

ASX Market Release

19 December 2022

Scheme Booklet registered with ASIC

PropTech Group Limited (ASX:PTG) (**PropTech Group**) refers to its announcement earlier today and is pleased to now announce that the Australian Securities and Investments Commission has registered its scheme booklet (**Scheme Booklet**) in relation to the proposed acquisition of PropTech Group by Rockend Technology Pty Limited, a wholly owned subsidiary of MRI Software LLC, by way of a scheme of arrangement, as announced on 31 October 2022.

A copy of the Scheme Booklet is attached to this announcement.

ENDS

This announcement has been authorised by the PropTech Group Board.

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About the PropTech Group

The PropTech Group provides the software that real estate agents use all day, every day in Australia, New Zealand, and the United Kingdom. Its products are used by 43% of the real estate agents in Australia and New Zealand and facilitate ~51% of real estate sales in those countries. The best real estate agents use PropTech Group apps, including Ray White and Raine & Horne in Australia and Century 21 in the United Kingdom.

PropTech Group Limited

ACN 141 276 959



PROPTech GROUP

(ASX:PTG)

Scheme Booklet

For the recommended scheme of arrangement between PropTech Group Limited and its shareholders in relation to the proposed acquisition of all PropTech Group Shares by Rockend Technology Pty Limited (**BidCo**), a wholly owned subsidiary of Management Reports International Pty Limited, a wholly owned subsidiary of MRI Software LLC, a Delaware Corporation

VOTE IN FAVOUR

Your Directors unanimously recommend that you vote in favour of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PropTech Group Shareholders

The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of PropTech Group Shareholders, in the absence of a Superior Proposal

This is an important document and requires your immediate attention.

You should read it carefully and in full before deciding whether or not to vote in favour of the Scheme.

If you are in any doubt about how to deal with this document, you should contact your broker or financial, taxation or legal adviser immediately.

NOMURA

Financial Adviser



Nicholson Ryan
LAWYERS

Legal Adviser

Important Notices

General

This Scheme Booklet is important and requires your immediate attention. You should read this Scheme Booklet carefully in full before making a decision about how to vote at the Scheme Meeting.

Nature of this document

The purpose of this Scheme Booklet is to explain the terms of the Transaction and the manner in which the Scheme will be considered and implemented (if approved) and to provide such information as is prescribed or otherwise material to the decision of PropTech Group Shareholders whether or not to approve the Scheme. This Scheme Booklet includes the Explanatory Statement required to be sent to PropTech Group Shareholders under Part 5.1 of the Corporations Act.

Defined terms

A number of defined terms are used in this Scheme Booklet. These terms are explained in Section 10 of this Scheme Booklet.

No investment advice

The information contained in this Scheme Booklet does not constitute financial product advice and has been prepared without reference to your own investment objectives, financial situation, taxation position and particular needs. It is important that you read this Scheme Booklet in its entirety before making any investment decision and any decision as to whether or not to vote in favour of the Scheme. If you are in any doubt in relation to these matters, you should consult your financial, legal, stockbroking, taxation or other professional adviser.

Not an offer

This Scheme Booklet does not constitute or contain an offer to PropTech Group Shareholders, or a solicitation of an offer from PropTech Group Shareholders, in any jurisdiction.

Foreign jurisdictions

The release, publication or distribution of this Scheme Booklet in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons outside of Australia who come into possession of this Scheme Booklet should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

This Scheme Booklet has been prepared in accordance with Australian law and the information contained in this Scheme Booklet may not be the same as that which would have been disclosed if this Scheme Booklet had been prepared in accordance with the laws and regulations outside Australia.

Role of ASIC and ASX

This document is the explanatory statement for the scheme of arrangement between PropTech Group and the holders of its fully paid ordinary shares as at the Scheme Record Date for the purposes of section 412(1) of the Corporations Act. A copy of the proposed Scheme is included in this Scheme Booklet as Annexure B.

A copy of this Scheme Booklet has been registered with ASIC for the purposes of section 412(6) of the Corporations Act. ASIC has been given the opportunity to comment on this Scheme Booklet in accordance with section 411(2)(b) of the Corporations Act. Neither ASIC nor any of its officers takes any responsibility for the contents of this Scheme Booklet.

ASIC has been requested to provide a statement, in accordance with section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Scheme. If ASIC provides that statement, it will be produced to the Court at the time of the Court hearing to approve the Scheme.

A copy of this Scheme Booklet has been provided to ASX. Neither ASX nor any of its officers takes any responsibility for the contents of this Scheme Booklet.

Notice of Scheme Meeting

The Notice of Meeting is set out in Annexure D.

Notice of Second Court Hearing

At the Second Court Hearing, the Court will consider whether to approve the Scheme following the vote at the Scheme Meeting.

Any PropTech Group Shareholder may appear at the Second Court Hearing, expected to be held at 10.15am on 10 February 2023 at the Federal Court of Australia, 305 William Street, Melbourne.

Any PropTech Group Shareholder who wishes to oppose approval of the Scheme at the Second Court Hearing may do so by filing with the Court and serving on PropTech Group a notice of appearance in the prescribed form together with any affidavit that the PropTech Group Shareholder proposes to rely on.

Important notice associated with the Court order under section 411(1) of the Corporations Act

The fact that the Court has ordered under section 411(1) of the Corporations Act that the Scheme Meeting be convened and has directed that the Scheme Booklet accompany the Notice of Meeting does not mean that the Court:

- has formed any view as to the merits of the proposed Scheme nor as to how PropTech Group Shareholders should vote (on this matter PropTech Group Shareholders must reach their own decision);
- has prepared, or is responsible for, the content of the Scheme Booklet; or
- has approved or will approve the terms of the Scheme.

The order of the Court that the Scheme Meeting be convened is not, and should not be treated as, an endorsement by the Court of, or any other expression of opinion by the Court on, the Scheme.

Disclaimer as to forward-looking statements

This Scheme Booklet contains both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements.

All forward-looking statements in this Scheme Booklet reflect views only as at the Last Practicable Date, and generally may be identified by the use of forward-looking words such as "believe", "aim", "expect", "anticipate", "intending", "foreseeing", "likely", "should", "planned", "may", "estimate", "potential", or other similar words. Similarly, statements that describe PropTech Group's, or BidCo's objectives, plans, goals or expectations are or may be forward-looking statements.

The statements contained in this Scheme Booklet about the impact that the Scheme may have on the results of PropTech Group's operations and the advantages and disadvantages anticipated to result from the Scheme, are also forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from those that are anticipated results, performance or achievements, expressed, projected or implied by these forward-looking statements.

The operations and financial performance of PropTech Group and BidCo are subject to various risks, including those summarised in this Scheme Booklet, which may be beyond the control of PropTech Group and BidCo. PropTech Group Shareholders should note that the historical financial performance of PropTech Group is no assurance of future financial performance of PropTech Group (whether the Scheme is implemented or not). Those risks and uncertainties include factors and risks specific to the industry in which PropTech Group and BidCo operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. As a result, the actual results of operations and earnings of PropTech Group following implementation of the Scheme, as well as the actual advantages of the Scheme, may differ significantly from those that are anticipated in respect of timing, amount or nature and may never be achieved.

The forward-looking statements included in this Scheme Booklet are made only as of the Last Practicable Date.

Any forward-looking statements included in the PropTech Group Information have been made on reasonable grounds. Although PropTech Group believes that the views reflected in any forward-looking statements included in the PropTech Group Information have been made on a reasonable basis, no assurance can be given that such views will prove to have been correct.

Any forward-looking statements included in the MRI Information have been made on reasonable grounds. Although BidCo believes that the views reflected in any forward-looking statements included in the MRI Information have been made on a reasonable basis, no assurance can be given that such views will prove to have been correct.

None of PropTech Group, BidCo, PropTech Group's officers, BidCo's officers, any persons named in this Scheme Booklet with their consent or any person involved in the preparation of this Scheme Booklet makes any representation or warranty (express or implied) as to the likelihood of fulfilment of any forward-looking statement, or any events or results expressed or implied in any forward-looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward-looking statement.

You should review all of the information in this Scheme Booklet carefully. Section 1.2 sets out the reasons why you should vote in favour of the Scheme and Section 1.3 sets out the reasons why you may not wish to vote in favour of the Scheme.

All subsequent written and oral forward-looking statements attributable to PropTech Group, BidCo or any person acting on their behalf are qualified by this cautionary statement.

Subject to any continuing obligations under relevant laws or the listing rules of a relevant exchange, PropTech Group and BidCo do not give any undertaking to update or revise any such statements after the Last Practicable Date, to reflect any change in expectations in relation thereto or any change in events, conditions or circumstances on which any such statement is based.

Timetable and dates

All times and dates referred to in this Scheme Booklet are times and dates in Melbourne, Australia, unless otherwise indicated. All times and dates relating to the implementation of the Scheme referred to in this Scheme Booklet may change and, among other things, are subject to any necessary approvals from Government Agencies.

Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet, including in respect of the Scheme Consideration, are subject to the effect of rounding (unless otherwise stated).

Accordingly, the actual calculation of these figures may differ from the figures set out in this Scheme Booklet.

No website is part of this Scheme Booklet

MRI Software and PropTech Group each maintain websites at www.mrisoftware.com and www.proptechgroup.io respectively. Any references in this Scheme Booklet to those or other internet sites are for information purposes only and do not form part of this Scheme Booklet.

Responsibility statement

PropTech Group has been solely responsible for preparing the PropTech Group Information. BidCo and its directors and officers do not assume any responsibility for the accuracy or completeness of any such PropTech Group Information.

BidCo has been solely responsible for preparing the MRI Information. The information concerning BidCo and the intentions, views and opinions of BidCo contained in this Scheme Booklet has been prepared

by BidCo and is the responsibility of BidCo. PropTech Group and the PropTech Group Directors and officers do not assume any responsibility for the accuracy or completeness of any such MRI Information.

BDO Corporate Finance (East Coast) Pty Ltd has prepared the Independent Expert's Report in relation to the Scheme and takes responsibility for that report. The Independent Expert's Report is set out in Annexure A.

Boardroom Pty Limited has had no involvement in the preparation of any part of this Scheme Booklet other than being named as the Share Registry. Boardroom Pty Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this Scheme Booklet.

No consenting party has withdrawn their consent to be named before the date of this Scheme Booklet.

Privacy

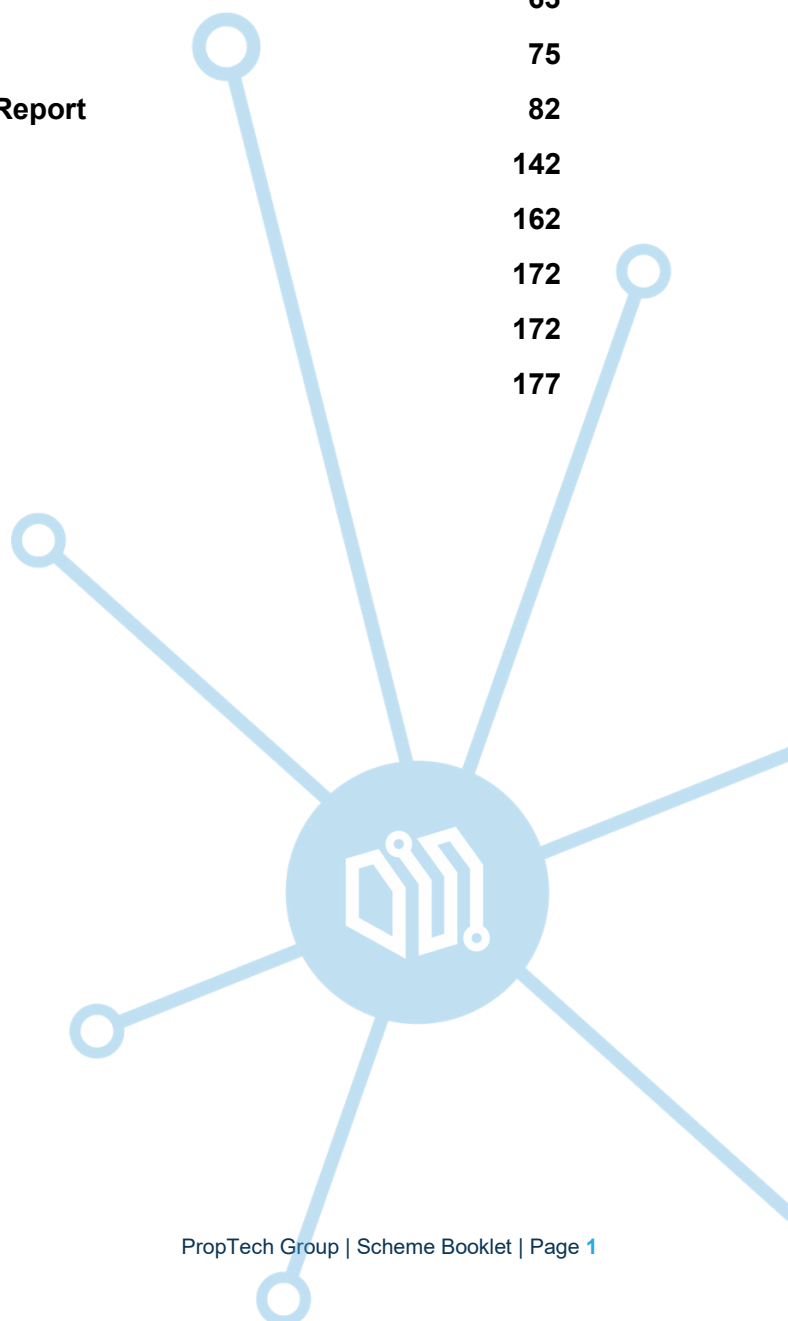
PropTech Group and BidCo may collect personal information in the process of implementing the Scheme. Such information may include the name, contact details and shareholdings of PropTech Group Shareholders and the name of persons appointed by those persons to act as a proxy, attorney or corporate representative at the Scheme Meeting. The primary purpose of the collection of personal information is to assist PropTech Group and BidCo to conduct the Scheme Meeting and implement the Scheme. Personal information of the type described above may be disclosed to the Share Registry, print and mail service providers, authorised securities brokers, Related Bodies Corporate of PropTech Group and BidCo, and PropTech Group, and BidCo's advisers and service providers. PropTech Group Shareholders have certain rights to access personal information that has been collected. PropTech Group Shareholders should contact the Share Registry in the first instance, if they wish to access their personal information. PropTech Group Shareholders who appoint a named person to act as their proxy, attorney or corporate representative should ensure that they inform that person of these matters.

Date of this Scheme Booklet

This Scheme Booklet is dated 16 December 2022.

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Important Dates for the Scheme

Date of this Scheme Booklet	16 December 2022
Latest time and date for receipt of Proxy Forms and powers of attorney for the Scheme Meeting	11.00am, 5 February 2023
Time and date for determining eligibility to vote at the Scheme Meeting	7.00pm, Sunday 5 February 2023
Scheme Meeting to be held at offices of RSM Australia, Level 21, 55 Collins Street, Melbourne VIC 3000	11.00am, Tuesday 7 February 2023
If the Scheme is approved by the Requisite Majorities of PropTech Group Shareholders	
Second Court Date for approval of the Scheme	Friday 10 February 2023
Effective Date Court order lodged with ASIC and announcement to ASX Last day of trading in PropTech Group Shares (with PropTech Group Shares suspended from trading on ASX from close of trading)	Friday 10 February 2023
Scheme Record Date for determining entitlements to Scheme Consideration	Wednesday 15 February 2023
Implementation Date and provision of Scheme Consideration	Wednesday 22 February 2023

All dates following the date of the Scheme Meeting are indicative only and, among other things, are subject to all necessary approvals from the Court. Any changes to the above timetable (which may include an earlier or later date for the Second Court Hearing) will be announced through ASX and notified on PropTech Group's website at <https://investor-hub.proptechgroup.io/>. PropTech Group has the right to vary the timetable detailed below subject to the approval of such variation by BidCo, the Court and ASIC where required.

All references to time in this Scheme Booklet are references to Melbourne, Victoria time, unless otherwise stated. Any obligation to do an act by a specified time in an Australian time zone must be done at the corresponding time in any other jurisdiction.

PropTech Group Shareholders who have elected to receive communications electronically will receive an email which contains instructions about how to download a copy of this Scheme Booklet, and to lodge their proxy vote online. The Scheme Booklet will also be available for viewing and downloading on the PropTech Group website at <https://investor-hub.proptechgroup.io/>.

Letter from the Chairman of PropTech Group

Dear fellow PropTech Group Shareholder

On behalf of the PropTech Group Board, I am pleased to present you with this Scheme Booklet for your consideration.

Background

On 31 October 2022, PropTech Group Limited announced that it had entered into a Scheme Implementation Deed with, Rockend Technology Pty Limited (**BidCo**), a wholly owned subsidiary of MRI Software LLC, under which it is proposed that BidCo will acquire PropTech Group by way of a Scheme of Arrangement.

This Scheme Booklet has been sent to you because you are being asked to vote on the Scheme.

Scheme Consideration

If the Scheme is approved and implemented, PropTech Group Shareholders will receive a cash payment of \$0.60 for each PropTech Group Share that they own.

Your Directors believe that the Scheme provides an opportunity for PropTech Group Shareholders to realise immediate and certain value for their PropTech Group Shares. PropTech Group Shareholders holding PropTech Group Shares on the Scheme Record Date will receive a cash payment of \$0.60 per PropTech Group Share, which represents:

- a premium of 131% to the closing price on 28 October 2022 of \$0.260 (being the last trading day prior to the announcement of entry into the Scheme Implementation Deed);
- a premium of 125% to PropTech Group's 30-day volume weighted average price (**VWAP**) up to 28 October 2022 of \$0.267; and
- a premium of 122% to PropTech Group's 90-day VWAP up to 28 October 2022 of \$0.271.

The Scheme Consideration implies a fully diluted equity value for PropTech Group of approximately \$93.4 million and an EV / ARR acquisition multiple of approximately 5.0x PropTech Group's FY2022 ARR of \$18.5 million. Against the backdrop of declining valuation multiples in listed technology sector companies around the world, the PropTech Group Board formed the view that the ARR multiple implied by the Scheme Consideration was consistent with ARR multiples observed on recent similar transactions in the Australian real estate technology sector.

The Scheme can only proceed if, among other conditions, it receives approval by the Requisite Majorities of PropTech Group Shareholders, as well as Court and other regulatory approvals. Details regarding the Conditions Precedent to the Scheme are set out in Section 9.5(a) of the Scheme Booklet.

PropTech Group Directors' Recommendation

Your Directors unanimously recommend¹ that PropTech Group Shareholders vote in favour of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude the Scheme to be in the best interests of PropTech Group Shareholders.²

¹ In relation to the unanimous recommendation of the PropTech Group Directors, refer to Section 1.5 for further details.

² You should note that when considering this recommendation that two of the PropTech Group Directors (being CEO and Managing Director, Joe Hanna and Executive Director Scott Wulff, have previously been issued Performance Rights under the PropTech Group Equity Incentive Plan. As contemplated by the terms of the Scheme Implementation Deed, Messrs Hanna and Wulff will each be receiving a benefit if the Scheme proceeds in the sense that each will receive shares in return for the vesting of his unvested Performance Rights. Subject to the Scheme becoming Effective and the terms of the Equity Incentive Plan continuing to be satisfied at such time, Mr Hanna will be entitled to receive 1,230,119 PropTech Group Shares and Mr Wulff will be entitled to receive 60,000 PropTech Group Shares each in connection with the accelerated vesting of their unvested Performance Rights. The benefit to Mr Hanna and Wulff is estimated to be \$738,071 and \$36,000 respectively. These arrangements are described in more detail in Sections 1.5, 9.2 and 9.3(f).

Subject to those same qualifications, **each PropTech Group Director, intends to vote in favour** of the Scheme, for all PropTech Group Shares held or controlled by them. PropTech Group Directors collectively hold or control approximately 19% of PropTech Group Shares as at the date of this Scheme Booklet.

In reaching their recommendation, the PropTech Group Board, together with PropTech Group's advisers conducted a comprehensive evaluation of the proposal from the MRI Group as well as the alternative options available to PropTech Group, including maintaining the status quo, pursuing other potential transactions and considering competing indicative proposals by a number of interested parties. Your Directors believe that the Scheme represents the most attractive and certain option for PropTech Group Shareholders to realise value for their PropTech Group Shares.

Your Directors have formed the view that the Scheme is in the best interests of PropTech Group Shareholders for the following reasons:

- the consideration under the Scheme represents a significant premium to PropTech Group's recent historical trading prices on ASX and an attractive multiple of ARR;
- the all-cash Scheme Consideration provides you with certainty of value for your investment in PropTech Group and, if the Scheme proceeds, you will receive the Scheme Consideration on the Implementation Date and will no longer be exposed to risks associated with PropTech Group's business;
- no Superior Proposal has emerged as at the date of this Scheme Booklet. Additionally, as at the date of this booklet, PropTech Group Directors are not aware of any Superior Proposal that is likely to emerge; and
- the Independent Expert has concluded that the Scheme is fair and reasonable and, therefore, is in the best interests of PropTech Group Shareholders, in the absence of a Superior Proposal.

In forming their view that the Scheme is in the best interests of PropTech Group Shareholders, Your Directors carefully assessed the general risks of the markets in which the PropTech Group operates as well as the risks specific to PropTech Group if it were to continue as an independent entity. If the Scheme becomes Effective, PropTech Group Shareholders will receive immediate and certain value for their PropTech Group Shares and it eliminates the uncertainties and risks that will arise if PropTech Group is to continue as an independent entity.

The interests of PropTech Group Directors (including Joe Hanna as CEO and Managing Director) are disclosed in section 1.5. PropTech Group Shareholders should have regard to these interests when considering how to vote on the Scheme, including Mr Hanna's recommendation on the Scheme, which appears throughout the Scheme Booklet.³

Independent Expert

PropTech Group appointed BDO Corporate Finance (East Coast) Pty Ltd as the Independent Expert to assess the merits of the Scheme.

The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of PropTech Group Shareholders, in the absence of a Superior Proposal.

The Independent Expert has concluded that the Scheme Consideration of \$0.60 per Scheme Share is within its assessed valuation range of \$0.48 and \$0.61 per PropTech Group Share on a controlling interest basis. The Scheme Consideration of \$0.60 cash per PropTech Group Share is within this range.

A copy of the Independent Expert's Report is included in Annexure A: Independent Expert's Report of this Scheme Booklet.

If you wish the Scheme to proceed, it is important that you vote in favour of the Scheme.

If the Scheme is not implemented and no Superior Proposal emerges, PropTech Group will continue as an independent entity listed on ASX and PropTech Group Shareholders

³ Subject to the Scheme becoming effective and the terms of the relevant Performance Right, Directors Joe Hanna and Scott Wulff will have vesting of certain of their PropTech Group Performance Rights accelerated. See Section 9.3(f) for further detail.

will not receive the Scheme Consideration of \$0.60 cash per PropTech Group Share.

If a Competing Proposal is received by PropTech Group, the PropTech Group Board will follow the procedures set out in Section 9.5(c) in considering and responding to the Competing Proposal.

How to vote

The Scheme can only be implemented if approved by PropTech Group Shareholders at the Scheme Meeting which is scheduled for 11:00am (AEDT) on Tuesday 7 February 2023 at the offices of RSM Australia, Level 21, 55 Collins Street, Melbourne VIC 3000. This requires more than 50% of shareholders present and voting and at least 75% of votes cast at the Scheme Meeting to be in favour of the Scheme. The Scheme also requires Court approval.

This Scheme Booklet sets out important information regarding the Scheme, including the reasons for your Directors' recommendation and the Independent Expert's Report.

The reasons to vote in favour of the Scheme Resolution required to implement the Scheme are set out in detail in Section 1.2. There are also reasons why you may choose to vote against the Scheme Resolution required to implement the Scheme, which are set out in Section 1.3.

Your vote is important and I encourage you to vote by attending the Scheme Meeting in person or alternatively by completing and ensuring the Proxy Form accompanying this Scheme Booklet is received by 11:00am (AEDT) on Sunday 5 February 2023.

The Scheme Booklet will be dispatched to PropTech Group Shareholders shortly after its release to ASX. PropTech Group shareholders who have elected to receive electronic communications will receive an email containing instructions about how to view or download a copy of the Scheme booklet, as well as instructions on how to lodge their proxies for the Scheme Meeting. PropTech Group shareholders who have elected to receive communications via post will receive a printed copy of the Scheme Booklet together with a personalised proxy form. All other PropTech Group shareholders will receive a letter, together with a personalised proxy form, with instructions about how to view or download a copy of the Scheme Booklet.

Please refer to Section 3 for information setting out how to participate in and vote at the Scheme Meeting.

Further information

Please read this document carefully and in its entirety as it will assist you in making an informed decision on how to vote. I would also encourage you to seek independent financial, legal, stockbroking and taxation advice before making any investment decision in relation to your PropTech Group Shares.

If you require any further information, please call the Shareholder Information Line on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia) between 8.15am and 5.30pm Monday to Friday.

If you are in any doubt as to what you should do, please consult your legal, financial, tax or other professional adviser without delay.

On behalf of the PropTech Group Board, I would like to take this opportunity to thank you for your continued support of PropTech Group and I look forward to your participation at the Scheme Meeting.

Yours sincerely,



Simon Baker
Chairman
PropTech Group Limited



Section 1

Key considerations relevant to your vote



1 Key considerations relevant to your vote

1.1 General

The Scheme has a number of advantages and potential disadvantages that may affect PropTech Group Shareholders in different ways depending on their individual circumstances. PropTech Group Shareholders should seek professional advice on their particular circumstances, as appropriate.

Section 1.2 sets out the key reasons why the PropTech Group Board unanimously recommends⁴ PropTech Group Shareholders vote in favour of the Scheme. There are also reasons why PropTech Group Shareholders may not support the Scheme and may consider voting against the Scheme. These reasons are set out in Section 1.3. Other important considerations are set out in Sections 1.4 and 1.5.

You should read this Scheme Booklet in full, including the Independent Expert's Report, before deciding how to vote at the Scheme Meeting.

While the PropTech Group Directors acknowledge the reasons to vote against the Scheme, they believe the advantages of the Scheme outweigh the disadvantages.

In considering the potential reasons for why you may consider voting against the Scheme, you should be aware that even if you vote against the Scheme, the Scheme may still be implemented if it is approved by the Requisite Majorities of PropTech Group Shareholders and by the Court. If this occurs, your PropTech Group Shares will be transferred to BidCo and you will receive the Scheme Consideration even though you voted against the Scheme.

1.2 Why Your Directors recommend that you vote in favour of the Scheme

Your Directors consider that the key reasons to vote in favour of the Scheme are as follows:

- (a) **The PropTech Group Directors unanimously recommend⁵ that you vote in FAVOUR of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of PropTech Group Shareholders**

In reaching their recommendation, Your Directors have assessed the Scheme having regard to the reasons to vote in favour of, or against the Scheme, as set out in this Scheme Booklet. Your Directors believe the Scheme Consideration is compelling and provides Shareholders with certainty of value at an attractive price which may not be achieved if the Scheme does not proceed. The PropTech Group Board also gave consideration to a number of factors impacting PropTech Group's near and medium term outlook, including:

- general market conditions in the sectors in which PropTech Group operates;
- the current status of stocks on ASX in the same sector as PropTech Group many of whom (including PropTech Group) have suffered downward share price pressure in recent times;
- capital demands for the growth of PropTech Group's business and the fact that much of that capital demand would need to be sought through equity raisings which would be dilutive, particularly given PropTech Group's current share price; and
- the offer from BidCo was superior to other indicative and non-binding offers which had recently been made to the PropTech Group Board following a confidential competitive sale process which was initiated as a result of an unsolicited approach from the MRI Group.

⁴ In relation to the unanimous recommendation of the PropTech Group Directors, refer to Section 1.5 for further details.

⁵ In relation to the unanimous recommendation of the PropTech Group Directors, refer to Section 1.5 for further details.

At the conclusion of the competitive sale process, PropTech Group had received final non-binding offers from various parties. All but one offer was for total cash consideration materially lower than the proposal received from the MRI Group. One other proposal was received for total consideration similar to that offered by the MRI Group, but with a materially different structure, terms and conditions.

The Board of PropTech Group, in consultation with its advisers, carefully assessed the MRI Group proposal against the other proposals received, and concluded that the MRI Group proposal was superior in respect of price, form of consideration, structure and certainty, and that it was in the best interests of PropTech Group to engage with the MRI Group on its proposal and to provide the MRI Group with access to due diligence on an exclusive basis. The key reasons for reaching this conclusion were (a) the compelling premium offered by MRI and (b) the fact that (assuming the Scheme proceeds) PropTech Group Shareholders will receive a certain cash price for their investment in PropTech Group now, and will avoid the ongoing risks and uncertainties associated with their investment.

Following the completion of due diligence and negotiation of detailed transaction terms, PropTech Group announced on 31 October 2022 that it had entered into a Scheme Implementation Deed with BidCo and MRI Software under which PropTech agreed to put the Transaction to a vote of PropTech Group Shareholders at the Scheme Meeting.

In the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of PropTech Group Shareholders, each PropTech Group Director intends to vote, or procure the voting of, all PropTech Group Shares held or controlled by them in favour of the Scheme.

PropTech Group Directors collectively hold or control approximately 19% of PropTech Group Shares as at the date of this Scheme Booklet as set out in Section 9.1. PropTech Group Shareholders should have regard to these interests when considering how to vote on the Scheme.

(b) **The Independent Expert has concluded that the Scheme is fair and reasonable and consequently in the best interests of PropTech Group Shareholders, in the absence of a Superior Proposal**

The Independent Expert has analysed PropTech Group's business and, in light of this analysis, the Independent Expert has concluded that the Scheme is fair and reasonable and, therefore, is in the best interests of PropTech Group Shareholders, in the absence of a Superior Proposal.

The Independent Expert has assessed the full underlying value of PropTech Group at between \$0.48 and \$0.61 per PropTech Group Share on a controlling interest basis. The Scheme Consideration of \$0.60 cash per PropTech Group Share is within this range.

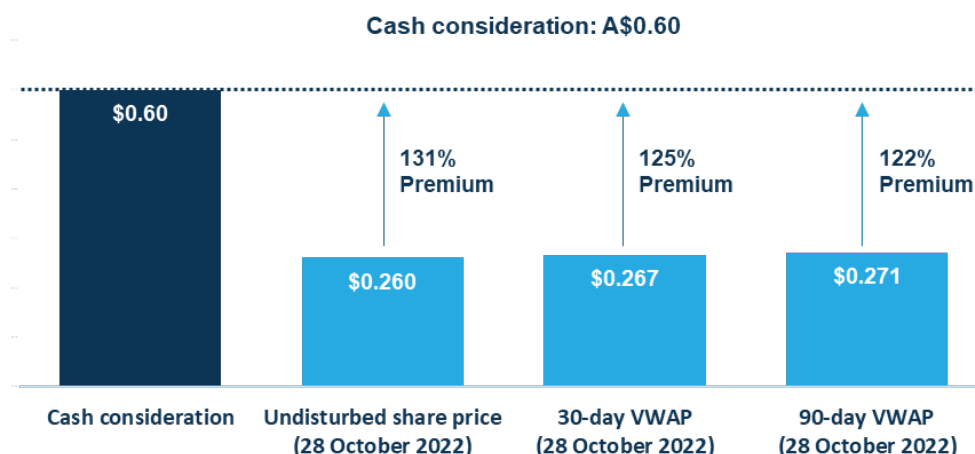
The reasons why the Independent Expert reached these conclusions are set out in the Independent Expert's Report, a copy of which is included in Annexure A. The PropTech Group Directors encourage you to read the Independent Expert's Report in its entirety.

(c) **The Scheme Consideration represents a compelling premium to the undisturbed trading price of PropTech Group Shares**

The cash consideration of \$0.60 per PropTech Group Share under the Scheme represents:

- a premium of 131% to the closing price on 28 October 2022 of \$0.260 (being the last trading day prior to the announcement of entry into the Scheme Implementation Deed);
- a premium of 125% to PropTech Group's 30-day volume weighted average price (**VWAP**) up to 28 October 2022 of \$0.267; and
- a premium of 122% to PropTech Group's 90-day VWAP up to 28 October 2022 of \$0.271.

The Scheme Consideration implies a fully diluted equity value for PropTech Group of approximately \$93.4 million and an EV / ARR acquisition multiple of approximately 5.0x PropTech Group's FY2022 ARR of \$18.5 million. Against the backdrop of declining valuation multiples in listed technology sector companies around the world, your Board formed the view that the ARR multiple implied by the Scheme Consideration was consistent with ARR multiples observed on recent similar transactions in the Australian real estate technology sector.



Source: Capital IQ as at 28 October 2022.

(d) **The Scheme Consideration is all cash and provides certainty of value and timing for your investment in PropTech Group and you will no longer be exposed to risks associated with PropTech Group's business**

The 100% cash consideration of \$0.60 cash per PropTech Group Share provides certainty of value and liquidity for PropTech Group Shareholders.

In contrast, if the Scheme does not proceed, the amount which PropTech Group Shareholders will be able to realise for their PropTech Group Shares in terms of price will be uncertain and subject to a number of risks, including those outlined in Section 7.

Your Directors, together with PropTech Group's advisers have conducted a comprehensive evaluation of the proposal from BidCo as well as the alternative options available to PropTech Group, including maintaining the status quo, pursuing other potential transactions and considering competing indicative proposals for PropTech Group by a number of interested parties. Your Directors believe that the Scheme represents the most attractive and certain option for PropTech Group Shareholders to realise value for their PropTech Group Shares.

(e) **No Superior Proposal has emerged as at the date of this Scheme Booklet**

Since the proposed Scheme was announced and up until the date of this Scheme Booklet, no Superior Proposal has emerged. The PropTech Group Board is not aware, as at the date of this Scheme Booklet, of any Superior Proposal that is likely to emerge.

Given the time elapsed since the Transaction was announced, PropTech Group Shareholders should consider whether a Superior Proposal is likely to arise in the circumstances.

If a Superior Proposal is received, this will be announced to ASX, and the PropTech Group Directors will carefully consider the proposal and advise PropTech Group Shareholders of their recommendation (subject to the exclusivity provisions of the Scheme Implementation Deed). The Scheme Implementation Deed contains customary provisions that regulate the way in which PropTech Group can respond to Competing Proposals, details of which are summarised in Section 9.5(c) of this Scheme Booklet.

(f) **The PropTech Group Share price will continue to be subject to market volatility and may fall if the Scheme is not implemented and in the absence of a Superior Proposal**

On the last undisturbed trading day prior to the announcement of BidCo and PropTech Group's entry into the Scheme Implementation Deed, being 31 October 2022, PropTech Group's share price was \$0.260. Since then, it has increased by 115% to \$0.560 per PropTech Group Share on the Last Practicable Date. The PropTech Group Directors are unable to predict the price at which PropTech Group Shares will trade in the future but consider that, if the Scheme is not implemented and a Superior Proposal is not forthcoming, the price of PropTech Group Shares may fall.



Source: IRESS (as at 9 December 2022, being the Last Practicable Date).

(g) **Brokerage charges will not apply to the transfer of your PropTech Group Shares**

You will not incur any brokerage charges on the transfer of your PropTech Group Shares to BidCo under the Scheme.

It is possible that such brokerage charges (and, potentially GST on those charges) would be incurred if you dispose of your PropTech Group Shares other than under the Scheme.

1.3 Why you may not wish to vote in favour of the Scheme

Although the Scheme is recommended by Your Directors (in the absence of a Superior Proposal) and the Independent Expert has concluded that the Scheme is fair and reasonable and, therefore, in the best interests of PropTech Group Shareholders (in the absence of a Superior Proposal), factors which may lead you to consider voting against the Scheme include the following:

(a) **You may disagree with the PropTech Group Directors' recommendation and the Independent Expert's conclusion and believe that the Scheme is not in your best interests**

Despite the unanimous recommendation⁶ of the PropTech Group Directors to vote in favour of the Scheme and the conclusion of the Independent Expert that the Scheme is fair and reasonable and in the best interests of PropTech Group Shareholders, you may believe that the Scheme is not in your best interests.

⁶ In relation to the unanimous recommendation of the PropTech Group Directors, refer to Section 1.5 for further details.

- (b) **You may prefer to participate in the future value of PropTech Group by retaining your PropTech Group Shares, and may consider that the Scheme does not sufficiently capture PropTech Group's future potential**

If the Scheme is implemented, you will no longer be a PropTech Group Shareholder and will forgo any benefits that may result from being a PropTech Group Shareholder.

This will mean that you will not participate in the future performance of PropTech Group or retain any exposure to PropTech Group's business or assets, or have the potential to share in the value that could be generated by PropTech Group in the future. However, there is no guarantee as to PropTech Group's future performance, as is the case with all investments.

An overview of PropTech Group's business as well as historical financial information about PropTech Group are set out in Section 5 of this Scheme Booklet.

- (c) **You may believe that it is in your interests to maintain your current investment and risk profile by retaining your investment in PropTech Group**

You may prefer to keep your PropTech Group Shares to preserve your investment in a listed company with the specific characteristics of PropTech Group.

You may consider that, despite the risk factors relevant to PropTech Group's potential future operations (including those set out in Section 7), PropTech Group may be able to return greater value from its assets by remaining a standalone entity or by seeking alternative corporate transactions in the future.

You may also consider that it would be difficult to identify or invest in alternative investments that have a similar investment profile to that of PropTech Group or incur transaction costs in undertaking any new investment.

- (d) **You may believe that there is potential for a Superior Proposal to emerge**

It is possible that a more attractive proposal for PropTech Group Shareholders could materialise in the future, such as a takeover bid with a higher offer price than the Scheme Consideration. However, as at the Last Practicable Date Your Directors have not received or become aware of any alternative proposal and have no basis for believing that an alternative proposal will be received.

The Scheme Implementation Deed prohibits PropTech Group from soliciting a Competing Proposal. However, PropTech Group is permitted to respond to any Competing Proposal should the PropTech Group Directors determine that failing to do so would likely constitute a breach of their fiduciary or statutory duties. Further details of the key terms of the Scheme Implementation Deed (including a summary of PropTech Group's obligations in relation to responding to a Competing Proposal) are provided in Section 9.5(c).

