 30 June 2018, 30 June 2019 and 30 June 2020 and Real Estate CRM for the period from 13 February 2020 to 30 June 2020 were each audited by RSM Australia Partners. RSM Australia Partners has issued unqualified audit opinions on each of these financial statements.

The Statutory Historical Financial Information of PropTech Group and Real Estate CRM has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and PropTech Group's adopted accounting policies.

The Statutory Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all the presentation and disclosures required by Australian Accounting Standards applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Pro Forma Historical Financial Information

You have requested RSM to review the pro forma historical financial information included in Section 5 of the Prospectus and comprising:

- the pro forma historical consolidated income statements of PropTech Group for the years ended 30 June 2018, 30 June 2019 and 30 June 2020;
- the pro forma historical consolidated cash flow statements of PropTech Group for the years ended 30 June 2018, 30 June 2019 and 30 June 2020;
- the pro forma historical consolidated statement of financial position of PropTech Group as at 30 June 2020; and
- the pro forma adjustments as described in Section 5 of the Prospectus,

collectively referred to as "the Pro Forma Historical Financial Information".

The Pro Forma Historical Financial Information has been derived from the historical financial information of PropTech Group and Real Estate CRM, adjusted for the transactions/adjustments summarised in Section 5 of the Prospectus. The stated basis of preparation is the recognition and measurement requirements of Australian Accounting Standards and PropTech Group's adopted accounting policies applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in Section 5 of the Prospectus, as if those events or transactions had occurred as at the date of the Historical Financial Information.

Due to its nature, the Pro Forma Historical Financial Information does not represent PropTech Group's actual or prospective financial position or financial performance.

The Pro Forma Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all the presentation and disclosures required by Australian Accounting Standards applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Directors' responsibility

The directors of PropTech Group are responsible for:

- the preparation and presentation of the Statutory Historical Financial Information; and
- the preparation and presentation of the Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Statutory Historical Financial Information and included in the Pro Forma Historical Financial Information.

This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Statutory Historical Financial Information and the Pro Forma Historical Financial Information that are free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Statutory Historical Financial Information and Pro Forma Historical Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

We made such enquiries, primarily of persons responsible for financial and accounting matters, and performed such procedures as we, in our professional judgment, considered reasonable in the circumstances including:

- a consistency check of the application of the stated basis of preparation, to the Statutory Historical Financial Information and Pro Forma Historical Financial Information;
- a review of the work papers, accounting records and other supporting documents of PropTech Group, Commerce Australia, Complete Re Solutions Pty Ltd and Clientvault Pty Ltd;
- enquiry of directors, management personnel and advisors; and
- the performance of analytical procedures applied to the Statutory Historical Financial Information and Pro Forma Historical Financial Information.

RSM

A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as source of the financial information.

Conclusions

Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information as described in Section 5 of the Prospectus, and comprising:

- the audited statutory historical consolidated income statements of PropTech Group for the years ended 30 June 2018, 30 June 2019 and 30 June 2020;
- the audited statutory historical consolidated income statements of Real Estate CRM for the years ended 30 June 2018, 30 June 2019 and 30 June 2020;
- the audited statutory historical consolidated cash flow statements of PropTech Group for the years ended 30 June 2018, 30 June 2019 and 30 June 2020;
- the audited statutory historical cash flow statements of Real Estate CRM for the years ended 30 June 2018, 30 June 2019 and 30 June 2020; and
- the audited statutory historical consolidated statement of financial position of PropTech Group as at 30 June 2020,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 5 of the Prospectus.

Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information, as set out in Section 5 of the Prospectus, and comprising:

- the pro forma historical consolidated income statements of PropTech Group for the years ended 30 June 2018, 30 June 2019 and 30 June 2020;
- the pro forma historical consolidated cash flow statements of PropTech Group for the years ended 30 June 2018, 30 June 2019 and 30 June 2020;
- the pro forma historical consolidated statement of financial position of PropTech Group as at 30 June 2020; and
- the pro forma adjustments as described in Section 5 of the Prospectus,

is not presented fairly in all material aspects, in accordance with the stated basis of preparation, as described in Section 5 of the Prospectus.

RSM

Restriction on Use

Without modifying our conclusions, we draw attention to Section 5.2, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

Declaration of Interest

RSM Corporate Australia Pty Ltd does not have any interest in the outcome of this transaction other than the preparation of this report for which normal professional fees will be received.

Yours faithfully

A. Clifford

RSM CORPORATE AUSTRALIA PTY LTD
Andrew Clifford
Director

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ADDITIONAL INFORMATION

11.1. Registration

The Company was incorporated as an Australian proprietary company on 24 December 2009 and became an Australian public company limited by shares on 2 August 2013. The Company is registered in the State of Queensland with a registered office located in Victoria.

11.2. Change of Company name

On 17 October 2020 the Company changed its name from Real Estate Investar Group Limited to PropTech Group Limited. The change of name was approved by special resolution at the General Meeting.

11.3. Company tax status and financial year

The Company is taxed as an Australian tax resident public company in Australia for the purposes of Australian income tax law.

The Company's financial year ends on 30 June annually. The Company's 2020 AGM is scheduled to occur on 30 November 2020.

11.4. Consolidation

The Company's issued capital was consolidated from 233,205,108 Shares into 11,660,308 Shares (on the basis that every 20 existing Shares be consolidated into one Share) on 6 October 2020 following approval at the General Meeting.

11.5. Restricted Securities and escrow arrangements

11.5.1. Escrow

ASX, as a condition of granting the Company's Re-compliance Application, has advised the Company of its intention to treat certain of Shares as restricted securities (Restricted Securities). The Restricted Securities will not be quoted by ASX and will be issued on the issuer sponsored sub-register and a holding lock will be placed over the Restricted Securities to prevent those securities being traded on the ASX or off-market for the specified period. Certain Shareholders will be issued restriction notices or have entered into ASX escrow deeds with the Company in relation to certain Shares that the relevant Shareholders will hold on Completion of the Offers. In addition, certain RECRM Sellers have agreed to voluntary escrow arrangements with the Company in relation to certain Shares that they will hold on Completion of the Offers.

An "escrow" is a restriction on sale, disposal, or encumbering of, or certain other dealings in respect of, the Shares concerned for the period of the escrow, subject to certain exceptions set out in the escrow deeds. The effect of the mandatory restriction deeds is that the escrowed Shares cannot be dealt for the duration of the escrow period, subject to the exceptions described below.