If a Competing Proposal (which may be a Superior Proposal) is received by PropTech Group, the PropTech Group Board will follow the procedures set out in Section 9.5(c) in considering and responding to the Competing Proposal.

- (e) **The tax consequences of transferring your PropTech Group Shares pursuant to the Scheme may not be attractive to you**

If the Scheme is implemented, you may incur tax on the transfer of your PropTech Group Shares.

The tax consequences of the Scheme will depend on your personal situation. You may consider that the tax consequences of transferring your PropTech Group Shares to BidCo pursuant to the Scheme are not attractive to you.

PropTech Group Shareholders should read the tax implications of the Scheme outlined in Section 8. However, Section 8 is general in nature, and PropTech Group Shareholders should consult with their own independent taxation advisers regarding the tax implications of the Scheme.

1.4 Other considerations relevant to your vote on the Scheme

You should also take into account the following additional considerations in deciding whether to vote in favour of, or against, the Scheme.

(a) **The Scheme may proceed and apply to you even if you vote against it**

If the Scheme Resolution is passed by the Requisite Majorities and is approved by the Court and the Conditions Precedent are either satisfied or (if permitted) waived, the Scheme will be implemented irrespective of whether you do not vote or you vote against the Scheme Resolution at the Scheme Meeting.

If this occurs, any PropTech Group Shares you hold as at the Scheme Record Date will be transferred to BidCo and you will receive the Scheme Consideration.

(b) **If the Scheme does not proceed, PropTech Group Shareholders will not receive the Scheme Consideration**

If the Scheme is not approved or all outstanding Conditions Precedent are not satisfied or (if permitted) waived, the Scheme will not proceed. In that case, PropTech Group Shareholders will retain their PropTech Group Shares and not receive the Scheme Consideration. PropTech Group will then continue to operate as it does currently and PropTech Group Shares will remain listed on ASX.

If the Scheme is not implemented, the advantages of the Scheme described in Section 1.2 will not be realised.

(c) **Exclusivity and the effect on likelihood of Competing Proposal**

The Scheme Implementation Deed provides that PropTech Group is subject to certain exclusivity obligations and restrictions, including no shop, no talk and no due diligence restrictions, and notification obligations. It also provides that BidCo has a matching right in respect of Competing Proposals.

PropTech Group must not, directly or indirectly, solicit or encourage any Competing Proposal or any enquiries or discussions in relation to, or which may reasonably be expected to lead to, a Competing Proposal.

However, if the PropTech Group Board determines that complying with no talk and no due diligence restrictions would be likely to constitute a breach of the fiduciary or statutory duties owed by the PropTech Group Board, it need not do so, and in those circumstances PropTech Group would be permitted to respond to any Competing Proposal.

A Competing Proposal may also arise without the assistance or engagement of the PropTech Group Board.

Refer to Section 9.5(c) for further information on these arrangements.

(d) **Costs and Break Fee**

PropTech Group has already incurred, and will incur, significant costs in respect of the proposal to implement the Scheme. These costs include negotiation with MRI Group, retention of advisers, provision of information to MRI Group, facilitating MRI's access to due diligence, engagement of the Independent Expert and the preparation of this Scheme Booklet.

If the Scheme is implemented, these costs will effectively be met by MRI Software as the ultimate controller of PropTech Group following implementation of the Scheme. If the Scheme is not implemented and if no Superior Proposal emerges, PropTech Group expects to incur total costs of approximately A\$650,000 (excluding GST).

Under the Scheme Implementation Deed, the PropTech Group Break Fee of A\$934,000 may become payable by PropTech Group to BidCo, in certain circumstances. Failure by PropTech Group Shareholders to approve the Scheme at the Scheme Meeting will not trigger an obligation to pay the PropTech Group Break Fee. Further details of the circumstances in which the PropTech Group Break Fee may become payable to BidCo are in Section 9.5(e).

Under the Scheme Implementation Deed, the BidCo Break Fee of A\$934,000 may become payable by BidCo to PropTech Group, in certain circumstances. Refer to Section 9.5(f) for a summary of when the BidCo Break Fee may become payable.

(e) Warranties by Scheme Shareholders

If the Scheme becomes Effective, each Scheme Shareholder will be deemed to have given certain warranties to BidCo, including that:

- all their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) will, at the time of transfer of them to BidCo in accordance with the Scheme, be fully paid and free from various encumbrances and interests of third parties; and
- they have full power and capacity to transfer their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) to BidCo under the Scheme.

See Sections 4.7 and 9.5 for more details.

1.5 Important Information concerning Director Recommendations

Your Directors believe that the Scheme is in the best interests of PropTech Group Shareholders, and they unanimously recommend⁷ that PropTech Group Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PropTech Group Shareholders.

Your Directors have formed their conclusion and made their recommendation on the Scheme based on the reasons outlined in Section 1.2.

In relation to the recommendations of Directors Joe Hanna and Scott Wulff, PropTech Group Shareholders should have regard to the following information.

Joe Hanna

PropTech Group Shareholders should have regard to the fact that, if the Scheme is implemented, Joe Hanna will receive an additional benefit in the form of accelerated vesting of 1,230,119 Performance Rights held by him and as a result he will receive an additional 1,230,119 PropTech Group Shares for which he will be entitled to receive Cash Consideration of \$738,071. The rationale for the accelerated vesting of these 1,230,119 Performance Rights can be found in Section 9.3(f).

It is noted that Joe Hanna also holds a further 392,583 Performance Rights of which 356,424 have already vested. The remaining 36,159 of Joe Hanna's Performance Rights will be cancelled.

PropTech Group Shareholders should note that the accelerated vesting of 1,230,119 of Joe Hanna's outstanding Performance Rights as noted above, and the corresponding issue of 1,230,119 PropTech Group Shares to him, has no impact on the Scheme Consideration payable to Scheme Shareholders. The 1,230,119 PropTech Group Shares will be issued after the Scheme Meeting and will not be voted at the Scheme Meeting.

The 1,230,119 PropTech Group Shares will form part of the Scheme Shares and Joe Hanna will be entitled to receive the Scheme Consideration under the Scheme for them, provided that they are held by him as at the Scheme Record Date.

The PropTech Group Board (with Scott Wulff and Joe Hanna abstaining) has determined that Joe Hanna can, and should, if he wishes to do so, make a recommendation on the Scheme notwithstanding the nature of the additional benefit described above which will be received by him if the Scheme is implemented.

Shareholders should have regard to the Performance Rights held by Joe Hanna as set out above when considering his recommendation on the Scheme in respect of the Scheme Consideration, which appears throughout this Scheme Booklet.

⁷ In relation to the unanimous recommendation of the PropTech Group Directors, refer to Section 1.5 for further details.

Joe Hanna considers that it is appropriate for him, notwithstanding the nature of the additional benefit described above which he will receive, to make a recommendation on the Scheme in light of the importance of the Scheme and his role as Group CEO and Managing Director of PropTech Group and in assisting with the facilitation of the Transaction.

Scott Wulff

PropTech Group Shareholders should have regard to the fact that, if the Scheme is implemented, Scott Wulff will receive an additional benefit in the form of the vesting of 60,000 Performance Rights held by him and as a result he will receive an additional 60,000 PropTech Group Shares for which he will be entitled to receive cash consideration of \$36,000. The rationale for the accelerated vesting of these 60,000 Performance Rights can be found in Section 9.3(f).

It is noted that Scott Wulff also holds a further 72,000 Performance Rights of which 25,200 have already vested. The remaining 46,800 of Scott Wulff's Performance Rights will be cancelled.

PropTech Group Shareholders should note that the accelerated vesting of 60,000 of Scott Wulff's outstanding Performance Rights as noted above, and corresponding issue of 60,000 PropTech Group Shares to him, has no impact on the Scheme Consideration payable to Scheme Shareholders. The 60,000 PropTech Group Shares will be issued after the Scheme Meeting and will not be voted at the Scheme Meeting.

The 60,000 PropTech Group Shares will form part of the Scheme Shares and Scott Wulff will be entitled to receive the Scheme Consideration under the Scheme for them, provided that they are held by him as at the Scheme Record Date.

The PropTech Group Board (with Scott Wulff and Joe Hanna abstaining) has determined that Scott Wulff can, and should, if he wishes to do so, make a recommendation on the Scheme notwithstanding the nature of the additional benefit described above which will be received by him if the Scheme is implemented.

Shareholders should have regard to the Performance Rights held by Scott Wulff as set out above when considering his recommendation on the Scheme in respect of the Scheme Consideration, which appears throughout this Scheme Booklet.

Scott Wulff considers that it is appropriate for him, notwithstanding the nature of the additional benefit described above which he will receive, to make a recommendation on the Scheme in light of the importance of the Scheme and his role as an Executive Director of PropTech Group and in assisting with the facilitation of the proposed Transaction.

Further details of these Performance Rights and their treatment if the Scheme becomes effective can be found in Section 9.3(f).

1.6 What are your options and what should you do?

You have the following four options in relation to your PropTech Group Shares. PropTech Group encourages you to consider your personal risk profile, portfolio strategy, tax position and financial circumstances and seek professional advice before making any decision in relation to your PropTech Group Shares.

(a) Vote in favour of the Scheme at the Scheme Meeting

Your Directors unanimously recommend⁸ that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PropTech Group Shareholders. The reasons for Your Directors' unanimous recommendation are set out in Section 1.2.

If you wish to support the Scheme, you can do so by voting in favour of the Scheme Resolution at the Scheme Meeting. For directions on how to vote at the Scheme Meeting, and important voting information generally, please refer to Section 3, the Notice of Scheme Meeting is contained in Annexure D.

⁸ In relation to the unanimous recommendation of the PropTech Group Directors, refer to Section 1.5 for further details.

(b) **Vote against the Scheme at the Scheme Meeting**

If, despite Your Directors' unanimous recommendation and the conclusion of the Independent Expert, you do not support the Scheme, you may vote against the Scheme Resolution at the Scheme Meeting.

However, you should note that if all of the Conditions Precedent to the Scheme are satisfied or waived (where applicable), the Scheme will bind all PropTech Group Shareholders, including those who vote against the Scheme Resolution at the Scheme Meeting or those who do not vote at all.

(c) **Sell your PropTech Group Shares on ASX**

The Scheme does not preclude you from selling your PropTech Group Shares on market for cash, if you wish, provided you do so before close of trading in PropTech Group Shares on ASX on the Effective Date when trading in PropTech Group Shares on ASX will end.

If you are considering selling your PropTech Group Shares on ASX you should have regard to the prevailing trading prices of PropTech Group Shares at that time.

If you sell your PropTech Group Shares on market for cash, you:

- will not be entitled to receive the Scheme Consideration;
- may incur a brokerage charge;
- may incur CGT; and
- will not be able to participate in a Superior Proposal, if one emerges, noting that, at the date of this Scheme Booklet, PropTech Group has not received any Competing Proposals.

(d) **Do nothing**

If, despite Your Directors' unanimous recommendation⁹ and the conclusion of the Independent Expert, you decide to do nothing, you should note that if all of the Conditions Precedent to the Scheme are satisfied or waived (where applicable), the Scheme will bind all PropTech Group Shareholders, including those who vote against the Scheme Resolution at the Scheme Meeting or those who do not vote at all.

Remember, if you want to receive the Scheme Consideration, your vote is important. If the Scheme is not approved by the Requisite Majority of PropTech Group Shareholders, you will not be entitled to receive any Scheme Consideration.

⁹ In relation to the unanimous recommendation of the PropTech Group Directors, refer to Section 1.5 for further details.



Section 2

Frequently asked questions



2 Frequently asked questions

Question	Answer	More information
Details of the Scheme		
What is the Scheme?	<p>The Scheme is a scheme of arrangement between PropTech Group and PropTech Group Shareholders at the Scheme Record Date. The Scheme will effect the acquisition of PropTech Group by BidCo.</p> <p>A scheme of arrangement is a statutory procedure that is commonly used to enable one company to acquire another company.</p> <p>If the Scheme is approved by the Requisite Majorities and implemented, Scheme Shareholders will receive the Scheme Consideration on the Implementation Date.</p>	Section 4 contains an overview of the Scheme and a copy of the Scheme is contained in Annexure B.
Why have I received this Scheme Booklet?	<p>This Scheme Booklet has been sent to you because you are a PropTech Group Shareholder and you are being asked to vote on the Scheme.</p> <p>This Scheme Booklet is intended to help you to consider and decide on how to vote on the Scheme at the Scheme Meeting.</p> <p>You should read this Scheme Booklet carefully and, if necessary, consult your legal, tax, financial or other independent professional adviser before voting on the Scheme Resolution.</p>	See Cover Page and Important Notices.
What will be the effect of the Scheme?	<p>If the Scheme is approved by the Requisite Majority of PropTech Group Shareholders and by the Court:</p> <ul style="list-style-type: none"> all your PropTech Group Shares will be transferred to BidCo; in exchange, you will receive the Scheme Consideration of A\$0.60 for each PropTech Group Share you hold as at the Scheme Record Date; and PropTech Group will become a wholly owned Subsidiary of BidCo and will be removed from the official list of ASX. 	Section 4.2
Questions about BidCo and MRI Software		
Who is BidCo?	BidCo is an Australian proprietary company registered in New South Wales and is a wholly owned subsidiary of MRI Software LLC, a Delaware limited liability company. MRI Software is a leading provider of real estate software applications and hosted solutions	Section 6.3.
How is BidCo funding the Scheme Consideration?	BidCo will fund the Scheme Consideration through an existing available credit facility provided by Golub Capital LLC.	Section 6.8.
What are BidCo's intentions regarding PropTech Group	<p>Following implementation of the Scheme, the current intention of BidCo is to continue to operate the day-to-day operations of PropTech Group's business largely in its current form with no material changes anticipated. MRI Software will undertake a review of PropTech Group's existing operations, assets and structure to identify any areas where PropTech Group's business can be enhanced or improved with the support and resources of MRI Software.</p> <p>The acquisition of PropTech Group reflects MRI Software's continued commitment to generate value for its real estate agency clients and investment in businesses with strong</p>	Section 6.9.

Question	Answer	More information
	<p>strategic alignment with MRI Software. The acquisition represents a compelling opportunity to capitalise on a trend towards the supply of integrated software solutions by combining MRI Software's strengths in property management with PropTech Group's strengths in sales management.</p> <p>MRI Software believes that integrating PropTech Group is strategically compelling and will enable the combined group to benefit from an expansion in product offering and thereby appeal to a broader customer base.</p>	
Voting recommendations and considerations		
What do the PropTech Group Directors recommend and how do they intend to vote?	<p>Your Directors have carefully considered the advantages and disadvantages of the Scheme and unanimously recommend¹⁰ that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PropTech Group Shareholders.</p> <p>Your Directors intend to vote, or procure the voting, in favour of the Scheme with respect to any PropTech Group Shares controlled or held by, or on behalf of, them, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PropTech Group Shareholders.</p> <p>PropTech Group Directors collectively hold or control approximately 19% of PropTech Group Shares as at the date of this Scheme Booklet. PropTech Group Shareholders should have regard to these interests when considering how to vote on the Scheme.</p>	<p>Section 1.2 provides a summary of some of the reasons why the PropTech Group Board considers that PropTech Group Shareholders should vote in favour of the Scheme.</p> <p>Section 9.1 set out the interests of PropTech Group Directors in PropTech Group.</p>
What benefits will the Directors receive if the Scheme is Implemented?	<p>In relation to the recommendation of the Directors, PropTech Group Shareholders should have regard to the fact that Joe Hanna and Scott Wulff hold Performance Rights as detailed in Sections 1.5 and 9.3 and if the Scheme is implemented, those Performance Rights are entitled to be dealt with in accordance with Section 9.3.</p> <p>For the reasons set out in Section 1.5, each of Joe Hanna and Scott Wulff consider that, despite these arrangements, it is appropriate for them to make a recommendation in relation to the Scheme.</p> <p>PropTech Group Shareholders should have regard to these arrangements when considering the recommendation of the Directors in relation to the Scheme.</p>	Sections 1.5 and 9.3.
What is the opinion of the Independent Expert?	<p>The Independent Expert has concluded that the Scheme is fair and reasonable and, therefore, is in the best interests of PropTech Group Shareholders, in the absence of a Superior Proposal.</p> <p>The Independent Expert's estimated the fair value of a PropTech Group Share to be between \$0.48 and \$0.61 per PropTech Group Share on a controlling interest basis.</p>	A copy of the Independent Expert's Report is contained in Annexure A.
What if the Independent Expert changes its opinion?	<p>If the Independent Expert changes its opinion, this will be announced to ASX. In such circumstances, the PropTech Group Board will consider the Independent Expert's revised opinion and advise PropTech Group Shareholders of its recommendation.</p> <p>The PropTech Group Board may change, qualify or withdraw</p>	See Section 9.5.

¹⁰ In relation to the unanimous recommendation of the PropTech Group Directors, refer to Section 1.5 for further details.

Question	Answer	More information
	their recommendation that PropTech Group Shareholders vote in favour of the Scheme without paying the PropTech Group Break Fee to BidCo if the Independent Expert concludes that the Scheme is no longer in the best interests of PropTech Group Shareholders (other than where the conclusion is due to the existence of a Competing Proposal).	
What choices do I have as a PropTech Group Shareholder?	<p>As a PropTech Group Shareholder who is eligible to vote at the Scheme Meeting, you have the following choices in relation to your PropTech Group Shares:</p> <ul style="list-style-type: none"> • vote in favour of the Scheme at the Scheme Meeting; • vote against the Scheme at the Scheme Meeting; • sell your PropTech Group Shares on ASX; or • do nothing. 	Section 1.6 sets out your options.
Is a Superior Proposal likely to emerge?	<p>Since the announcement of the execution of the Scheme Implementation Deed on 31 October 2022, and up to the Last Practicable Date, no Superior Proposal has emerged.</p> <p>Your Directors have no reasonable basis for believing that a Competing Proposal will be received which will be a Superior Proposal.</p>	Section 1.2.
Conditions Precedent		
Are there any conditions to be satisfied or waived?	<p>Yes. There are a number of Conditions Precedent that will need to be satisfied or waived (where capable of waiver) before the Scheme can become Effective.</p> <p>In summary, as at the Last Practicable Date, the outstanding Conditions Precedent include:</p> <ul style="list-style-type: none"> • ACCC and FIRB approval; • no legal restraints or impediments to the Scheme; • PropTech Group Shareholders approve the Scheme; • the Court approves the Scheme; • no Material Adverse Change occurs; • no Prescribed Occurrence occurs; • the representations and warranties given by PropTech Group and BidCo to each other are true and correct in all material respects; and • arrangements have been put in place so that all PropTech Equity Incentives have been issued as PropTech Group Shares or cancelled in accordance with the Scheme Implementation Deed. <p>As at the date of this Scheme Booklet, none of the PropTech Group Directors are aware of any circumstances which would cause any Conditions Precedent not to be satisfied or waived (if capable of waiver).</p>	Sections 4.4 and 9.5(a) contains further information on the Conditions Precedent to the Scheme.
When must the Conditions Precedent be satisfied or waived by?	<p>Apart from the Conditions Precedent relating to PropTech Group Shareholder approval and Court approval and certain regulatory approvals (including FIRB and ACCC), the Conditions Precedent must be satisfied or waived as at 8.00am on the Second Court Date.</p> <p>While any Conditions Precedent (other than Court approval) remain unsatisfied and have not been waived (if applicable), there is a risk that the Second Court Hearing will be delayed until after those Conditions Precedent have been satisfied or waived (if applicable). If the Second Court Hearing is delayed, this may in turn delay the Implementation Date.</p>	Section 9.5(a)

Question	Answer	More information
	<p>In addition, the Scheme will not proceed if any of the Conditions Precedent are not satisfied or waived (if applicable) by the Sunset Date, and either PropTech Group or BidCo terminates the Scheme Implementation Deed.</p> <p>The Sunset Date is 30 April 2023 and may be extended by agreement between PropTech Group and BidCo.</p>	
When does the Scheme become Effective?	<p>In order to become Effective, the Scheme must be approved by the Court at the Second Court Hearing.</p> <p>PropTech Group will apply to the Court for an order approving the Scheme if the Scheme is approved by the Requisite Majorities of PropTech Group Shareholders voting at the Scheme Meeting and all other Conditions Precedent (other than Court approval) have been satisfied or waived.</p> <p>If the Court makes orders approving the Scheme, PropTech Group will lodge a copy of those orders with ASIC under section 411(10) of the Corporations Act. As soon as the copies of the Court orders approving the Scheme are lodged with ASIC, the Scheme will become Effective. This is expected to occur, on or shortly after the date on which the Court issues orders approving the Scheme (currently scheduled to be on 10 February 2023).</p>	Section 4.1
What will I receive?		
What will I receive if the Scheme is implemented?	If the Scheme is approved and implemented, on the Implementation Date you will receive \$0.60 cash per Scheme Share you hold.	Section 4.3 sets out details of the Scheme Consideration.
When will the Scheme Consideration be paid?	<p>If the Scheme is approved and implemented, the Scheme Consideration will be paid to Scheme Shareholders on the Implementation Date, which is currently scheduled to be 22 February 2023.</p> <p>Cash payments will be made by direct deposit into your Australian dollar denominated bank account, as advised to the Share Registry as at the Scheme Record Date. If you have not nominated an Australian dollar denominated bank account, payment will be made by Australian dollar cheque sent by post to your registered address as shown on the Register.</p>	Section 4.3 and 4.6(e) set out details related to the expected payment of the Scheme Consideration
Will I have to pay brokerage	You will not have to pay brokerage on the transfer of your PropTech Group Shares to BidCo under the Scheme.	See Section 1.2.
What are the tax implications of the Scheme for me?	<p>A general summary of the main Australian tax implications of the Scheme for certain PropTech Group Shareholders is set out in Section 8.</p> <p>You should seek your own independent tax advice in respect of your individual circumstances, particularly if you are not covered by the general summary in Section 8.</p>	Section 8 contains further details.
Voting on the Scheme		
Where and when is the Scheme Meeting?	The Scheme Meeting is scheduled to be held at the offices of RSM Australia, Level 21, 55 Collins Street, Melbourne VIC 3000 at 11.00am on Tuesday 7 February 2023.	Annexure D
Who can vote at the Scheme Meeting?	<p>If you are a PropTech Group Shareholder at 7.00pm on the Voting Record Date, you may vote at the Scheme Meeting.</p> <p>If you are eligible to vote and have appointed a proxy, attorney</p>	See Section 3.2 and the Notice of Meeting in

Question	Answer	More information
	or corporate representative, that individual may vote at the Scheme Meeting on your behalf.	Annexure D
Is voting compulsory?	<p>Voting is not compulsory. However, the Scheme will only be successful if it is approved by the PropTech Group Shareholders by the Requisite Majorities, so voting is important and the PropTech Group Board encourages you to vote.</p> <p>The PropTech Group Board unanimously recommends¹¹ that PropTech Group Shareholders vote in favour of the Scheme in the absence of a Superior Proposal, and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PropTech Group Shareholders.</p>	Section 1.6 and 4.6.
What are the approval thresholds for the Scheme?	<p>For the Scheme to be approved, the Scheme Resolution must be passed by the Requisite Majorities, being:</p> <ul style="list-style-type: none"> • unless the Court orders otherwise, more than 50% in number of PropTech Group Shareholders who are present and voting, either in person or by proxy, by attorney or, in the case of a corporation, by its duly appointed corporate representative, at the Scheme Meeting; and • at least 75% of the total number of votes cast on the Scheme Resolution. <p>Even if the Scheme is approved by the Requisite Majorities of PropTech Group Shareholders at the Scheme Meeting, the Scheme is still subject to the approval of the Court.</p>	Section 4.6(a).
How can I vote if I can't, or do not wish to, attend the Scheme Meeting?	<p>If you would like to vote but cannot, or do not wish to, attend the Scheme Meeting, you can vote by appointing a proxy (including by lodging your proxy form online at https://www.votingonline.com.au/ptgscheme) or by appointing an attorney to attend and vote on your behalf.</p> <p>You may also vote by corporate representative if that option is applicable to you.</p>	Section 3.2 and the Notice of Meeting in Annexure D
What if I do not vote at the Scheme Meeting or if I vote against the Scheme?	If the Scheme is approved by the Requisite Majorities of PropTech Group Shareholders, then, subject to the other Conditions Precedent being satisfied or waived (if applicable) and the Scheme becoming Effective, the Scheme will be implemented and will be binding on all PropTech Group Shareholders, including those who voted against the Scheme, or did not vote.	Sections 1.1, 1.6 and 4.6(a).
When will the result of the Scheme Meeting be known?	The result of the Scheme Meeting will be available shortly after the conclusion of the meeting and will be announced to ASX once available. Even if the Scheme Resolution is passed by the Scheme Meeting, the Scheme is still subject to approval of the Court.	See Important Dates page.
Trading		
Can I sell my PropTech Group Shares before the Scheme is implemented?	<p>Yes, you are able to sell your PropTech Group Shares on ASX in the usual manner on or before the Effective Date (which is currently scheduled to be Friday 10 February 2023) if you do not wish to hold them and participate in the Scheme.</p> <p>However, you should note that if you choose to sell your PropTech Group Shares, you may not receive consideration</p>	Section 1.6(c).

¹¹ In relation to the unanimous recommendation of the PropTech Group Directors, refer to Section 1.5 for further details.

Question	Answer	More information
	<p>equivalent to the Scheme Consideration, and brokerage expenses on the sale may be incurred.</p> <p>If you are in any doubt as to what you should do, you should seek advice from independent and appropriately licensed financial, legal, stockbroking and taxation advisers before making any decision regarding the Scheme.</p>	
Other questions		
What happens if a Competing Proposal is received?	<p>If a Competing Proposal is received, the PropTech Group Directors will carefully consider it. PropTech Group must notify BidCo of that Competing Proposal in accordance with the Scheme Implementation Deed.</p> <p>You should note that PropTech Group has agreed to certain exclusivity provisions in favour of BidCo under the Scheme Implementation Deed that restrict PropTech Group's ability to participate in negotiations and discussions in relation to a Competing Proposal (subject to certain fiduciary exceptions).</p>	Section 9.5.
Will I have to give any warranties in connection with the Scheme?	<p>Yes. Each Scheme Shareholder is taken to have warranted to PropTech Group and BidCo on the Implementation Date that:</p> <ul style="list-style-type: none"> all their PropTech Group Shares (including any rights and entitlements attaching to those shares) which are transferred under the Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the Personal Property Securities Act 2009 (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind, and that they have full power and capacity to transfer their PropTech Group Shares to BidCo together with any rights and entitlements attaching to those shares. PropTech Group undertakes that it will provide such warranty to BidCo as agent and attorney of each Scheme Shareholder; and they have no existing right to be issued any PropTech Group Shares, Equity Incentives or any other PropTech Group equity securities. PropTech Group undertakes that it will provide such warranty to BidCo as agent and attorney of each Scheme Shareholder 	Section 4.7.
What happens if the Scheme does not proceed?	<p>If the Scheme is not approved at the Scheme Meeting, or another condition to the Scheme is not satisfied or waived (where capable of waiver), the Scheme will not be implemented.</p> <p>If the Scheme is not implemented, PropTech Group Shareholders will not receive the Scheme Consideration but will retain their PropTech Group Shares. In these circumstances, PropTech Group will, in the absence of any alternative or Competing Proposal, continue to operate as a stand-alone company listed on ASX.</p>	Section 4.5 sets out further details on what happens if the Scheme does not proceed
Who can I contact if I have further questions in relation to the Scheme?	<p>If you have any further questions, you should seek advice from independent and appropriately qualified financial, legal, stockbroking and taxation advisers.</p> <p>You may also call the Shareholder Information Line on 1300 737 760 (within Australia), or + 61 2 9290 9600 (outside Australia), between 8.15am and 5.30pm, Monday to Friday.</p>	N/A



Section 3

Next steps



3 Next steps

3.1 Carefully read this Scheme Booklet in full and seek advice if you have any questions

You should carefully read this Scheme Booklet in its entirety to assist you in making an informed decision on how to vote on the Scheme.

This Scheme Booklet contains important information, including:

- the reasons for the PropTech Group Directors' recommendation;
- the reasons why you may choose to vote for or against the Scheme;
- information about the Scheme Consideration;
- information about PropTech Group, BidCo and the MRI Group; and
- the Independent Expert's Report.

If you have further questions, you can call the Shareholder Information Line on 1300 737 760 (within Australia), or +61 2 9290 9600 (outside Australia), between 8.15am and 5.30pm, Monday to Friday.

If you are in any doubt as to what you should do, you should seek advice from independent and appropriately qualified financial, legal, stockbroking or taxation advisers before making any decision regarding the Scheme.

3.2 Vote on the Scheme

(a) Your vote is important

For the Scheme to proceed, it is necessary that sufficient PropTech Group Shareholders vote in favour of the Scheme.

If you are registered as a PropTech Group Shareholder at 7.00pm on the Voting Record Date, you will be entitled to vote on the Scheme.

(b) Notice of Meeting

The Scheme Meeting will be held as a physical meeting at the offices of RSM Australia, Level 21, 55 Collins Street, Melbourne VIC 3000

PropTech Group Shareholders who are unable to, or do not wish to, participate in the Scheme Meeting are encouraged to submit a directed proxy vote as early as possible and in any event by 11.00am (Melbourne time) on Sunday 5 February 2023 by completing and submitting a proxy form.

The Notice of Meeting is contained in Annexure D to this Scheme Booklet.

(c) Procedure

You may vote on the Scheme:

- by attending the Scheme Meeting in person;
- by proxy, by completing, signing and lodging the original Proxy Form in accordance with the instructions set out on the form. You should arrange to have your proxy or proxies attend the Scheme Meeting in person if you are appointing a person other than the Chairman of the Scheme Meeting as your proxy;
- by attorney, by appointing an attorney to attend and vote at the Scheme Meeting in person on your behalf and providing a duly executed power of attorney to the Share Registry or the registered office of PropTech Group by 11.00am on Sunday 5 February 2023; or
- by corporate representative, in the case of a corporation which is a PropTech Group Shareholder, by appointing a corporate representative to attend in person and vote at the Scheme Meeting on your behalf and providing a duly executed certificate of appointment (in accordance with

sections 250D and 253B of the Corporations Act) prior to admission to the Scheme Meeting.

Further, information on how to vote using each of these methods is contained in the Notice of Meeting attached as Annexure D to this Scheme Booklet.

If you are in favour of the Scheme, you should vote in favour of the Scheme.

The Scheme will not proceed unless the Scheme is approved by PropTech Group Shareholders.

(d) **Voting entitlement**

Each PropTech Group Shareholder who is registered on the Register at 7.00pm on the Voting Record Date is entitled to attend and vote at the Scheme Meeting, in person, by proxy, by attorney or, in the case of a corporation which is a PropTech Group Shareholder, by its representative appointed in accordance with the Corporations Act.

Information on entitlements to vote, including if you are a joint holder of Scheme Shares, is contained in the Notice of Meeting which is attached as Annexure D to this Scheme Booklet.



Section 4 Overview and key steps



4 Overview and key steps

4.1 Background

On 31 October 2022, PropTech Group announced that it had entered into a Scheme Implementation Deed with BidCo and MRI Software under which it is proposed that BidCo will acquire all PropTech Group Shares by way of a scheme of arrangement under Part 5.1 of the Corporations Act.

The Scheme Implementation Deed sets out a framework for PropTech Group to propose a scheme of arrangement between itself and PropTech Group Shareholders under which BidCo will acquire all of the PropTech Group Shares on issue as at the Scheme Record Date.

Having carefully considered BidCo's proposal and the merits of the alternatives, the PropTech Group Directors unanimously recommend¹² that PropTech Group Shareholders vote in favour of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that, the Scheme is in the best interests of the PropTech Group Shareholders. Subject to those same qualifications, each of the PropTech Group Directors intend to vote all the PropTech Group Shares held or controlled by them in favour of the Scheme at the Scheme Meeting.

4.2 What will happen under the Scheme?

If the Scheme is approved by PropTech Group Shareholders and the Court, and is implemented:

- all PropTech Group Shares held by Scheme Shareholders on the Scheme Record Date will be transferred to BidCo;
- in return, Scheme Shareholders will be entitled to receive the Scheme Consideration of \$0.60 for each PropTech Group Share they hold on the Scheme Record Date; and
- PropTech Group will become a wholly owned Subsidiary of BidCo and, after implementation, will be delisted from ASX.

A copy of the Scheme is set out in full in Annexure B to this Scheme Booklet. Section 4.6 explains the steps involved in implementing the Scheme in more detail.

4.3 Scheme Consideration

The Scheme Consideration of \$0.60 for each PropTech Group Share will be made by direct deposit into your nominated Australian bank account, as advised to the Share Registry as at the Scheme Record Date. If you have not nominated an Australian bank account, payment will be made by an Australian dollar cheque sent by post to your registered address as shown on the Register unless PropTech Group believes that you are not known at your registered address, in which case your Scheme Consideration will be paid to a PropTech Group bank account, to be held until you nominate an Australian bank account into which a payment may be made, subject to relevant laws dealing with unclaimed money.

It is important to note that you will only receive the Scheme Consideration if you are a Scheme Shareholder. You will be a Scheme Shareholder if you hold PropTech Group Shares at the Scheme Record Date (currently expected to be 7:00pm (Melbourne time) on Wednesday 15 February 2023).

¹² In relation to the unanimous recommendation of the PropTech Group Directors, refer to Section 1.5 for further details.

4.4 Conditions to the Scheme

The Scheme will not become Effective and you will not receive the Scheme Consideration unless all of the Conditions Precedent to the Scheme are satisfied or waived (if capable of waiver) in accordance with the Scheme Implementation Deed.

The Conditions Precedent to the Scheme are summarised in section 9.5(a) of this Scheme Booklet and are set out in full in Schedule 1 of the Scheme Implementation Deed. These include approval by the Court, PropTech Group Shareholders, and several regulatory approvals, including from ACCC and FIRB.

4.5 If the Scheme does not become effective

If the Scheme does not proceed:

- PropTech Group Shareholders will not receive the Scheme Consideration;
- PropTech Group Shareholders will continue to hold their PropTech Group Shares;
- In the absence of any alternative or Competing Proposal to the Scheme, PropTech Group will continue as a stand-alone entity with management continuing to implement its current business plan and financial and operating strategies. PropTech Group Shareholders will be exposed to general risks and risks relating to PropTech Group's business, including those set out in Section 7.
- In the absence of a Superior Proposal, the price at which PropTech Group Shares trade may fall.

Depending on the reasons why the Scheme does not proceed, PropTech Group may be liable to pay the PropTech Group Break Fee, and BidCo may be liable to pay the BidCo Break Fee. Information on the PropTech Group Break Fee and the BidCo Break Fee are set out in Sections 9.5(e) and 9.5(f) respectively.

Prior to the Scheme Meeting, transaction costs will have been incurred, or will be committed, by PropTech Group in relation to the Scheme. Those transaction costs have either already been paid or will be payable by PropTech Group regardless of whether or not the Scheme is implemented. If the Scheme does proceed, additional costs will be incurred. See Section 9.7 for more details.

4.6 Key steps in the Scheme

(a) Scheme approval requirements

The Scheme will only become Effective and be implemented if it is:

- agreed to by the Requisite Majorities of PropTech Group Shareholders at the Scheme Meeting, expected to be held on Tuesday 7 February 2023; and
- approved by the Court at the Second Court Hearing.

The **Requisite Majorities** are:

- a majority in number (more than 50%) of PropTech Group Shareholders present and voting at the Scheme Meeting (whether in person, by proxy, by attorney or by a corporate representative); and
- at least 75% of the total number of votes cast on the Scheme Resolution.

The Court has the discretion to waive the first of these two requirements if it considers it appropriate to do so.

The Notice of Scheme Meeting, which includes the Scheme Resolution, is set out in Annexure D to this Scheme Booklet.

The vote at the Scheme Meeting will be conducted by poll.

Voting is not compulsory. However, the PropTech Group Board unanimously recommends that PropTech Group Shareholders vote in favour of the Scheme in the absence of a Superior Proposal, and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PropTech Group Shareholders. You are encouraged to attend and vote at the Scheme Meeting.

You should be aware that even if you do not vote, or vote against the Scheme, the Scheme may still be implemented if it is approved by the Requisite Majorities of PropTech Group Shareholders and the Court. If this occurs, your PropTech Group Shares will be transferred to BidCo and you will receive the Scheme Consideration.

For further details on how to vote, please refer to Section 3 of this Scheme Booklet

(b) Court approval

In the event that:

- the Scheme is agreed to by the Requisite Majorities of PropTech Group Shareholders at the Scheme Meeting; and
- all other Conditions Precedent (except Court approval of the Scheme) have been satisfied or waived (where capable of waiver),

then PropTech Group will apply to the Court for orders approving the Scheme.

Each PropTech Group Shareholder has the right to appear at the Second Court Hearing.

The Court may refuse to approve the Scheme or may approve the Scheme subject to conditions or variations, even if the Scheme is approved by the Requisite Majorities of PropTech Group Shareholders voting at the Scheme Meeting.

(c) Scheme Record Date

Scheme Shareholders, being those PropTech Group Shareholders on the Register on the Scheme Record Date (currently expected to be Wednesday, 15 February 2023) will be entitled to receive the Scheme Consideration in respect of the Scheme Shares they hold as at the Scheme Record Date.

(1) Dealings on or prior to the Scheme Record Date

For the purpose of determining which PropTech Group Shareholders are eligible to participate in the Scheme, dealings in PropTech Group Shares will be recognised only if:

- in the case of dealings of the type to be effected using CHESS, the transferee is registered on the Register as the holder of the relevant PropTech Group Shares on or before the Scheme Record Date (currently expected to be Wednesday, 15 February 2023); and
- in all other cases, registrable transmission applications or transfers in respect of those dealings, or valid requests in respect of other alterations, are received by the Share Registry on or before the Scheme Record Date (and the transferee remains registered as at the Scheme Record Date).

For the purposes of determining entitlements under the Scheme, PropTech Group will not accept for registration nor recognise any transfer or transmission applications or other request received in respect of PropTech Group Shares received after the Scheme Record Date, or prior to the Scheme Record Date but not in a registrable or actionable form, as appropriate.

(2) Dealings after the Scheme Record Date

For the purpose of determining entitlements to the Scheme Consideration, PropTech Group must maintain the Register in its form as at the Scheme Record Date (currently expected to be 15 February 2023) until the Scheme

Consideration has been provided. The Register in this form will solely determine entitlements to the Scheme Consideration.