Table 11.1 below sets out the periods during which certain Shareholders will be restricted from dealing in their Shares pursuant to the mandatory and voluntary escrow arrangements.

A total of 19.449.540 Shares (representing 16% of the Company's issued capital on Re-compliance) will be subject to voluntary escrow for a period of 24 months from Re-compliance. This is represented by the "RECRM Sellers subject to voluntary escrow arrangements (founders of VaultRE)" row in Table 11.1 below. Accordingly, the Company will have a relevant interest in 4.2% of its own fully paid ordinary shares for a period of 6 months from Listing.

A total of 67,244,112 Shares (representing 55% of the Company's issued capital on Re-compliance) have been classified as restricted securities and will be subject to mandatory, ASX-imposed escrow on Re-compliance.

ADDITIONAL INFORMATION

Table 11.1: Escrowed Shareholders

Class of Escrowed Shareholder	Shares held on Re-compliance	Total shares subject to escrow on Re-compliance	% of issued capital subject to escrow on Re-compliance	Escrow Period
Conversion offer (Existing Directors and CFO)	2,344,064	2,344,064	2%	2 years from Re-compliance
Existing Company Directors (Related Party RECRM Offer)	13,444,224	13,444,224	11%	2 years from Re-compliance
RECRM Sellers subject to voluntary escrow arrangements (VaultRE Founders)	19,449,540	19,449,540	16%	2 years from Re-compliance
Other RECRM Sellers	31,006,284	31,006,284	26%	1 year from Re-compliance
Professional advisers/consultants	1,000,000	1,000,000	1%	2 years from Re-compliance
Total Shares Escrowed for 12 Months	31,006,284	31,006,284	25%	1 year from Re-compliance
Total Shares Escrowed for 24 Months	36,237,828	36,237,828	30%	2 years from Re-compliance
TOTAL		**67,244,112**	55%	

11.5.2. Release from escrow

There are limited circumstances in which the escrow may be released, namely:

- to allow the holder to accept a takeover bid for the Company in accordance with the Corporations Act provided that offer is for all the ordinary securities of the Company and holders of not less than 50% of Shares not subject to escrow have then accepted the takeover bid; and
- to allow the Escrowed Shares to be acquired under an amalgamation or scheme of arrangement or other reorganisation or acquisition of share capital under the Corporations Act.

11.6. Consents and disclaimers of responsibility

Each of the parties referred to below, to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility for any statements in or omissions from this Prospectus, other than the reference to its name in the form and context in which it is named and a statement or report included in this Prospectus with its consent as specified below.

Written consents to the issue of this Prospectus have been given and, at the time of lodgement of this Prospectus with ASIC, had not been withdrawn by the following parties:

- Nicholson Ryan Lawyers has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Australian legal advisor to the Company (except in relation to taxation and stamp duty) in the form and context in which it is named;
- RSM Corporate Australia Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Investigating Accountant to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion in this Prospectus of its Independent Assurance Report in the form and context in which it is included;
- RSM Australia Partners has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as auditor to the Company in the form and context in which it is named;
- Ord Minnett Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Lead Manager to the Cash Offers in the form and context in which it is named;

- Taylor Collison Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Co-Manager to the Cash Offers in the form and context in which it is named;
- Frost & Sullivan Australia Pty Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Independent Market Expert to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion in this Prospectus of its Independent Market Report in the form and context in which it is included. Frost & Sullivan Australia Pty Limited takes no responsibility for any part of this Prospectus other than any reference to its name and the Independent Market Report; and
- Boardroom Pty Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as the Share Registry in the form and context in which it is named. Boardroom Pty Limited has not authorised or caused the issue of and expressly disclaims and takes no responsibility for any part of this Prospectus.

No entity or person referred to above has made any statement that is included in this Prospectus or any statement on which a statement made in this Prospectus is based, except to the extent, if any, as stated above. Each of the persons and entities referred to in this Section 11.6 has not authorised or caused the issue of this Prospectus and does not make any offer of Shares.

This Prospectus also attributes certain statements to specific third parties where such statements are contained in certain sources, including books, reports, journals and comparable publications. Where consent has not been sought or obtained from these third parties, the Company has included such statements in the Prospectus in reliance on the relief available under ASIC Corporations (Consents to Statements) Instrument 2016/72.

11.7. Control implications of the Offers

The Directors do not expect any Shareholder to control the Company on Completion of the Offers (as defined in Section 50AA of the Corporations Act). On Completion of the Offers, it is expected that approximately 55% of Shares will be Restricted Securities and subject to the escrow arrangements described in Section 11.5.

11.8. Continuous disclosure obligations

As the Company is admitted to the Official List, the Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

Price sensitive information will be publicly released through the ASX before it is disclosed to shareholders and market participants. Distribution of other information to shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

11.9. Working capital statement

The Directors believe that, on completion of the Offers, the Company will have sufficient working capital to carry out its objectives as stated in this Prospectus.

11.10. Australian tax considerations for Australian tax resident Shareholders

The information in this Section provides a general overview of Australian tax implications for Australian tax resident Shareholders who acquire Shares under this Prospectus and that hold Shares in the Company on capital account for Australian income tax purposes. This summary does not specifically address the Australian tax consequences associated with the RECRM Consideration Offer and the Conversion Offer shareholders. This summary does not constitute financial product advice as defined in the Corporations Act. This summary is confined to Australian taxation implications and is only one of the matters which need to be considered by Shareholders before deciding about an investment in the Shares.

Investors should note that tax laws are subject to ongoing change, and this section does not consider any changes in administrative practice or interpretation by the relevant tax authorities, or any changes in the law by judicial decision or legislation following the Prospectus Date. To the extent that there are any changes in the law after the Prospectus Date, including those having a retrospective effect, Shareholders should consider the tax consequences, taking into account their individual circumstances, and should consider taking advice from a professional advisor before making a decision about an investment to acquire Shares under this Prospectus.

There will be tax implications for the acquisition and disposal of new shares and consideration shares which will affect individual Shareholder differently depending on their individual financial affairs, and it is recommended that Shareholders consult their independent advisors regarding taxation consequences, including stamp duty, income tax and Australian goods and services tax consequences of the acquisition, ownership and disposal of Shares.

This summary is general in nature and does not cover all income tax consequences that could apply in all circumstances of any Shareholder.

The categories of Shareholders considered in this Section are limited to individuals, companies (other than life insurance companies), trusts, partnerships and complying superannuation funds that hold their Shares on capital account, and it does not consider Shareholders that hold Shares on revenue account, carry on a business of trading in Shares, are exempt from Australian tax, foreign residents, insurance companies, banks or Shareholders who are subject to the Taxation of Financial Arrangements rules contained in Division 230 of the Income Tax Assessment Act 1997 (Cth). This Section also assumes that each Shareholder (together with its associates) holds at all relevant times less than 10% of the Shares in the Company.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring New Shares or Consideration Shares (as relevant) from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for New Shares or Consideration Shares (as relevant) under this Prospectus.

11.10.1. Australian Tax Resident individuals and complying superannuation entities

Where dividends on a Share are paid by the Company, those dividends should constitute assessable income of an Australian tax resident Shareholder.

Individuals or complying superannuation entities who are Australian tax resident Shareholders should include the dividend (together with any franking credits attached to that dividend) in their assessable income in the year the dividend is paid. Investors should note that the tax rate payable by each Australian resident Shareholder will depend on the circumstances of the Shareholder and their prevailing marginal rate of income tax.

Shareholders who are individuals or complying superannuation entities should be entitled to a 'tax offset' equal to the franking credits attached to the dividend, subject to being a 'qualified person', and the tax offset may be applied to reduce the tax payable on the Shareholder's taxable income. If a dividend paid by the Company is unfranked, the Shareholder will be taxed at the Shareholder's prevailing marginal rate on the dividend received, with no tax offset.

11.10.2. Australian Tax Resident corporate shareholders

Corporate Shareholders are required to include the dividend and associated franking credits in their assessable income, and a tax offset will then be allowed up to the amount of the franking credits. To the extent of the franking credits attached to the dividend, the Australian resident corporate Shareholder should be entitled to a credit in its franking account and can pass on the benefit of the franked credits to their own shareholders on the payment of franked dividends. While excess franking credits cannot give rise to a refund, they may (in certain circumstances) be converted into carry forward tax losses.

11.10.3. Australian Tax Resident trusts and partnerships

Australian tax resident Shareholders who are partnerships or trustees (other than trustees of 'complying superannuation entities') or partnerships should include dividends and franking credits in determining the net income of the partnership or trust. A beneficiary of a trust, a trustee or a partner may be entitled to a tax offset equal to their share of the net income of the trust or partnership (as relevant).

11.10.4. Holding period and related payment rules

To be eligible for tax offsets and franking credits, a Shareholder must be a 'qualified person' in respect of a dividend distribution by satisfying the 'holding period' and 'related payment' rules.

The holding period rule requires that the Shareholder hold the Shares 'at risk' for a continuous period of more than 45 days, excluding the dates of acquisition and disposal). Where these rules are not satisfied, the Shareholder will not include an amount for the franking credits in their assessable income and should not be entitled to a tax offset.

The Shares are not held 'at risk' if the Shareholder has a materially diminished risk of loss or opportunity for gain in relation to the Shares. For example, if the Shareholder has entered into an agreement to dispose of the Shares, or granted options over Shares, the Shareholder will not hold the Shares 'at risk'.

Under the 'related payment' rules, a Shareholder that is obliged to make a 'related payment' in respect of a dividend must hold the Shares 'at risk' for the required holding period around the dividend dates.

This holding period rule is subject to exceptions, including where the total franking offsets of an individual in a year of income are under $5,000, and special rules apply to trusts and beneficiaries. The Board recommends that Shareholders should obtain their own professional tax advice to determine if these requirements have been satisfied.

11.10.5. Dividend washing rules

Dividend washing rules can apply in certain cases, such that no tax offset is available (nor is an amount required to be included in assessable income in relation to an attached franking credit) for a dividend received on Shares. Broadly, the rules can apply where Shareholders seek to obtain additional franking benefits by disposing of Shares ex-dividend and re-purchasing a substantially equivalent parcel of Shares cum-dividend on a special market.

Shareholders should seek independent tax advice regarding the dividend washing rules, and consider the impact of these rules, having regard to their personal circumstances.

11.10.6. Australian Capital Gains Tax implications on a disposal of Shares

The disposal of a Share by an Australian resident Shareholder will constitute a CGT event. A capital gain will arise where the cost base of the Share (being the amount paid to acquire the Share, plus any costs in relation to the acquisition or disposal) is exceeded by the capital proceeds on disposal (in the case of an on-market sale, the cash proceeds received on disposal).

However, a CGT discount may be applied against the net capital gain where the Shareholder is an individual, complying superannuation entity or trustee, and the Shares have been held for at least 12 months prior to the CGT event.

If the CGT discount applies, a capital gain arising to individuals and entities acting as Trustees (other than a trust that is a complying superannuation entity) may be reduced by one-half after offsetting current year or prior year capital losses, and for a complying superannuation entity, any capital gain may be reduced by one-third, after offsetting current year or prior year capital losses.

If the Shareholder is the trustee of a trust that has held the Shares for at least 12 months before disposal, the CGT discount may flow through to the beneficiaries of the trust if those beneficiaries are not companies. The Board recommends that Shareholders that are trustees should seek specific advice regarding the tax consequences of distributions to beneficiaries who may qualify for discounted capital gains.

A capital loss should be realised where the reduced cost base of the Share exceeds the capital proceeds from disposal, and capital losses may only be offset against capital gains realised by the Shareholder in the same income year or future income years, subject to certain recoupment tests being satisfied. However, capital losses cannot be offset against other forms of assessable income.

11.10.7. Australian Goods and Services Tax

No GST should be payable by Shareholders on acquisition or disposal of Shares in the Company, and no GST should be payable by Shareholders on receiving dividends distributed by the Company.

However, Shareholders may not be entitled to claim full input tax credits in relation to any GST included in any costs incurred in connection with the acquisition of the Shares, and Shareholders should obtain their own independent tax advice in this regard.

11.10.8. Stamp Duty

Shareholders should not be liable for stamp duty in relation to the acquisition of Shares, unless they acquire (either individually or with an associate or related party) an interest of, or increase their interest to, at least 90% or more in the Company

11.10.9. Tax File Number (TFN)

Australian tax resident Shareholders may, if they choose, notify the Company of their tax file number (TFN), Australian Business Number (ABN) or a relevant exemption from withholding tax with respect to dividends. In the event that the Company is not so notified, pursuant to the TFN withholding rules, tax should be automatically deducted at the highest marginal rate, including where relevant, the Medicare Levy, from unfranked dividends and/or other applicable distributions.