After the Scheme Record Date:

- all statements of holding for PropTech Group Shares will cease to have effect as documents relating to title in respect of such PropTech Group Shares; and
- each entry on the Register will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the PropTech Group Shares relating to that entry.

(d) **Effective Date**

If the Court approves the Scheme and all other Conditions Precedent have been satisfied or waived (where capable of waiver), the Scheme will become Effective on the date when a copy of the Court order approving the Scheme is lodged with ASIC. PropTech Group will, on the Scheme becoming Effective, give notice of that event to ASX.

PropTech Group intends to apply to ASX for PropTech Group Shares to be suspended from official quotation on ASX from close of trading on the date the Scheme becomes Effective.

(e) **Implementation Date**

The Implementation Date is the fifth Business Day after the Scheme Record Date, currently expected to be 22 February 2023.

No later than two Business Days before the Implementation Date, BidCo must pay into a trust account nominated by PropTech Group the aggregate Scheme Consideration payable to Scheme Shareholders.

The Scheme Consideration will be paid on the Implementation Date by direct deposit into your Australian dollar denominated bank account, as advised to the Share Registry as at the Scheme Record Date. If you have not nominated an Australian dollar denominated bank account, payment will be made by Australian dollar cheque sent by post to your registered address as shown on the Register.

Immediately after the Scheme Consideration is paid, the Scheme Shares will be transferred to BidCo without Scheme Shareholders needing to take any further action.

(f) **Deed Poll**

On 13 December 2022, BidCo and MRI Software executed the Deed Poll pursuant to which BidCo has undertaken in favour of each Scheme Shareholder to provide each Scheme Shareholder with the Scheme Consideration to which they are entitled under the Scheme, subject to the Scheme becoming effective.

A copy of the Deed Poll is contained in **Error! Reference source not found..**

4.7 Warranties by PropTech Group Shareholders

The Scheme provides that each Scheme Shareholder is taken to have warranted to PropTech Group and BidCo on the Implementation Date, and appointed and authorised PropTech Group as its attorney and agent to warrant to BidCo on the Implementation Date, that all their Scheme Shares (including any rights and entitlements attaching to those shares) which are transferred under the Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind, and that they have full power and capacity to transfer their Scheme Shares to BidCo together with any rights and entitlements attaching to those shares.

4.8 Delisting of PropTech Group

On a date after the Implementation Date, PropTech Group will apply:

- for termination of the official quotation of PropTech Group Shares on ASX; and
- to have itself removed from the official list of ASX.



Section 5

Information about PropTech Group



5 Information about PropTech Group

5.1 Introduction and business overview

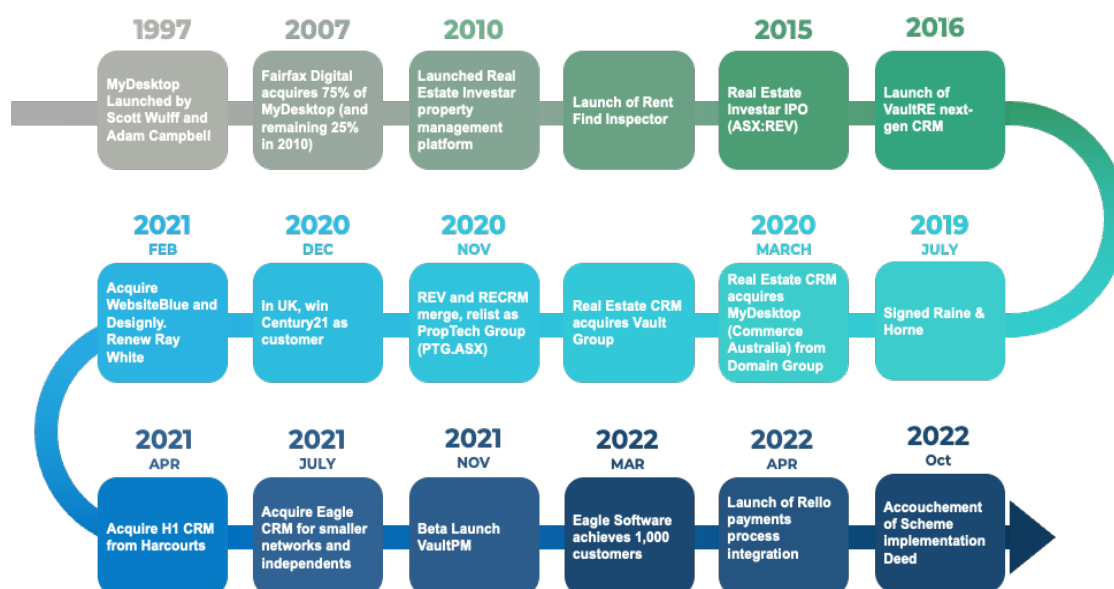
(a) Introduction

PropTech Group is an Australia-based online real estate software technology business that owns, operates, and invests in leading property technology software-as-a-service (**SaaS**) businesses in Australia, New Zealand, and the UK. Approximately 43 percent¹³ of Australia and New Zealand real estate agencies use at least one of PropTech Group's products.

For FY22, PropTech Group reported \$20.2 million in total revenue and other income, Annualised Recurring Revenues of \$18.5 million, and an underlying EBITDA of \$2.0 million.

(b) Company History

In November 2020, PropTech Group was formed when ASX-listed Real Estate Investar Group Ltd (ASX:REV) (**Real Estate Investar**), acquired Real Estate CRM Pty Ltd (**RECRM**) to create a pure play property technology (**proptech**) company, with the mission to provide Australian, New Zealand, and United Kingdom real estate agents and developers with market leading proptech solutions.



Launched in 2010, Real Estate Investar is a subscription-based SaaS property investment platform that helps Australian and New Zealand investors make more informed residential property investment decisions. It was admitted to the Official List of ASX in December 2015. Today, it is still operated by PropTech Group.

RECRM was formed in February 2020 and March 2020 through the amalgamation of Commerce Australia Pty Ltd (**MyDesktop**) and Vault Group Pty Ltd (**Vault Group**) respectively. My Desktop was acquired from the Domain Group Ltd and the Vault Group from founders and investors.

MyDesktop and the Vault Group have a shared 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 CRMs in the Australian and New Zealand markets. Between 2007 and 2010, Fairfax Digital acquired 100% of MyDesktop and in 2016 MyDesktop became a subsidiary of the Domain Group Ltd.







In 2016, Scott Wulff and Adam Campbell left MyDesktop and founded the Vault Group with the mission to be the next generation real estate software system which contained

¹³ Market share of agencies paying for one or more PropTech Group products, ANZ total market size is 12,200 agencies as per the Frost & Sullivan market report (October 2020).

both property sales CRM and rental property management functionality on the same technology platform. The main product offered by the Vault Group is VaultRE.

Following relisting in November 2020, PropTech Group acquired JMCG Pty Ltd t/a Website Blue and Eagle Software Pty Ltd as well as making investments into, or partnerships with, Rello, Propps and National Property Data.

(c) **Products**

Business to Business (B2B)			
Product		Description	Markets
Real Estate Agent CRM			
	Eagle	<ul style="list-style-type: none"> A prominent provider of CRM, listing management and website solutions to independent, boutique and small multi-office real estate agencies 	Australia New Zealand
	VaultRE	<ul style="list-style-type: none"> A prominent all-in-one real estate platform including residential and commercial sales CRM and property management modules. Exceptional enterprise platform, exclusive agreements with the largest corporate franchise groups. 	Australia New Zealand United Kingdom
Auxiliary services and products			
	Rentfind Inspector	<ul style="list-style-type: none"> Digital property inspection tool for agents 	Australia New Zealand United Kingdom
	Website Blue	<ul style="list-style-type: none"> A provider of real estate agency and agent websites 	Australia New Zealand United Kingdom
	Designly	<ul style="list-style-type: none"> Enterprise marketing asset and campaign creation and management platform 	Australia New Zealand United Kingdom
Business to Consumers (B2C)			
Product		Description	Markets
Investor Tools			
	Real Estate Investor	<ul style="list-style-type: none"> Online property investor platform, that allows investors to locate, compare and analyse property investment opportunities through one platform and according to custom-tailored investment strategies. 	Australia New Zealand

(d) **Strategy and Business Model**

PropTech Group's vision is to be the leading provider of products and services to the Australian, New Zealand and United Kingdom real estate industries.

PropTech Group is implementing a four-step strategy to capture value from the target markets.

Step 1 – Leading Provider of SaaS CRM Software

The first priority for PropTech Group is to be the leading provider of sales and property management CRMs to the Australian and New Zealand real estate markets.

The Company is the leader in sales CRM software with 43 percent¹⁴ of Australian and New Zealand real estate agencies using at least one of the Company's sales CRM products. The recent launch of its property management module enables PropTech Group to target the property management CRM segment of this market.

Step 2 – Target Other Real Estate Agency Spend

The second priority for PropTech Group is to leverage its existing relationships with real estate agents in Australia and New Zealand by targeting them with additional products and services to capture a percentage of the real estate agency SaaS spend.

PropTech Group has made good initial progress into this segment through its acquisitions of Website Blue and Designly. The Company also offers a range of other products and services in this category either directly or through partnerships such as Propps and National Property Data.

Step 3 – Target the Broader Ancillary Services Fees Segment

The third priority for PropTech Group is to work with its customers to have them on-sell PropTech Group products and services to their customers. Examples of these products and services can be mortgages, insurance, and relocation services.

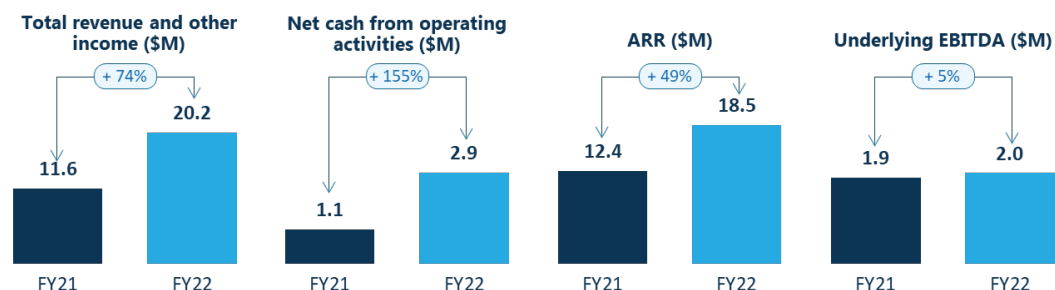
PropTech Group is in the early stages of addressing this segment of the market and is exploring opportunities through investments and partnerships including Rello.

Step 4 – Expand to Other Geographic Markets

The fourth priority for PropTech Group is to expand to other similar geographic markets. Initial expansion has taken place into the United Kingdom market through the acquisition of Rentfind Inspector and the launch of VaultEA.

(e) Financial and Business Highlights

PropTech Group revenues and other income increased by 74 percent between FY21 and FY22 and net cash flow from operating activities increase by 155 percent over the same period to \$2.9 million.

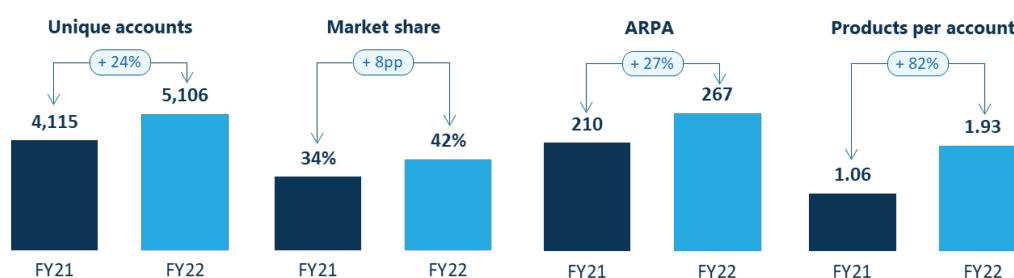


Underlying the strong financial performance was growth in key performance indicators. Unique agency accounts¹⁵ increased by 24 percent during the FY22 financial year to end with 5,106 agencies resulting in a market share¹⁶ of approximately 42 percent of the Australian and New Zealand agents using at least one PropTech Group product or service.

¹⁴ Market share of agencies paying for one or more PropTech Group products, ANZ total market size is 12,200 agencies as per the Frost & Sullivan market report (October 2020).

¹⁵ Number of unique agency customers using one or more PropTech Group products.

¹⁶ Market share of agencies paying for one or more PropTech Group products, ANZ total market size is 12,200 agencies as per the Frost & Sullivan market report (October 2020) included in PropTech Group's prospectus.



The ARPA¹⁷ increased by 27 percent over the FY22 year driven by a combination of prices increases and an increase in the average products per account¹⁸ from 1.06 to 1.93.

5.2 PropTech Group Board and senior management

(a) Board

As at the Last Practicable Date, PropTech Group Board comprises the following Directors:

Name	Position
Simon Baker	Non-Executive Chairman
Sam Plowman	Non-Executive Director
Georg Chmiel	Independent Non-Executive Director
Joe Hanna	Managing Director & Chief Executive Officer
Scott Wulff	Executive Director

(b) Senior executive team

As at the Last Practicable Date, PropTech Group's senior management comprises the following members:

Name	Position
Joe Hanna	Managing Director & Chief Executive Officer
Scott Wulff	Executive Director
Michael Fiorenza	Chief Financial Officer
Luke Paverd	Chief Operating Officer
Audrey Nicoll	Chief Marketing Officer
Luke Thomas	Chief Commercial Officer

¹⁷ "ARPA" is monthly average revenue per account calculated for last month of period indicated.

¹⁸ Products per account has been calculated by number of products subscribed to by PropTech Group customers, divided by the total number of accounts. The individual products captured include CRM Core, CRM Property Management, CRM Commercial, Rent Find Inspect, Websites and Designly, Designly Pro and PropSEO.

5.3 Capital Structure

As at the Last Practicable Date, the capital structure of PropTech Group was:

Type of Security	Number On Issue
Ordinary shares	151,632,349
Options	600,000
Performance Rights (vested)	1,671,743 ¹⁹
Approved Performance Rights	1,740,987
Fully Diluted Shares	155,645,079

The PropTech Group Shares to be issued to employees in respect of the Approved Performance Rights relate to performance for the period ending 30 June 2022 which had been approved by the PropTech Group Board but not issued.

See Section 9.3 for further information on the intended treatment of Equity Incentives (which include Options, Performance Rights and Approved Performance Rights) in connection with the Scheme.

Other than as described in this Section 5.3, there are no other securities on issue, and there are no offers or agreements to issue any securities, in PropTech Group.

5.4 Substantial shareholders

As at the Last Practicable Date, the following persons have notified PropTech Group of the fact that they hold substantial holdings (within the meaning of the Corporations Act) in PropTech Group Shares.

Shareholder	Ordinary shares held	% of issued ordinary shares
Simon Baker	11,373,174	7.50%
Songpan Investments Pty Ltd	7,900,000	5.21%

The shareholdings listed in this Section 5.4 are disclosed to PropTech Group by the shareholders by substantial holding notices and change in director interest notices received by the Last Practicable Date. Information in regard to substantial holdings arising, changing or ceasing after Last Practicable Date or in respect of which PropTech Group has not been advised or has not otherwise been disclosed, is not included above.

5.5 Recent PropTech Group Share price performance

As at 28 October 2022, being the last trading day prior to the announcement of the entry into the Scheme Implementation Deed on 31 October 2022:

- (a) the closing price of PropTech Group Shares on ASX was \$0.260.
- (b) the highest recorded daily closing price for PropTech Group Shares on ASX in the previous 3 months was \$0.330 on 26 August 2022; and
- (c) the lowest recorded daily closing price for PropTech Group Shares on ASX in the previous 3 months was \$0.235 on 17 October 2022.

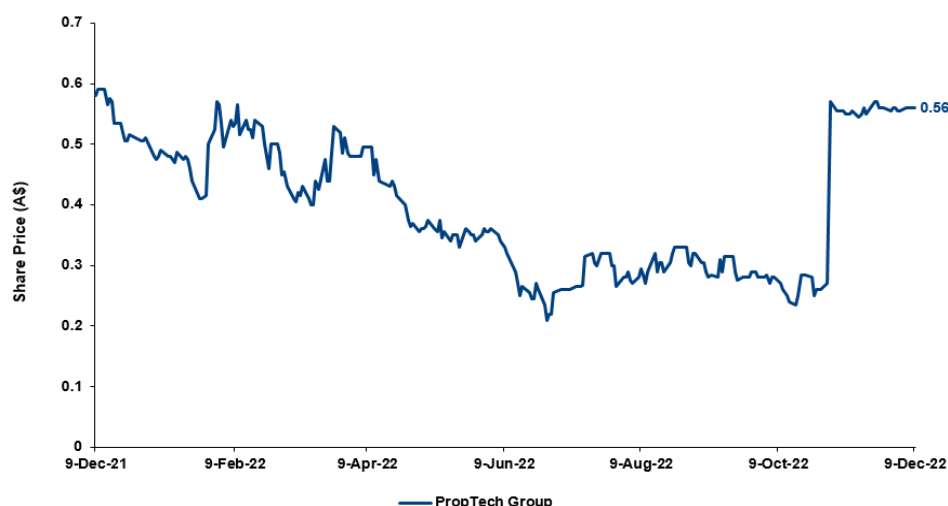
As at 9 December 2022, being the Last Practicable Date:

- (a) the closing price of PropTech Group Shares on ASX was \$0.56.

¹⁹ As at the Last Practicable Date there were 1,754,702 Performance Rights on issue. Of these, 82,959 Performance Rights will be cancelled as the relevant performance targets were not achieved.

- (b) the highest recorded daily closing price for PropTech Group Shares in the previous 3 months on ASX was \$0.570 on 22 September 2022; and
- (c) the lowest recorded daily closing price for PropTech Group Shares in the previous 3 months on ASX was A\$0.235 on 17 October 2022.

The graph below shows PropTech Group's share price performance over the last 12 months up to and including the Last Practicable Date:



Source: IRESS (as at 9 December 2022, being the Last Practicable Date).

The current price of PropTech Group Shares on ASX can be obtained from ASX's website (www2.asx.com.au).

5.6 Risks Relating to PropTech Group's business

There are existing risks relating to PropTech Group's business and an investment in PropTech Group. These risks will not be relevant to PropTech Group Shareholders if the Scheme becomes Effective.

If the Scheme does not become Effective, those risks continue to be relevant to PropTech Group Shareholders. A summary of the key risks relating to PropTech Group's business and an investment in PropTech Group is set out in Section 7.

5.7 Group Structure

The following entities are Subsidiaries of PropTech Group:

Controlled Subsidiaries	Principal Place of Business	Ownership interest on or after 30 June 2022 %	Ownership interest on or 30 June 2021 %
Real Estate CRM Pty Ltd	Australia	100	100
Commerce Australia Pty Ltd	Australia	100	100
Vault Group Pty Limited	Australia	100	100
Vaultrealestate Pty Ltd	Australia	100	100
Clientvault Pty Ltd	Australia	100	100
Rentfind Technologies Pty Ltd	Australia	100	100
Rentfind.com.au Pty Ltd	Australia	100	100
Clientvault UK Pty Ltd	United Kingdom	100	100
Complete RE Solutions Pty Ltd	Australia	100	100
Real Estate Investar Australia Pty Ltd	Australia	100	100
Real Estate Investar Accounting Services Pty Ltd	Australia	100	100

Controlled Subsidiaries	Principal Place of Business	Ownership interest on or after 30 June 2022 %	Ownership interest on or 30 June 2021 %
Property Investor Developments Pty Ltd	Australia	100	100
Real Estate Investar Ltd	New Zealand	100	100
JMCG Pty Ltd (Trading as "Website Blue")	Australia	100	100
Eagle Software Pty Ltd	Australia	100	-
PropTech Group Ventures Pty Ltd	Australia	100	-
Equity Accounted Investments	Principal Place of Business	Ownership interest on or after 30 June 2022 %	Ownership interest on or 30 June 2021 %
RealPay Holdings Pty Ltd (t/a "Rello")	Australia	20	-

5.8 Historical financial information

This Section 5.8 contains the PropTech Group Financial Information, which comprises:

- historical consolidated income statements of PropTech Group for the years ended 30 June 2021 and 30 June 2022;
- historical consolidated statement of financial position of PropTech Group as at 30 June 2021 and 30 June 2022; and
- historical consolidated statement of cash flows of PropTech Group for the years ended 30 June 2021 and 30 June 2022.

The financial information in this Scheme Booklet is in an abbreviated form and does not contain all of the presentations and disclosures that are usually provided in an annual report and should therefore be read in conjunction with the financial statements of PropTech Group for the respective periods, including the description of the significant accounting policies contained in those financial statements and the notes to those financial statements.

The information has been extracted from the audited financial reports of PropTech Group for the years ended 30 June 2022 and 30 June 2021 which are available on the PropTech Group's website at www.proptechgroup.io or by visiting ASX's website at www2.asx.com.au.

The figures presented in this Scheme Booklet for FY21, have been adjusted to reflect the retrospective application of AASB 136(84) Impairment of assets, which relates to the valuations of PropTech Group Limited (formerly Real Estate Investar Group Limited), JMCG Pty Ltd (t/a Website Blue), and the Real Estate CRM Pty Ltd acquisitions of Commerce Australia Pty Ltd and Vault Group Pty Ltd and its Subsidiaries as per the comparatives in PropTech Group's financial report for the year ended 30 June 2022.

See Section 5.11 of this Scheme Booklet for details of where PropTech Group's full financial reports, including all notes to those financial reports, can be found.

(a) **PropTech Group historical consolidated income statements**

The historical consolidated income statements of PropTech Group for the years ended 30 June 2021 and 30 June 2022 are summarised in the table below.

	2022	2021
	\$	\$
Revenue from continuing operations	19,895,537	11,173,773
Other income	338,437	456,605
Total revenue and other income	20,233,974	11,630,378
Expenses		
Employee benefits	(12,109,127)	(6,441,595)
Operating costs	(6,836,192)	(3,581,166)
Depreciation and amortisation	(3,408,489)	(2,237,622)
Other expenses	(399,437)	(224,244)
Share of losses of associates accounted for using the equity method	(158,000)	-
Finance costs	(40,376)	(5,665)
Loss before income tax expense from continuing operations	(2,717,647)	(859,914)
Income tax credit (expense)	92,708	(160,225)
Loss after income tax expenses for the year attributable to the owners of PropTech Group Limited	(2,624,939)	(1,020,139)
Other comprehensive income, net of tax		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign currency translation differences	(28,048)	(5,651)
Other comprehensive income for the year, net of tax	(28,048)	(5,651)
Total comprehensive loss for the year attributable to the owners of PropTech Group Limited	(2,652,987)	(1,025,790)

(b) **PropTech Group historical consolidated statement of financial position**

The historical consolidated statement of financial position of PropTech Group as at 30 June 2021 and 30 June 2022 is set out below.

	2022	2021
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	14,052,828	6,581,850
Trade and other receivables	1,257,514	607,412
Contract assets	448,884	176,474
Financial assets at amortised cost	184,021	150,000

	2022	2021
	\$	\$
Current tax asset	-	137,560
Prepayments and other assets	551,443	300,594
Total current assets	16,494,690	7,953,890
Non-current assets		
Plant and equipment	823,253	424,899
Intangible assets	44,342,240	29,401,782
Deferred tax assets	221,911	373,952
Investment in associates	92,000	-
Total non-current assets	45,479,404	30,200,633
Total assets	61,974,094	38,154,523
Liabilities		
Current liabilities		
Trade and other payables	2,454,992	1,472,032
Accrued expenses	809,496	1,184,027
Contract liabilities	592,147	251,932
Vendor payables	8,690,472	3,375,000
Lease liabilities	409,168	84,126
Employee benefits	798,696	484,921
Current tax liability	4,886	-
Total current liabilities	13,759,857	6,852,038
Non-current liabilities		
Vendor payables	-	675,000
Lease liabilities	283,714	209,402
Employee benefits	127,509	40,722
Deferred tax liabilities	1,925,001	1,467,613
Total non-current liabilities	2,336,224	2,392,737
Total liabilities	16,096,081	9,244,775
NET ASSETS	45,878,013	28,909,748
Equity		
Issued share capital	49,226,095	30,300,043
Reserves	681,576	14,424
Accumulated losses	(4,029,658)	(1,404,719)
TOTAL EQUITY	45,878,013	28,909,748

(c) **PropTech Group historical consolidated statement of cash flows**

This historical consolidated statement of cash flows of PropTech Group for the years ended 30 June 2021 and 30 June 2022 are summarised in the table below.

	2022	2021
	\$	\$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	21,447,799	12,341,315
Payments to suppliers and employees (inclusive of GST)	(18,974,714)	(11,070,410)
Government assistance received	70,981	138,175
Interest received	4,104	1,659
Interest paid	(22,295)	(5,665)
Other income	-	5,235
Income taxes received / (paid)	365,022	(274,475)
Net cash from operating activities	2,890,897	1,135,834
Cash flows from investing activities		
Payment for purchase of business, net of cash acquired	(6,794,624)	(5,761,950)
Payments for financial assets	-	(150,000)
Payments for plant and equipment	(94,108)	(127,790)
Payment for intangible assets	(2,604,597)	(739,799)
Payments for security deposits (net)	(72,714)	(44,549)
Payment for investment in associates	(250,000)	-
Loans advanced	(34,021)	-
Net cash used in investing activities	(9,850,064)	(6,824,088)
Cash flows from financing activities		
Proceeds from issue of shares	15,506,401	10,600,000
Share issue transaction costs	(731,720)	(773,337)
Repayment of lease liabilities	(212,424)	(9,313)
Net cash from financing activities	14,562,257	9,817,350
Cash and cash equivalents at the beginning of the financial year	6,581,850	2,474,815
Net increase in cash and cash equivalents	7,603,090	4,129,096
Effects of exchange rate changes on cash and cash equivalents	(132,112)	(22,061)
Cash and cash equivalents at the end of the financial year	14,052,828	6,581,850

5.9 Material changes in financial position since 30 June 2022

Other than:

- Payment by PropTech Group of the deferred consideration for the acquisition of Eagle Software Pty Ltd on 21 September 2022, resulting in a reduction in vendor payables (liabilities) by \$7.5 million and a corresponding reduction in cash and cash equivalents (assets) by \$7.5 million;
- the accumulation of earnings in the ordinary course of trading; and
- as disclosed in this Scheme Booklet or as otherwise disclosed to ASX by PropTech Group,

within the knowledge of the PropTech Group Board, the financial position of PropTech Group has not materially changed since 30 June 2022, being the date of PropTech Group's financial statements for the full year ended 30 June 2022 (released to ASX on 30 August 2022).

A copy of PropTech Group's financial statements for the year ended 30 June 2022 are available free of charge on PropTech Group's website (www.proptechgroup.io) or on ASX's website (www2.asx.com.au) or by contacting the Shareholder Information Line on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia) between 8.15am and 5.30pm, Monday to Friday.

PropTech Group has not provided any financial outlook to the market.

Further information about PropTech Group's financial performance is set out in the Independent Expert's Report which forms Annexure A to this Scheme Booklet.

5.10 PropTech Group Directors' intentions

The Corporations Regulations require a statement by the PropTech Group Directors of their intentions regarding PropTech Group's business. If the Scheme is implemented, the current PropTech Group Directors intend to resign, and an alternative board will be determined by BidCo. It is for the new PropTech Group Board to determine its intentions as to:

- the continuation of the business of PropTech Group;
- any major changes, if any, to be made to the business of PropTech Group; and
- the future employment of the present employees of PropTech Group.

If the Scheme is implemented, BidCo will have 100 percent ownership and control of PropTech Group. The current intentions of BidCo with respect to these matters are set out in Section 6.8.

If the Scheme is not implemented, the PropTech Group Directors intend to continue to operate the business in the ordinary course of the business of PropTech Group.

5.11 Public information available for inspection

As a company listed on ASX and a disclosing entity under the Corporations Act, PropTech Group is subject to regular reporting and disclosure obligations. Broadly, these require PropTech Group to announce price sensitive information as soon as it becomes aware of the information, subject to exceptions for certain confidential information. PropTech Group's recent announcements are available from www2.asx.com.au. Further announcements concerning developments at PropTech Group will continue to be made available on this website after the date of this Scheme Booklet.

PropTech Group is required to prepare and lodge with ASIC and ASX both annual and half-yearly financial statements accompanied by a statement and report from the PropTech Group Directors and an audit or review report. Copies of these and other documents lodged with ASIC may be obtained from or inspected at an ASIC office and on the PropTech Group website www.proptechgroup.io.

ASX maintains files containing publicly disclosed information about all companies listed on ASX. Information disclosed to ASX by PropTech Group is available on ASX's website at www2.asx.com.au.

PropTech Group Shareholders may obtain a copy of:

- the annual financial report of PropTech Group for the year ended 30 June 2022 (being the annual financial report most recently lodged with ASX and ASIC before lodgement of this Scheme Booklet with ASIC); and
- any continuous disclosure notice given to ASX by PropTech Group since the lodgement with ASX and ASIC of the 30 June 2022 annual report for PropTech Group referred to above and before lodgement of this Scheme Booklet with ASIC.

A list of announcements made by PropTech Group to ASX from the date of the Scheme Implementation Deed on 31 October 2022 to the Last Practicable Date, is included below:

Date	Description of Announcement
13/12/2022	Cleaning Notice
12/12/2022	Application for quotation of securities – PTG
28/11/2022	Notification of cessation of securities - PTG
28/11/2022	Application for quotation of securities – PTG
24/11/2022	Results of Meeting
24/11/2022	AGM Presentation
15/11/2022	Release of restricted securities from escrow
09/11/2022	Change in substantial holding

5.12 Litigation

As at the Last Practicable Date, PropTech Group is not currently subject to any legal disputes and is not party to any litigation proceedings.

5.13 Further information

For a summary of the risks associated with PropTech Group, please refer to Section 7.

Section 6 Information about BidCo



6 Information about BidCo

6.1 Introduction

This Section 6.1 contains the information concerning BidCo and outlines how it is funding the Scheme Consideration and its intentions in relation to the Consolidated Group. This Section 6.1 forms part of the MRI Information. It has been prepared by BidCo and is the responsibility of BidCo. PropTech Group and its respective officers and advisers do not assume any responsibility for the accuracy or completeness of this information.

6.2 Brief history of MRI Software

MRI Software was founded in 1971 and is a leading provider of real estate software applications and hosted solutions. It is headquartered in the United States of America with additional offices in Australia, United Kingdom, Hong Kong, Singapore, South Africa, New Zealand, and Canada.

On a global basis, MRI Software's offering includes a wide range of solutions for property investors, owners, managers, operators, and agents, in both the residential and commercial property sectors.

In Australia, MRI's software operations are focused on the supply of software to real estate agencies for sales management, property management and strata management.

MRI Software has been operating in the Asia Pacific region, providing solutions for Commercial Property managers and investors, for over 25 years. In 2019, MRI acquired Australian market leader, Rockend Technologies, which marked the beginning of a range of investments in the Australia and New Zealand market.

MRI's value proposition for agencies is based on three foundations:

- provide a platform to leverage your data, grow your business and keep clients for life;
- a flexible suite of solutions for real estate professionals, to help you stay connected and get things done; and
- a partner with integrity and vision, bringing together technology and real estate to build happier and healthier workplaces.

6.3 Overview of BidCo

BidCo is a proprietary company registered in New South Wales, Australia and is a wholly owned Australian subsidiary of MRI Software LLC, a Delaware limited liability company with headquarters in the Ohio, United States of America.

6.4 Group and Organisational Structure

BidCo is a wholly owned subsidiary of Management Reports International Pty Limited ACN 078 230 387, which is wholly owned by MRI Software LLC.

MRI Software LLC is ultimately owned by various individuals and entities, which include strategic investments in MRI Software LLC by private equity firms TA Associates Management L.P., Harvest Partners, LP and GI Partners.

6.5 Business overview

MRI Software's offering includes a wide range of software solutions for property investors, owners, managers, operators, and agents, in both the residential and commercial property sectors.

MRI's open and connected, AI-first platform empowers owners, operators and occupiers in commercial and residential property organisations to innovate in rapidly changing markets.

MRI has been a trailblazer in the PropTech industry for over five decades, serving more than two million users worldwide. Through innovative solutions and a rich partner ecosystem, MRI gives real estate companies the freedom to realise their vision of building thriving communities and stronger businesses.

In Australia and New Zealand, MRI's software operations are focused on the supply of software to real estate agencies for sales management, property management and strata management.

Sales Management Software

Box and Dice: premium residential real estate software, which offers a range of sales management functionality, including: customer relationship management (CRM); media and marketing; listing and sales; transaction management; settlement; and accounting.

Property Suite: premium residential real estate software. In addition to servicing the needs of residential, Property Suite software has strength in commercial, rural and project marketing functionality.

Property Management Software

Property Tree: a SaaS commercial and residential property management platform that features: automatic communications; owner and tenant portals; trust accounting; inspections management; and maintenance request management.

Rest Professional: a property management application that was designed for managing residential and holiday properties. Rest Professional is a client server-based application, rather than a SaaS application, and therefore is a legacy product.

Palace: Cloud-based commercial property management software.

Strata Management Software

Strata Master: Comprehensive strata management solutions, including trust accounting, meetings management, maintenance and banking solutions.

6.6 Board and senior management

(a) Board

As at the Last Practicable Date, the board of BidCo comprises the following members:

Name	Position
John Ensign	Director and President of MRI Software
Patrick Ghilani	Director and Chief Executive Officer of MRI Software
Roman Telerman	Director and Chief Financial Officer of MRI Software
David John Bowie	Director and Senior Vice President and Managing Director, APAC

(b) Senior management

As at the Last Practicable Date, the BidCo senior management team comprises the following members:

Name	Position
Mark Cohen	Vice President, Product (Australia)
Josh Symons	Director, Product (Australia)
Richard Exley	Senior Director, Sales (Australia)
Dean Carpenter	Vice President, Human Resources (Australia)

6.7 Rationale for proposed acquisition of PropTech Group

The proposed acquisition of PropTech Group reflects MRI Software's continued commitment to generate value for its real estate agency clients and investment in businesses with strong strategic alignment with MRI Software. The acquisition represents a compelling opportunity to capitalise on a trend towards the supply of integrated software solutions by combining MRI Software's strengths in property management with PropTech Group's strengths in sales management.

MRI Software believes that integrating PropTech Group is strategically compelling and will enable the combined group to benefit from an expansion in product offering and thereby appeal to a broader customer base.

6.8 Funding of the Scheme Consideration

(a) Maximum Scheme Consideration

The Scheme Consideration will be paid wholly in cash.

If the Scheme is approved and implemented, each Scheme Shareholder will be entitled to receive \$0.60 cash for each PropTech Group Share that they own as at the Scheme Record Date, as further described in Section 4.2 of this Scheme Booklet.

Having regard to PropTech Group's issued share capital as at the Last Practicable Date (see Section 5.3 of this Scheme Booklet), the total cash amount of \$0.60 per PropTech Group Share offered to PropTech Group Shareholders and the proposed treatment of the Options and the Performance Rights (see Section 9.3 of this Scheme Booklet), the maximum consideration payable by BidCo in connection with the Scheme will be approximately \$93.4 million (**Maximum Scheme Consideration**).

Pursuant to the Deed Poll, BidCo has undertaken in favour of each Scheme Shareholder to deposit, or procure the deposit of, an amount equal to the Scheme Consideration payable to all Scheme Shareholders into a trust account operated by PropTech Group as trustee for the Scheme Shareholders no later than 2 Business Days prior to the Implementation Date.

For further details regarding BidCo's obligations under the Deed Poll, see Section 4.6(f) of this Scheme Booklet. A copy of the Deed Poll is reproduced in Annexure C.

(b) Overview of funding arrangements

BidCo intends to fund the Scheme Consideration with debt.

The Scheme is not subject to any financing condition precedent.

Debt

BidCo will have sufficient funds to satisfy its obligations to pay the Scheme Consideration as contemplated by the Deed Poll. MRI Software has existing credit availability under a facility under which the lender, Golub Capital LLC, will provide a US\$66.2 million denominated loan equal to A\$100 million (the **Facility**) to MRI Software.

The Facility is available to MRI Software for the purposes of funding BidCo's obligation to pay the Scheme Consideration for the acquisition of the Scheme Shares and/or to replenish BidCo's balance sheet.

The funding of the Facility is subject to the satisfaction of one financial test to be satisfied under the Facility prior to funding, being the satisfaction of a net leverage ratio (to be tested on a post-funding basis) of total debt to group EBITDA. There are also a number of customary conditions related to group solvency, restrictions on incurring non-permitted indebtedness, compliance with laws (specifically anti-money laundering, anti-corruption, tax and environmental laws), maintenance of insurances, the provision of group financial information and notification of material events (for example material litigation proceedings).

(c) Reasonable Basis

On the basis of the arrangements described in this Section 6.8, BidCo is of the opinion that it has a reasonable basis for forming the view, and it holds the view, that it will have

sufficient funds available to fund the payment of the Scheme Consideration and related transaction costs

6.9 BidCo's intentions

This Section 6.9 sets out certain elements of BidCo's current intentions in relation to PropTech Group if the Scheme is implemented, including BidCo's intentions regarding:

- the continuation of the business of PropTech Group or how PropTech Group's existing business will be conducted;
- changes to the PropTech Group Board and management team;
- any major changes to be made to the business of PropTech Group, including any redeployment of any assets of PropTech Group;
- the future employment of the present employees of PropTech Group; and
- delisting of PropTech Group from ASX,

in each case, after the Scheme is implemented.

The intentions set out in this Section 6.9 have been formed on the basis of facts and information concerning PropTech Group and the general business environment which are known to BidCo as at the Last Practicable Date.

Final decisions regarding the matters set out below will be made by BidCo in light of all material information, facts and circumstances at the relevant time. Accordingly, it is important to recognise that the statements set out in this section 6.9 are statements of current intentions only, which may change as new information becomes available or as circumstances change.

(a) Head Office

BidCo intends for PropTech Group to change its head office to MRI Software's office in Sydney, New South Wales.

Changes to corporate structure and constitution

BidCo will be the direct holding company of PropTech Group upon implementation of the Scheme, with MRI Software the ultimate holding company. MRI Software intends to replace the PropTech Group constitution with a constitution appropriate for a proprietary company.