Australian tax resident shareholders may be able to claim a tax credit/rebate (as applicable) in respect of the tax deducted in their income tax returns.

11.11. Costs of the Offers

The total estimated costs to the Company in connection with the Offer , including advisory, legal, accounting, tax, listing and administrative fees, as well as printing, advertising and other expenses, are currently estimated to be approximately $1.13 million (excl GST).

Item of Expenditure	Minimum Subscription
Lead Manager (Selling & Management Fee)	636,000
Legal fees	150,000
Tax and accounting fees	20,900
Marketing , printing & distribution	22,000
Other Costs	300,267
Total	**1,129,167**

11.12. Litigation and claims

In or about February 2019 the Company received a letter of demand from foreign solicitors acting for Loginworks Softwares (an Indian corporation) seeking payment of an amount of US$170,535 for IT services allegedly provided between 2016 and 2018. The Company disputes a number of aspects of this claim and its solicitors responded to the letter of demand in March 2019. No further communications have been received since that time. The Directors do not believe that the claim is likely to be further prosecuted.

Except as noted above, the Directors are not aware of any civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature instituted, pending or threatened in which the Company is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company.

11.13. Governing law

This Prospectus and the contracts that arise from the acceptance of the Applications and bids under this Prospectus are governed by the law applicable in Victoria, Australia and each Applicant and bidder submits to the exclusive jurisdiction of the courts of Victoria, Australia.

11.14. Statement of Directors

Each Director of the Company has authorised the issue of this Prospectus and has consented to the lodgement of this Prospectus with ASIC in accordance with section 720 of the Corporations Act.

This Prospectus is signed by a Director of the Company in accordance with section 351 of the Corporations Act.

Simon Baker

Chairman

28 October 2020

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GLOSSARY

Term	Meaning
1H	the first six months of a financial year
2H	the second six months of a financial year
$ or A$	an Australian Dollar
AAS	Australian Accounting Standards and other authoritative pronouncements issued by the AASB.
AASB	Australian Accounting Standards Board
Accrued Remuneration Entitlements	both the CFO Accrued Remuneration Entitlements and the Director Accrued Remuneration Entitlements
AEDT	Australian Eastern Daylight Time.
Ancillary Offers	the RECRM Consideration Offer and the Conversion Offer.
API	application programming interface.
Applicant	a person who submits an Application.
Application	an application for New Shares under an Offer described in this Prospectus.
Application Form	each of the paper and electronic application forms attached to, or accompanying this Prospectus upon which an Application may be made.
Application Monies	the amount accompanying an Application Form submitted by an Applicant.
ARPA	is defined in Section 5.2.3.
ARPU	is defined in Section 5.2.3.
ASIC	Australian Securities & Investments Commission.
ASX	ASX Limited ACN 008 624 691 or, where the context requires, the financial market operated by it.
ASX Recommendations	the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (fourth edition).
ASX Settlement Operating Rules	the settlement operating rules of ASX Settlement Pty Limited (ACN 008 504 532) and, to the extent that they are applicable, the operating rules of each of ASX and ASX Clear Pty Limited (ACN 001 314 503).
Audit Committee	The Boards audit sub-committee.
Australian Accounting Standards	Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board
Auditor	RSM Australia Partners ABN 36 965 185 036
Board	the board of Directors from time to time.
BPAY	the payment mechanism used to pay Application Monies online.
Broker	any ASX participating organisation selected by the Lead Manager and the Company to act as a broker to the Cash Offers.
Broker Firm Applicant	a person who submits an Application under the Broker Firm Offer.