(b) Business, Operations and Assets

If the Scheme is implemented, the current intention of MRI Software is to continue to operate the day-to-day operations of the business largely in its current form. MRI Software will undertake a review of PropTech Group's existing operations, assets and structure to identify any areas where PropTech Group's business can be enhanced or improved with the support and resources of MRI Software. As part of the review, this will also include identifying synergies across the businesses which can be realised and exploring any potential efficiencies.

(c) PropTech Group Board

Following implementation of the Scheme, the PropTech Group Board will be reconstituted in accordance with clause 6.8 of the Scheme Implementation Deed.

(d) Present management and employees of PropTech Group

MRI Software will review PropTech Group's operations and organisational structure in consultation with PropTech Group's senior management to ensure an appropriate mix in experience and skills of employees for the combined group going forward. BidCo is currently not in a position to know what the findings of the review will be or any actions it will take based on the findings of the review and accordingly final decisions on these matters (including changes to the employment of the present employees of PropTech Group) will, if necessary, only be made by BidCo following completion of the review described above and will be based on all material facts and circumstances at the relevant time.

(e) **Headquarters**

The Global Headquarters of BidCo and the PropTech Group following implementation of the Scheme will be located at 28925 Fountain Pkwy, Solon, OHIO 44139 USA.

(f) **Delisting**

If the Scheme becomes Effective, BidCo will procure that PropTech Group apply to ASX to be removed from ASX's official list.

Following delisting, PropTech Group Shareholders will no longer be able to acquire or trade in PropTech Group Shares on ASX.

6.10 BidCo's interests in PropTech Group

(a) **Interests in PropTech Group Shares**

As at the Last Practicable Date, none of BidCo or any of its Associates has any Relevant Interest or voting power in any PropTech Group Shares.

(b) **Dealings in PropTech Group Shares in previous four months**

None of BidCo or any of its Associates has provided or agreed to provide consideration for any PropTech Group Shares under any other transaction during the period of four months before the Last Practicable Date, except for the Scheme Consideration which BidCo has agreed to provide under the Scheme.

(c) **Inducing benefits to holders of PropTech Group Shares during previous four months**

During the four months before the Last Practicable Date, none of BidCo or any of its Associates has given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person or an associate to:

- vote in favour of the Scheme; or
- dispose of PropTech Group Shares,

where the benefit was not offered to all current PropTech Group Shareholders.

(d) **Benefits to PropTech Group officers**

None of BidCo, its Related Bodies Corporate and their respective Associates will be making any payment or giving any benefit to any current directors, secretaries or officers of any member of the PropTech Group as compensation or consideration for, or otherwise in connection with, their resignation from their respective offices if the Scheme is implemented.

(e) **No interests of BidCo directors in PropTech Group Shares**

As at the date of this Scheme Booklet, none of the directors of BidCo have a Relevant Interest in any PropTech Group Shares.

6.11 Regulatory approvals

Except for the Conditions Precedent summarised at Section 9.5(a), BidCo does not require any regulatory approvals to fulfil its obligations under the Scheme Implementation Deed or implement the Scheme.

6.12 No other material information

Other than as disclosed in this Section 6 and Section 9 there is no information regarding BidCo, MRI Group or BidCo's intentions regarding PropTech Group or the business, assets or operations of PropTech Group and funding of amounts payable in connection with the Scheme, that is material to the decision of a PropTech Group Shareholder in relation to the Scheme, being information that is within the knowledge of any director of BidCo at the time of lodgement of this Scheme Booklet with ASIC, which is not disclosed in this Section 6 or elsewhere in this Scheme Booklet.



Section 7 Risks



7 Risks

7.1 Introduction

The PropTech Group Board in its ordinary course of business assesses material risks associated with the operations of the PropTech Group and takes steps to manage and mitigate them. The PropTech Group Board considers that it is appropriate for PropTech Group Shareholders, in considering the Transaction, to be aware that there are a number of risk factors which could materially adversely affect the future operating and financial performance of PropTech Group, as well as the value of PropTech Group.

This Section 7 describes a number of key risks associated with:

- PropTech Group and its business; and
- share ownership in general.

These risks will only be relevant if the Scheme does not proceed as PropTech Group Shareholders will continue to hold PropTech Group Shares and continue to be exposed to risks associated with investment in the PropTech Group.

If the Scheme proceeds, PropTech Group Shareholders will receive the Scheme Consideration, will cease to hold PropTech Group Shares and will no longer be exposed to the risks set out in this Section 7 (and other risks to which PropTech Group may be exposed).

The information set out in this Section should be considered in conjunction with other information contained in this Scheme Booklet and is not, and should not be relied on as, an exhaustive list of the risks that PropTech Group Shareholders may face or to which they may be exposed.

These risks are general in nature and have been prepared without reference to the investment objectives, financial and taxation situation or particular needs of any particular PropTech Group Shareholder or any other person. PropTech Group Shareholders should consult with their relevant professional advisers as to what risks may be relevant to their personal circumstances.

7.2 General Investment risks

The market price of PropTech Group Shares on ASX is influenced by a number of factors, including the following:

- (a) change in investor sentiment and overall performance of the Australian and international stock markets;
- (b) changes in sentiment in credit markets;
- (c) changes in general business, industry cycles and economic conditions including inflation, interest rates;
- (d) variations in PropTech Group's operating results;
- (e) exchange rates, commodity prices, employment levels and consumer demand;
- (f) the ongoing global impact of the COVID-19 pandemic, and the continuously developing advice and responses from health and regulatory authorities;
- (g) changes in government fiscal, monetary and regulatory policies, including foreign investment;
- (h) pandemics, natural disasters and catastrophes, whether on a global, regional or local scale; and
- (i) accounting standards which affect the financial performance and position reported by PropTech Group.

These factors may vary across the markets in which PropTech Group and its Subsidiaries operate and have differing effects on different parts of PropTech Group's business and therefore the price of PropTech Group Shares. Some of these factors could affect the

PropTech Group Share price regardless of PropTech Group's underlying operating performance.

7.3 PropTech Group specific risks

(a) **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 PropTech Group 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 PropTech Group, 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.

If this materialised, PropTech Group may compete less effectively against its competitors and its business, financial performance and operations could be adversely affected.

(b) **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 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 websites. 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. PropTech Group 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 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, cyber-theft, programming errors, operating system failures, third party provider failures and similar disruptions could lead to a loss of data. PropTech Group 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 PropTech Group'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 PropTech Group, a breach of customer agreements and may attract media attention and damage 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.

(c) **Pricing competition**

In order to stay competitive, PropTech Group 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 PropTech Group 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.

(d) **Success of sales and marketing strategy**

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

PropTech Group expects that sales and marketing investment will continue to increase as the business grows. PropTech Group 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 PropTech Group's ability to attract new customers and adversely impact PropTech Group's operational and financial performance.

(e) **Failure to retain existing customers and attract new customers**

PropTech Group'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 PropTech Group'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 PropTech Group for reasons within or outside of its control (for example, a number of agencies cease to trade every year). If PropTech Group 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.

(f) **It may not be possible to retain key personnel**

A key driver of PropTech Group's performance is the recruitment and retention of effective and qualified employees. PropTech Group 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 PropTech Group's business needs as it grows.

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

(g) **Breach of information security and data privacy**

PropTech Group uses technology platforms to host a number of its key systems, processes and confidential information, including customer data. PropTech Group has people and processes in place to maintain the confidentiality 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 PropTech Group 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 PropTech Group 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.

(h) **Breach of third-party intellectual property rights**

A risk exists that third parties may allege that PropTech Group's products and services use their intellectual property without their consent or permission. In such circumstances, PropTech Group 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.

(i) **Services agreements with many customers may be terminated at will and do not provide minimum revenue amounts**

PropTech Group'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. PropTech Group 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 PropTech Group's products and terminate relevant contracts without penalty at relatively short notice.

Any adverse changes to, or loss of, arrangements or relationships with PropTech Group's customers may reduce the volume or consistency of customers seeking to use PropTech Group's services. Factors that could potentially adversely impact PropTech Group's relationships with customers include commercial disputes on the terms of its existing arrangements, actions of competitors (for example, improving their offering to customers), or under-performance of PropTech Group's products against the customer's required key performance indicators over a period of time.

(j) **Loss of a key customer or a reduction in the work that PropTech Group Receives**

PropTech Group is exposed to the loss of a key customer or if a customer reduces the amount of work that PropTech Group receives. In FY22 PropTech

Group's top 20 customers²⁰ accounted for approximately 33% of consolidated revenues. This may adversely affect PropTech Group's financial performance.

(k) **Reliance on the effective performance of IT infrastructure**

While PropTech Group's existing proprietary platforms are designed to appropriately and effectively service PropTech Group's customers, changes and developments in technology, including by its competitors, or the commercial and/or regulatory environment may require PropTech Group to develop and maintain new and/or enhanced technology platforms. There is a risk that PropTech Group 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.

7.4 Risk relating to the Scheme

(a) **The Scheme is subject to various conditions that must be satisfied or waived and there are termination rights in the Scheme Implementation Deed**

Completion of the Scheme is subject to a number of conditions. There can be no certainty, nor can PropTech Group provide any assurance, that these conditions will be satisfied or waived (where applicable), or if satisfied or waived (where applicable), when that will occur. In addition, there are a number of other Conditions Precedent to the Scheme which are outside the control of PropTech Group and BidCo, including, but not limited to:

- regulatory approvals (including ACCC and FIRB);
- approval of the Scheme by the Requisite Majority of PropTech Group Shareholders; and
- approval by the Court of the Scheme at the Court hearing to be held on the Second Court Date.

In addition, each of PropTech Group and BidCo has the right to terminate the Scheme Implementation Deed in certain circumstances. Accordingly, there is no certainty that the Scheme Implementation Deed will not be terminated by either PropTech Group or BidCo before the implementation of the Scheme.

If for any reason the conditions to the Scheme are not satisfied or waived (where applicable) or the Scheme Implementation Deed is terminated and the Scheme is not completed, the market price of PropTech Group Shares may be adversely impacted and PropTech Group Shareholders will not receive the Scheme Consideration.

(b) **Funding risk**

If the funds contemplated under BidCo's funding arrangements described in Section 6.8 of this Scheme Booklet are not forthcoming, BidCo will not be able to fund the Scheme Consideration payable under the Scheme.

If BidCo and MRI do not pay the Scheme Consideration in accordance with their obligations under the Scheme Implementation Deed and the Deed Poll, the Scheme will not be implemented. In that scenario:

- PropTech Group Shareholders will retain their PropTech Group Shares and will not receive the Scheme Consideration;
- PropTech Group will remain listed on ASX and will continue to operate its business and PropTech Group Shareholders will continue to be exposed to the risks and benefits of owning PropTech Group Shares; and
- PropTech Group's transactions costs will be borne by PropTech Group alone, subject to any BidCo Break Fee that is able to be recovered from BidCo or MRI.

²⁰ All customers having the benefit of a franchise (or similar) umbrella group agreement with PropTech Group are treated as a single customer even though some or all offices associated with that franchise or group may be invoiced separately.



Section 8

Tax implications of the Scheme



8 Tax implications of the Scheme

8.1 Introduction

This Section summarises the general taxation position of Scheme Shareholders in relation to the Scheme if it is implemented. This Section 8 does not provide a complete analysis of the potential tax implications of the Scheme. Rather, it is only a general guide on the tax implications in Australia.

This Section 8 does not constitute tax advice. It should not be relied upon as a substitute for advice from an appropriate professional adviser having regard to your individual circumstances. Scheme Shareholders are strongly advised to seek their own independent professional advice on the tax implications of the Scheme based on their own specific circumstances.

This is a summary for Scheme Shareholders who are residents of Australia for Australian income tax purposes and hold their Scheme Shares on capital account for Australian income tax purposes. This summary does not consider the consequences for Scheme Shareholders who:

- are not residents of Australia for Australian income tax purposes;
- hold their Scheme Shares as a revenue asset (i.e., trading entities or entities who acquired their Scheme Shares for the purposes of resale at a profit) or as trading stock for Australian income tax purposes;
- acquired their Scheme Shares through, or in connection with, an employee share scheme;
- are temporary residents for the purposes of Australian income tax law;
- may be subject to special tax rules, such as insurance companies, partnerships, tax exempt entities and entities subject to the Investment Manager Regime under Subdivision 842-I of the *Income Tax Assessment Act 1997* (Cth) in respect of their Scheme Shares; or
- are subject to the taxation of financial arrangements rules in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in relation to gains and losses on their Scheme Shares.

This summary is general in nature and is based on Australian income tax legislation and administrative practice in force as at the date of this Scheme Booklet. It does not take into account any financial objectives, tax positions or investments needs of any Scheme Shareholders and should not be construed as being investment, legal or tax advice to any particular Scheme Shareholder.

As the taxation implications of the Scheme will depend upon a Scheme Shareholder's particular circumstances, Scheme Shareholders should seek and rely upon their own independent tax advice before concluding on the particular taxation treatment that will apply to them.

Scheme Shareholders that are subject to tax in a jurisdiction outside Australia may be subject to tax consequences in that jurisdiction in respect of the Scheme that are not covered by this summary. Such shareholders should seek and rely upon their own independent tax advice in relation to the taxation implications of the Scheme in any jurisdictions that are relevant to them.

Neither PropTech Group nor any of its officers or employees, nor its taxation or other advisers accepts any liability or responsibility in respect of any statement concerning taxation consequences of the Scheme.

8.2 Australian resident Scheme Shareholders

(a) Capital Gains Tax (CGT) event

Under the Scheme, Scheme Shareholders will dispose of their Scheme Shares to BidCo in exchange for the Scheme Consideration.

The disposal of Scheme Shares to BidCo under the Scheme will give rise to a CGT event at the time Scheme Shareholders transfer their Scheme Shares to BidCo under the Scheme (i.e., on the Implementation Date).

(b) **Calculation of capital gain or loss**

Scheme Shareholders will make a capital gain on the disposal of each of their Scheme Shares to the extent that the capital proceeds received in respect of the Scheme Shares is more than their cost base. Conversely, Scheme Shareholders will make a capital loss to the extent that the capital proceeds in respect of each of their Scheme Shares is less than their reduced cost base for those Scheme Shares.

Scheme Shareholders who have a net capital gain for the income year are required to include this amount in their assessable income. In this regard, capital gains and capital losses of a taxpayer in a year of income from the disposal of Scheme Shares and any other relevant CGT events affecting CGT assets of a taxpayer are aggregated to determine whether there is a net capital gain or loss.

(c) **Capital proceeds**

The capital proceeds from the disposal of the Scheme Shares should include the Scheme Consideration of \$0.60 per Scheme Share received by Scheme Shareholders.

(d) **Cost base and reduced cost base**

The cost base (or reduced cost base) of each Scheme Share held by a Scheme Shareholder will broadly be:

- the amount of money paid, or the value of property given, in order to acquire the Scheme Share; plus
- any 'incidental costs' as defined in the CGT rules; plus
- any non-capital costs not claimed as an income tax deduction; less
- any previous capital returns made by PropTech Group.

(e) **CGT discount**

The CGT discount should be available to those Scheme Shareholders who are individuals, trusts or complying superannuation funds and who have held their Scheme Shares for at least 12 months before the Implementation Date.

Broadly, the CGT discount rules enable Scheme Shareholders to reduce their capital gain (after the application of any current year or prior year capital losses) by 50% for individuals and trusts and approximately 33.33% for complying superannuation funds. The CGT discount is not available to Scheme Shareholders that are companies or were non-residents throughout their ownership period.

(f) **Capital losses**

Capital losses may not be deducted against other income for income tax purposes but a capital loss on the disposal of Scheme Shares may be used to offset any other capital gains derived by a Scheme Shareholder for the relevant year of income (including any capital gain derived by a Scheme Shareholder on other Scheme Shares) or may be carried forward to offset capital gains in future income years.

Specific capital loss recoupment rules apply to companies to restrict their ability to utilise capital losses in future years in some circumstances. Scheme Shareholders should obtain their own tax advice in relation to the operation of these rules.

8.3 Non-resident shareholders

For a PropTech Group Shareholder who:

- is not a resident of Australia for Australian tax purposes and was not previously an Australian resident who made an election to disregard a capital gain or capital loss in respect of their PropTech Group Shares when they ceased to be an Australian tax resident; and
- does not hold their PropTech Group Shares in carrying on a business through a permanent establishment in Australia,

the disposal of PropTech Group Shares will generally only result in Australian CGT implications if:

- that PropTech Group Shareholder together with its associates held 10% or more of the PropTech Group Shares at the time of the CGT event or for any continuous 12 month period within 2 years preceding the CGT event (referred to as a 'non-portfolio interest'); and
- more than 50% of PropTech Group's value is due to direct or indirect interests in taxable Australian real property (as defined in the income tax legislation).

If you are a non-resident who holds a 'non-portfolio interest' in PropTech Group or holds PropTech Group Shares in carrying on a business through a permanent establishment in Australia, you should obtain independent advice as to the tax implications of sale, and whether any protection will be available under a relevant double tax treaty.

If you are a non-resident individual PropTech Group Shareholder who has previously been a resident of Australia for tax purposes and chose to disregard a capital gain or loss in respect of your PropTech Group Shares on ceasing to be a resident, you will be subject to Australian CGT consequences on disposal of the PropTech Group Shares as set out in Section 8.2.

As noted above, PropTech Group Shareholders who have been foreign residents for tax purposes for part of their ownership will generally have their discount percentage reduced to take into account the period of foreign residency.

8.4 Foreign Resident Capital Gains Withholding (FRCGW)

The foreign resident capital gains withholding regime may impose a non-final 12.5% 'withholding' obligation (calculated by reference to the Scheme Consideration) on BidCo if:

- BidCo considers, or reasonably believes that a PropTech Group Shareholder is a foreign resident; and
- the PropTech Group Shareholder satisfies the 'non-portfolio interest' test referred to above.

Scheme Shareholders with an address outside Australia (or which BidCo, as purchaser, reasonably believes is a 'relevant foreign resident') and who BidCo also reasonably believes may have, together with their associates, a 10% or greater interest in PropTech Group, will be provided with a Foreign resident capital gains withholding – vendor declaration form (Declaration Form) for the purposes of determining if BidCo has an obligation to withhold and remit a FRCGW amount to the Commissioner of Taxation for these Scheme Shareholders.

It is expected that BidCo will not withhold any amount from the Scheme Consideration.

8.5 Goods and services tax (GST)

PropTech Group Shareholders should not be liable to GST in respect of a disposal of those PropTech Group Shares.

PropTech Group Shareholders may be charged GST on costs (such as adviser fees they incur relating to their participation in the Scheme) that relate to the Scheme. PropTech Group Shareholders may be entitled to input tax credits or reduced input tax credits for such costs, but should seek independent advice in relation to their individual circumstances.

8.6 Stamp Duty

The sale of PropTech Group Shares should not have any stamp duty implications for Scheme Shareholders.



Section 9

Additional information



9 Additional information

9.1 Interests of PropTech Group Directors in PropTech Group

As at the Last Practicable Date, the number of PropTech Group Shares held by or on behalf of each of the PropTech Group Directors is as follows:

Director	No. of PropTech Group Shares held
Simon Baker	11,373,174
Joe Hanna	5,361,729
Georg Chmiel	500,000
Sam Plowman	5,778,526
Scott Wulff	5,157,856
TOTAL	28,171,285

PropTech Group Directors who hold PropTech Group Shares will be entitled to vote at the Scheme Meeting and, if the Transaction is implemented, will receive the Scheme Consideration for their PropTech Group Shares along with the other Scheme Shareholders.

Each PropTech Group Director intends to vote or procure the voting of their PropTech Group Shares in favour of the Scheme at the Scheme Meeting in the absence of a Superior Proposal and the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of PropTech Group Shareholders.

No PropTech Group Director acquired or disposed of a Relevant Interest in any PropTech Group Shares during the four months before the date of this Scheme Booklet.

9.2 Interests of PropTech Group Directors in Equity Incentives

As at the Last Practicable Date, none of the PropTech Group Directors have a Relevant Interest in any Equity Incentives, except as follows:

Director	Details of Equity Incentives held
Joe Hanna	200,000 \$0.30 Options expiring 30 November 2023 (vested) 1,622,702 Performance Rights (vested and unvested)
Sam Plowman	200,000 \$0.24 Options expiring 27 January 2023 (vested)
Scott Wulff	132,200 Performance Rights (vested and unvested)

No PropTech Group Director has acquired or disposed of a Relevant Interest in any Equity Incentives during the four months before the date of this Scheme Booklet.

9.3 PropTech Group employee incentive arrangements

(a) Overview of arrangements

As detailed in PropTech Group's annual report for the year ended 30 June 2022, PropTech Group operates a short term incentive plan and a long term incentive plan under which rights are offered to executive directors and employees as an incentive and reward for performance.

Under the Scheme Implementation Deed, PropTech Group must ensure that, prior to the Scheme Record Date, subject to the Scheme becoming Effective, all Equity Incentives have vested in accordance with their terms, been exercised (if

applicable), have any applicable restrictions removed (if applicable) and/or have been cash settled.

(b) **Options on issue**

As at the Last Practicable Date, PropTech Group had 600,000 vested Options on issue. Details of the key terms of the Options are as follows:

Name	Number held	Issue Date	Expiry Date	Exercise Price (each)
Joe Hanna	200,000(vested)	29 Nov. 2018	30 Nov. 2023	\$0.30
Sam Plowman	200,000(vested)	29 Jan 2019	27 Jan. 2023	\$0.24
Michael Fiorenza	200,000(vested)	31 Jan 2019	30 Jan. 2023	\$0.30

**Options do not attract dividends, voting rights or any capital distributions until exercised*

PropTech Group has agreed with each holder of Options, being Directors Joe Hanna and Sam Plowman and Chief Financial Officer Michael Fiorenza that all Options will be exercised prior to 27 January 2023.

(c) **Performance Rights**

As at the Last Practicable Date, there were 1,754,702 Performance Rights on issue. The holders of these Performance Rights are Managing Director and CEO, Joe Hanna and Executive Director, Scott Wulff. The proposed treatment of these Performance Rights is set out in Section 9.3(f).

In addition, the PropTech Group Board had approved, but not yet granted, entitlements to be issued (upon vesting) in aggregate, a further 1,740,987 PropTech Group Shares to various PropTech Group employees pursuant to the Equity Incentive Plan in respect of performance for periods ending 30 June 2022 (**Approved Performance Rights**). See Section 9.3(e) for further details.

(d) **Intended treatment of Options in connection with the Scheme**

The 600,000 Options on issue are already fully vested in accordance with their terms and the holders of these Options have agreed to exercise the Options.

Accordingly, the holders of the Options will receive, for each Option, one PropTech Group Share (that is, a one for one basis) on exercise of the Option and payment of the exercise price. The exercise of the Options and issue of the underlying PropTech Group Shares will occur whether or not the Scheme becomes Effective.

(e) **Intended treatment of Approved Performance Rights for employee participants in connection with the Scheme**

The PropTech Group Board (in the absences of Scott Wulff and Joe Hanna) has exercised its discretion under the Equity Incentive Plan and has determined, to approve the issue of 1,740,987 PropTech Group Shares to the persons to whom the PropTech Group Board had proposed to issue the Approved Performance Rights such that those persons will be eligible to participate in the Scheme, provided that they are held by them as at the Scheme Record Date.

The issue of 1,740,987 PropTech Group Shares to employees as a result of the exercise of the PropTech Group Board's discretion, has no impact on the Scheme Consideration payable to Scheme Shareholders although PropTech Group Shareholders should note that it is intended that these PropTech Group Shares will be issued whether or not the Scheme becomes Effective.

PropTech Group Shareholders should note that these employees will not be entitled to vote at the Scheme Meeting in respect of the 1,740,987 PropTech Group Shares to be issued to them (as the PropTech Group Shares will only be issued following the Scheme Meeting).

No Director of the Company will participate in the issue of PropTech Group Shares in respect of the Approved Performance Rights.

(f) **Intended treatment of Equity Incentives for Joe Hanna and Scott Wulff in connection with the Scheme**

As at the Last Practicable Date there were 1,290,119 unvested Performance Rights on issue.

Under rule 9 of the PropTech Group Equity Incentive Plan, in the event of a proposed change of control of PropTech Group, the PropTech Group Board has discretion to determine the treatment of any unvested Performance Rights.

Of the total of 1,754,702 Performance Rights on issue, a total of 356,424 have vested for Joe Hanna and 25,200 have vested for Scott Wulff. A further 82,959 Performance Rights will be cancelled as the relevant performance criteria have not been achieved.

In exercising its discretion in relation to the vesting of the 1,290,119 unvested Performance Rights on a change of control, the PropTech Group Board has considered PropTech Group's performance, the impact of the Scheme on the ability to test performance hurdles, the need to incentivise key executives during and prior to implementation of the Scheme, fairness in relation to providing remuneration, employee retention risks and alternatives available to the PropTech Group Board to take account of and address all risks and relevant matters.

After considering these matters and, in particular, the respective performance contributions made by Scott Wulff and Joe Hanna, the PropTech Group Board (in the absences of Scott Wulff and Joe Hanna) has exercised its discretion and has determined to vest all 1,290,119 of the unvested Performance Rights on issue and outstanding subject to the Scheme becoming Effective. ASX has granted PropTech Group a waiver of ASX Listing Rule 6.23.3 to the extent necessary to permit the treatment of Performance Rights in this manner.

Of the 1,290,119 Performance Rights being vested in the exercise of the PropTech Group Board's discretion, 1,230,119 will vest for Joe Hanna and 60,000 will vest for Scott Wulff.

The vesting of the Performance Rights as a result of the exercise of the PropTech Group Board's discretion, and corresponding issue of 1,290,119 PropTech Group Shares to Joe Hanna and Scott Wulff has no impact on the Scheme Consideration payable to Scheme Shareholders.

The 1,290,119 PropTech Group Shares to be issued to Messrs Hanna and Wulff, together with the 381,624 PropTech Group Shares in respect of previously vested Performance Rights, will be issued after the Scheme Meeting and will not be voted at the Scheme Meeting.

9.4 Benefits and agreements

(a) **Interests of PropTech Group Directors in MRI Software or BidCo**

No PropTech Group Director has a Relevant Interest in any securities in MRI Software, BidCo or any member of the MRI Group.

No PropTech Group Director has acquired or disposed of a Relevant Interest in any securities in MRI Software or BidCo during the four months before the date of this Scheme Booklet.

(b) **Interests of PropTech Group Directors in contracts with MRI Group**

No PropTech Group Director has any interest in any contract entered into by an MRI Group Member or any Related Bodies Corporate of an MRI Group Member.

(c) **Benefits in connection with retirement from office**

There is no payment or other benefit that is proposed to be made or given to any director, secretary or executive officer of PropTech Group (or any of its

Related Bodies Corporate) as compensation for the loss of, or consideration for or in connection with his or her retirement from, office in PropTech Group (or any of its Related Bodies Corporate) in connection with the Scheme.

(d) **Agreements connected with or conditional on the Scheme**

There are no agreements or arrangements made between any PropTech Group Director and any other person in connection with, or conditional on, the outcome of the Scheme.

(e) **Benefits under the Scheme or from BidCo**

None of the PropTech Group Directors has agreed to receive, or is entitled to receive, any benefit from BidCo, or any MRI Group Member or any Related Bodies Corporate of a MRI Group Member which is conditional on, or is related to, the Scheme.

(f) **Deeds of indemnity, insurance and access**

PropTech Group has entered into deeds of indemnity, insurance and access with the directors of PropTech Group, on customary terms. These deeds include terms that provide for PropTech Group to indemnify each of its directors against any liability incurred by such persons in their capacity as a director, subject to certain exclusions.

PropTech Group also pays a premium in respect of a directors and officers insurance policy for the benefit of the directors and executive officers of PropTech Group. If the Scheme is Implemented, PropTech Group may enter into an arrangement to provide insurance coverage for all current PropTech Group Directors and officers for seven years from the Implementation Date. As at the Last Practicable Date, PropTech Group expects that the premium for entry into such run-off arrangement will be approximately \$216,000. The entry into such arrangements by PropTech Group is permitted by clause 6.10 of the Scheme Implementation Deed. In addition, under clause 6.10(a) of the Scheme Implementation Deed, BidCo must ensure that directors' and officers' run-off insurance cover for such directors and executive officers is maintained for a period of seven years from the Implementation Date.

9.5 Summary of Scheme Implementation Deed

On 31 October 2022, PropTech Group and BidCo entered into a Scheme Implementation Deed under which PropTech Group agreed to propose the Scheme. The Scheme Implementation Deed contains terms and conditions that are standard for these types of agreements, including in relation to the parties' obligations to implement the Scheme and PropTech Group's obligation to conduct its business in a certain way during the Scheme process.

A summary of the key elements of the Scheme Implementation Deed is set out below. A full copy of the Scheme Implementation Deed was lodged with ASX on 31 October 2022 and can be obtained from www2.asx.com.au or from www.proptechgroup.io.

(a) **Conditions Precedent**

Implementation of the Scheme is subject to the following Conditions Precedent which must be satisfied or waived (where capable of waiver) before the Scheme can be implemented:

- **PropTech Group Shareholder approval:** PropTech Group Shareholders approve the Scheme at the Scheme Meeting by the Requisite Majorities under section 411(4)(a) of the Corporations Act;
- **Independent Expert:** the Independent Expert issues an Independent Expert's Report which concludes that the Scheme is in the best interests of PropTech Group Shareholders and does not publicly withdraw, qualify or change that opinion at any time prior to the Second Court Date;
- **Orders convening Scheme Meeting:** the Court orders the convening of the Scheme Meeting;

- **Court approval:** the Court approves the Scheme;
- **FIRB approval:** before the End Date, one of the following has occurred:
 - the Treasurer has provided written no objection notification to the Scheme either without conditions or with conditions acceptable to BidCo (acting reasonably); or
 - following notice of the proposed Scheme having been given under FATA, the Treasurer has ceased to be empowered to make any order under Division 2 of Part 3 of the FATA because the applicable time limit on making orders and decisions under the FATA has expired.
- **(ACCC):** before the End Date:
 - the ACCC has notified BidCo that based on the information provided by Bidder to the ACCC, it has no objection to, or does not propose to take any action in respect of, the acquisition by BidCo of PropTech Group under the Scheme and that advice has not been withdrawn, revoked or amended; or
 - the Federal Court of Australia makes orders or declares that the acquisition by Bidder of the Scheme Shares will not contravene section 50 of the CCA; or
 - the Federal Court of Australia has declined to grant an interim or permanent injunction sought by the ACCC to restrain the acquisition by the Bidder of the Scheme Shares
- **Restraints:** there are no legal restraints or impediments to the Scheme, including the commencement of proceedings by a Government Agency in Australia in respect of the Scheme preventing or materially restricting the Scheme or Transaction in effect at 8:00am on the Second Court Date;
- **Equity Incentives:** arrangements have been put in place so that all Equity Incentives have been cash settled, exercised and/or issued as PropTech Group Shares by 8:00am on the Second Court Date;
- **No Prescribed Occurrences:** no BidCo Prescribed Occurrence or Prescribed Occurrence occurs before 8:00am on the Second Court Date;
- **No Material Adverse Change:** no Material Adverse Change occurs before 8:00am on the Second Court Date;
- **Representations and warranties:** the representations and warranties given by PropTech Group and BidCo to each other are true and correct in all material respects as at the date of the Scheme Implementation Deed and as at 8:00am on the Second Court Date;
- **Insolvency:** The Bidder is not Insolvent between the date of this deed and 8.00 am on the Second Court Date.

Full details of the Conditions Precedent and the ability of each of PropTech Group and BidCo to rely on the various Conditions Precedent and the provisions relating to satisfaction or waiver of these Conditions Precedent are set out in Schedule 1 of the Scheme Implementation Deed.

As at the Last Practicable Date, PropTech Group is not aware of any reason why the Conditions Precedent will not be satisfied.

(b) **Business restrictions**

The Scheme Implementation Deed requires that PropTech Group and each of its Subsidiaries must conduct its business in the ordinary and usual course and consistent with past practice. In addition, subject to some exceptions, PropTech Group and its Subsidiaries must not undertake or agree to undertake certain activities without BidCo's consent. These include:

- not entering into any line of business or other material activities which PropTech Group is not currently engaged;
- ensuring that between now and 8:00 am on the Second Court Date, no Prescribed Occurrence occurs;
- notifying BidCo of any legal proceedings, claims or investigations initiated (or potentially initiated) against PropTech Group or any PropTech Group Member which is material in the context of the Group as a whole;
- not to acquire, lease, license or dispose any business, assets or property, the value of which will exceed AUD\$400,000 individually or in aggregate;
- using reasonable endeavours to:
 - preserve their business and assets and their relationships with customers, contractors and suppliers having business dealings with them and to retain the services of all officers and employees;
 - use reasonable endeavours to ensure that all assets are maintained in the normal course and consistent with past practice; and
 - ensure no events would constitute or be likely to constitute a Material Adverse Change;
- complying with all material contracts and applicable laws, authorisations and licenses (including the ASX Listing Rules);
- maintaining insurance policies as appropriate in such amounts that are comparable to those insurance policies applied to other similar businesses and assets;
- not to make any changes to accounting methods used other than those accounting standards that are generally accepted accounting principles or standards;
- keeping BidCo informed of any material developments concerning Protech Group and any of its subsidiaries;
- not to directly or indirectly provide any guarantee or indemnity on behalf of any other person other than in the ordinary course of business under any agreement with a third-party vendor or supplier;
- terminating or amending in any material respect any material contract;
- not to increase its level of debt or enter into any loans of more than \$100,000 other than incurring trade payables in the ordinary course of the business;
- not to make loans, advances, contributions or investments to any person other than PropTech Group or its Subsidiaries.

However, PropTech Group is permitted to take any actions:

- which PropTech Group reasonably determines in good faith as urgent or critical to the continued operations of its business including anything required to reasonably or prudently respond to an emergency of a disaster;
- Fairly Disclosed in the Disclosure Materials;
- agreed to in writing by BidCo or requested by BidCo in writing;
- required or permitted by law, regulations, a Government Agency, the Scheme Implementation Deed or the Scheme including actions to give effect to a Superior Proposal to the extent required or expressly permitted or contemplated by the Scheme Implementation Deed.

(c) **Exclusivity**

The Scheme Implementation Deed contains certain exclusivity arrangements in favour of BidCo, which are in line with market practice. Those arrangements include:

- **No talk:** PropTech Group must not participate in any negotiations or discussions with any person in relation to, or that may lead to, a Competing Proposal;
- **No shop:** PropTech Group must not solicit or invite any Competing Proposal or any enquiries, proposals, discussions or negotiations in relation to, or that may lead to, a Competing Proposal;
- **No due diligence:** PropTech Group must not facilitate or permit any person (other than BidCo) to undertake due diligence investigations in respect of PropTech Group in connection with such person formulating, developing or finalising a Competing Proposal;
- **Notification:** If PropTech Group is approached in relation to a Competing Proposal, or a proposed or potential Competing Proposal, PropTech Group must notify BidCo within two Business Days. The notice must provide details of the identity of the relevant person making or proposing the Competing Proposal and the material terms of any such Competing Proposal (including price, conditions precedent; and
- **Matching right:** PropTech Group is prohibited from entering into an agreement to undertake a Competing Proposal unless PropTech Group has given BidCo at least three Business Days following receipt of notification of a Competing Proposal to provide a matching or Superior Proposal to the terms of the Competing Proposal.

PropTech Group is not required to comply with the no talk, notification and no due diligence provisions in the Scheme Implementation Deed if the PropTech Group Board determines, after consultation with its advisers, that complying with those provisions would be likely to constitute a breach of the fiduciary or statutory duties owed by the PropTech Group Directors.

These exclusivity arrangements are set out in full in clause 12 of the Scheme Implementation Deed.

(d) **Representations and Warranties**

The Scheme Implementation Deed contains customary representations and warranties given by each of PropTech Group and BidCo to each other.

These representations and warranties are set out in Schedule 4 (in the case of BidCo) and Schedule 5 (in the case of PropTech Group) of the Scheme Implementation Deed.

(e) **PropTech Group Break Fee**

In accordance with Australian market practice, PropTech Group has agreed to pay BidCo a cash reimbursement fee of \$934,000 (**PropTech Group Break Fee**), being approximately 1 percent of the equity value of PropTech Group²¹, in certain circumstances. Those circumstances are:

- **Change of recommendation or recommendation of Competing Proposal:** any member of the PropTech Group Board fails to recommend or changes, withdraws or adversely modifies his recommendation of the Scheme or makes any public statement, or takes any other action that is inconsistent with his recommendation of the Scheme (including where a Competing Proposal is announced and is recommended by any PropTech Group Director), other than:

²¹ Based on the total Scheme Consideration provided under the Scheme.

- as a result of the Independent Expert opining that the Scheme is not in the best interests of Scheme Shareholders (other than where the reason for that opinion is a Competing Proposal);
 - the failure to recommend occurs because of a requirement or request by a court or a Government Agency that one or more PropTech Group Directors abstain or withdraw from making a recommendation that Target Shareholders vote in favour of the Scheme;
 - due to the failure of certain of the Conditions Precedent given for the benefit of PropTech Group set out in 9.5(a) above;
 - due to a material breach by BidCo under the Scheme Implementation Deed;
- **Change of control of PropTech Group:** a Competing Proposal is announced, and within twelve months of the date of such announcement the Competing Proposal results in a person other than BidCo or a member of the MRI Group obtains Control of PropTech Group, a Relevant Interest or an economic interest in more than 50% of the PropTech Group Shares, and the acquisition is unconditional;
 - **Termination of the Scheme Implementation Deed:** BidCo validly terminates the Scheme Implementation Deed due a material breach by PropTech Group of its obligations under that deed, or a breach of a representation or warranty given by PropTech Group, each of which PropTech Group fails to remedy, and in the case of a breach of a representation or warranty, could reasonably be expected to result in loss in excess of \$5 million in aggregate.

The PropTech Group Board considers that the PropTech Group Break Fee is reasonable and appropriate in amount, structure and effect. The fee is not payable if the Scheme does not proceed merely because PropTech Group Shareholders do not vote in favour of the Scheme in sufficient numbers to satisfy the legal requirements.

For full details of the PropTech Group Break Fee, see clause 13 of the Scheme Implementation Deed.

(f) **BidCo Break Fee**

BidCo has agreed to pay PropTech Group a cash reimbursement fee of \$934,000 (**BidCo Break Fee**) in certain circumstances. Those circumstances are:

- **Termination of the Scheme Implementation Deed:** PropTech Group validly terminates the Scheme Implementation Deed due to a material breach by BidCo of its obligations under that deed, which BidCo fails to remedy; or
- **Failure to pay Scheme Consideration:** BidCo does not pay the Scheme Consideration in accordance with its obligations under the Scheme Implementation Deed and the Deed Poll

For full details of the BidCo Break Fee, and the circumstances in which BidCo will need to pay the cash reimbursement fee of \$934,000, see clause 15 of the Scheme Implementation Deed.

(g) **Termination**

Either party may terminate the Scheme Implementation Deed:

- in certain circumstances where an event occurs which would, or does, prevent certain Conditions Precedent being satisfied;
- in certain circumstances where either party has materially breached a representation or warranty and that breach (in the case of breach by PropTech Group) could reasonably be expected to result in loss in excess of \$5 million in aggregate or could reasonably be expected to

lead to BidCo not being able to pay the Scheme Consideration (in the case of breach by BidCo);

- where the other party is in material breach of that deed (other than a material breach of a representation or warranty) and that breach is not remedied to the reasonable satisfaction of the non-breaching party within ten Business Days' notice;
- if PropTech Group Shareholders do not approve the Scheme at the Scheme Meeting by the Requisite Majorities; or
- if the Scheme is not Effective by the Sunset Date (currently 30 April 2023).

Either party is entitled to terminate the Scheme Implementation Deed where a majority of the PropTech Group Board recommends a Superior Proposal otherwise in breach of PropTech Group's obligations under the Scheme Implementation Deed.

BidCo may also terminate the Scheme Implementation Deed if any PropTech Group Director fails to recommend the Scheme, or changes, withdraws or adversely modifies his recommendation of the Scheme or makes any public statement, or takes any other action that is inconsistent with their recommendation of the Scheme (including where a Competing Proposal is recommended or supported by any PropTech Group Director).

9.6 ASX Waivers

The ASX has granted PropTech Group a waiver of ASX Listing Rule 6.23.3 to the extent necessary to permit the treatment of the Performance Rights as set out in Section 9.3(f).

9.7 Consents, disclosures and fees

(a) Consents

This Scheme Booklet contains statements made by, or statements said to be based on statements made by:

- BidCo in respect of the MRI Information only; and
- BDO Corporate Finance (East Coast) Pty Ltd as the Independent Expert.

Each of those persons named above has consented to the inclusion of each statement it has made in the form and context in which the statements appear and has not withdrawn that consent at the date of this Scheme Booklet.

The following parties have given and have not, before the time of registration of this Scheme Booklet with ASIC, withdrawn their consent to be named in this Scheme Booklet in the form and context in which they are named:

- Nomura Australia as financial adviser to PropTech Group;
- Nicholson Ryan Lawyers as legal adviser to PropTech Group; and
- Boardroom Pty Limited as the Share Registry.

(b) Disclosures and responsibility

Further, each person named in Section 9.7(a):

- has not authorised or caused the issue of this Scheme Booklet;
- does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based, other than:
 - BidCo in respect of the MRI Information only; and
 - BDO Corporate Finance (East Coast) Pty Ltd, in relation to its Independent Expert's Report; and

- to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Scheme Booklet other than a reference to its name and the statement (if any) included in this Scheme Booklet with the consent of that party as specified in this Section 9.7(b).

(c) **Fees**

The persons named in this Scheme Booklet as performing a function in a professional or advisory capacity in connection with the Scheme and the preparation of the Scheme Booklet on behalf of PropTech Group are Nomura Australia as financial adviser, Nicholson Ryan Lawyers as Australian legal adviser, BDO Corporate Finance (East Coast) Pty Ltd as the Independent Expert and Boardroom Pty Limited as the Share Registry.

The fees set out in this Section only relate to fees payable by PropTech Group in connection with the Scheme. Such fees for professional services are estimated to be as follows (all excluding GST and out of pocket costs):

- Nomura Australia for acting as financial adviser to PropTech Group - US\$2,250,000 (subject to completion of the Transaction)²²;
- Nicholson Ryan Lawyers for acting as Australian legal adviser to PropTech Group - \$340,000;
- BDO for acting as the Independent Expert - \$80,000
- Boardroom Pty Limited for acting as the Share Registry and providing various other services to PropTech Group - \$38,000.

In aggregate, if the Scheme is implemented PropTech Group expects to pay approximately \$3.98 million (excluding GST) in transaction costs. In aggregate, if the Scheme is not implemented, PropTech Group expects to pay approximately \$0.65 million (excluding GST) in transaction costs.

9.8 No unacceptable circumstances

The PropTech Group Board believe that the Scheme does not involve any circumstances in relation to the affairs of PropTech Group that could reasonably be characterised as constituting 'unacceptable circumstances' for the purposes of Section 657A of the Corporations Act.

9.9 Other information material to the making of a decision in relation to the Scheme

Except as set out in this Scheme Booklet, there is no other information material to the making of a decision in relation to the Scheme, being information that is within the knowledge of any PropTech Group Director, at the time of lodging this Scheme Booklet with ASIC for registration, which has not previously been disclosed to PropTech Group Shareholders.

9.10 Supplementary information

If, between the date of lodgement of this Scheme Booklet for registration by ASIC and the Effective Date, PropTech Group becomes aware that:

- a material statement in this Scheme Booklet is false or misleading;
- there is a material omission from this Scheme Booklet;
- a significant change affecting a matter in this Scheme Booklet has occurred; or

²² As at the Last Practicable Date this equates to an amount of approximately AU\$3.32 million based on a spot exchange rate of US\$ to AU\$ of 1.47523 (Source: www.xe.com).

- a significant new matter has arisen which would have been required to be included in this Scheme Booklet if it had arisen before the date of lodgement of this Scheme Booklet for registration by ASIC,

PropTech Group will prepare a supplementary document to this Scheme Booklet.

The form which the supplementary document may take, and whether a copy will be sent to each PropTech Group Shareholder, will depend on the nature and timing of the new or changed circumstances.

In all cases, the supplementary document will be available from PropTech Group's website at www.proptechgroup.io and from the ASX website at www2.asx.com.au.



Section 10

Glossary and interpretation



10 Glossary and interpretation

10.1 Glossary

The meanings of the terms used in this Scheme Booklet are set out below:

Term	Meaning
Approved Performance Rights	is defined in Section 9.3(c).
ARR or Annualised Recurring Revenue	at any date, means the sum of consolidated gross revenues due to the Combined Group, expressed as an annualised number, for a subscription to PropTech Group products and/or services that are recurring in nature. It excludes any revenue that is non-recurring, (including, without limitation, one-time installation or consulting fees and non-recurring professional services fees).
ASIC	Australian Securities and Investments Commission.
Associate	has the same meaning as in section 12 of the Corporations Act.
ASX	ASX Limited (ACN 008 624 691) and, where the context requires, the financial market that it operates.
ASX Listing Rules	the official listing rules of ASX.
BidCo	Rockend Technology Pty Limited ABN 56 003 544 107 of Suite 1, Level 1, 95-97 Grafton Street, Bondi Junction NSW 2022.
BidCo Break Fee	has the meaning given in section 9.5(d).
Business Day	a day that is not a Saturday, Sunday or a public holiday or bank holiday in Melbourne, Victoria.
CCA	the <i>Competition and Consumer Act 2010</i> (Cth).
Competing Proposal	<p>any proposal, offer or announcement of a proposed or actual transaction by a party other than BidCo or an MRI Group Member that, if completed, would mean:</p> <ol style="list-style-type: none"> 1 a person would acquire: <ul style="list-style-type: none"> – a Relevant Interest in more than 15% of the PropTech Group Shares on issue; or – an economic interest under a cash settled equity swap or similar derivative in more than 15% of the PropTech Group Shares on issue; 2 a person would directly or indirectly acquire or obtain an interest (including an economic interest) of 15% or more in all or the majority of the business conducted by, or assets or property of, the Consolidated Group; 3 a person would directly or indirectly acquire Control of: <ul style="list-style-type: none"> – PropTech Group; or – any other Consolidated Group Member; 4 a person may otherwise directly or indirectly acquire, merge with PropTech Group, or have its securities stapled with PropTech Group Shares; or

Term	Meaning
	<p>5 that PropTech Group is required to abandon, or otherwise fail to proceed with, the Transaction,</p> <p>whether by way of takeover bid, scheme of arrangement, trust scheme, capital reduction, sale of assets, sale of securities, stapling, strategic alliance, dual listed company structure, joint venture or partnership, or other transaction or arrangement (including in each case any variation or modification of an earlier Competing Proposal).</p>
Condition Precedent	a condition precedent contained in Schedule 1 of the Scheme Implementation Deed.
Consolidated Group or Group	PropTech Group and each of its Subsidiaries and a reference to a Group Member, PropTech Group Member or a member of the Consolidated Group is to PropTech Group or any of its Subsidiaries.
Control	has the meaning given under section 50AA of the Corporations Act.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	the <i>Corporations Regulations 2001</i> (Cth).
Court	the Federal Court of Australia (Victorian Registry).
CRM	customer relationship management system software.
Deed Poll	the deed poll executed by BidCo and MRI Software in favour of Scheme Shareholders, a copy of which is set out in Annexure C.
Disclosure Materials	means the information, documents and responses disclosed or made available to BidCo or its authorised persons by PropTech Group or its authorised persons in the virtual data room (the index of which has been initialled by or on behalf of the parties for the purposes of identification) and the written answers to requests for further information made by PropTech Group to BidCo.
EBITDA	earnings before interest, taxes, depreciation and amortisation
Effective	when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to that Scheme.
Effective Date	with respect to the Scheme, the date on which the Scheme becomes Effective.
Equity Incentives	any rights to PropTech Group Shares issued under employee incentive arrangements of PropTech Group (including Options, Performance Rights and Approved Performance Rights).
Equity Incentive Plan	PropTech Group's incentive plan adopted with effect from 29 November 2021 and known as the PropTech Group Limited Equity Incentive Plan.
EV	Enterprise Value.
FATA	<i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth).
FIRB	the Australian Foreign Investment Review Board.

Term	Meaning
First Court Date	the date the Court first hears the application to order the convening of the Scheme Meeting under section 411(1) of the Corporations Act.
FY21	the financial year ended 30 June 2021.
FY22	the financial year ended 30 June 2022.
Government Agency	ASIC, the Court, the Takeovers Panel and any other government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity and includes any minister and any regulatory organisation established under statute or any stock exchange.
Implementation Date	with respect to the Scheme, the fifth Business Day, or such other Business Day as BidCo and PropTech Group agree, following the Scheme Record Date for the Scheme.
Independent Expert	BDO Corporate Finance (East Coast) Pty Ltd.
Independent Expert's Report	the report prepared by the Independent Expert dated 15 December set out in Annexure A.
Last Practicable Date	9 December 2022.
Material Adverse Change	<p>an event, change, condition, matter, circumstance or thing occurring before, on or after the date of this deed (each a Specified Event) which, whether individually or when aggregated with all such events, changes, conditions, matters, circumstances or things of a like kind that have occurred or are reasonably likely to occur, has had or would be reasonably likely to have the effect of reducing the ARR of the Consolidated Group by \$1,000,000 or more as of 30 June 2023 against the ARR of \$18.5 million as at 30 June 2022 (calculated in accordance with the accounting policies and practices applied in the audited financial statements of PropTech Group) determined after taking into account any matters which offset the impact of the matter, event or circumstance and in each case other than matters, events or circumstances:</p> <ol style="list-style-type: none"> 1 required or permitted by this deed, the Scheme or transactions contemplated by them; 2 that are Fairly Disclosed in the Disclosure Materials 3 which took place with the written consent of BidCo; 4 which relate to or are caused by the identity of any MRI Group Member; 5 arising out of the announcement, entry into or performance of obligations under, this deed, the Transaction or the Scheme (including the loss or adverse change in relation to contractual counterparties and the like); 6 arising from any change in law, regulation, generally accepted accounting standards or generally accepted accounting principles or the interpretation of any such standards or principles, or policy of a Government Agency, other than where such matters have a materially disproportionate effect on the Consolidated Group as compared to other participants in the real estate CRM sector; or 7 arising directly or indirectly from changes in economic or business conditions that impact on the Consolidated Group and its competitors in a similar manner (including changes in interest rates, general economic, political or business conditions, including material adverse changes or major disruptions to, or fluctuations in, domestic

Term	Meaning
	or international financial markets) but excluding such changes, disruptions or fluctuations that have a materially disproportionate effect on the Consolidated Group as compared to other participants in the real estate CRM sector.
MRI Group	MRI Software and its Related Bodies Corporate and a reference to an MRI Group Member or a member of the MRI Group is to MRI Software or any of its Related Bodies Corporate.
MRI Information	any information contained in: <ol style="list-style-type: none"> 1 Section 6 (Information about BidCo and MRI Software); and 2 Section 2 (Frequently asked questions), to the extent that the question expressly cross-refers to any of the Sections in item 1 above.
MRI Software	MRI Software LLC, a Delaware limited liability company.
Notice of Meeting	the notice of meeting relating to the Scheme Meeting which is contained in Annexure D.
Option	an option over an unissued PropTech Group Share.
Performance Right	a performance right issued under the Equity Incentive Plan
Prescribed Occurrence	<p>the occurrence of any of the following on or after the date of the Scheme Implementation Deed and before 8.00am on the Second Court Date:</p> <ol style="list-style-type: none"> 1 PropTech Group converts all or any of its shares into a larger or smaller number of shares; 2 any member of the Consolidated Group resolves to reduce its share capital in any way; 3 any member of the Consolidated Group: <ul style="list-style-type: none"> – enters into a buy-back agreement; or – resolves to approve the terms of a buy-back agreement under the Corporations Act; 4 any member of the Consolidated Group issues shares, or grants a performance right or an option over its shares, or agreeing to make such an issue or grant such a right or an option; 5 any member of the Consolidated Group issues, or agrees to issue, convertible notes or any other security or instrument convertible to shares; 6 any member of the Consolidated Group disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property; 7 any member of the Consolidated Group creates or agrees to create any Encumbrance over the whole, or a substantial part, of its business or property, other than in the usual and ordinary course of business consistent with past practice; 8 PropTech Group Shares cease to be quoted on ASX; 9 a member of the Consolidated Group making any change to its constitution or other constituent documents; 10 PropTech Group being delisted from ASX or PropTech Group Shares being subject to suspension from quotation for trading on ASX for 5 or more trading days; or 11 any member of the Consolidated Group becomes Insolvent.

Term	Meaning
	<p>Provided that a Prescribed Occurrence will not include any matter:</p> <ol style="list-style-type: none"> 1 required to be done or procured by PropTech Group pursuant to the Scheme Implementation Deed or the Scheme; 2 to the extent it is Fairly Disclosed in the Disclosure Materials; 3 which BidCo has approved in writing.
PropTech Group	PropTech Group Limited (ACN 141 276 959).
PropTech Group Board	the board of directors of PropTech Group.
PropTech Group Break Fee	has the meaning given in section 9.5(e).
PropTech Group Director or Your Director	any director of PropTech Group comprising part of the PropTech Group Board.
PropTech Group Financial Information	has the meaning given in Section 5.8.
PropTech Group Information	the information contained in this Scheme Booklet, other than the MRI Information and the information contained in Annexure A.
PropTech Group Share	a fully paid ordinary share in the capital of PropTech Group.
PropTech Group Shareholder	each person who is registered in the Register as a holder of PropTech Group Shares.
Proxy Form	the proxy form which accompanies this Scheme Booklet.
Register	the register of members of PropTech Group maintained by or on behalf of PropTech Group in accordance with section 168(1) of the Corporations Act.
Related Body Corporate	has the same meaning given to it in the Corporations Act.
Relevant Interest	has the meaning given to that term in the Corporations Act.
Requisite Majorities	has the meaning given in Section 4.6.
Scheme or Scheme of Arrangement	means the proposed scheme of arrangement pursuant to Part 5.1 of the Corporations Act between PropTech Group and Scheme Shareholders in respect of all Scheme Shares, substantially in the form set out in Annexure B, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act.
Scheme Booklet	this document, including any annexures.
Scheme Consideration	\$0.60 cash per Scheme Share.

Term	Meaning
Scheme Implementation Deed	the scheme implementation deed between BidCo, PropTech Group and MRI Software dated 31 October 2022. A summary is set out in Section 9.5 and a full copy can be obtained from the PropTech Group investor website at https://investor-hub.proptechgroup.io/ .
Scheme Meeting	the meeting of PropTech Group Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on the Scheme and includes any meeting convened following any adjournment or postponement of that meeting.
Scheme Record Date	in respect of the Scheme, 7.00pm on the third Business Day (or such other Business Day as the parties to the Scheme Implementation Deed agree in writing) following the Effective Date.
Scheme Resolution	the resolution to approve the Scheme to be considered by PropTech Group Shareholders at the Scheme Meeting, as set out in the Notice of Meeting in Annexure D.
Scheme Share	a PropTech Group Share on issue as at the Scheme Record Date.
Scheme Shareholder	a person who holds one or more PropTech Group Shares recorded in the Register as at the Scheme Record Date.
Second Court Date	the first day on which an application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme is heard, or if the application is adjourned for any reason, the date on which the adjourned application is heard or scheduled to be heard.
Second Court Hearing	the hearing of the application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme.
Section	A section of the Scheme Booklet.
Share Registry	Boardroom Pty Limited (ACN 003 209 836).
Shareholder Information Line	1300 737 760 from within Australia and +61 2 9290 9600 from outside Australia between 8.15am and 5.30pm, Monday to Friday.
Subsidiary	has the same meaning as given in section 46 of the Corporations Act.
Sunset Date	30 April 2023, unless extended in accordance with the Scheme Implementation Deed.
Superior Proposal	<p>a bona fide Competing Proposal which the PropTech Group Board, acting in good faith in order to satisfy what the PropTech Group Board reasonably considers to be its fiduciary or statutory duties and after taking advice from PropTech Group's external legal and financial advisers, determines:</p> <ol style="list-style-type: none"> 1 is reasonably likely to be completed in accordance with its terms in a timely fashion taking into account all financial, regulatory and other aspects of such proposal, including its conditionality and the ability of the proposing party to fund and consummate the transactions contemplated by the Competing Proposal; and 2 would, if completed substantially in accordance with its terms, result in a transaction that is more favourable to PropTech Group Shareholders (as a whole) than the Transaction, taking into account the terms and conditions of the Competing Proposal and all terms, conditions and other aspects of the Transaction.

Term	Meaning
Transaction	the proposed acquisition by BidCo, in accordance with the terms and conditions of the Scheme, of all of the PropTech Group Shares through the implementation of the Scheme.
Voting Record Date	7.00pm, Sunday 5 February 2023.
VWAP	volume weighted average price.

10.2 Interpretation

In this Scheme Booklet:

- (a) words of any gender include all genders;
- (b) words importing the singular include the plural and vice versa;
- (c) an expression importing a person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- (d) a reference to a Section or annexure, is a reference to a Section of or annexure of, to this Scheme Booklet as relevant;
- (e) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them;
- (f) headings and bold type are for convenience only and do not affect the interpretation of this Scheme Booklet;
- (g) a reference to time is a reference to Melbourne, Victoria time;
- (h) a reference to dollars, \$, A\$, AUD, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia;
- (i) an accounting term is a reference to that term as it is used in accounting standards under the Corporations Act, or, if not inconsistent with those standards, in accounting principles and practices generally accepted in Australia; and
- (j) the words "include", "including", "for example" or "such as" when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

Annexure A: Independent Expert's Report

PROPTech GROUP LIMITED

INDEPENDENT EXPERT'S REPORT AND FINANCIAL SERVICES GUIDE

15 DECEMBER 2022

PRIVATE AND CONFIDENTIAL



FINANCIAL SERVICES GUIDE

Dated: 15 December 2022

This Financial Services Guide ('FSG') helps you decide whether to use any of the financial services offered by BDO Corporate Finance (East Coast) Pty Ltd ('BDOCF', 'we', 'us', 'our').

The FSG includes information about:

- Who we are and how we can be contacted;
- The services we are authorised to provide under our Australian Financial Services Licence, Licence No: 247420;
- Remuneration that we and/or our staff and any associates receive in connection with the financial services;
- Any relevant associations or relationships we have; and
- Our complaints handling procedures and how you may access them.

FINANCIAL SERVICES WE ARE LICENSED TO PROVIDE

We hold an Australian Financial Services Licence which authorises us to provide financial product advice to retail and wholesale clients about securities and certain derivatives (limited to old law securities, options contracts and warrants). We can also arrange for customers to deal in securities, in some circumstances. Whilst we are authorised to provide personal and general advice to retail and wholesale clients, we only provide *general* advice to retail clients.

Any general advice we provide is provided on our own behalf, as a financial services licensee.

GENERAL FINANCIAL PRODUCT ADVICE

Our general advice is typically included in written reports. In those reports, we provide general financial product advice that is prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of the general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

FEES, COMMISSIONS AND OTHER BENEFITS THAT WE MAY RECEIVE

We charge fees for providing reports. These fees are negotiated and agreed to with the person who engages us to provide the report. Fees will be agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. In this instance, the Company has agreed to pay us approximately \$80,000 for preparing the Report.

Except for the fees referred to above, neither BDO Corporate Finance, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of general advice.

All our employees receive a salary. Our employees are eligible for bonuses based on overall company performance but not directly in connection with any engagement for the provision of a report.

REFERRALS

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

ASSOCIATIONS AND RELATIONSHIPS

BDO Corporate Finance (East Coast) Pty Ltd is a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The general

financial product advice in our report is provided by BDO Corporate Finance and not by BDO or its related entities. BDO and its related entities provide services primarily in the areas of audit, tax, consulting and financial advisory services.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business.

COMPLAINTS RESOLUTION

Internal Complaints Resolution Process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. Complaints can be in writing, addressed to the Complaints Officer, BDO Corporate Finance, BDO Corporate Finance, Level 11, 1 Margaret St, Sydney NSW 2001 or by telephone or email, using the contact details outlined below.

When we receive a complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than **45 days** after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

If a complaint relating to general advice to a retail client is not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ('AFCA'). AFCA is an independent company that has been established to impartially resolve disputes between consumers and participating financial services providers.

BDO Corporate Finance is a member of AFCA (Member Number 11843).

Further details about AFCA are available at the AFCA website www.afca.org.au or by contacting them directly via the details set out below.

Australian Financial Complaints Authority
GPO Box 3
MELBOURNE VIC 3001
Toll free: 1800 931 678
Email: info@afca.org

COMPENSATION ARRANGEMENTS

BDO Corporate Finance and its related entities hold Professional Indemnity insurance for the purpose of compensating retail clients for loss or damage suffered because of breaches of relevant obligations by BDO Corporate Finance or its representatives under Chapter 7 of the Corporations Act 2001. These arrangements and the level of cover held by BDO Corporate Finance satisfy the requirements of section 912B of the Corporations Act 2001.

CONTACT DETAILS

You may provide us with instructions using the details set out below:

Contact Details

Address: Level 11, 1 Margaret Street Sydney, NSW 2000, Australia

Email: cf.ecp@bdo.com.au

Phone: +61 2 9521 4100

Fax: +61 2 9240 9821



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GLOSSARY

Reference	Definition
A\$ or \$	Australian dollars
ABV	Asset-Based Valuation
ANZ	Australia and New Zealand
APES 225	Accounting Professional and Ethical Standards Board professional standard APES 225 <i>Valuation Services</i>
ASIC	Australian Securities and Investment Commission
ASX	Australian Securities Exchange
B2B	Business to Business
B2C	Business to Consumer
BDO Persons	The partners, directors, agents or associates of BDO
BDOCF	BDO Corporate Finance (East Coast) Pty Ltd
BidCo	Rockend Technology Pty Ltd
Board, the	The board of directors of the Company
CAGR	Compound Annual Growth Rate
Cash Consideration, the	Cash consideration under the Proposed Transaction of \$0.60 for each ordinary PTG share held
CME	Capitalisation of Maintainable Earnings
Company, the	PropTech Group Limited
Corporations Act, the	The Corporations Act 2001
CRM	Customer Relationship Management
DCF	Discounted Cash Flow
Directors, the	The Directors of the Company
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
EBITDAFX	Earnings Before Interest, Tax, Depreciation, Amortisation and Foreign Exchange gain/(loss)
EV	Enterprise value
FSG	Financial Services Guide
FY	The financial year or 12-month period ended on 30 June
Management, the	The management of PTG and its advisers
MBV	Market-Based Valuation
MRI	MRI Software LLC
NPAT	Net Profit After Tax
NPBTFX	Net profit before tax and foreign exchange gain/(loss)
Offer, the	Cash consideration under the Proposed Transaction of \$0.60 for each ordinary PTG share held
PM	Property Management
Proposed Transaction, the	The proposed acquisition of 100% of the issued shares in PTG by MRI by way of scheme of arrangement
PTG	PropTech Group Limited



Reference	Definition
RBA	Reserve Bank of Australia
REAS	Real Estate Agency Software
Regulations, the	The Corporation Regulations 2001
Report, this	This independent expert's report prepared by BDOCF and dated 15 December 2022
RG 111	Regulatory Guide 111: <i>Content of Expert Report</i> , issued by ASIC
RGs	Regulatory guides published by ASIC
SaaS	Software as a Service
Shareholders, the	The holders of fully paid ordinary shares in the Company
Scheme	Scheme of Arrangement
Scheme Meeting, the	Scheme meeting proposed to be held on 7 February 2023
Scheme Booklet, the	The scheme booklet prepared by the Company dated on or about 16 December 2022
Second Court Hearing, the	The second court hearing will occur on or about 10 February 2023
SID	The scheme implementation deed between PTG and MRI dated 31 October 2022
US	United States
USD	United States Dollar
VWAP	Volume-Weighted Average Price
We, us, our	BDO Corporate Finance (East Coast) Pty Ltd
YoY	Year-on-year



PART I: ASSESSMENT OF THE PROPOSED TRANSACTION

The Shareholders
C/- The Directors
PropTech Group Limited
Level 7, 416-420 Collins Street
Melbourne VIC 3000

15 December 2022

Dear Shareholders,

1.0 Introduction

BDO Corporate Finance (East Coast) Pty Ltd ('BDOCF', 'we', 'us' or 'our') has been engaged to provide an independent expert's report ('this Report') to the shareholders (the 'Shareholders') of PropTech Group Limited ('PTG' or the 'Company') in relation to the proposed acquisition of all of the issued share capital in PTG by Rockend Technology Pty Ltd ('BidCo') which is a wholly owned subsidiary of MRI Software LLC ('MRI') (the 'Proposed Transaction').

The Proposed Transaction is to be implemented by a scheme of arrangement (the 'Scheme') under Part 5.1 of the Corporations Act 2001 (the 'Corporations Act') whereby the Shareholders will receive cash consideration of \$0.60 for each PTG share held (the 'Cash Consideration' or the 'Offer'). The implied equity value of PTG based on the Cash Consideration multiplied by 155,645,079 PTG shares on issue, on a fully diluted basis is approximately \$93.4 million.

A more detailed description of the Proposed Transaction is set out in Section 4.0.

The eligible shareholders will be entitled to vote on the Proposed Transaction at the scheme meeting proposed to be held on 7 February 2022 (the 'Scheme Meeting').

In this Report, BDOCF has expressed an opinion as to whether or not the Proposed Transaction is fair and reasonable to, and in the best interests of, the Shareholders. This Report has been prepared solely for use by the Shareholders to provide them with information relating to the Proposed Transaction. The scope and purpose of this Report are detailed in Sections 3.3 and 3.4 respectively.

This Report, including Part I, Part II and the appendices, should be read in full along with all other documentation provided to the Shareholders including the scheme booklet prepared by PTG and dated on or about 16 December 2022 (the 'Scheme Booklet').

2.0 Assessment of the Proposed Transaction

This section is set out as follows:

- ▶ Section 2.1 sets out the methodology for our assessment of the Proposed Transaction;
- ▶ Section 2.2 sets out our assessment of the fairness of the Proposed Transaction;
- ▶ Section 2.3 sets out our assessment of the reasonableness of the Proposed Transaction; and
- ▶ Section 2.4 provides our assessment of whether the Proposed Transaction is in the best interests of the Shareholders.

2.1 Basis of Evaluation

ASIC have issued Regulatory Guide 111: Content of Expert Reports ('RG 111'), which provides guidance in relation to independent expert's reports. RG 111 relates to the provision of independent expert's reports in a range of circumstances, including those where the expert is required to provide an opinion in relation to a takeover transaction. RG 111 states that the independent expert's report should explain the particulars of how the transaction was examined and evaluated as well as the results of the examination and evaluation.

The Proposed Transaction involves MRI acquiring 100% of the issued share capital in PTG which represents a controlling interest stake. RG 111 specifically differentiates between control and non-control transactions in providing guidance on the type of analysis to complete. RG 111 suggests that where the transaction is a control transaction the expert should focus on the substance of the control transaction rather than the legal mechanism to affect it. In our opinion the Proposed Transaction is a control transaction as defined by RG 111 and we have assessed the Proposed Transaction by considering whether, in our opinion, it is fair and reasonable to, and in the best interests of, the Shareholders.

Under RG 111, an offer will be considered 'fair' if the value of the consideration to be received by the shareholders is equal to or greater than the value of the shares that are the subject of the transaction. To assess whether an offer is 'reasonable', an expert should examine other significant factors to which shareholders may give consideration prior to



accepting or approving the offer. This includes comparing the likely advantages and disadvantages if the offer is approved with the position of the shareholders if the offer is not approved.

RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if, despite being 'not fair', the expert believes that there are sufficient reasons for security holders to accept an offer in the absence of a higher bid. Our assessment concludes by providing our opinion as to whether or not the Proposed Transaction is 'fair and reasonable'. While all relevant issues need to be considered before drawing an overall conclusion, we will assess the fairness and reasonableness issues separately for clarity.

If our opinion of the Proposed Transaction is that it is 'fair and reasonable' then we will also be able to conclude that the Proposed Transaction is in the 'best interests' of the Shareholders. If our opinion of the Proposed Transaction is that it is 'not fair but reasonable', we may still conclude that the Proposed Transaction is in the best interests of the Shareholders. In this circumstance, we will clearly state that the consideration is not equal to or greater than the value of a PTG share, but that there are sufficient reasons for the Shareholders to vote in favour of the Proposed Transaction in the absence of a superior proposal. If our opinion of the Proposed Transaction is that it is 'not fair and not reasonable', we will conclude that the Proposed Transaction is 'not in the best interests of the Shareholders'.

We have assessed the fairness and reasonableness of the Proposed Transaction in Sections 2.2 and 2.3 below and concluded on whether the Proposed Transaction is in the 'best interests' of the Shareholders in Section 2.4 below.

2.2 Assessment of Fairness

2.2.1 Basis of Assessment

RG 111 states that a transaction is fair if the value of the offer price or consideration is greater than the value of the securities subject to the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. When considering the value of the securities subject to an offer in a control transaction the expert should consider this value inclusive of a control premium and assume a 100% ownership interest.

In our view, it is appropriate to assess the fairness of the Proposed Transaction to the Shareholders as follows:

- Determine the value of a PTG share on a controlling interest basis prior to the Proposed Transaction; and
- Compare the value of a) above with the value of the consideration offered by BidCo.

In accordance with the requirements of RG 111, the Proposed Transaction can be considered 'fair' to the Shareholders if the consideration offered per ordinary share is equal to or greater than the value determined in a) above.

2.2.2 Value of a PTG Share Prior to the Proposed Transaction

In our view, the value of PTG before the Proposed Transaction is in the range of \$0.48 to \$0.61 per share on a controlling interest basis. In forming this view, we adopted a capitalised maintainable earnings ('CME') valuation methodology based on enterprise value to revenue multiples as our primary valuation methodology and a market-based valuation ('MBV') as a secondary cross-check methodology.

Our valuation of PTG is set out in Section 8.0

2.2.3 Value of the Consideration Offered Under the Proposed Transaction

PTG shareholders have been offered a cash payment of \$0.60 per share for each share they hold in PTG.

2.2.4 Assessment of the Fairness of the Proposed Transaction

In order to assess the fairness of the Proposed Transaction, it is appropriate to compare the value of a PTG share prior to the Proposed Transaction on a controlling interest basis with the Cash Consideration of \$0.60. Pursuant to RG 111, the Offer is considered to be fair if the value of the consideration is equal to or greater than the fair value of the securities subject to the Offer (i.e. the value per PTG share).

Table 2.1 below summarises our assessment of the fairness of the Proposed Transaction.

Table 2.1: Assessment of the Fairness of the Proposed Transaction

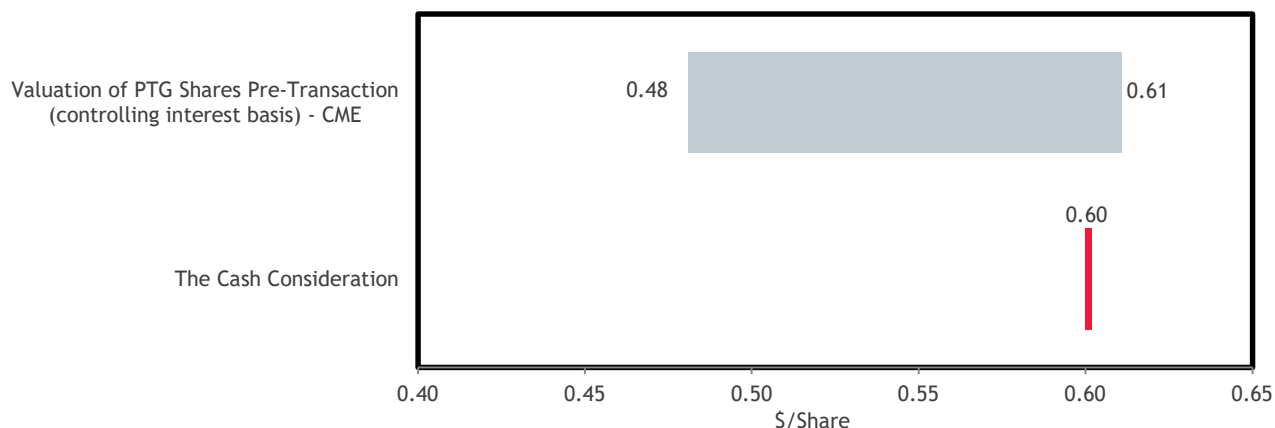
	Low	High
Value of a PTG share prior to the Proposed Transaction (controlling interest)	\$0.48	\$0.61
Value of the Cash Consideration	\$0.60	\$0.60

Source: BDOCF Analysis

Figure 2.1 summarises our assessment of the fairness of the Proposed Transaction, setting out a graphical comparison of our valuation of a PTG share prior to the Proposed Transaction on a controlling interest basis and the cash consideration offered to the Shareholders under the Proposed Transaction.



Figure 2.1: Fairness of the Proposed Transaction



Source: BDOCF analysis

With reference to Table 2.1 and Figure 2.1, we note the Cash Consideration of \$0.60 per PTG share is at the very top end of the range of the value of a PTG share prior to the Proposed Transaction on a controlling interest basis.

After considering the information summarised above and set out in detail in the balance of this Report, it is our view that, in the absence of any other information or a superior offer, the Proposed Transaction is **Fair** to the Shareholders as at the date of this Report.

2.3 Assessment of Reasonableness

2.3.1 Basis of Assessment

Under RG 111, a transaction is considered reasonable if it is fair. It may also be reasonable, despite not being fair, if after considering other significant factors the interests of the shareholders are reasonably balanced.

In addition to our fairness assessment set out in Section 2.2 above, to assess whether the Proposed Transaction is 'reasonable' we consider it appropriate to examine other significant factors to which the Shareholders may give consideration prior to forming a view on whether to vote in favour of or against the Proposed Transaction. This includes comparing the likely advantages and disadvantages of approving the Proposed Transaction with the position of a Shareholder if the Proposed Transaction is not approved, as well as a consideration of other significant factors.

Our assessment of the reasonableness of the Proposed Transaction is set out as follows:

- ▶ Section 2.3.2 sets out the advantages of the Proposed Transaction to the Shareholders;
- ▶ Section 2.3.3 sets out the disadvantages of the Proposed Transaction to the Shareholders;
- ▶ Section 2.3.4 sets out the discussion of other considerations relevant to the Proposed Transaction;
- ▶ Section 2.3.5 sets out the position of the Shareholders if the Proposed Transaction is not approved; and
- ▶ Section 2.3.6 provides our opinion on the reasonableness of the Proposed Transaction to the Shareholders.

2.3.2 Advantages of the Proposed Transaction

Table 2.2 below outlines the potential advantages to the Shareholders of approving the Proposed Transaction.

Table 2.2: Potential Advantages of the Proposed Transaction

Advantage	Explanation
The Proposed Transaction is fair	As set out in Section 2.2 above, the Proposed Transaction is fair to the Shareholders as at the date of this Report. RG 111 states that an offer is reasonable if it is fair.
The current offer price is known	If the Proposed Transaction is implemented, Shareholders have certainty that they will receive \$0.60 for each PTG share held. These Shareholders will no longer be exposed to the ongoing risks associated with holding shares in PTG.
No brokerage charges	As outlined in the Scheme Booklet, the Shareholders will not incur any brokerage charges if the Proposed Transaction is approved.



Advantage	Explanation
The consideration is at a premium to the price that PTG shares have traded on the ASX prior to the Proposed Transaction	As outlined in Section 5.4, recent ASX trading of PTG shares has been at VWAPs in the range of \$0.26 (7-day trading period VWAP prior to 31 October 2022) to \$0.44 (360-day trading period VWAP prior to 31 October 2022). The 30-day and 90-day trading period VWAPs are \$0.27 and \$0.27 respectively as stated in Section 1.2 of the Scheme Booklet. The Cash Consideration of \$0.60 per share is at a premium to the price that PTG shares have traded on the ASX prior to the announcement of the Proposed Transaction.
A superior proposal has not emerged	The Directors have advised that, as at the date of this Report, a superior proposal to the Proposed Transaction has not been received by the Company and the Directors are not aware of any superior proposal that is likely to emerge.