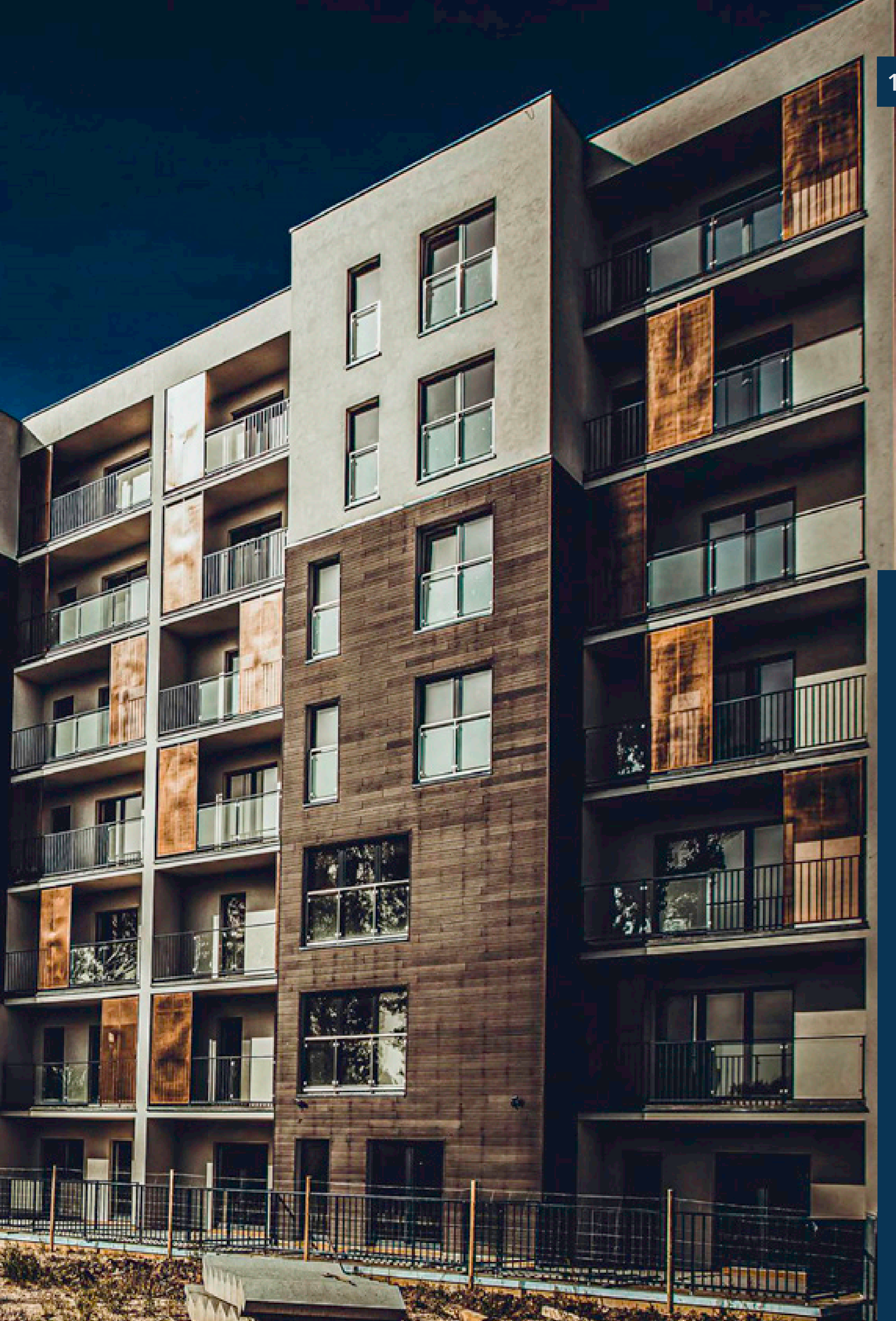
Term	Meaning
Broker Firm Offer	the invitation to Australian resident retail clients of Brokers to acquire Shares offered under this Prospectus provided that such clients are not in the United States.
Cash Offer Price or Offer Price	$0.25 per Share.
Cash Offers	the Broker Firm Offer, Institutional Offer and the Priority Offer.
CFO Accrued Remuneration Entitlements	accrued but unpaid remuneration owed to CFO, Michael Fiorenza in respect of outstanding remuneration as detailed in Section 7.3.3.
Chairman	the chairman of the Board.
CHESS	Clearing House Electronic Subregister System, operated in accordance with the Corporations Act.
Closing Date	the date on which the Retail Offers are expected to close, as detailed in the Indicative Timetable (this date may be varied without notice).
Co-Manager	Taylor Collison Limited
Company or PropTech Group Limited	PropTech Group Limited (ACN 141 276 959) (formerly known as Real Estate Investar Group Limited) and, where the context requires, PropTech Group.
Completion	completion of the Offers, being the date on which the RECRM Acquisition is completed and New Shares are allocated and issued to successful Applicants in accordance with the terms of the Offers.
Consideration Shares	the 64,900,048 New Shares to be issued to the Sellers on completion of the RECRM Acquisition under the RECRM Consideration Offer.
Consolidation	the consolidation of Shares under Resolution 2 of the Notice of Meeting at a ratio of 20 to 1.
Constitution	the constitution of the Company as at the Prospectus Date.
Continuous Disclosure Policy	the Company's continuous disclosure policy as adopted by the Board.
Conversion Offer	the offer of 2,344,064 New Shares, to the Conversion Participants, who have agreed to convert debt owed to them into equity.
Conversion Participants	participants in the Conversion Offer, being the persons named in Section 8.4.2.
Corporations Act	Corporations Act 2001 (Cth).
CRM	customer relationship management system software.
Deferred Consideration	the deferred purchase price payable, or contingently payable, by Real Estate CRM to DHG under the MyDesktop Acquisition as detailed in Section 9.4.
Director Accrued Remuneration Entitlements	the accrued but unpaid remuneration owed to each of Simon Baker, Joe Hanna and Sam Plowman by the Company in respect of Director fees and other remuneration as detailed in Section 7.3.3.
DHG or Domain	Domain Holdings Australia Limited ACN 094 154 364
Directors	the directors of the Company.
Diversity Policy	the Company's diversity policy as adopted by the Board.
Dollars or $ or A$ or AUD	the lawful currency of the Commonwealth of Australia.

Term	Meaning
EBIT	earnings before net interest and taxation.
EBITDA	earnings before net interest, depreciation, amortisation and taxation.
Escrow Period	the periods for which Shares are subject to escrow arrangements as set out in Section 11.5.
Escrowed Shareholders	those holders of Escrowed Shares as set out in Section 11.5.
Escrowed Shares	the shares which are subject to escrow restrictions as described in Section 11.5.
Existing Shareholder	a person holding Existing Shares as at the Prospectus Date.
Existing Shares	Shares held by the Existing Shareholders as at the Prospectus Date.
Expiry Date	the date that is 13 months after the Prospectus Date.
Exposure Period	the period commencing on the date of lodgement of this Prospectus with ASIC and ending seven days after lodgement, subject to any extension of the period by ASIC during which an Application must not be accepted or processed.
Financial Information	defined in Section 5.1.
FY	the abbreviation for a financial year, which ends on 30 June for the Company
General Meeting	the general meeting of Shareholders held on 30 September 2020.
Group or PropTech Group	the Company and its subsidiaries and controlled entities following completion of the RECRM Acquisition (and, where the context requires, the businesses conducted by those entities) and in this Prospectus mean one or more of those entities.
GST	goods and services tax
Historical Financial Information	as defined in Section 5.1.
Indicative Timetable	the indicative timetable for the Offers on page 12.
Implementation Deed	the Implementation Deed dated 03 March 2020 entered into between the Company and Real Estate CRM in respect of the acquisition of all issued shares in Real Estate CRM, the material terms of which are summarised in Section 9.3
Independent Market Report	the report prepared by Frost & Sullivan Pty Limited, as set out in Section 3.
Industry Data	defined in the Important Notices Section of this Prospectus.
Institutional Investor	investors who are ■ persons in Australia who are wholesale clients under section 761G of the Corporations Act and either “professional investors” or “sophisticated investors” under sections 708(11) and 708(8) of the Corporations Act; or ■ institutional investors in certain other jurisdictions, as agreed by the Company and the Lead Manager, to whom offers of Shares may lawfully be made without the need for a lodged or registered prospectus or other form of disclosure document or filing with, or approval by, any government agency (except one with which the Company is willing in its discretion to comply)