Source: BDOCF analysis

2.3.3 Disadvantages of the Proposed Transaction

Table 2.3 below outlines the potential disadvantages to the Shareholders of approving the Proposed Transaction.

Table 2.3: Potential Disadvantages of the Proposed Transaction

Disadvantage	Explanation
No exposure to any future offers	If the Proposed Transaction is approved, the Shareholders will no longer be able to benefit from any superior offers from BidCo or any other party. Notwithstanding, there is no indication, nor guarantee that a future offer will be forthcoming.
No exposure to any potential future value of PTG	If the Proposed Transaction is approved, Shareholders will receive Cash Consideration and no longer hold any shares in the Company. Accordingly, Shareholders will have no exposure to any potential upside in the value of the Company going forward.
No partial investment	The Proposed Transaction relates to 100% of each Shareholder's shares. If the Proposed Transaction is approved, BidCo will acquire 100% of PTG shares and no partial investment will be possible.

Source: BDOCF analysis

2.3.4 Other Considerations

Tax Considerations

If the Proposed Transaction is approved and implemented, the Shareholders will be treated as having disposed of their shares for tax purposes. A gain or loss on disposal may arise depending on the cost base of each individual Shareholder's shares, the length of time held, whether the shares are held on capital or revenue account and whether or not the Shareholder is an Australian resident for tax purposes. A general description of the Australian tax consequences of the Proposed Transaction (assuming it is implemented) for certain PTG shareholders is set out in Section 8 of the Scheme Booklet.

Shareholders should consult their own adviser in relation to the taxation consequences of the Proposed Transaction.

2.3.5 Position of the Shareholders if the Proposed Transaction is Not Approved

Table 2.4 below outlines the potential position of the Shareholders if the Proposed Transaction is not approved.

**Table 2.4: Position of Shareholders if the Proposed Transaction is Not Approved**

Position of Shareholders	Explanation
Continued shareholding in PTG	If the Proposed Transaction is not implemented, the Shareholders will continue to hold shares in PTG. The Shareholders will continue to be exposed to the risks and opportunities associated with the ownership of PTG shares.
Share trading price may be materially different to recent share trading prices and the shares in PTG may trade at prices that are lower than \$0.60 per share	<p>If the Proposed Transaction does not proceed, the price of PTG shares may decrease relative to recent trading prices and the decrease may be material. As outlined in Section 5.4, prior to the announcement of the Proposed Transaction, PTG shares traded on the ASX with VWAPs in the range of \$0.26 (7-day trading period VWAP prior to 31 October 2022) to \$0.44 (360-day trading period VWAP prior to 31 October 2022). The 30-day and 90-day trading period VWAPs are \$0.27 and \$0.27 respectively as stated in Section 1.2 of the Scheme Booklet. This is lower than the Cash Consideration of \$0.60 per PTG share held.</p> <p>It is important to note that shares in PTG have been valued in this Report on a controlling interest basis to assess the Proposed Transaction. If the Proposed Transaction is not implemented, the price of shares in PTG is likely to change to represent the value of PTG on a minority interest basis.</p> <p>It is possible that shares in PTG will trade at a price that is materially lower than \$0.60 if the Proposed Transaction is not implemented.</p>
Non-recoverable costs	PTG will incur costs in relation to the Proposed Transaction irrespective of whether or not the Proposed Transaction is implemented. PTG will not be able to recover the costs that it has incurred in relation to the Proposed Transaction in the event that the Proposed Transaction is not approved and/or implemented. In addition to its own costs, PTG may be required to pay a break fee of \$934,000 to BidCo under certain circumstances, which are set out in Section 9.5 of the Scheme Booklet.
Prospect of a superior proposal or alternative transaction	<p>It is possible that if the Proposed Transaction is not implemented, PTG may receive an offer superior to the Proposed Transaction.</p> <p>As at the date of this Report, the Directors have not received a proposal superior to the Proposed Transaction.</p>

Source: BDOCF analysis

2.3.6 Assessment of the Reasonableness of the Proposed Transaction

In our opinion, after considering all of the issues set out in this Report, it is our view that, in the absence of any other information or a superior proposal, the Proposed Transaction is **Reasonable** to the Shareholders as at the date of this Report.

2.4 Best Interests Opinion

After considering the above assessments, it is our view that, in the absence of any other information or a superior proposal, the Proposed Transaction is **Fair and Reasonable** to the Shareholders as at the date of this Report. On this basis, it is our view that in the absence of any other information or a superior proposal, the Proposed Transaction is in the **Best Interests** of Shareholders as at the date of this Report.

Before forming a view on whether to vote in favour of or against the Proposed Transaction, Shareholders must:

- ▶ Have regard to the information set out in the balance of this Report, including the Important Information set out in Section 3.0;
- ▶ Consider the possibility of a superior proposal arising, notwithstanding that a superior proposal has not arisen as at the date of this Report and there is no guarantee that one will emerge;
- ▶ Consult their own professional advisers; and
- ▶ Consider their specific circumstances.



3.0 Important Information

3.1 Read this Report, and Other Documentation, in Full

This Report, including Part I, Part II and the appendices, should be read in full to obtain a comprehensive understanding of the purpose, scope, basis of evaluation, limitations, information relied upon, analysis, and assumptions underpinning our work and our findings.

Other information provided to the Shareholders in conjunction with this Report should also be read in full, including the Scheme Booklet prepared by PTG and dated on or about 7 February 2023.

3.2 Shareholders' Individual Circumstances

Our analysis has been completed and our conclusions expressed at an aggregate level having regard to the Shareholders as a whole. BDOCF has not considered the impact of the Proposed Transaction on the particular circumstances of individual Shareholders. Individual Shareholders may place a different emphasis on certain elements of the Proposed Transaction relative to the emphasis placed in this Report. Accordingly, individual Shareholders may reach different conclusions as to whether or not the Proposed Transaction is fair and reasonable in their individual circumstances.

The decision of an individual Shareholder to vote in favour of or against the Proposed Transaction is likely to be influenced by their particular circumstances and accordingly, the Shareholders are advised to consider their own circumstances and seek their own independent advice.

Voting in favour of or against the Proposed Transaction is a matter for individual Shareholders based on their expectations as to the expected value, future prospects and market conditions together with their particular circumstances, including risk profile, liquidity preference, portfolio strategy and tax position. The Shareholders should carefully consider the Scheme Booklet. Shareholders who are in doubt as to the action they should take in relation to the Proposed Transaction should consult their professional adviser.

With respect to the taxation implications of the Proposed Transaction, it is strongly recommended that the Shareholders obtain their own taxation advice, tailored to their own particular circumstances.

3.3 Scope

In this Report we provide our opinion on whether the Proposed Transaction is fair and reasonable to, and in the best interests of, the Shareholders.

This Report has been prepared at the request of the Directors for the sole benefit of the Shareholders entitled to vote, to assist them in their decision to vote in favour of or against the Proposed Transaction. This Report is to accompany the Scheme Booklet to be sent to the Shareholders to consider the Proposed Transaction and was not prepared for any other purpose. Accordingly, this Report and the information contained herein may not be relied upon by anyone other than the Directors and the Shareholders without our written consent. We accept no responsibility to any person other than the Directors and the Shareholders in relation to this Report.

This Report should not be used for any other purpose and we do not accept any responsibility for its use outside this purpose. Except in accordance with the stated purpose, no extract, quote or copy of this Report, in whole or in part, should be reproduced without our written consent, as to the form and context in which it may appear.

We have consented to the inclusion of this Report with the Scheme Booklet. Apart from this Report, we are not responsible for the contents of the Scheme Booklet or any other document associated with the Proposed Transaction. We acknowledge that this Report may be lodged with regulatory authorities to obtain the relevant approvals prior to it being made available to the Shareholders.

The scope of procedures we have undertaken has been limited to those procedures required in order to form our opinion. Our procedures did not include verification work nor constitute an audit or assurance engagement in accordance with Australian Auditing and Assurance Standards. In preparing this Report we considered a range of matters, including the necessary legal requirements and guidance of the Corporations Act, the Corporation Regulations 2001 ('the Regulations'), the regulatory guides ('RGs') published by the Australian Securities and Investments Commission ('ASIC'), the listing requirements of the relevant exchanges (where relevant) and commercial practice.

In forming our opinion, we have made certain assumptions and outline these in this Report including:

- ▶ We have performed our analysis on the basis that the conditions precedent to the Proposed Transaction are satisfied;
- ▶ That matters such as title to all relevant assets, compliance with laws and regulations and contracts in place are in good standing, and will remain so, and that there are no material legal proceedings, other than as publicly disclosed;
- ▶ All information which is material to the Shareholders' decision on the Proposed Transaction has been provided and is complete, accurate and fairly presented in all material respects;
- ▶ ASX announcements and other publicly available information relied on by us are accurate, complete and not misleading;
- ▶ If the Proposed Transaction is approved, that it will be implemented in accordance with the stated terms;
- ▶ The legal mechanism to implement the Proposed Transaction is correct and effective;



- ▶ There are no undue changes to the terms and conditions of the Proposed Transaction or complex issues unknown to us; and
- ▶ Other assumptions, as outlined in this Report.

In this Report we have not provided any taxation, legal or other advice of a similar nature in relation to the Proposed Transaction. PTG has engaged other advisors in relation to those matters.

PTG has acknowledged that the Company's engagement of BDOCF is as an independent contractor and not in any other capacity, including a fiduciary capacity.

The statements and opinions contained in this Report are given in good faith and are based upon our consideration and assessment of the information provided by the Board, executives and management of PTG.

3.4 Purpose of this Report

An independent expert, in certain circumstances, must be appointed to meet the requirements set out in the Corporations Act, the Regulations, RGs and in some cases the listing requirements of the relevant exchanges. These requirements have been set out in Sections 3.0, 3.4.1 and 3.4.2 below.

3.4.1 Requirements of the Corporations Act

The Proposed Transaction will be implemented by a scheme of arrangement. Section 411 of the Corporations Act relates to schemes of arrangement. Under section 411 of the Corporations Act, in order for a scheme of arrangement to be approved, certain steps, including the following, must occur:

- ▶ Unless the Court orders otherwise, there must be a majority in number (i.e. more than 50%) of the shareholders present and voting (either in person or by proxy); and
- ▶ No less than 75% of the votes cast on the resolution must vote in favour of the scheme.

Part 3 of Schedule 8 of the Corporations Regulations details the prescribed information relating to schemes of arrangement. Specifically, Clause 8303 of Schedule 8 states that an independent expert's report prepared to determine whether, in the opinion of the expert, the proposed scheme is in the best interests of the company's shareholders must accompany a scheme document if:

- ▶ A party to the proposed scheme has a prescribed shareholding in the company subject to the scheme; or
- ▶ The directors of the company are also directors of the company subject to the scheme.

We have been requested to prepare this independent expert's report to provide additional information to the Shareholders to assist them to form a view on whether to vote in favour of or against the Proposed Transaction.

3.4.2 Listing Requirements

We have been instructed that PTG will not be using this Report or our assessment of the Proposed Transaction for the purpose of complying with the listing requirements of the ASX or any other stock exchange.

3.5 Current Market Conditions

Our opinion and the analysis set out in this Report is based on economic, commodity, market and other conditions prevailing at the date of this Report. Such conditions can change significantly over relatively short periods of time and may have a material impact on the results presented in this Report and result in any valuation or other opinion becoming quickly outdated and in need of revision.

In circumstances where we become aware of and believe that a change in these conditions, prior to the scheme meeting, results in a material statement in this Report becoming misleading, deceptive or resulting in a material change in valuation, we will provide supplementary disclosure to PTG. BDOCF is not responsible for updating this Report following the Scheme Meeting or in the event that a change in prevailing circumstance does not meet the above conditions.

3.6 Reliance on Information

PTG recognises and confirms that, in preparing this Report, except to the extent to which it is unreasonable to do so, BDOCF or any of the partners, directors, agents or associates (together 'BDO Persons'), will be using and relying on publicly available information and on data, material and other information furnished to BDO Persons by PTG, its Management, and other parties, and may assume and rely upon the accuracy and completeness of, and is not assuming any responsibility for independent verification of, such publicly available information and the other information so furnished.

Unless the information we are provided suggests the contrary, we have assumed that the information provided was reliable, complete and not misleading, and material facts were not withheld. The information provided was evaluated through analysis and inquiry for the purpose of forming an opinion as to whether or not the Proposed Transaction is fair and reasonable to, and in the best interests of, the Shareholders.

We do not warrant that our inquiries have identified or verified all of the matters which an audit, extensive examination or due diligence investigation might disclose. In any event, an opinion as to whether a corporate transaction is fair and reasonable and in the best interests is in the nature of an overall opinion rather than an audit or detailed investigation.



It is understood that the accounting information provided to us was prepared in accordance with generally accepted accounting principles.

Where we relied on the views and judgement of Management, the information was evaluated through analysis and inquiry to the extent practical. Where we have relied on publicly available information, we have considered the source of the information and completed our own analysis to assist us to determine the accuracy of the information we have relied on. However, in many cases the information we have relied on is often not capable of external verification or validation and on that basis we provide no opinion or assurance on the information.

The Directors represent and warrant to us for the purpose of this Report, that all information and documents furnished by PTG (either by Management directly or through its advisors) in connection or for use in the preparation of this Report do not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements therein. We have received representations from the Directors in relation to the completeness and accuracy of the information provided to us for the purpose of this Report.

Under the terms of our engagement, PTG has agreed to indemnify BDO Persons against any claim, liability, loss or expense, costs or damage, arising out of reliance on any information or documentation provided, which is false or misleading or omits any material particulars, or arising from failure to supply relevant documentation or information.

3.7 Glossary

Capitalised terms used in this Report have the meanings set out in the glossary. A glossary of terms used throughout this Report is set out immediately following the Table of Contents at the start of this Report.

All dollar ('\$') references in this Report are in Australian dollars unless otherwise stated.

3.8 Sources of Information

This Report has been prepared using information obtained from sources including the following:

- ▶ PTG annual reports for the year ended 30 June 2021 and 2022;
- ▶ PTG ASX announcements;
- ▶ Scheme Implementation Deed dated 31 October 2022;
- ▶ Scheme Booklet dated on or about 16 December 2022;
- ▶ Capital IQ;
- ▶ Bloomberg;
- ▶ IBISWorld report 'Software Suppliers in Australia Industry Report', March 2022;
- ▶ Other research publications and publicly available data as sourced throughout this Report;
- ▶ Various transaction documents provided by the Management of PTG and their advisors; and
- ▶ Discussions and other correspondence with PTG, management and their advisers.

3.9 APES 225 Valuation Services

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 *Valuation Services* ('APES 225'). A Valuation Engagement is defined by APES 225 as 'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.'

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

3.10 Forecast Information

Any forecast financial information referred to in this Report has originated from the Company's Management and is adopted by the Directors in order to provide us with a guide to the potential financial performance of PTG. There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to event(s) and transaction(s) that have not yet occurred and may not occur. Actual results are likely to be different from the forecast financial information since anticipated event(s) or transaction(s) frequently do not occur as expected and the variation between actual results and those forecasts may be material.

The Directors' best-estimate assumptions on which the forecast is based relate to future event(s) and/or transaction(s) that Management expect to occur and actions that Management expect to take and are also subject to uncertainties and contingencies, which are often outside the control of PTG. Evidence may be available to support the Directors' best-estimate assumptions on which the forecast is based however, such evidence is generally future-oriented and therefore speculative in nature.



BDOCF cannot and does not provide any assurance that any forecast is representative of results or outcomes that will actually be achieved. While we have considered the forecast information to the extent, we considered necessary to complete the analysis set out in this Report, we have not been engaged to provide any form of assurance conclusion on any forecast information set out in this Report. We disclaim any assumption of responsibility for any reliance on this Report, or on any forecast to which it relates, for any purpose other than that for which it was prepared. We have assumed, and relied on representations from certain members of Management, that all material information concerning the prospects and proposed operations of PTG has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

3.11 Qualifications

BDOCF has extensive experience in the provision of corporate finance advice, including takeovers, valuations and acquisitions. BDOCF holds an Australian Financial Services Licence issued by ASIC for preparing expert reports pursuant to the Listing Rules of the ASX and the Corporations Act.

BDOCF and its related parties in Australia have a wide range of experience in transactions involving the advising, auditing or expert reporting on companies that have operations domestically and in foreign jurisdictions. BDO in Australia is a national association of separate partnerships and entities and is a member of the international BDO network of individual firms.

Stephen Seear and Martin Emilson have prepared this Report with the assistance of staff members. Mr Seear, BCom (Hons), CA, ICAA Business Valuation Specialist, and Mr Emilson, MSc (Industrial and Financial Economics) are directors of BDOCF. Both Mr Seear and Mr Emilson have extensive experience in corporate advice and the provision of valuation and professional services to a diverse range of clients, including large private, public and listed companies, financial institutions and professional organisations. Mr Seear and Mr Emilson are considered to have the appropriate experience and professional qualifications to provide the advice offered within this Report.

BDO Corporate Finance (East Coast) Pty Ltd

DocuSigned by:

Stephen Seear

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Stephen Seear
Director

DocuSigned by:

Martin Emilson

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Martin Emilson
Director



PART II: INFORMATION SUPPORTING OUR OPINION ON THE PROPOSED TRANSACTION

4.0 Overview of the Proposed Transaction

This section sets out an overview of the Proposed Transaction and is structured as follows:

- ▶ Section 4.1 provides a brief description of the Proposed Transaction;
- ▶ Section 4.2 describes the key parties involved in the Proposed Transaction;
- ▶ Section 4.3 summarises the conditions precedent to the Proposed Transaction; and
- ▶ Section 4.4 details the rationale for the Proposed Transaction.

This section is a summary only and should not be treated as a complete description of the Proposed Transaction. The Shareholders should refer to the Scheme Booklet and any subsequent disclosures for additional information relating to the Proposed Transaction and the key parties involved.

4.1 Summary of the Proposed Transaction

On 31 October 2022, PTG announced that it had entered into a Scheme Implementation Deed ('SID') with BidCo, a wholly owned subsidiary of MRI, under which it is proposed that MRI will acquire 100% of the shares on issue in PTG by way of a scheme of arrangement ('Scheme').

If the Proposed Transaction is approved and implemented, Shareholders will be entitled to receive cash consideration of \$0.60 per PTG share held.

The Shareholders should refer to the Scheme Booklet and subsequent disclosures for more detailed information in relation to the Proposed Transaction.

4.2 Description of the Key Parties involved in the Proposed Transaction

4.2.1 BidCo

BidCo is an Australian and New Zealand-based provider of property and strata management software. BidCo's software automates property-specific accounting, operational, and administrative tasks for its software users. BidCo is a wholly owned subsidiary of global real estate software company MRI, and has been owned by MRI since 1 August 2019.

4.2.2 MRI

MRI is a US-based company which offers real estate software applications and hosted solutions. MRI's products include financials suite, commercial suite, residential suite, investment suite, corporate real estate, facilities management, and reporting and analytics. Its solutions include affordable housing, condo HOA, office and industrial, retail, construction and development, public housing, public REITs, private equity, pension funds, and multifamily. MRI was founded in 1971 and is based in Solon, Ohio with additional offices in Australia, Singapore, Hong Kong, India, New Zealand, South Africa, the United Kingdom, and Ireland.

4.3 Key Conditions of the Proposed Transaction

The Proposed Transaction is subject to certain conditions which are set out in detail in Schedule 1 of the SID that must be satisfied or waived (as applicable) as per Section 3 of the SID in order for the Proposed Transaction to be implemented. These conditions are summarised in Section 9.5 of the Scheme Booklet and include:

- ▶ PTG shareholder approval of the Scheme;
- ▶ An Independent Expert concluding and continuing to conclude that the Scheme is in the best interests of PTG shareholders;
- ▶ The Court orders the convening of the Scheme Meeting;
- ▶ Court approval of the Scheme;
- ▶ No material adverse change or prescribed occurrences (each as defined in the SID) occurring in relation to PTG;
- ▶ MRI receiving regulatory approvals from the Australian Competition and Consumer Commission and from the Foreign Investment Review Board; and
- ▶ Other customary conditions.

4.4 Strategic Rationale for the Proposed Transaction

The Directors are of the view that the Proposed Transaction:

- ▶ Provides the certainty of a cash return to the Shareholders; and



- Represents clear and attractive value for the Company at a significant premium to the trading of PTG shares on the ASX prior to the announcement of the Proposed Transaction.

The Directors have announced that they unanimously recommend that the Shareholders vote in favour of the Proposed Transaction in the absence of a superior proposal and subject to an independent expert concluding, and continuing to conclude, that the Proposed Transaction is in the best interests of the Shareholders.

5.0 Background of PTG

This section is set out as follows:

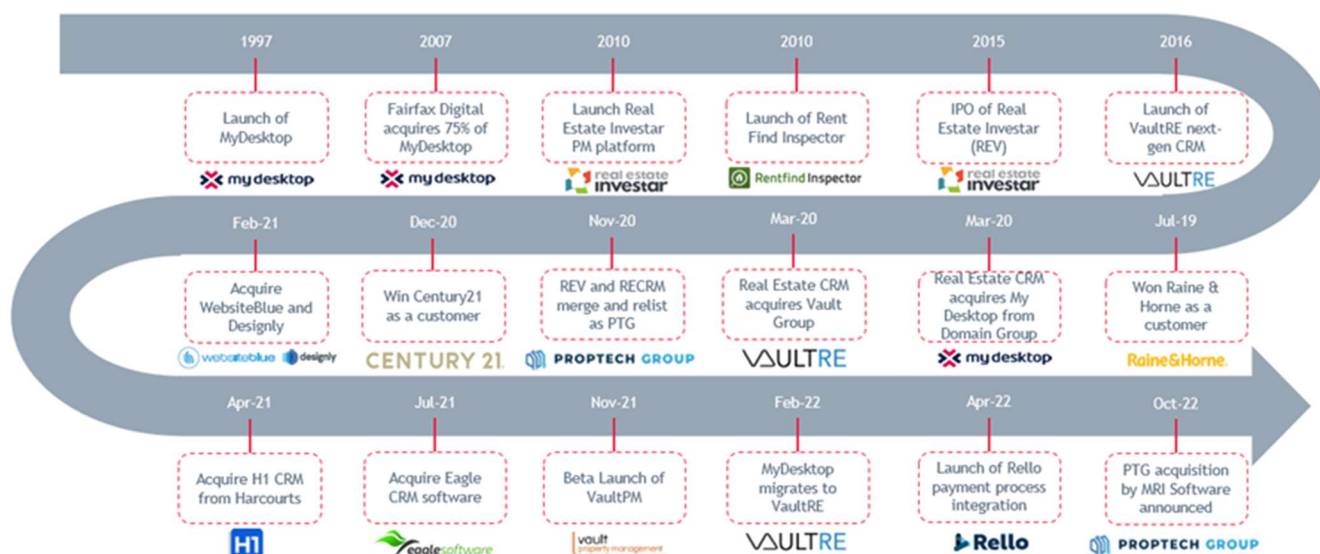
- Section 5.1 provides an overview and background information on PTG;
- Section 5.2 outlines PTG's key operations;
- Section 5.3 summarises the equity structure of PTG;
- Section 5.4 summarises the share trading data of PTG; and
- Section 5.5 summarises the historical financial information of PTG.

5.1 Background

Headquartered in Melbourne, Australia, PTG is an ASX listed (ASX:PTG) software solutions provider to real estate agencies around Australia, New Zealand and United Kingdom. It owns, operates, and invests in property technology businesses which provide Customer Relationship Management ('CRM'), property management, marketing, analytics, and other wide array of functionality in the business to business ('B2B') and business to consumer ('B2C') segments. Some of its key clients include Ray White, Raine & Horne, and UK based Century 21.

The Company aims to differentiate itself through providing an integrated property management, sales and ancillary software products to increase customer retention and profitability.

Figure 5.1: Key PTG Events



Source: BDOCF Analysis

5.2 Key Operations

5.2.1 Overview

The Company serves its customers through its software brands highlighted below which have been acquired as well as developed internally.

- **Real Estate Investor** - This is an online property investor platform that allows the investors to locate, compare and analyse property investment opportunities.
- **Rentfind Inspector** - This is a provider of property inspection and condition report software for property managers.
- **VaultRE** - Vault RE software includes technology developed specifically for the real estate industry, the first to be created with a focus on providing a complete solution. VaultRE allows users to access contacts and properties directly through the VaultRE app, provides high access speed to applications, and automates mundane workflow and operational tasks. Vault RE PM is a module within Vault RE, being technology developed specifically for Property Managers. Services



include maintenance automation and trust accounting, allowing management of properties along the full property lifecycle from landlord leads, listing, tenant identification, and tenant management. This brand was acquired when Vault Group was acquired by Real Estate Investar Group (now PTG) in March 2020.

- ▶ **Website Blue** - Website Blue is a full-service professional web design and development agency that has been delivering technologies to Australia and New Zealand since 2005. Website Blue focuses on making products that make web design easily accessible for Real Estate agencies at all stages of development. It offers new real estate websites, and full CRM integration for users. It also includes Designly, software which enables real estate agents to self-manage their digital marketing assets and campaigns. This brand was acquired when Website Blue was acquired by PTG in February 2021.
- ▶ **Eagle CRM** - Eagle CRM is a real estate listing and contact management software package that helps automate business processes. Eagle CRM offers services for real estate website design, sales trust accounting, leasing tools and marketing solutions. It is focused on independent, boutique and small multi-office real estate agencies. This brand was acquired when Eagle Software was acquired by PTG in June 2021. In FY22, Eagle CRM accounted for 23% of PTG's total revenue.
- ▶ **Rello** is a joint-venture in which PTG owns a 20% interest. It provides payments offerings for real estate related expenses for real estate agents and their clients.

Figure 5.2 to Figure 5.4 below depict key sources of PTB's revenue in FY22.

Figure 5.2: PTG's FY22 Revenue by Customer Type

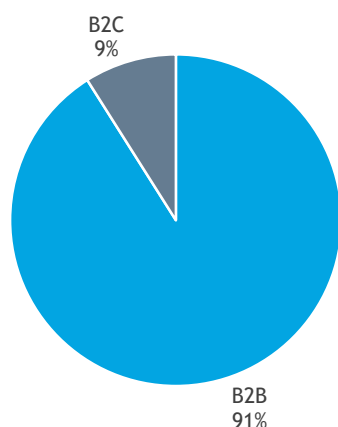


Figure 5.3: PTG's FY22 Recurring and Non-recurring Revenue Mix

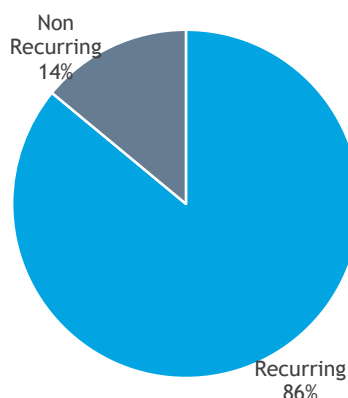
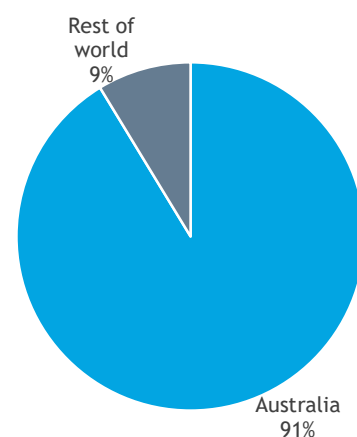


Figure 5.4 PTG FY22 Revenue by Location



Source: PTG FY22 Annual Report, BDOCF Analysis

PTG's Business to Business ('B2B') segment consists of real estate agent services and products offered to real estate agencies in Australia, New Zealand, and the United Kingdom. B2B segment accounts for over 90% of the revenues of PTG. Business to Consumer ('B2C') segment which accounts for the remaining revenues offers property investment tools to retail property investors in Australia and New Zealand.

Stated below in Table 5.1 is the composition of revenue of PTG in terms of recurring and non-recurring revenue:

Table 5.1: Description of PTG's Revenue Sources

Revenue Source	Description
Recurring revenues	<p>Recurring revenues relate to subscription fees and maintenance support fees charged to customers for access to CRM and other agent tools, software and licences. These fees are invoiced monthly.</p> <p>Key users of the services include real estate franchises and independent real estate agents with contract terms ranging from rolling monthly to 3 years.</p> <p>Over 85% of the total revenues of PTG are recurring in nature.</p>
Other revenues	<p>Other revenue comprises of mobile services, set up assistance, consultancy, development and data migration. These fees are billed in arrears and charged based on the actual usage of the services on offer.</p> <p>These services are generally offered as part of the underlying subscription contract but derives revenue from the actual usage profile.</p>

Source: PTG FY22 Annual Report, Management guidance



Australian real estate business clients (such as real estate agencies) contributed 91% of the total revenue in FY22. Management of PTG estimates that the Company has a market share of approximately 42% of real estate agencies in Australia and New Zealand. Having captured just over 1% of market share in United Kingdom as of FY22, PTG continues to drive organic growth in the country and is focused on achieving profitability in its local operations.

Figure 5.5: PTG's Monthly Revenue Per Account (\$)¹

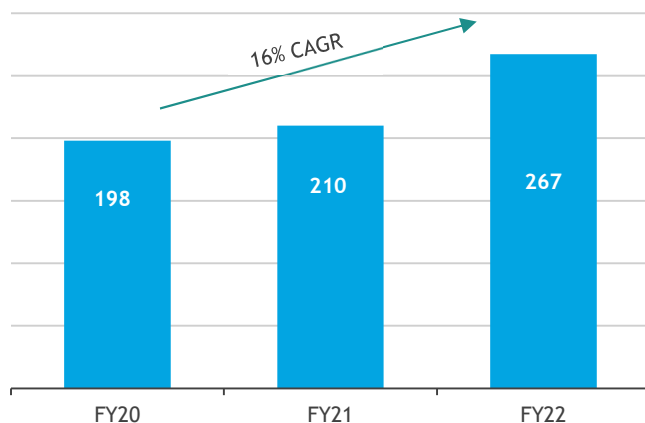
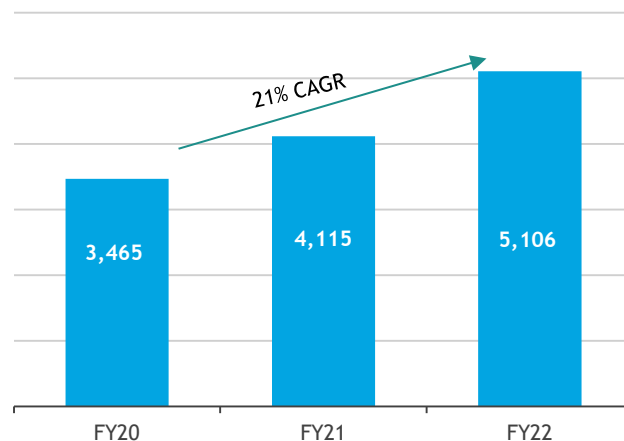


Figure 5.6 PTG's Number of Unique Accounts (#)²



Source: PTG FY22 Annual Report, BDOCF Analysis

Total revenue of PTG in FY22 was \$19.9 million representing an increase of approximately 78% relative to revenue from continuing operations of \$11.1 million reported in FY21. As depicted in Figures 5.5 and 5.6 above, PTG achieved significant revenue growth on the back of both increases in number of customer accounts and spending per account by customers over the last two financial years.

5.3 Equity Structure of PTG

5.3.1 Ordinary Shares

As at 14 December 2022, PTG had 155,645,079 ordinary shares on a fully diluted basis including the other securities noted in Section 5.3.2 below. Substantial shareholders are set out in Table 5.2.

Table 5.2: Substantial Shareholders as at Last Practicable Date

Shareholder	Ordinary shares held	% of issued ordinary shares
Simon Baker	11,373,174	7.50%
Songpan Investments Pty Ltd	7,900,000	5.21%

Source: Section 5.4 of the Scheme Booklet

5.3.2 Other Securities on Issue as at 14 December 2022

Outlined below are the options and rights outstanding in relation the employees of PTG as at 14 December 2022.

Table 5.3: Other Securities on Issue as at 14 December 2022

Security	Number of Options
Unlisted options over ordinary shares	600,000
Performance rights (vested)	1,671,743
Approved performance rights	1,740,987
Total	4,012,730

Source: Section 5.3 of the Scheme Booklet

The total fully diluted shares of 155,645,079 stated in Section 1.0 relates to the combination of total shares stated in Section 5.3.1 and other securities on issue stated in Section 5.3.2.

¹ Monthly Revenue Per Account reflects the monthly average revenue per account calculated for the last month of the period

² Number of unique agency customers using one or more PTG product.



5.4 Share Trading Data of PTG

5.4.1 Share Price Performance

Figure 5.7 displays the daily volume weighted average price ('VWAP') and daily volume of PTG shares traded on the ASX over the period 24 November 2020 to 28 October 2022.

Figure 5.7: Daily VWAP and Volume of PTG Shares Traded from 24 November 2020 to 1 November 2022



Source: Capital IQ as at 1 November 2022

We selected the period of analysis in relation to ASX announcements having regard to the date on which PTG was reinstated to official quotation of 24 November 2020. The Company was relisted subsequent to raising \$10.6 million at an issue price of \$0.25 per share.

Over the period to 31 October 2022, PTG daily VWAP displays a period low of \$0.22 on 30 June 2022 and high of \$0.83 on 25 June 2021.

In addition to the share price and volume data of PTG shown above, we have also provided additional information in Table 5.4 below to assist readers to understand the possible reasons for the movement in PTG's share price over the period analysed. The selected ASX announcement references in Table 5.4 below correspond to those displayed in Figure 5.7 above.

Table 5.4: Selected PTG ASX Announcements from 24 November 2020 to 4 November 2022

Date	Announcement
22-Feb-21	Ray White Group renews CRM Agreement with PropTech Group
23-Feb-21	PTG signed an agreement to acquire Website Blue for \$1.5 million
28-Jun-21	PTG agreed to acquire Eagle Software Pty Ltd for \$15.0m and announced an equity raising to fund the acquisition.
19-Jul-21	PTG announced the completion of the retail entitlement offer through which the Company successfully raised \$2.4 million at an offer price of \$0.72 per share. Together with the institutional component of the entitlement offer and placement to institutional investors, the total amount raised under the capital raising is \$15.5 million.
31-Aug-21	PTG announced Audited Consolidated Earnings Results FY21
16-Feb-22	PTG reported First Half, 2022 Results registering a 1H FY22 revenue growth of 98%.
15-Jul-22	PTG announced leadership changes
30-Aug-22	PTG reported Earnings Results for FY22
31-Oct-22	PTG entered into a Scheme Implementation Deed in relation to the proposed acquisition of PTG by Bidco for the Cash Consideration of \$0.60 per share.

Source: PTG ASX Announcements

In Table 5.4 below we have set out PTG's VWAP for trading periods of 1-day, 7-day, 10-day, 30-day, 60-day, 90-day, 180-day, and 360-day periods prior to 31 October 2022, being the date PTG announced the Proposed Transaction to the ASX. Given 29 October 2022 and 30 October 2022 were public holidays, we have conducted our analysis prior to 31 October 2022.

Table 5.5: PTG's VWAP for Specified Trading Periods before 31 October 2022

Period before 31 October 2022	VWAP (AUD)	Volume	Volume % of Outstanding
1-day	\$0.26	0.5	0.02%
7-days	\$0.26	0.5	0.3%
10-days	\$0.25	1.0	0.7%
30-days	\$0.27	7.3	4.9%



Period before 31 October 2022	VWAP (AUD)	Volume	Volume % of Outstanding
60-days	\$0.28	11.6	7.7%
90-days	\$0.27	18.7	12.4%
180-days	\$0.33	33.4	22.2%
360-days	\$0.44	54.8	36.4%

Source: Capital IQ as at 31 October 2022, Note: Volume % of Outstanding is assuming weighted average number of shares of 150,547,540 PTG on issue over the period from October 2021

5.4.2 Liquidity of PTG Shares on the ASX

The rate at which equity instruments are traded is generally referred to as the 'liquidity' of the equity instruments. Changes in liquidity may impact the trading price of equity instruments. This is particularly dependent on the number of equity instruments required to be bought and/or sold and the time period over which the equity instrument holder needs to buy and/or sell those equity instruments. Depending on the circumstances, a movement in market price may or may not represent a shift in value of either the equity instruments or a shift in value of the company to which the equity instruments relate as a whole.

Table 5.5 summarises the monthly liquidity of PTG shares from 1 October 2021 to 28 October 2022. Liquidity has been summarised by considering the following:

- ▶ Volume of PTG share trades per month;
- ▶ Value of total trades in PTG shares per month;
- ▶ Number of PTG shares traded per month as a percentage of total PTG shares outstanding at the end of the month; and
- ▶ VWAP per month.

Table 5.6: Liquidity of PTG shares on the ASX

Month	Volume	Turnover (\$)	Shares Outstanding	Volume per Shares Outstanding	Monthly VWAP
October 2022 (to 28)	4,136,130	1,073,250	150,822,420	2.74%	\$0.260
September 2022	1,781,141	520,920	150,822,420	1.18%	\$0.293
August 2022	2,847,962	826,338	150,822,420	1.89%	\$0.290
July 2022	3,145,444	918,052	150,822,420	2.09%	\$0.292
June 2022	6,142,369	1,775,625	150,822,420	4.07%	\$0.289
May 2022	3,044,292	1,074,602	150,822,420	2.02%	\$0.353
April 2022	2,302,953	971,829	150,822,420	1.53%	\$0.422
March 2022	2,410,669	1,081,560	150,822,420	1.60%	\$0.449
February 2022	2,385,185	1,251,341	150,822,420	1.58%	\$0.525
January 2022	2,761,455	1,293,783	150,822,420	1.83%	\$0.468
December 2021	2,288,821	1,228,634	149,894,700	1.53%	\$0.537
November 2021	2,982,694	1,768,276	149,585,460	1.99%	\$0.593
October 2021	2,207,495	1,392,696	149,585,460	1.48%	\$0.631
Total Pre-Transaction	38,436,610	15,176,907	150,547,540	25.53%	\$0.395

Source: Capital IQ as at 31 October 2022

Assuming a weighted average number of shares of 150,547,540 PTG on issue over the period from October 2021 to the date of announcement of the Proposed Transaction, approximately 25% of the total shares on issue were traded. In our view, this indicates that PTG shares display a moderate level of liquidity. The percentage of shares traded after adjusting the weighted average number of shares of 150,547,540 for the shares held by the substantial shareholders stated in Table 5.2 is 29%.



5.5 Historical Financial Information of PTG

This section sets out the historical financial information of PTG. As this Report contains only summarised historical financial information, we recommend that any user of this Report read and understand the additional notes and financial information contained in PTG's annual reports, including the full Statements of Profit or Loss and Other Comprehensive Income, Statements of Financial Position and Statements of Cash Flows.

PTG's financial statements have been audited by RSM Australia. We have not used financial statements before FY21 to conduct our analysis having regard to the date of relisting of the Company on the Australian Stock Exchange and there has been significant changes in the business prior to that as presented in Figure 5.1 - Key PTG Events. BDOCF has not performed any audit or review of any type on the historical financial information of PTG and we make no statement as to the accuracy of the information provided. However, we have no reason to believe that any of the information provided is false or misleading.

5.5.1 Statements of Profit or Loss and Other Comprehensive Income

Table 5.7 summarises the Consolidated Statement of Profit or Loss and Other Comprehensive Income of PTG for the 12-month periods ended 30 June 2021 and 30 June 2022.

Table 5.7: PTG's Consolidated Statement of Profit or Loss and Other Comprehensive Income

\$'000	FY22	FY21 ¹
Revenue		
Revenue from continuing operations	19,896	11,174
Other income	338	457
Total revenue and other income	20,234	11,630
Expenses		
Employee benefits	(12,109)	(6,442)
Operating costs	(6,836)	(3,581)
Depreciation and amortisation	(3,408)	(2,238)
Other expenses	(399)	(224)
Share of losses of associates	(158)	-
Finance costs	(40)	(6)
Loss before income tax expense from continuing operations	(2,718)	(860)
Income tax credit (expense)	93	(160)
Loss after tax	(2,625)	(1,020)
Other comprehensive income, net of tax		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign currency translation differences	(28)	(6)
Total comprehensive loss	(2,653)	(1,026)

Source: PTG FY22 Annual Report, Management Guidance

1. Restated FY21 figures from the FY22 Annual Report used

With reference to Table 5.7 above, we note the following:

- ▶ The revenue from continuing operations increased by 78% to \$19.9 million in FY22. The increase was primarily driven by the B2B segment which contributed \$18.1 million to the total revenue in FY22 compared to \$10.2 million in FY21. As stated in Figures 5.5 and 5.6, significant increases in both revenue per account and number of accounts contributed to the revenue growth in FY22. The B2C segment also saw its revenue increase from \$1.0 million in FY21 to \$1.8 million in FY22.
- ▶ Other income in FY22 relates to income from government assistance of \$0.1 million and R&D incentive income of \$0.3 million, in addition to which PTG also receives minor interest income. Decline in the government assistance received in FY22 by \$0.2 million contributed to the decrease of other income compared to FY21.
- ▶ Employee benefits expense increased by 88% to \$12.1 million in FY22. The staff count of PTG increased to 152 compared to 103 in FY21 to support the significant growth in the business organically and acquisitively which led to a corresponding higher staff expense. Staff costs included expenses related to the performance rights of executive staff, rights issued under the share incentive program which contributed \$0.8 million as a share-based payment to the total employee benefits expense in FY22. These were \$0.6 million in FY21 which included one off bonus' for the relisting process.
- ▶ Operating costs consist of cost of sales, data and production costs, marketing and other general and administration expenses. These costs increased by 91% to \$6.8 million in line with the growth in the revenues. Focus on customer stickiness saw an increase in R&D and marketing spend.
- ▶ Depreciation and amortisation expense increased by 52% to \$3.4 million in FY22. This was primarily driven by the accounting adjustments made as part of the purchase price allocation for acquisitions finalised in FY22. The associated increase in the plant and equipment as well as the intangibles assets balance is also visible in the Statement of Financial Position.
- ▶ The other expenses increased by 78% to \$0.4 million in FY22. The rise in cost related to the acquisitions and unfavourable exchange rates contributed to higher expenditure.



- ▶ The share of losses of associates was \$0.2 million in FY22 compared to nil in FY21. In November 2021, PTG acquired a 20% interest in RealPay Holdings Pty Ltd ('Rello') and was accounted for using the equity method. As such, its losses in the financial year were recognised as a reduction in the investment value on a pro-rata basis.

5.5.2 Statements of Financial Position

Table 5.8 summarises PTG's statements of financial position as at 30 June 2021 and 2022.

Table 5.8: PTG's Summarised Consolidated Statements of Financial Position

\$'000	FY22	FY21 ¹
Assets		
Current assets		
Cash and cash equivalents	14,053	6,582
Trade and other receivables	1,258	607
Contract assets	449	176
Financial assets at amortised cost	184	150
Current tax asset	-	138
Prepayments and other assets	551	301
Total current assets	16,495	7,954
Non-current assets		
Plant and equipment	823	425
Intangible assets	44,342	29,402
Deferred tax assets	222	374
Investment in associates	92	-
Total non-current assets	45,479	30,201
Total assets	61,974	38,155
Liabilities		
Current liabilities		
Trade and other payables	2,455	1,472
Accrued expenses	809	1,184
Contract liabilities	592	252
Vendor payables	8,690	3,375
Lease liabilities	409	84
Employee benefits	799	485
Current tax liability	5	-
Total current liabilities	13,760	6,852
Non-current liabilities		
Vendor payables	-	675
Lease liabilities	284	209
Employee benefits	128	41
Deferred tax liabilities	1,925	1,468
Total non-current liabilities	2,336	2,393
Total liabilities	16,096	9,245
Net assets	45,878	28,910
Equity		
Issued share capital	49,226	30,300
Reserves	682	14
Accumulated losses	(4,030)	(1,405)
Total equity	45,878	28,910

Source: PTG FY22 Annual Report, Management Guidance

1. Restated FY21 figures from the FY22 Annual Report used

With reference to Table 5.8 above, we note the following:

- ▶ The cash balance has increased by 114% to \$14.1 million at 30 June 2022. A detailed analysis of the movement in the cash balance is conducted in section 5.5.3.
- ▶ The trade and other receivables, contract assets and prepayments have collectively increased by \$1.1 million from 30 June 2021 to 30 June 2022. Acquisition related rise in the asset base and increase in revenue have contributed to higher receivable and contract asset balance. Similarly, the current liabilities have also increased as the business experienced higher operating costs due to the uptick in demand for its products and services.
- ▶ The plant and equipment balance increased by \$0.4 million from 30 June 2021 to 30 June 2022 due to a \$0.7 million addition to the right-of-use building asset in relation to the office lease, which was offset by the total depreciation expense of \$0.3 million
- ▶ The intangibles balance has increased from \$29.4 million at 30 June 2021 to \$44.3 million at 30 June 2022. The goodwill balance makes up 67% of the total intangible asset balance and saw an \$8.9 million rise due to the acquisitions finalised in FY22. These acquisitions also added \$6.6 million to the cost base of other intangible assets such as software and web platform, patent and trademarks and customer contracts. In addition to the above, the amortisation expense of \$3.1 million also had an offsetting impact on the intangibles balance.



- ▶ The vendor payable balance relates to the amount owed to the sellers of Commerce Australia Pty Ltd, Harcourts International Ltd, JMCG Pty Ltd and Eagle Software Pty Ltd which are the businesses acquired by PTG. The balance as of 30 June 2022 consisted of \$7.5 million owed to the owners of Eagle Software Pty Ltd. The amount payable to the sellers of Eagle Software of \$7.5 million at 30 June 2022 was settled in cash as per the quarterly cash flow report for the quarter ended 30 September 2022.
- ▶ Liabilities associated with employee benefits increased from \$0.5 million to \$0.9 million from 30 June 2021 to 30 June 2022 as the salaries and wages expense has shown a similar increase due to a higher headcount.

5.5.3 Statements of Cash Flows

Table 5.9 summarises PTG's Statement of Cash Flows for the 12 month periods ended 30 June 2021 and 30 June 2022.

Table 5.9: PTG's Summarised Consolidated Statements of Cash Flows

\$ '000	FY22	FY21 ¹
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	21,448	12,341
Payments to suppliers and employees (inclusive of GST)	(18,975)	(11,070)
Government assistance received	71	138
Interest received	4	2
Interest paid	(22)	(6)
Other income	-	5
Income taxes receipted / (paid)	365	(274)
Net cash from operating activities	2,891	1,136
Cash flows from investing activities		
Payment for purchase of business, net of cash acquired	(6,795)	(5,762)
Payments for financial assets	-	(150)
Payments for plant and equipment	(94)	(128)
Payment for intangible assets	(2,605)	(740)
Payments for security deposits (net)	(73)	(45)
Payment for investment in associates	(250)	-
Loans advanced	(34)	-
Net cash used in investing activities	(9,850)	(6,824)
Cash flows from financing activities		
Proceeds from issue of shares	15,506	10,600
Share issue transaction costs	(732)	(773)
Repayment of lease liabilities	(212)	(9)
Net cash from financing activities	14,562	9,817
Cash and cash equivalents at the beginning of the financial year	6,582	2,475
Net increase in cash and cash equivalents	7,603	4,129
Effects of exchange rate changes on cash and cash equivalents	(132)	(22)
Cash and cash equivalents at the end of the financial year	14,053	6,582

Source: PTG FY22 Annual Report, Management Guidance

1. Restated FY21 figures from the FY22 Annual Report used

With reference to Table 5.9 above, we note the following:

- ▶ Net cash from operating activities increased significantly from FY21 to FY22, due the revenue growth explained further in the previous sections. The growth in the operating cash flow can be attributed to both organic and acquired revenue growth (mainly due to the acquisition of Eagle Software) experienced during FY22.
- ▶ The primary contributors to net cash used in investing activities in FY21 and FY22 are the acquisitions of Eagle Software and Website Blue. Additionally, the increased investment in intangible assets reflects investments in technology development by the business through payments for software and web platforms.
- ▶ Net cash from financing activities increased from FY21 to FY22, primarily as a result of the increase in proceeds from the issuance of shares by PTG from \$10.6 million to \$15.5 million.



6.0 Industry Overview

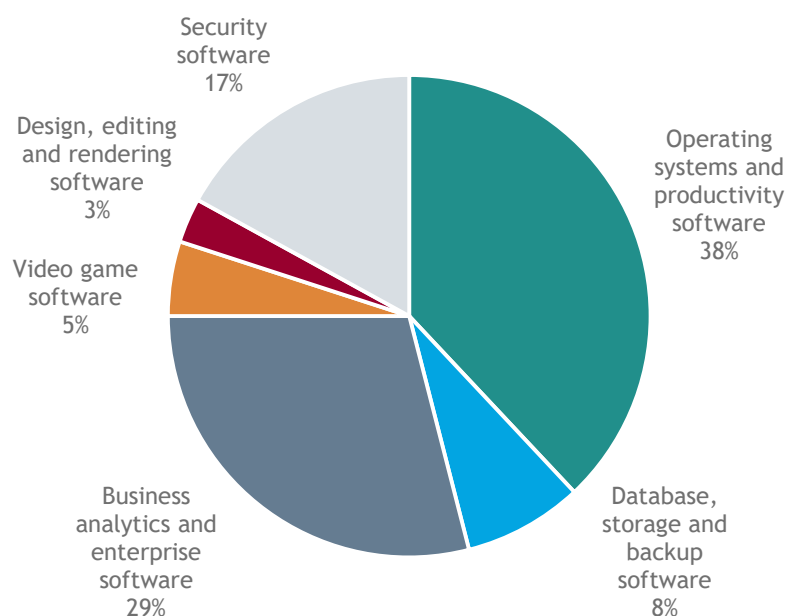
PTG operates in the Property Technology ('PropTech') industry and provides application software services targeted to real estate businesses. The PropTech industry is an industry vertical of the broader Software Suppliers industry. The Software Suppliers industry in Australia is highly fragmented, as many smaller companies constitute a small percentage of market share. However, the Software Suppliers industry's largest four companies which include Microsoft, Atlassian, Oracle and SAP Australia constitute approximately 60% of market share, indicating moderate industry concentration. This section sets out an overview of the Software Suppliers market and the PropTech industry.

The information presented in this section has been compiled from a range of publicly available sources, together with information taken from various databases to which we subscribe. BDOCF has not independently verified any of the information and we recommend that users of this Report refer to the original source of any information listed in this section. This section should be referred to as a guide only.

6.1 Software Suppliers Industry³

The Software Suppliers market includes businesses which provide software wholesaling, digital software retailing, software support services, and cloud software services. The Software Suppliers industry is segmented by end user, as software services are aimed at businesses and customers from a wide range of sectors. The overall market can be broken down by software type which include operating systems and productivity software, databases, storage and backup software, business analytics and enterprise software, video game software, design, editing and rendering software, and security software.

Figure 6.1: Australian Software Supplier Services Industry Segmentation



Source: IBISWorld 2022 'Software Suppliers in Australia' Industry Report

The outlook for the global Software Suppliers industry shows forecast revenue to reach US\$1,153.75 billion by 2030, up from US\$429.60 billion in 2021 representing a compound annual growth rate ('CAGR') of 12% over this period. The drivers for this substantial growth over the medium term include the impact of COVID-19, increasing industry demand as businesses pivot towards digital software usage, and general increase in uptake of software products by organisations. Government lockdown restrictions caused many businesses, organisations, and educational institutions to shift to a remote working environment. This drove significant increases in software and technology investment by end users, and the normalisation of remote working platforms means investment in software will continue to grow for the medium-term.

North America dominated the global market with a share of over 30% in 2021. Europe was the second-largest geographic market in 2021. These two regions dominate the global market due to high demand for advanced software services and the quicker implementation of new technologies across a broader number of industries, caused by higher proportions of developed economies in these regions.

³ Unless otherwise stated, information in this section has been obtained from Grand View Research, 'Business Software And Services Market Analysis and Segments Forecasts to 2030'; and IBISWorld report 'Software Suppliers in Australia Industry Report', March 2022.

Growth in the Software Suppliers industry is also being driven by rapid expansion of Software as a Service ('SaaS') business models over the past five years, which is expected to continue in the medium-term. The more traditional wholesale-to-retail business model is becoming redundant as software developers increasingly deal directly with customers through online sales. This growth in online SaaS models allows industry players to charge customers monthly or annual subscription fees, allowing steady recurring revenue streams and more scope for revenue growth.

Due to rapid technological advancement in software products, including development of smartphone apps and cloud computing capabilities in software applications, future growth prospects are strong in the industry. The potential for software suppliers to provide value-adding improvements such as better application technologies, quality customer service, and increased cloud computing technologies leads to higher growth forecast for the industry.

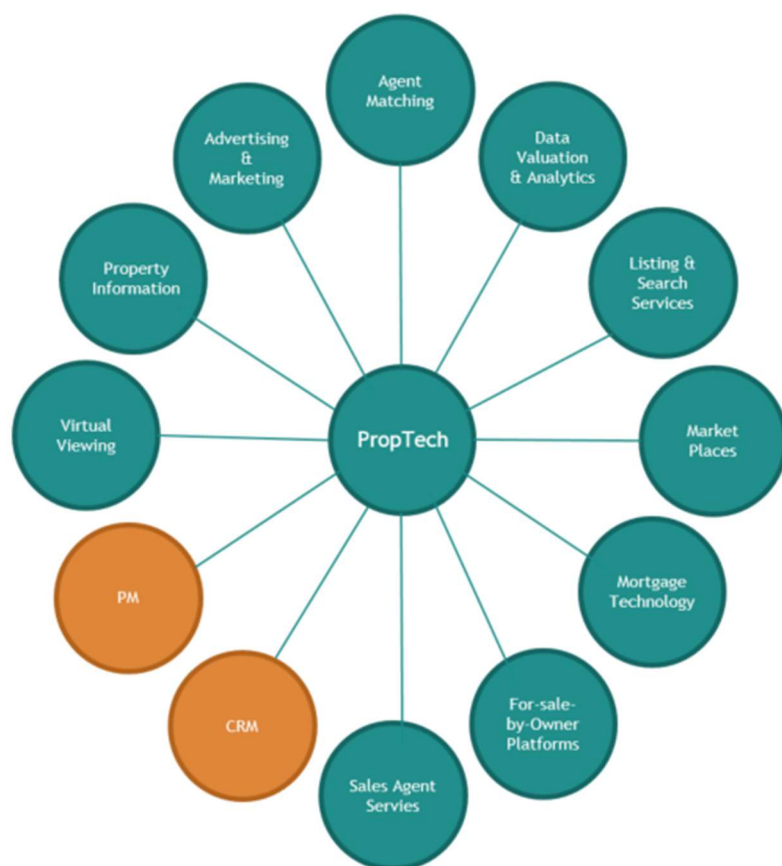
Other factors supporting industry growth include light global government regulations, supporting new entrants to the industry. The Software Suppliers industry is in a growth phase, so industry concentration and industry globalisation are not significant barriers to entry for newer companies. The main barrier to short-term industry growth are business confidence, as detrimental macroeconomic pressures could cause decreased industry demand for software services and the availability of software engineering talent. Global business confidence index dropped below 100 to 99.9 in September 2022 and 99.7 in October 2022 for the first time since November 2020 as per Organisation for Economic Co-operation and Development, indicating pessimism towards future business performance².

6.2 PropTech Industry

6.2.1 Overview⁴

The PropTech industry encapsulates various information technology services provided to the real estate sector by software service companies. Software applications provided under the PropTech category include the applications illustrated below:

Figure 6.2: The PropTech Market, 2021



Source: Frost & Sullivan, 2020

Based on the above industry segmentation, PTG predominantly operates in the Real Estate Agency Software ('REAS') market, which comprises Property Management ('PM') and Customer Relationship Management ('CRM') software.

⁴ According to OECD Data, obtained from: <https://data.oecd.org/leadind/business-confidence-index-bci.htm>



6.2.2 Industry Outlook for PropTech⁵

PropTech is a relatively high growth industry. Globally, approximately US\$19 billion of capital was invested in the PropTech industry in 2021, up from US\$2.90 billion in 2014, showing annualised investment growth of 30.8%⁶.

Revenue in the broader Real Estate Services industry is expected to remain steady over the six years to 2028, as concerns around inflationary pressures and the RBA raising the official cash rate are expected to constrain residential house prices. The number of established house transfers in Australia increased from 404,000 transfers in 2012 to 623,000 in 2021, at an annualised growth rate of 5% per year. This trend is expected to continue in the next five years, with more frequent property transfers expected, and this will consequently support growth in the PropTech industry.

Real estate service operators are projected to adopt new application processes which utilise their customers' smartphones, and cloud-based services. As the industry moves away from traditional media channels, operators are expected to allocate more budget to software initiatives, providing the necessary demand for continued PropTech industry growth. Operators aiming to value-add for their clients are expected to increasingly adopt PropTech services as a differentiating factor for their businesses.

The real estate services industry is mature, with several traditional brands dominating the market. This could act as a hinderance to PropTech services demand, should there be an industry bias towards traditional sales and property management operations. The entry of new market participants will be an important risk to existing PropTech companies in the industry over the medium-term. The emergence of online and hybrid estate agencies since the onset of COVID-19 has sparked a surge in competition in the industry, further signalling a trend towards online operating environments which will maintain demand for PropTech software.

Geographically, 85% of all Australian real estate industry enterprises are concentrated in New South Wales, Queensland and Victoria. A relatively higher proportion of real estate transaction values and volumes occur in these states compared to other Australian states and territories. Given this concentration of real estate operators, it is likely that the growth of the PropTech industry will also be focused on these states.

PropTech operations are transferable across global markets. The UK market, being approximately triple the size of the Australian market in terms of total yearly number of transactions, provides future growth opportunities PropTech operators due to its size and it being a relatively young market⁷.

The PropTech industry is expected to see growing investments made by capital investors to fund the development of PropTech businesses. During the 18 months to December 2021, approximately \$274 million was invested in Australian PropTech companies through either capital raises or mergers and acquisitions⁸.

Being a high growth industry with low regulation, it is expected that there will be high competition in the industry over the medium-term as brands are still establishing themselves. The addition of new entrants could cause cost pressures on existing operators as competitors aim to undercut prices. However, the impact of high competition will likely increase technological development and improve the reach of the PropTech industry.

Similar to the broader Software Supplier industry, a key threat to the PropTech industry include the impacts of changes in business confidence. Application software investment requires sufficient budgeting allowances, and businesses to have confidence in planning for growth. Headwinds in the broader real estate services industry, such as decreasing transaction values, transaction numbers, or profit margins, may cause decreased investments in technology. This would hurt demand for PropTech services, potentially stunting revenue growth in PropTech.

6.2.3 Real Estate Agency Software Industry Performance⁹

In Australia, the Real Estate Agency Software ('REAS') market size was estimated at approximately \$101 million in 2019, comprising CRM size of \$36.0 million and PM size of \$65.0 million. In 2022, the estimated Australian market size is approximately \$106 million. In combination with markets in UK and NZ, the total estimated REAS market size was estimated at approximately \$320 million in 2019.

The number of established house transfers in Australia in 2019 was 434,000, increasing to 623,000 in 2021¹⁰, at an estimated total value of approximately \$411 billion, indicating a significant addressable market potential for the CRM sector of the

⁵ Information included in this section has been obtained from 2022 IBISWorld report 'Real Estate Services in Australia Industry Report', unless otherwise stated.

⁶ Information obtained from Deloitte data tool 'Fintech by the numbers'. Retrieved from: <https://www2.deloitte.com/us/en/pages/financial-services/solutions/fintech-by-the-numbers.html>

⁷ According to information obtained from the 2021 Frost & Sullivan report 'The Property Sales Software Market'

⁸ According to analysis from Propech Association Australia. Retrieved from: <https://proptechassociation.com.au/274m-plus-in-proptech-investment-shows-acceleration-of-the-industry/>

⁹ Information contained in this section has been obtained from the 2020 'Real Estate Agency Software Market Report' issued by Frost & Sullivan and 2021 'Property Sales Software Market Report' issued by Frost & Sullivan.

¹⁰ According to information obtained from Australia Bureau of Statistics, Catalogue 6416.0

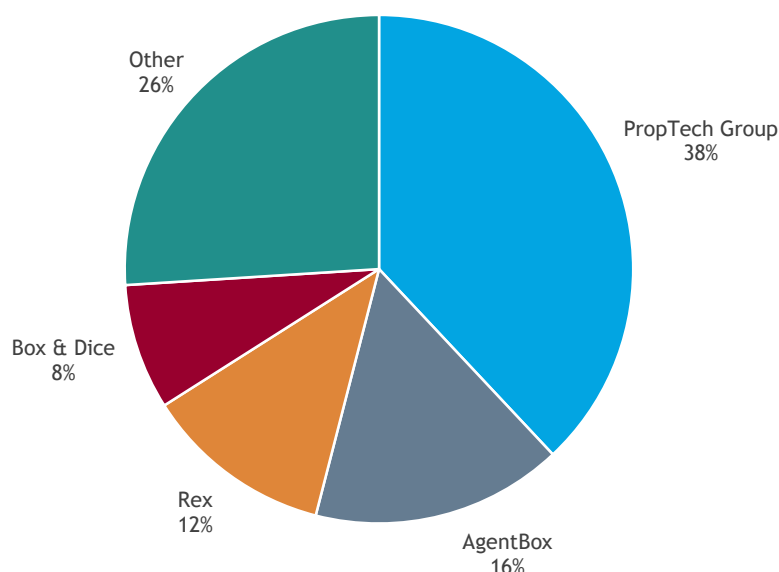


REAS industry overall. Additionally, in 2021 there were estimated 2.4 million households being let by private landlords, or 26% of all households in Australia, indicating the potential market size for the reach of PM software¹¹

Virtual property inspections increased during the Covid-19 lockdown, which caused increased demand for REAS technology. As real estate agencies continue to further digitise their operations, the REAS industry performance is expected to be consistent in the coming years.

As an indication of current industry competitor concentration, it is estimated four competitors hold over 70% of market share in the ANZ CRM market (See Figure 6.3 below), a subsection of the broader REAS and PropTech industries.

Figure 6.3: ANZ CRM Addressable Market Share



Source: Frost & Sullivan, 2020

6.2.4 Key External Drivers

Table 6.1 below sets out information on the key external drivers currently affecting the PropTech market.

Table 6.1: Key External Drivers of the PropTech market

Key External Driver	Description
Capital investments in growth companies	Availability of financing for companies is important to allow growth of new companies entering the industry as the industry is in a growth phase. Over the last decade, institutional capital funds have increasingly flowed into PropTech companies, fuelling growth in the industry ¹² .
Uptake of technology by potential customers	Real estate agencies are slow to adopt new software applications in comparison to broader customers in the Software Supplier industry. The traditional model of individual agents working from local offices and selling property through private treaty prevails for most transactions ¹³ . The PropTech industry's ability to integrate application software with agents' operational models is critical to growth of the industry.
Level of technology upgrades	Client demand and satisfaction with PropTech service offerings depends on the utility and "value-add" which PropTech software can provide clients. For example, the broader finance/fintech industries have more mature software service offerings than the PropTech industry. Surveys of Australian-based companies show that research and development capability is a key factor impacting current Australian PropTech companies' growth ¹⁴ .

¹¹ According to information obtained from the 'Home ownership and housing tenure' report from Australian Institute of Health and Welfare. Retrieved from: <https://www.aihw.gov.au/reports/australias-welfare/home-ownership-and-housing-tenure>

¹² According to information obtained from the March 2022 Bank Leumi USA report 'The Present & Future of PropTech'.

¹³ According to information obtained from the 2021 Frost & Sullivan report 'The Property Sales Software Market'

¹⁴ According to information obtained from the 2022 PropTech BNE report 'Australian PropTech Industry Map 2022'



7.0 Common Valuation Methodologies

A 'fair market value' is often defined as the price that reflects a sales price negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, with both parties at arm's length. The valuation work set out in this Report assumes this relationship.

RG 111 outlines a number of methodologies that a valuer should consider when valuing securities or assets for the purposes of, among other things, share buy-backs, selective capital reductions, schemes of arrangement, takeovers and prospectuses. The valuation methodologies we have considered in this Report include the discounted cash flow ('DCF'), capitalisation of maintainable earnings ('CME'), asset-based valuation ('ABV') and market-based valuation ('MBV') methodologies.

RG 111 does not prescribe which methodology should be used by the expert, but rather notes that the decision lies with the expert based on the expert's skill and judgement and after considering the unique circumstances of the securities or assets being valued.

7.1 Discounted Cash Flows ('DCF')

The DCF approach calculates the value of an entity by adding all of its future net cash flows discounted to their present value at an appropriate discount rate. The discount rate is usually calculated to represent the rate of return that investors might expect from their capital contribution, given the riskiness of the future cash flows and the cost of financing using debt instruments.

In addition to the periodic cash flows, a terminal value is included in the cash flow to represent the value of the entity at the end of the cash flow period. This amount is also discounted to its present value. The DCF approach is usually appropriate when:

- ▶ An entity does not have consistent historical earnings but is identified as being of value because of its capacity to generate future earnings; and
- ▶ Future cash flow forecasts can be made with a reasonable degree of certainty over a sufficiently long period of time.

Any surplus assets, along with other necessary valuation adjustments, are added to the DCF calculation to calculate the total entity value.

7.2 Capitalisation of Maintainable Earnings ('CME')

The CME approach involves identifying a maintainable revenue and/or earnings stream for an entity and multiplying this revenue and/or earnings stream by an appropriate capitalisation multiple. Any surplus assets, along with other necessary valuation adjustments, are added to the CME calculation to calculate the total equity value.

The maintainable earnings estimate may require normalisation adjustments for non-commercial, abnormal or extraordinary events.

The capitalisation multiple typically reflects issues such as business outlook, investor expectations, prevailing interest rates, quality of management, business risk and any forecast growth not already included in the maintainable earnings calculation. While this approach also relies to some degree on the availability of market data, the multiple is an alternative way of stating the expected return on an asset.

The CME approach is generally most appropriate where an entity has historical earnings and/or a defined forecast or budget. Further, a CME is usually considered appropriate when relevant comparable information is available.

7.3 Asset Based Valuation ('ABV')

An ABV is used to estimate the fair market value of an entity based on the book value of its identifiable net assets. The ABV approach using a statement of financial position alone may ignore the possibility that an entity's value could exceed the book value of its net assets. However, when used in conjunction with other methods which determine the value of an entity to be greater than the book value of its net assets, it is also possible to arrive at a reliable estimate of the value of intangible assets including goodwill.

Alternatively, adjustments can be made to the book value recorded in the statement of financial position in circumstances where a valuation methodology exists to readily value the identifiable net assets separately and book value is not reflective of the true underlying value. Examples of circumstances where this type of adjustment may be appropriate include when valuing certain types of identifiable intangible assets and/or property, plant and equipment.

The ABV approach is most appropriate where the assets of an entity can be identified and it is possible, with a reasonable degree of accuracy, to determine the fair value of those identifiable assets.



7.4 Market Based Valuation ('MBV')

An MBV methodology determines a value for an entity by having regard to the value at which securities in the entity have recently been purchased. This approach is particularly relevant to:

- ▶ Entities whose shares are traded on an exchange. The range of share prices observed may constitute the market value of the shares where a sufficient volume of shares is traded and the shares are traded over a sufficiently long period of time; and/or
- ▶ Entities for which it is possible to observe recent transactions relating to the transfer of relatively large parcels of shares (e.g. recent capital raisings).

For listed entities, the range of share prices observed may constitute the market value of the shares in circumstances where sufficient volumes of shares are traded and the shares are traded over a sufficiently long period of time. Share market prices usually reflect the prices paid for parcels of shares not offering control to the purchaser.

7.5 Industry Based Metrics (Comparable Analysis)

It is often appropriate to have regard to industry specific valuation metrics in addition to the traditional valuation approaches outlined above. These metrics are particularly relevant in circumstances where it is reasonably common for market participants to have regard to alternative measures of value



8.0 Valuation of PTG Prior to the Proposed Transaction

This section sets out our valuation of the shares in PTG and is structured as follows:

- ▶ Section 8.1 sets out our view of the most appropriate methodology to value PTG;
- ▶ Section 8.2 sets out our CME valuation of PTG;
- ▶ Section 8.3 sets out our MBV of PTG;
- ▶ Section 8.4 sets out our cross-check of our CME valuation of PTG using the MBV; and
- ▶ Section 8.5 sets out our view of the most appropriate value to adopt for each PTG share, on a controlling interest basis, for the purpose of this Report.

8.1 Our Valuation Approach for PTG

We have considered each of the valuation methodologies outlined in Section 7.0 above and determined, in our view, the most appropriate methodology for calculating the value of PTG. In our view it is appropriate to adopt a CME valuation approach for PTG based on the revenue multiple method (refer Section 8.2 below). Outlined below are the factors we considered in selecting the revenue multiple method as the appropriate valuation methodology:

- ▶ The appropriate valuation methodology to apply is dependent on the life cycle and stage of development of the Company. PTG exhibits high levels of growth and high rates of reinvestment in development, and marketing and sales. Whilst PTG is generating positive EBITDA, we consider the revenue multiple method to be appropriate as it is reasonable to assume that the business is still largely in the growth phase and therefore the current earnings are likely to materially understate maintainable steady state earnings.
- ▶ The revenue multiple approach is widely used in the market to value SaaS companies similar to PTG.
- ▶ Lack of detailed long-term financial forecasts required to support a discounted cash flow valuation.
- ▶ For technology companies, a significant proportion of value relates to intangible assets not reflected on the balance sheet. Therefore, an asset-based valuation approach is not appropriate.

To cross-check our revenue multiples-based valuation methodology, we have considered an MBV approach (refer Section 8.3). It is generally possible to complete a MBV of a company when there is a readily observable market for the trading of the company's shares. The shares of PTG are listed on the ASX and it is possible to observe the market price of trades in PTG shares. The MBV provides information relating to a valuation of PTG shares on a minority interest basis.

8.2 CME Valuation of PTG Using the Revenue Multiples Method

The revenue multiple method involves identifying a maintainable revenue stream for an entity and multiplying the revenue stream by an appropriate capitalisation multiple. Any surplus assets, along with other necessary valuation adjustments, are added to the revenue multiple valuation, and net debt (net cash) is subtracted (added) to calculate the total equity value of the Company. This section of this Report is structured as follows:

- ▶ Section 8.2.1 sets out our view on an appropriate level of revenues to adopt to value PTG;
- ▶ Section 8.2.2 sets out our view on the appropriate capitalisation multiple to adopt to value PTG;
- ▶ Section 8.2.3 sets out our calculation of the enterprise value of PTG on a controlling interest basis;
- ▶ Section 8.2.4 sets out our calculation of the surplus assets and liabilities of PTG; and
- ▶ Section 8.2.5 sets out our calculation of the equity value of PTG on a controlling interest basis.

8.2.1 Revenue Adopted

To determine an appropriate level of revenue for PTG for the purpose of our valuation, we have considered the historical revenue of the Company and discussed the financial performance, operating environment, and future prospects of PTG with Management.

We adopted FY22 total revenue and other income of \$20.2 million as the appropriate revenue to value PTG. In forming this view, we have considered:

- ▶ Data in relation to revenue for the most recent financial year are more widely available compared to forecast revenues for both listed comparable companies and precedent transactions.
- ▶ Based on our discussions with Management we did not identify any material normalisation adjustments required for the revenues for the most recent financial year.
- ▶ The revenues of the business have grown significantly in FY21 and FY22, both due to acquisitions and organic growth. It has been more than one year since the last major acquisition by PTG, Eagle Software.



- ▶ In selecting an appropriate multiple, we have also had regard to our own assessment of PTG's financial performance, risk and future growth prospects.

PTG is responsible for the financial information. BDOCF has not performed any audit or review of any type on the historical financial information of PTG and we make no statement as to the accuracy of the information provided. BDOCF has not been instructed to as has not completed any formal audit, review or due diligence procedures on the financial information provided to us beyond a critical analysis of the assumptions adopted and enquiry of Management.

8.2.2 Capitalisation Multiple

We have selected an appropriate capitalisation revenue multiple to apply to adopted revenue of PTG having regard to procedures outlined below:

- **PTG acquisitions:** Analysis of implied multiples paid by PTG in its previous acquisitions.
- **Market data screening:** Based on our understanding of PTG, we researched a broad set of comparable listed companies and transactions with developed market exposure and which operate primarily in the Software as a Service ('SaaS') sector.
- **Selection of comparable listed companies and transactions:** We then identified specific comparable companies and transactions for PTG and classified them into two group, SaaS companies with exposure to the property sector ('Tier 1') and other SaaS companies ('Tier 2').
- **Analysis of the collected data:** In order to further analyse the data sets and for comparison against PTG, we considered the business description, company size in terms of enterprise value, revenue growth and EBITDA margin where there is publicly available data.
- Selection of the appropriate revenue multiple for PTG having regard to the analysis of the collected data. In selecting an appropriate multiple, we have also had regard to our own assessment of PTG's financial performance, liquidity risk and future growth prospects.

8.2.2.1 Comparable Trading Multiples

It is useful to analyse the trading multiples of comparable listed companies to assist with determining an appropriate revenue multiple for PTG. In this Report, we have conducted research into comparable market multiples of listed companies in Australia and overseas which operate in the SaaS sector including i) companies with exposures to the property sector vertical and ii) companies with exposures to other SaaS sector verticals, which are set out in Appendix A. The trading multiples generally reflect market trades in a minority parcel of shares. Therefore, we adopted a control premium of 30% having regard to the analysis of historical control premiums summarised in Appendix B.

While providing useful information, we note results of our trading multiples analysis should be considered with an appropriate amount of caution. Although the listed companies referred to for our analysis are considered broadly comparable with PTG, differences exist between PTG and each of the comparable companies. In particular, we note that:

- ▶ The comparable companies differ in size compared to PTG (higher multiples are often observed for relatively larger companies);
- ▶ The products and services provided by each of the comparable companies is often different to those provided by PTG;
- ▶ The revenue and earnings growth profiles of the comparable companies differ to those of PTG (higher multiples are often observed for companies with relatively higher growth);
- ▶ The comparable companies differ in terms of EBITDA margins compared to PTG (higher multiples are often observed for companies with relatively higher margins);
- ▶ The geographic regions in which comparable companies operate are often different to those of PTG;
- ▶ The comparable companies are listed on different stock exchanges compared to PTG; and
- ▶ The industries that the customers of most of the comparable companies operate in are often different to those of PTG.

A summary of this analysis is set out in Table 8.1 below (refer to Appendix A for more detailed information about multiples).

**Table 8.1: Mean and Median Historical and Forecast Revenue Multiples for Comparable Companies¹**

Tier 1 Comparable Companies	EV/Revenue Multiple (LTM)
CleanBnB S.p.A.	1.2x
MERCURY REALTECH INNOVATOR Inc.	1.6x
Urbanise.com Limited	3.2x
Tribe Property Technologies Inc.	2.4x
MSL Solutions Limited	2.3x
RMA Global Limited	5.3x
Digital360 S.p.A.	2.6x
Voxtur Analytics Corp.	1.9x
SmartRent, Inc.	2.3x
Matterport, Inc.	4.9x
MeridianLink, Inc.	6.2x
Altus Group Limited	4.4x
AppFolio, Inc.	11.4x
Procore Technologies, Inc.	13.5x
Black Knight, Inc.	8.9x
Mean - All	5.6x
Median - All	3.8x
Mean - Enterprise value less than \$500 million	2.6x
Median - Enterprise value less than \$500 million	2.4x
Tier 2 Comparable Companies	EV/Revenue Multiple (LTM)
MOQ Limited	0.3x
Reckon Limited	1.6x
Ansarada Group Limited	2.9x
Janison Education Group Limited	4.7x
ReadyTech Holdings Limited	8.0x
RateGain Travel Technologies Limited	8.2x
SiteMinder Limited	8.5x
Life360, Inc.	5.1x
Dye & Durham Limited	4.3x
Agilysys, Inc.	10.9x
Technology One Limited	14.7x
Mean - All	6.3x
Median - All	5.1x
Mean - Enterprise value less than \$500 million	2.4x
Median - Enterprise value less than \$500 million	2.3x
Tier 1 and 2 Comparable Companies	EV/Revenue Multiple (LTM)
Mean - Tier 1 and 2	5.9x
Median - Tier 1 and 2	4.7x
Mean - All - Enterprise value less than \$500 million	2.5x
Median - All - Enterprise value less than \$500 million	2.4x

Source: Capital IQ

1. inclusive of control premium of 30%



We note from our research that broadly comparable companies trade, on average, at LTM revenue multiples in the range of approximately 3.0x to 6.0x, respectively, depending on size. Tier 1 comparables, SaaS companies in the property sector with enterprise values less than \$500 million trade at LTM revenue multiples of approximately 2.6x and 2.4x, respectively. We adopted \$500 million as a threshold for small companies having regard to the enterprise value of PTG implied by the Proposed Transaction, the distribution of enterprise values of SaaS companies in our comparator group and the typical firm sizes institutional investors consider for small cap fund management mandates.