Term	Meaning
Institutional Offer	the offer of New Shares under this Prospectus to Institutional Investors, as described in Section 8.19.
Investigating Accountant	RSM Corporate Australia Pty Ltd.
IFRS	International Financial Reporting Standards.
IT	information technology
Lead Manager	Ord Minnett Limited
Listing Rules	the official listing rules of the ASX.
Management	the executive management team of the Company, including those people named in Sections 7.1 and 7.2
Minimum Subscription	the minimum amount to be raised under the Cash Offers made by this Prospectus, being $10.6 million
MyDesktop	the CRM business owned by Commerce Australia, the subject of the MyDesktop Acquisition.
MyDesktop Acquisition	the acquisition by Real Estate CRM of all of the issued shares in Commerce Australia.
New Shares	the new Shares to be issued by the Company under the Offers.
New Shareholders	New Shareholders who were not Existing Shareholders at the Prospectus Date
Nomination and Remuneration Committee	The Board's nomination and remuneration sub-committee.
Non-Executive Director	A member of the Board who does not form part of Management.
Offer Management Agreement	the offer management agreement between the Company and the Lead Manager in relation to the Cash Offer, as described in Section 9.1.
Offers	the offer of New Shares under the ■ Retail Offers; ■ Institutional Offer; and ■ the Ancillary Offers as the context requires and Offers means all of them.
Offer Period	the period commencing on the Opening Date and ending on the Closing Date.
Official List	the official list of entities that ASX has admitted to and not removed from listing.
Official Quotation	official quotation by the ASX in accordance with the Listing Rules.
Opening Date	the date specified as the opening date in the Indicative Timetable, or such other date determined by the Board.
Option	an option to acquire a Share.
PM	property management system software
Principles and Recommendations	corporate governance principles and recommendations released by the ASX Corporate Governance Council, Third edition

Term	Meaning
Priority Offer	means an offer which is open to all Existing Shareholders together with other selected investors nominated by the Company in eligible jurisdictions, who have received a Priority Offer invitation to acquire New Shares under this Prospectus.
Priority Offer Record Date	28 August 2020
PropTech Group	the Company and its Subsidiaries and controlled entities immediately following Completion.
Pro Forma Historical Balance Sheet	defined in Section 5.
Pro Forma Historical Cash Flows	defined in Section 5.
Pro Forma Historical Financial Information	defined in Section 5.
Pro Forma Historical Income Statements	defined in Section 5.
Property Tools	Business to Consumer (B2C) products that service consumers directly, such as Real Estate Investar's property investment platform.
Prospectus	this document issued by the Company for the purposes of Chapter 6D of the Corporations Act, under which New Shares are offered for subscription and purchase (including the electronic form of that Prospectus) and any supplementary or replacement prospectus in relation to this document.
Prospectus Date	the date of this Prospectus, being 28 October 2020.
Real Estate Agency Services	Business to Business (B2B) products that service real estate agencies. Currently PropTech Group's products include VaultRE, MyDesktop, and RentFind Inspector.
Real Estate CRM	Real Estate CRM Pty Ltd ACN 639 096 156.
Re-compliance	re-compliance by the Company with Chapters 1 and 2 of the ASX Listing Rules and re-quotation of the Shares on the Official List of ASX in accordance with Chapter 11 of the ASX Listing Rules
Re-compliance Application	the Company's application to the ASX under Chapters 1 and 2 of the ASX Listing Rules as a result of the proposed change in scale of the Company's activities associated with the RECRM Acquisition, and with the objective of the ASX lifting the current trading suspension that applies to the Shares
RECRM Acquisition	the acquisition of Real Estate CRM pursuant to the Implementation Deed.
RECRM Consideration Offer	the offer of 64,900,048 New Shares, to the RECRM Sellers who have agreed to transfer all of their shares in Real Estate CRM to the Company in exchange for the Consideration Shares.
RECRM Sellers	all the current shareholders of Real Estate CRM prior to Completion as detailed in Appendix B.
RECRM Share Offer Documents	the offer made by the Company to each RECRM Seller to acquire the shares held by that seller in Real Estate CRM.
Restricted Shares	has the meaning given to that term in the Listing Rules.
Retail Offers	the Broker Firm Offer and the Priority Offer.

Term	Meaning
Securities Dealing Policy	the Company's securities dealing policy as adopted by the Board.
SEO	Search Engine Optimisation
SaaS	Software as a Service
Share	a fully paid ordinary share in the capital of the Company.
Shareholder	a holder of Shares from time to time.
Share Registry	Boardroom Pty Limited (ACN 003 209 836).
Statutory Historical Balance Sheet	defined in Section 5.
Statutory Historical Cash Flows	defined in Section 5.
Statutory Historical Income Statements	defined in Section 5.
Third-Party Data	defined in the Important Notices Section of this Prospectus.
United States or US	United States of America.
US Persons	A person resident in the United States.
US Securities Act	US Securities Act of 1933, as amended.
Vault or Vault Group	Vault Group Pty Ltd ACN 636 732 039.
Vault Acquisition	the acquisition by Real Estate CRM of all of the issued shares in Vault Group.
VaultRE	the businesses operated by Vault Group and its Subsidiaries as described in Section 4.
VWAP	Volume Weighted Average Share Price



APPENDIX A SIGNIFICANT ACCOUNTING POLICIES

General Information

The principal accounting policies adopted in the preparation of the Financial Information set out in Section 5 of this Prospectus are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

Basis of preparation

The Financial Information has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities.

The Financial Information is presented in Australian dollars, which is PropTech Group's ("the Group") functional and presentation currency and is rounded to the nearest whole dollar.

(i) Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income.

(ii) Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below.

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results.

The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Revenue recognition – property sale commissions

There is judgment involved in determining the probability of settlement of the unconditional property sales. Since the Group uses standard terms for its property sales, management considers its property sales portfolio probability of settlement of the unconditional property sales based upon historical data for all property sales, reliable evidence supporting this judgment. The Group maintains data which demonstrates that unconditional property sales have a high probability of settlement, thus the Group believes that historical data is a relatively accurate proxy for future trends and circumstances.

(ii) Recognition of deferred tax assets

Deferred tax assets, comprising of tax losses and temporary differences, have not been recognised as an asset on the basis that it is not expected that sufficient taxable income will be generated within the next twelve months to utilise the losses or to offset the temporary differences. At the point where it is more certain that sufficient taxable income will be generated to utilise the losses and to offset the temporary differences, the deferred tax asset will be recognised as an asset.

(iii) Impairment review

The consolidated entity assesses impairment of non-financial assets and other indefinite life intangible assets at each reporting date by evaluation conditions specific to the consolidated Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value in use calculations, which incorporate a number of key estimates and assumptions.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(i) AASB 16 Leases

AASB 16 Leases applies to the Group for the year ending 30 June 2020. AASB 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It instead requires an entity to bring most leases onto its statement of financial position in a similar way to how existing finance leases are treated under AASB 117. An entity will be required to recognise a lease liability and a right of use asset in its statement of financial position for most leases. There are some optional exemptions for leases with a period of 12 months or less and for low value leases. Lessor accounting remains largely unchanged from AASB 117.

(ii) Impact of adoption of AASB 16

The initial application of this standard had no material impact on the opening accumulated losses as at 1 July 2019 or the results of the current year.

Significant accounting policies

The principal accounting policies adopted in the preparation of the Financial Information are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Principles of consolidation

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

(b) Business combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group and the amount of any non-controlling interest in the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquire, and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

(c) Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

(d) Revenue

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly/monthly rate.

Subscription revenue

Revenue is recognised at the fair value of the consideration received or receivable, and is recognised over the period which the services are provided to the customer.

Property transaction revenue

Property commission fees are recognised when the agreement to sell the property, or any part of it, becomes unconditional and binding on the purchaser. 50% of the commissions are payable on the contracts becoming unconditional and 50% on settlement of the contract.

Based on historical data, management estimate all unconditional contracts to have a high probability of settlement, thus recognise 100% of the commissions once the contracts are unconditional based on no further services needing to be performed.

Interest revenue

Interest revenue is recognised on a time proportion basis using the effective interest method.

Government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

(e) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(f) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable

lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(g) Income tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit.

Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interests in joint ventures where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances relating to amounts recognised directly in other comprehensive income and equity are also recognised directly in other comprehensive income and equity, respectively.

(h) Impairment non-financial assets

Non-financial assets are assessed for indicators of impairment on an annual basis or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.
An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and its value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(i) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

(j) Trade and other receivables

Trade and other receivables are recognised at amortised cost, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days. The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

(k) Accrued income

The Group recognises accrued income when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Accrued income is recognised at cost less any allowance for expected credit losses.

(l) Plant and equipment

Plant and equipment is stated at historical cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation and any impairments.

Depreciation on assets is calculated on a straight-line basis over the estimated useful life, as follows:

- office equipment: 3–10 years
- leasehold Improvements: 3 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in profit or loss in the year that the item is derecognized.

(m) Intangible assets

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Patents and trademarks

Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life between 3 to 5 years.

Website

Costs incurred in acquiring and developing the website that will contribute to future financial period benefits are capitalised as intangible assets. These intangible assets have finite lives and are subject to amortisation on a straight-line basis over 5 years.

Costs incurred on development, relating to the design and testing of new or improved services, are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably.

The expenditure capitalised comprises all directly attributable costs, including cost of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditure that does not meet this criteria is expensed as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as an intangible asset and are amortised from the point at which the asset is ready for use.

Acquired intangible assets

Intangible assets acquired in a business combination (customer lists) that qualify for separate recognition are recognised as intangible assets at their fair values.

All intangible assets are subsequently accounted for under the cost model, whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in 'Impairment' above.

The following useful lives are applied:

- website: 5 years
- customer lists: 4 years

Software

Significant costs associated with software are capitalised and amortised on a straight-line basis over the period of their expected benefit, being their finite life ranging from 2 to 5 years.

(n) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the year end, which are unpaid at balance date. These amounts are unsecured and typically have 30 day payment terms.

(o) Borrowings and lease liabilities

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Convertible notes can be settled, at the option of the noteholder, by making a cash payment to the noteholder or by the issue of shares. The liability and embedded derivative components of the convertible note are initially measured at fair value and are subsequently measured at fair value through profit or loss at the end of each reporting period.

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down

(p) Employee benefits

Short-term employee benefit obligations

Liabilities for wages and salaries, including non-monetary benefits expected to be wholly settled within 12 months of the end of the reporting period are recognised in other liabilities in respect of employees' services rendered up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is recognised when leave is taken, and measured at the actual rates paid or payable.

Other long-term employee benefit obligations

Liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the reporting period. They are recognised as part of the provision for employee benefits and measured at the present value of expected future payments to be made in respect of services provided by employees to the end of the reporting period using the projected unit credit method.

Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using corporate bond rates at the end of the reporting period with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Regardless of when settlement is expected to occur, liabilities for long service leave are presented as current liabilities in the consolidated statement of financial position if the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period.

(q) Share based payments

The Group may provides benefits to employees of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or options over shares ("equity-settled transactions"). There are currently no operational share option plans in place.

The fair value of options granted to any employees are recognised as an employee benefit expense with a corresponding increase in equity (share option reserve).

The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options. Fair value is determined by an independent valuator using a Black-Scholes option pricing model. In determining fair value, no account is taken of any performance conditions other than those related to the share price of the Group ("market conditions").

The cumulative expense recognised between grant date and vesting date is adjusted to reflect the Directors' best estimate of the number of options that will ultimately vest because of internal conditions of the options, such as the employees having to remain with the company until vesting date, or such that employees are required to meet internal sales targets. No expense is recognised for options that do not ultimately vest because internal conditions were not met. An expense is still recognised for options that do not ultimately vest because a market condition was not met.

Where the terms of options are modified, the expense continues to be recognised from grant date to vesting date as if the terms had never been changed. In addition, at the date of the modification, a further expense is recognised for any increase in fair value of the transaction as a result of the change.

Where options are cancelled, they are treated as if vesting occurred on cancellation and any unrecognised expenses are taken immediately to profit or loss. However, if new options are substituted for the cancelled options and designated as a replacement on grant date, the combined impact of the cancellation and replacement options are treated as if they were a modification.

(r) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(s) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(t) Foreign currency translation

The financial report is presented in Australian dollars, which is the Group's functional and presentational currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(u) Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rate at the date of the transaction, for the period.

All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity. The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

(v) Fair value measurement

Fair values may be used for financial and non-financial asset and liability measurement. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is based on the presumption that the transaction takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market. The principal or most advantageous market must be accessible to, or by, the Group.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

In measuring fair value, the group uses valuation techniques that maximise the use of observable inputs and minimise the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

(w) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(x) New Accounting Standards and Interpretations not yet mandatory or early adopted

AASB Revised Conceptual Framework for Financial Reporting

The revised AASB Framework is effective for the Group's annual financial reporting period beginning on 1 July 2020.

The AASB Framework provides the AASB with a base of consistent concepts upon which future accounting standards will be developed. The AASB Framework will also assist financial report preparers to develop consistent accounting policies when there is no specific or similar standard that addresses an issue. The AASB Framework includes amendments to the definition and recognition criteria for assets, liabilities, income and expenses, guidance on measurement and derecognition, and other relevant financial reporting concepts. The application of the AASB Framework from 1 July 2020 is not expected to have a material impact on the Group's financial statements.

AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a business

AASB 2018-6 is applicable for the Group's annual reporting period beginning on 1 July 2020. This standard amends AASB 3 to clarify the definition of a business, assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendments:

- clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs;
- remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs;
- add guidance and illustrative examples to help entities assess whether a substantive process has been acquired;
- narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs; and
- add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

The application of the AASB 2018-6 from 1 July 2020 is not expected to have a material impact on the Group's financial statements.

AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material

AASB 2018-7 is applicable to the Group's annual reporting period beginning on 1 July 2020. The amendments refine the definition of "material" in AASB 101 to clarify the definition of material and its application by improving the wording and aligning the

(y) New Accounting Standards and Interpretations not yet mandatory or early adopted definition across AASB Standards and other publications.

The amendment also includes some supporting requirements in AASB 101 in the definition to give it more prominence and clarifies the explanation accompanying the definition of material. The Group has assessed that there is unlikely to be any impact on adoption of AASB 2018-7 on the reported financial position, performance or cash flows in the financial statements.

AASB 2020 – 4 Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions

AASB 2020-4 is applicable for the annual reporting period beginning on or after 1 June 2020 and early adoption of this standard is strongly encouraged. This Standard amends AASB 16 Leases to provide a practical expedient that permits lessees not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications. Whilst the Group, as a lessee, has not received a COVID-19 related rent concession which meets the conditions in AASB 2020-4 as yet, in the event of such a rent concession, when the Group elects to use the practical expedient, it will save time and effort in the accounting for the concession.

AASB 2020-1 Amendments to Australian Accounting Standards – Classifications of Liabilities as Current or Non-Current

This Standard is applicable for annual reporting period beginning on or after 1 January 2022. The standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified. The Group has assessed that there is unlikely to be any impact on the financial statements when these amendments will be first adopted.

There are no other new accounting standards or interpretations, applicable to the Group that would have any effect to the Group financial position and results.

APPENDIX B DETAILS OF RECRM SELLERS AND CONSIDERATION SHARES

RECRM Sellers	Number of Real Estate CRM Shares held	Number of Consideration Shares to be issued to the Vendor
MICHAEL FIORENZA	12	48
SAM PLOWMAN*	930,000	3,720,000
HB SUPER HOLDINGS PTY LTD*	1,500,000	6,000,000
NATIONAL NOMINEES LIMITED	150,000	600,000
NATIONAL NOMINEES LIMITED	550,000	2,200,000
PROPPLAT PTY LTD	1,000,000	4,000,000
MCLAUGHLAN PTY LTD	250,000	1,000,000
SYMINGTON PTY LTD	100,000	400,000
CALAMA HOLDINGS PTY LTD	150,000	600,000
MATTHEW JOHN DAVIES	25,000	100,000
CAPITAL H MANAGEMENT PTY LTD	120,000	480,000
CAPITAL H MANAGEMENT PTY LTD	500,000	2,000,000
TECHNOM (NSW) PTY LIMITED	150,000	600,000
THE CAPOZZI FAMILY SUPER PTY LTD	50,000	200,000
ATHERLEY INVESTMENTS PTY LTD	500,000	2,000,000
LAWSON MACNEE PTY LTD	1,249,982	4,999,928
REAL ESTATE INSTITUTE OF WESTERN AUSTRALIA	1,249,982	4,999,928
A & N CAMPBELL PTY LTD	1,216,522	4,866,088
SCOTT WULFF**	1,161,287	4,645,148
WELLCREST HOLDINGS PTY LTD**	128,177	512,708
MATTHEW JOHN HEALY	1,139,877	4,559,508
DAVID LANGLEY JAMES	127,814	511,256
DAVID LANGLEY JAMES	1,088,708	4,354,832
PROPPLAT PTY LTD	435,483	1,741,932
RL & HL PTY LTD	424,959	1,699,836
YOL PTY LTD*	362,903	1,451,612
LYMER PTY LTD	362,903	1,451,612
MELANIA NOMINEES PTY LIMITED	362,903	1,451,612
WILLIAM RONALD CONNELLY	217,742	870,968
DABIN PTY LTD	160,185	640,740
SEE GULL STAR PTY. LTD.	72,581	290,324
SAM ANTONY SIDNEY PLOWMAN*	68,153	272,612
ADRIAN NIZZOLA	34,113	136,452
GRADY CATHERINE WULFF	34,113	136,452
KEVIN JAMES HEALY	34,113	136,452
SIMON KIM OLLERENSHAW	34,113	136,452
JEFFREY STUART CARTER	19,089	76,356
TOBANE PTY LTD	8,202	32,808
ANASTASIOS DEMOS	2,032	8,128
BARRIE DEAN MAGAIN	2,032	8,128
CAMERON EWERS	2,032	8,128
WATER GREEN FINANCE CONSULTING S.L	250,000	1,000,000
TOTAL	**16,225,012**	**64,900,048**

* Related party seller being a director or an entity controlled by Director
** Shares held by or for the befnit of Scott Wulff (incoming Director

CORPORATE DIRECTORY

COMPANY'S REGISTERED ADDRESS

PropTech Group Limited

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Melbourne VIC 3000

LEAD MANAGER

Ord Minnett Limited

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Sydney NSW 2001

CO-MANAGER

Taylor Collison Limited

16/211 Victoria Square,

Adelaide, SA 5000

AUSTRALIAN LEGAL ADVISOR

Nicholson Ryan Lawyers

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Melbourne VIC 3000

AUDITOR

RSM Australia Partners

Level 21, 55 Collins Street

Melbourne VIC 3000

INVESTIGATING ACCOUNTANTS

RSM Corporate Australia Pty Ltd

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Melbourne VIC 3000

SHARE REGISTRY

Boardroom Pty Limited

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Sydney NSW 2000

OFFER WEBSITE

https://proptechgroup.ltd/offer

APPLICATION FORM

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MELBOURNE VIC 3000

HTTPS://PROPTECHGROUP.LTD/OFFER