8.2.2.2 PTG Acquisitions

Stated below are the revenue multiples in relation to key PTG transactions:

Table 8.2: Mean and Median Historical Revenue Multiples in Relation to PTG Transactions

Completion Date	Target Company	Acquirer	Enterprise Value (\$ millions)	Revenue (\$ millions)	Revenue Multiple	FY Revenue growth	FYEBITDA Margin
25-Jul-21	Eagle Software Pty Ltd	PTG	15.0	3.3	4.5x	37.5%	17.4%
13-Mar-20	Commerce Australia Pty Ltd	Real Estate Investar Group Limited	14.0	8.3	1.7x	-8.8%	26.7%
13-Mar-20	Vault Group Pty Ltd	Real Estate CRM Pty Ltd	10.0	1.1	9.4x	N.M.	N.A.

Source: ASX Announcement

The acquisitions of Eagle Software Pty Ltd stated above is the most recent acquisition made by PTG prior the Proposed Transaction. The acquisition of Vault Group and Commerce Australia were made by predecessor entities of PTG prior to the reinstatement to official quotation on the ASX on 24 November 2020.

We had regard to the current market conditions implied by the movement in valuations of listed companies in assessing the relevance of the internal transactions of PTG for the valuation. Our analysis indicates that since July 2021, subsequent to the acquisition of Eagle Software Pty Ltd, the market valuation of listed SaaS companies with exposures to the property sector ('Tier 1') have declined significantly. Whilst the market values of other SaaS ('Tier 2') companies have recovered in part in the last few months, the returns of SaaS companies with property sector exposures have not recovered to the same degree. Section B.1 in Appendix A indicates that cumulative returns of Tier 1 companies have declined on average by approximately 30% whereas the Tier 2 companies have declined by approximately 7.0% on average since July 2021. Similarly, the share price of PTG has declined by 28% during the same period.

Section B.2 in Appendix A indicate that the LTM revenue multiples of Tier 1 and Tier 2 companies have also declined significantly during the period from 1 July 2021 to 4 November 2022. The average revenue multiples of companies in the comparator group which were listed on a stock exchange at 1 July 2021 was 8.4x. The average revenue multiple of the same group of companies was 4.2x at 4 November 2022, decline of approximately 50%.

Considering the broad market movement in relation to the revenue multiples of SaaS companies in isolation, it is not unreasonable to assume that Eagle Software's multiple would now be lower compared to the multiple at the time of the acquisition. However, we note that PTG is currently larger in size compared to Eagle Software at the time of the transaction, which would normally warrant a premium to multiples. PTG's organic revenue growth is similar to Eagle Software at the time of the transaction (which excludes the inorganic growth from acquisitions).

Transactions in relation to Commerce Australia and Vault Group are not directly comparable to PTG due to the differences in growth phases of the businesses and the timing of the acquisition completion at the onset of the COVID-19 pandemic. For instance, the financial statements of Commerce Australia indicate that revenue declined in the financial year the business was acquired (which may be one reason for the lower multiple when compared to Eagle Software). Vault Group was not EBITDA positive and first year of generating meaningful revenues was at the time of acquisition indicating the early-stage nature of the business. Therefore, we have placed less reliance on the implied transaction multiples of Commerce Australia and Vault Group in this valuation.

8.2.2.3 Comparable Transaction Multiples

We have also had regard to selected sales transaction of SaaS companies with direct or indirect exposures to the property sector in Australia and overseas that are considered broadly comparable to PTG.

Generally, a transaction price provides evidence of revenue multiples that may be appropriate to use for valuation purposes. The acquisition price also generally represents the market value of a controlling interest in the company being analysed and therefore usually incorporates a premium for control. Each sales transaction is the product of a combination of factors which may or may not be specific to a transaction, including:

- ▶ Economic factors;
- ▶ General investment and share market conditions;
- ▶ Strategic importance to the acquirer;
- ▶ Synergistic benefits specific to the acquirer; and



- The number of potential buyers.

An analysis of selected transactions involving SaaS companies with exposures to the property sector considered broadly comparable to PTG is set out in Appendix D. Table 8.3 below sets out a summary of this analysis.

Table 8.3: Revenue Multiples Range for Comparable Transactions

Target name	Implied Revenue Multiple (Historical)
MSL Solutions Limited ¹	3.5x
Black Knight, Inc.	10.8x
Realbase Pty Ltd	8.2x
Top of Mind Networks, LLC.	9.6x
Title365 Company, Inc.	2.4x
CoreLogic, Inc.	4.8x
RealPage, Inc.	8.7x
Property Information Exchange Limited	2.5x
Ellie Mae, Inc. (nka:ICE Mortgage Technology, Inc.)	11.9x
Ellie Mae, Inc. (nka:ICE Mortgage Technology, Inc.)	7.0x
ZPG Plc (nka:ZPG Limited)	8.8x
Dye & Durham Corporation (nka:Dye & Durham Limited)	4.4x
Hometrack.co.uk Limited	7.8x
The Property Software Group	4.7x
Onthefhouse Holdings Limited	3.3x
Min	2.4x
Mean	6.6x
Median	7.0x
Max	11.9x

Source: Capital IQ

1. Transaction Pending

Stated below are our observations in relation to the analysis of transaction multiples:

- The broadly comparable group of transactions include companies with relatively high EBITDA margins compared to PTG. FY22 EBITDA margin of PTG based on EBITDA reported in the financial statements and underlying EBITDA stated in the investor presentations are 3.6% and 10.0%, respectively. We note that EBITDA margins of the companies stated in Appendix D (with data available in relation to profitability) are significantly higher than the EBITDA margin of PTG. Everything else being the same, the revenue multiples for companies with higher margins are generally higher.
- The implied revenue multiple in relation to the acquisition of MSL Solutions Limited announced on 14 November 2022 is 3.5x. The EBITDA margin and the overall revenue growth profile of MSL Solutions Limited is broadly similar to PTG. MSL Solutions Limited is also broadly similar to PTG in terms of being an Australian company and size as indicated by the implied enterprise value of \$119 million. However, whilst MSL Solutions Limited is a SaaS company, it has exposure to a slightly different vertical (leisure and hospitality).
- The transaction list consists of target companies relatively larger in size than PTG except for Property Information Exchange Limited, Dye & Durham Limited, The Property Software Group and Onthefhouse Holdings Limited. The average implied revenue multiple of these companies is 3.7x.
- There has been a significant downward market movement in the valuation of listed SaaS companies during the last 12-16 months as indicated by our analysis outlined in Appendix C.

8.2.2.4 Appropriate Multiple to Apply to PTG

In order to determine an appropriate multiple to adopt for the purpose of valuing PTG in this Report, we have considered a range of factors specific to PTG which may differ from the comparable companies analysed, including:

- Historical performance of PTG, including the revenue growth, profitability and stage of growth;
- Similarity of PTG to comparable companies having regard to metrics such as size, service offerings, and financial metrics including revenue growth and EBITDA margins;



- ▶ Implied valuation multiples paid for Eagle Software Limited, now part of PTG; and
- ▶ PTG's domestic and international growth prospects considering the strong rapid adoption of SaaS solutions across the world.

Using comparable listed company market data, internal acquisitions and external sales transactions outlined in Tables 8.1, 8.2 and 8.3 above and Appendix A, B, C and D as a guide, together with our own assessment of factors specific to PTG, in our view, it is appropriate to apply a revenue multiple (on a controlling interest basis) within the range of 3.5x to 4.5x. Outlined below are factors we considered in determining the appropriate range of revenue multiples:

- ▶ We considered the implied revenue multiple in relation to the recent sale of MSL Solutions Limited of 3.5x in forming our view regarding the lower end of the valuation range. MSL Solutions Limited is a SaaS business based in Australia of a similar size to PTG.
- ▶ In relation to the higher end of the valuation range of 4.5x, we considered the implied valuation multiple in relation to the acquisition of Eagle Software of 4.5x. There has been significant decline in market valuations of SaaS companies with property exposure since the acquisition of Eagle Software which suggest the equivalent multiple in the current market condition is lower. However, we are of the view that valuation of PTG warrants a similar multiple (i.e. 4.5x) considering larger size of PTG relative to Eagle Software, offsetting the impact of market movements since the acquisition.
- ▶ Eagle Software is a key contributor to the significant growth achieved by PTG in FY22. Therefore, whilst the overall revenue growth of PTG is much higher (revenue from continuing operations increased by 78% in FY22) compared to Eagle Software (37.5% in the year the business was acquired), we do not consider a revenue multiple higher than 4.5x is appropriate for PTG.
- ▶ We also considered the overall mean and median of Tier I comparable companies of 5.6x and 3.8x respectively noting that the relatively small companies trade at revenue multiple discount to larger companies in forming our view regarding the valuation multiples range.
- ▶ We have adopted a control premium of 30% on market capitalisation of listed comparable companies to estimate the revenue multiples. Therefore, both the transaction multiples and the listed company multiples considered to determine the appropriate revenue multiples range is on a control basis.

8.2.3 Enterprise Value of PTG on a Controlling Interest Basis

Table 8.4 below summarises our calculation of the enterprise value of PTG.

Table 8.4: Enterprise Value of PTG on a Controlling Interest Basis

	Low \$ millions	High \$ millions
Revenue	20.2	20.2
Revenue Multiple	3.5x	4.5x
Enterprise Value	70.8	91.1

Source: BDOCF analysis

With regard to Table 8.4 above, we have calculated the enterprise value of PTG to be within the range of approximately \$70.8 million to \$91.1 million on a controlling interest basis.

Adjustments for Cash, Interest-bearing Debt and Other Surplus Assets and Liabilities

The valuation of a company adopting a CME valuation methodology based on multiple of revenue excludes, amongst other issues, the impact of the Company's debt on the financial results as well as the value of any surplus assets or liabilities (i.e. those assets and liabilities which are not required for the usual business operations). When adopting the CME valuation methodology, to calculate the value of equity in a company it is appropriate to add the company's surplus cash and cash equivalents, subtract the value of interest-bearing liabilities, and add/subtract the value of any surplus assets/liabilities to the enterprise value.

To determine an appropriate adjustment for PTG, we have considered the values set out in PTG's audited financial statements as at 30 June 2022, management accounts as at 31 October 2022 and have made enquires to Management in relation to any other material adjustments required.

Table 8.5 summarises the adjustment for cash, interest bearing debt and other surplus assets and liabilities for the purposes of this Report.

**Table 8.5: Cash, Interest-bearing Debt and Other Surplus Assets and Liabilities**

	\$ millions
Cash and Cash Equivalents	5.8
Vendor Payables	(1.2)
Lease Liabilities	(0.5)
Net Cash	4.0

Source: PTG Management, BDOCF analysis

Regarding Table 8.5, we note that:

- ▶ Management have advised that cash and cash equivalents total approximately \$5.8 million as at 31 October 2022, a decrease on the \$14.1 million balance as at 30 June 2022. This is primarily due to settlement of the vendor payables in relation to Eagle Software Limited;
- ▶ Management have advised that vendor payables which is a debt-like item, as at 31 October 2022 total \$1.2 million which is a decline of approximately \$7.5 million from the balance as at 30 June 2022 of \$8.7 million.
- ▶ Lease liabilities as at 31 October 2022 of \$0.5 million is broadly consistent with the \$0.7 million as at 30 June 2022 with the lower balance due to periodic amortisation of the liability. Lease liabilities have been treated as debt-like, consistent with the treatment of lease liabilities for comparable companies when calculating the multiples for the COE analysis.

We have confirmed with Management that no other assets or liabilities exist which may be considered surplus in addition to those set out above.



8.2.4 Equity Value of PTG on a Controlling Interest Basis

Table 8.6 below summarises our calculation of the equity value of PTG on a controlling interest basis as at the date of this Report.

Table 8.6: Equity Value of PTG

	Low \$ millions	High \$ millions
Enterprise Value	70.8	91.1
Add net cash	4.0	4.0
Equity Value - Controlling Interest	74.8	95.1

Source: BDOCF analysis

With reference to Table 8.6, we calculate the equity value of PTG to be in the range of approximately \$74.8 million to \$95.1 million on a controlling interest basis.

Table 8.7 below summarises our calculation of the value of a share in PTG.

Table 8.7: Value of a Share in PTG

	Unit	Low	High
Equity Value - Controlling Interest	\$ millions	70.8	91.1
Shares Outstanding	Shares	155,646,079	155,646,079
Value per share	\$/Share	\$0.48	\$0.61

Source: BDOCF analysis

Table 8.7 shows that we estimate the control value per PTG share is in the range of \$0.48 to \$0.61.

8.3 MBV of PTG

This section sets out our MBV of PTG by considering:

- ▶ The recent share trading data relating to PTG; and
- ▶ The liquidity of PTG ordinary shares.

8.3.1 Analysis of PTG's Share Trading Data

PTG's ordinary shares are listed on the ASX. Information in relation to the recent share trading data of PTG's ordinary shares along with an analysis of recent announcements made by PTG to the ASX are set out in Section 5.4 of this Report.

For the purposes of our market-based valuation, we have considered the trading of PTG shares over 1 week, 1 month, 3 months, 6 months, 9 months and 12 months prior to the announcement of the Proposed Transaction on 31 October 2022.

Table 8.8 below sets out PTG's low, VWAP and high for the specified periods prior to 31 October 2022.

Table 8.8: PTG's Daily Low, High and Period VWAP for Specified Trading Periods Prior to 31 October 2022

Period before 31 October 2022	VWAP Minority Basis (AUD)	VWAP with Control Premium (AUD)
7 Trading Days	\$0.26	\$0.34
30 Trading Days	\$0.27	\$0.35
90 Trading Days	\$0.27	\$0.35
180 Trading Days	\$0.33	\$0.43
270 Trading Days	\$0.39	\$0.50
360 Trading Days	\$0.44	\$0.58

Source: Capital IQ as at 31 October 2022, Note: Control Premium Applied to VWAP is 30% based on analysis stated in Appendix B.

With reference to Table 8.8, we note the following:

- ▶ The VWAP of PTG shares over the periods specified before 31 October 2022 ranges from \$0.26 to \$0.44. VWAPs typically represent trading of minority parcels of shares. Therefore, we adjusted the VWAP with a control premium of 30% based on analysis in Appendix B. The VWAP range including a control premium is \$0.34 to \$0.58;
- ▶ Following the announcement of the Proposed Transaction, PTG's share price increased from \$0.27 on 31 October 2022 to \$0.57 on 1 November 2022. PTG's recent share price has traded towards the offer price of \$0.57, post the announcement of the Proposed Transaction, which likely reflects other factors relating to the Proposed Transaction (including the



markets expectations that it will be approved) and is less relevant in determining an MBV valuation range that can be used to assess the Proposed Transaction.

8.3.2 Liquidity of PTG Shares

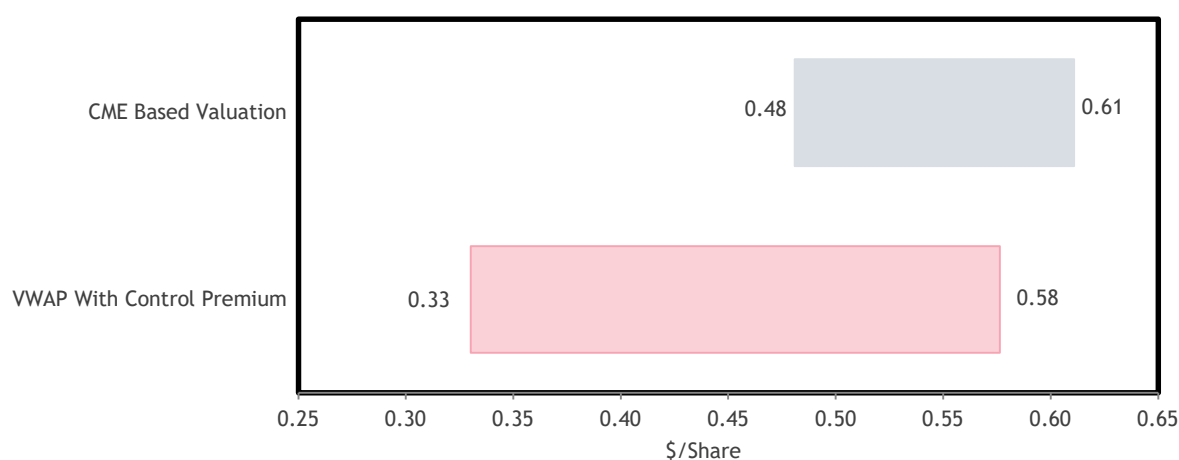
Information on the liquidity of PTG shares is set out in Section 5.4 of this Report.

Assuming a weighted average number of shares of 150,547,540 PTG on issue over the period from October 2021 to the date of announcement of the Proposed Transaction, approximately 25% of the total number of shares on issue were traded. In our view, this indicates that PTG shares display a moderate level of liquidity, the level of liquidity is appropriate for the reliability of a MBV analysis in this Report. The liquidity percentage after adjusting the weighted average number of shares of 150,547,540 for the shares held by the substantial shareholders stated in Table 5.2 is 29%.

8.3.3 Conclusion of MBV (Including Control)

Our valuation range based on the CME methodology overlaps with the VWAP range adjusted for a control premium of 30% as presented in Figure 8.1 below.

Figure 8.1: Comparison of CME Based Valuation with the VWAP Range Adjusted for Control Premium



Source: Capital IQ, BDO Analysis

Based on our analysis, in our opinion, our cross-check of PTG's equity value using the MBV methodology broadly supports our valuation of PTG using the CME methodology, given the implied control premium.

8.4 Value per PTG Share

Having regard to our valuation of PTG shares, in our view, for the purpose of our assessment of the Proposed Transaction it is appropriate to adopt a value as at the date of this Report in the range of \$0.48 and \$0.61 per PTG share on a controlling interest basis. This valuation range was determined having regard to our CME valuation methodology crosschecked to the MBV methodology.



Appendix A: Comparable Trading Companies and Precedent Transaction Analysis

This section sets out information in relation to comparable companies that we consider broadly comparable to PTG. The information set out below includes a summary of information that we have considered. This section is set out as follows:

Table A.1: Broadly Comparable Trading Companies

Tier 1 - SaaS with services to the property sector		Market Data ²	Multiples ¹		Other Financial Information			
Company name	Country	Enterprise Value with CP (m)	LTM Revenue Multiple	NTM Revenue Multiple	LTM Revenue Growth	Revenue Growth NTM	LTM GP Margin	LTM EBITDA Margin
CleanBnB S.p.A.	Italy	10.8	1.2x	0.8x	30%	48%	14%	-16%
MERCURY REALTECH INNOVATOR Inc.	Japan	25.6	1.6x		8%		52%	17%
Urbanise.com Limited	Australia	40.8	3.2x		2%		8%	-31%
Tribe Property Technologies Inc.	Canada	45.4	2.4x	1.5x	8%	62%	44%	-50%
MSL Solutions Limited	Australia	79.7	2.3x	2.1x	6%	11%	75%	9%
RMA Global Limited	Australia	82.9	5.3x		7%		-5%	-42%
Digital360 S.p.A.	Italy	176.1	2.6x	2.0x	14%	29%	20%	13%
Voxtur Analytics Corp.	Canada	301.7	1.9x	1.1x	23%	79%	34%	-24%
SmartRent, Inc.	United States	584.6	2.3x	1.8x	16%	29%	-4%	-65%
Matterport, Inc.	United States	935.0	4.9x	3.9x	17%	26%	42%	-242%
MeridianLink, Inc.	United States	2,708.7	6.2x	6.0x	9%	3%	69%	32%
Altus Group Limited	Canada	3,562.1	4.4x	4.2x	4%	6%	36%	14%
AppFolio, Inc.	United States	7,874.1	11.4x	9.6x	15%	20%	59%	-7%
Procore Technologies, Inc.	United States	13,960.4	13.5x	11.0x	16%	23%	79%	-36%
Black Knight, Inc.	United States	21,406.5	8.9x	8.7x	8%	2%	45%	33%
Min - Tier 1			1.2x	0.8x				
Average - Tier 1			5.6x	5.3x				
Median - Tier 1			3.8x	3.9x				
Max - Tier 1			18.0x	16.1x				



Tier 2 - Other SAAS Companies		Market Data ²	Multiples ¹		Other Financial Information			
Company name	Country	Enterprise Value with CP (m)	LTM Revenue Multiple	NTM Revenue Multiple	LTM Revenue Growth	Revenue Growth NTM	LTM GP Margin	LTM EBITDA Margin
MOQ Limited	Australia	27.6	0.3x		4%		14%	-11%
Reckon Limited	Australia	114.1	1.6x	2.2x	1%	-29%	54%	40%
Ansarada Group Limited	Australia	140.5	2.9x	2.8x	8%	7%	96%	-12%
Janison Education Group Limited	Australia	169.5	4.7x	3.9x	4%	18%	64%	-14%
ReadyTech Holdings Limited	Australia	625.6	8.0x	6.0x	10%	33%	40%	19%
RateGain Travel Technologies Limited	India	703.9	8.2x	6.2x	14%	32%	53%	10%
SiteMinder Limited	Australia	981.0	8.5x	6.6x	5%	27%	3%	-37%
Life360, Inc.	United States	1,499.1	5.1x	3.2x	25%	58%	69%	-47%
Dye & Durham Limited	Canada	2,362.7	4.3x	3.9x	2%	12%	88%	37%
Agilysys, Inc.	United States	3,080.9	10.9x	9.7x	13%	13%	61%	7%
Technology One Limited	Australia	4,983.3	14.7x	13.1x	4%	12%	54%	32%
Min - Tier 2			0.3x	2.2x				
Average - Tier 2			6.3x	5.8x				
Median - Tier 2			5.1x	5.0x				
Max - Tier 2			14.7x	13.1x				

Min - All			0.3x	0.8x				
Average - All			5.9x	5.5x				
Median - All			4.7x	3.9x				
Max - All			18.0x	16.1x				

Source: Capital IQ

1. Multiples assume control premium of 30%
2. Market data extracted on 8 November 2022



Table A.2: Broadly Comparable Company Descriptions

Company	Company Description
CleanBnB S.p.A.	CleanBnB S.p.A. develops, produces, and manages software and data management solutions for real estate management sector. It manages apartments and holiday homes for short-term rentals. The company's services include online management of the property profile, guest and revenue management, and booking management. It also offers property cleaning, linen management, property management, bureaucratic management, and insurance coverage services. The company was founded in 2016 and is headquartered in Milan, Italy.
Tribe Property Technologies Inc.	Tribe Property Technologies Inc., a property technology company, provides technology-enabled property management services. It operates through Software and Services, and Software Licensing Fees segments. The company engages in the tech-enabled management of condominium and residential communities through its condo-living software platform, and provision of support, community management platform, and related services to real estate developers, condominium and residential communities, and owners and residents through its deficiency management software. It offers its services under the Tribe, Tribe Management, Tribe Property Technologies, Tribe PropTech, Tribe Home, Tribe Rentals, Tribe Home Pro, Home Pro, Gateway, Gateway Property Management, bazinga, bazinga community, bazinga Build, Pendo, and Pendo Rental brand names. The company was formerly known as Cherry Street Capital Inc. and changed its name to Tribe Property Technologies Inc. in March 2021. The company was incorporated in 2017 and is headquartered in Vancouver, Canada.
Altus Group Limited	Altus Group Limited provides software, data solutions, and independent advisory services to the commercial real estate industry in Canada, the United States, Europe, and the Asia Pacific. It operates through Altus Analytics and Commercial Real Estate Consulting (CRE Consulting) segments. The Altus Analytics segment offers ARGUS Enterprise, a commercial property valuation and asset management software; ARGUS Taliance, a real estate fund and alternative investment management software; ARGUS EstateMaster, a property development feasibility and management software; and ARGUS Developer, a real estate development pro forma and management software solution; ARGUS Voyanta, a powerful data aggregation, validation, and reporting software solution; ARGUS Acquire, a real estate acquisition deals and pipeline management software; and ARGUS ValueInsight, a commercial real estate valuation software. This segment also offers data subscription products that provide real estate information on the residential, office, industrial, and investment markets; and advisory and managed services. This segment serves equity and debt investors, valuers and appraisers, brokers, developers, banks, and public entities. The CRE Consulting segment offers real estate property tax services, including assessment reviews, management, and appeals, as well as personal property, and state and local tax advisory services; valuation services, such as appraisals of real estate portfolios, valuation of properties, due diligence, litigation, and economic consulting services; and construction feasibility study, budgeting, cost and loan monitoring, and project management services to owner operators, developers, financial institutions, and CRE asset holders and investors. The company was founded in 2005 and is headquartered in Toronto, Canada.
AppFolio, Inc.	AppFolio, Inc., together with its subsidiaries, provides cloud business management solutions for the real estate industry. The company offers AppFolio Property Manager, a platform to leverage process automation, easy to use interface, and the optimization of common workflows for property management companies, as well as completes and records critical transactions in the system and give its customers access to the data they need to run their business; AppFolio Property Manager Plus, which offers customizable workflows that allow customers to digitize their existing processes, performance insights, intelligent revenue management, and integrations through selected partners and dedicated strategic account managers; and AppFolio Investment Management, a solution that is designed to enable real estate investment management organizations to manage investor relationships through enhancing transparency and streamlining certain business processes. It also provides value added services that are designed to enhance, automate, and streamline processes and workflows for property management businesses, such as electronic payment, tenant screening, and insurance services. AppFolio, Inc. was incorporated in 2006 and is headquartered in Santa Barbara, California.



Company	Company Description
CoStar Group, Inc.	CoStar Group, Inc. provides information, analytics, and online marketplace services to the commercial real estate, hospitality, residential, and related professionals industries in the United States, Canada, Europe, the Asia Pacific, and Latin America. It offers CoStar Property that provides inventory of office, industrial, retail, multifamily, hospitality, and student housing properties and land; CoStar COMPS, a robust database of comparable commercial real estate sales transactions; CoStar Market Analytics to view and report on aggregated market and submarket trends; and CoStar Tenant, an online business-to-business prospecting and analytical tool that provides tenant information. The company also provides Lease Comps and Analysis, a tool to capture, manage, and maintain lease data; CoStar Lease Analysis; Public Record, a searchable database of commercially-zoned parcels; CoStar Real Estate Manager, a real estate lease administration, portfolio management, and lease accounting compliance software solution; and CoStar Risk Analytics and CoStar Investment. In addition, it offers apartment marketing sites, such as ApartmentFinder.com, ForRent.com, ApartmentHomeLiving.com, WestsideRentals.com, AFTER55.com, CorporateHousing.com, ForRentUniversity.com, Apartamentos.com, and Off Campus Partners; LoopNet Premium Lister; LoopNet Diamond, Platinum, and Gold Ads; LandsofAmerica.com, LandAndFarm.com, and LandWatch.com for rural land for-sale; BizBuySell.com, BizQuest.com, and FindaFranchise.com for operating businesses and franchises for-sale; Ten-X, an online auction platform for commercial real estate; and HomeSnap, an online and mobile software platform, as well as Homes.com, a homes for sale listings site. CoStar Group, Inc. was founded in 1987 and is headquartered in Washington, the District of Columbia.
MERCURY REALTECH INNOVATOR Inc.	MERCURY REALTECH INNOVATOR Inc. engages in the real estate information platform business in Japan. It provides Realnet, a software as a service type real estate information platform, which include property pamphlet or concept books download services and drawings of new construction sites for intermediaries; real estate marketing system; web marketing solutions comprise survey analysis, planning, production, operation, and handling services; website creation for the real estate industry; data API; and Town Mansion Plus, a posting service that enables a detailed condominium segment by utilizing the real estate database. The company also offers Mansion Value, an owner's platform based on the concept of Japan's apartment owners club that provides various functions, such as management of assets and various contacts, browsing pamphlets, and drawing collections; and condominium market information, including the current used price, and price increase and decrease of the condominium. In addition, it provides DX support platform, system development, real estate media management, remodelling, and marketing research services. The company was founded in 1991 and is based in Tokyo, Japan.
Urbanise.com Limited	Urbanise.com Limited, together with its subsidiaries, designs and develops cloud-based software platforms for the strata and facilities management industries in Australia, New Zealand, Asia, Europe, the Middle East, South Africa, and rest of Africa. It engages in the development and commercialization of intellectual property associated software licensing and consulting services. The company's Strata platform manages apartment buildings, strata commercial towers, and housing communities; and Facilities platform manages infrastructure, buildings, and residential and commercial properties, as well as assets and workforce management. It serves FM service providers, education, utilities, health and aged care, government, property, NDIS, retail, and infrastructure industries. The company was incorporated in 2001 and is based in North Sydney, Australia.
RMA Global Limited	RMA Global Limited, an online digital marketing company, provides data on real estate in Australia, New Zealand, and the United States. The company offers data on sale results for residential real estate agents and agencies, as well as reviews of agent performance from vendors and buyers of residential real estate. It also engages in the promotion of agent and agency digital profiles through various third-party platforms, including Google, Facebook, Instagram, etc. In addition, the company provides subscription-based mortgage broking and software development services; RateMyAgent, an online marketing platform that allows agents to collect, share, and promote their reviews, statistics, and rankings online; and Property Tycoon, a real estate auction tipping app. The company was formerly known as Digital Castle Pty. Ltd. RMA Global Limited was incorporated in 2014 and is based in Cremorne, Australia.
Digital360 S.p.A.	Digital360 S.p.A. operates multi-channel B2B platform in Italy. The company offers PropTech360 portal, that offers insights into digital technologies that are transforming and innovating the real estate supply chain; Spaceconomy360 portal focuses on connectivity, infrastructures, and applications beyond the boundaries; HealthTech360.it portal, a scientific dissemination publishing project aimed at all the players in the health system; and InnovaciónDigital360.com, a portal in Spanish that aims to tell all the digital innovation opportunities for Latin American countries and Spain. It also provides GRC360 solution for the management of ISO/IEC 27001 certification; Feedback4you, a WebApp; Martech, an integrating a set of marketing and lead generation services; Event360 platform for the management and delivery of online events and webinars; EmpowerCare development an ecosystem of consulting services; and innovationpost.it, an online information and in-depth publication dedicated to policies and technologies for digital innovation in the manufacturing sector. In addition, the company provides marketing agency; cloud-based software solutions; and consultancy services. Digital360 S.p.A. was founded in 2012 and is based in Milan, Italy.



Company	Company Description
Voxtur Analytics Corp.	<p>Voxtur Analytics Corp. operates as a real estate technology company. The company provides automated workflows and targeted data analytics to simplify tax solutions, property valuation, and settlement services for investors, lenders, government agencies, and mortgage servicers. Its solutions include Voxtur Assessment, Voxtur Valuation, Voxtur Settlement Services, and Voxtur Data & Insights. The company offers software that automates and digitizes the appraisal process, including order tracking, job assignment, collaboration, scheduling tools, and mobile apps for appraisers and enterprises; desktop review software for assessors and government agencies that generates customized portals to view multiple elements related to a property, including street level imagery, aerial imagery, building outline sketches, advanced mapping tools, property valuation details, comparable property analysis, and structural characteristics; software that analyzes the accuracy of property assessments to deliver comparable modelling and predictive valuations using proprietary algorithms; and real estate valuation solutions to deliver appraisal and broker price opinion services. It also provides property tax analysis and appeal management platform and sketch software; outsourced property-related services; real estate technology and non-legal default services; and full service title, escrow, and closing services. In addition, the company commercializes client data through the delivery of reports and individual data requests; and customized reports. It serves property lending and property tax sectors in the United States and Canada. The company was formerly known as iLOOKABOUT Corp. and changed its name to Voxtur Analytics Corp. in February 2021. Voxtur Analytics Corp. is headquartered in London, Canada.</p>
SmartRent, Inc.	<p>SmartRent, Inc., an enterprise software company, provides an integrated smart home operating system to residential property owners and operators, homebuilders, institutional home buyers, developers, and residents in the United States. Its solution is designed to provide communities with visibility and control their assets while delivering cost savings and additional revenue opportunities through all-in-one home control offerings for residents. The company's products and solutions include smart apartments and homes, access control for buildings, common areas, rental units, asset protection and monitoring, parking management, self-guided tours, and community and resident Wi-Fi. It also offers professional services to customers, which include training, installation, and support services. SmartRent, Inc. was founded in 2017 and is headquartered in Scottsdale, Arizona.</p>
Matterport, Inc.	<p>Matterport, Inc., a spatial data company, focuses on digitization and datafication of the built world. It offers Matterport digital twins, a 3D data platform to design, build, operate, promote, and understand spaces. The company offers Matterport Capture, an application that enables to capture depth, data, and imagery of a space using 3D cameras, 360 cameras, and iPhones; Matterport Workshop application to customize, add additional details, and share spaces; Matterport Showcase application for audience view and explore space in its final format; and Matterport VR to experience virtual reality. It offers solutions for real estate, photography, travel and hospitality, retail, insurance and restoration, industrial and facilities management, architecture, and engineering and construction industries. Matterport, Inc. was founded in 2011 and is headquartered in Sunnyvale, California.</p>
MeridianLink, Inc.	<p>MeridianLink, Inc., a software and services company, provides software solutions for banks, credit unions, mortgage lenders, specialty lending providers, and consumer reporting agencies in the United States. The company offers MeridianLink Consumer, a consumer lending and account opening platform; MeridianLink Opening, an online account opening software that unifies deposit account opening and funding for various channels and products; and MeridianLink DecisionLender, a loan origination software (LOS) for finance companies. It also provides MeridianLink Engage, an end-to-end consumer lending, account, and card marketing automation solution; MeridianLink Mortgage, a SaaS cloud-based end-to-end loan origination software; MeridianLink Collect, a cloud-based debt collection software; and Mortgage Credit Link, a web-based order fulfilment hub. In addition, the company provides solutions, including end-to-end platform, loan origination system, mortgage loan origination system, deposit account opening, data and reporting, collections, and consulting and analysis. MeridianLink, Inc. was founded in 1998 and is headquartered in Costa Mesa, California.</p>



Company	Company Description
Procore Technologies, Inc.	Procore Technologies, Inc. provides a cloud-based construction management platform and related software products in the United States and internationally. The company's platform enables owners, general and specialty contractors, architects, and engineers to collaborate on construction projects. It offers Preconstruction that facilitates collaboration between internal and external stakeholders during the planning, budgeting, estimating, bidding, and partner selection phase of a construction project; and Project Management, which enables real-time collaboration, information storage, design, BIM model clash detection, and regulation compliance for teams on the jobsite and in the back office. The company also provides Resource Management that helps contractors to schedule, track, and forecast labour productivity, enhance time management, communication with workforces, and manage profitability on construction projects; and Financial Management, which provides customers with visibility into the financial health of their individual construction projects and portfolios, as well as facilitates untethered access to financial data, linking the field, and the office in real-time. It serves owners, general contractors, and specialty contractors operating in the commercial, residential, industrial, and infrastructure segments of the construction industry. The company primarily sells subscriptions to access its products on computers, smartphones, and tablets through any web browser or from its mobile application available for iOS and Android platforms through its direct sales team. Procore Technologies, Inc. was incorporated in 2002 and is headquartered in Carpinteria, California.
Black Knight, Inc.	Black Knight, Inc. provides integrated software, data, and analytics solutions in North America and Internationally. The Software Solutions segment offers software and hosting solutions comprising MSP, a software as a service application platform for mortgage, home equity loans, and lines of credit; Servicing Digital, a web and mobile solution for consumers that provides easy access to customized timely information about their mortgages; Loss Mitigation, an integrated solution that supports retention and liquidation workouts; and Empower, a loan origination system used by lenders to originate mortgages, home equity loans, and HELOCs. This segment also provides LoanCatcher, a cloud-based loan origination system designed for the needs of brokers; and LoanSifter PPE designed to meet the needs of the broker community by providing access to investors and loan products. The Data and Analytics segment offers property ownership data, lien data, servicing data, automated valuation models, collateral risk scores, behavioural models, lead generation, multiple listing service, and other data solutions. The company was formerly known as Black Knight Financial Services, Inc. and changed its name to Black Knight, Inc. in October 2017. Black Knight, Inc. was founded in 2013 and is headquartered in Jacksonville, Florida.
MSL Solutions Limited	MSL Solutions Limited provides software as a service solution for sports, leisure, and hospitality sectors worldwide. The company offers SwiftPOS and OrderMate, an integrated point of sale platforms, which provides solutions to support complementary sectors and enhancing customers' ability to pick the right option for their venue. It also provides technology platforms to manage national federations, golf clubs, and golf professionals and tournaments; and digital solutions through mobile applications. It serves stadiums and arenas, multi-site venues, pubs, clubs, restaurants, retail, and education industries. The company was incorporated in 2006 and is based in Brisbane, Australia.
Reckon Limited	Reckon Limited provides software solutions in Australia, the United States, and internationally. The company operates through three divisions: Business Group; Practice Management Group, Accountants; and Practice Management Group, Legal. It offers Reckon One, an online accounting software for small businesses; Single Touch Payroll software for managing pay runs, allowances, leave, and superannuation; Reckon Accounts Hosted, an online accounting software to manage finances, payroll, and inventory for large businesses; Reckon Cloud POS, a cloud-based point of sale software; and Better Clinics, an online practice management software for allied health professionals. The company also provides Reckon Loans, which offers business loans; Reckon Accounts Desktop, a desktop accounting software for businesses; Desktop Point of Sale software; personal finance software; Reckon APS, an accounting practice management software; and Reckon Elite, a small and medium firms practice management software. In addition, it delivers digitalization, practice management, and cost recovery and analytics solutions under the nQ Zebraworks brand primarily to the law firms, and government and corporate legal departments. The company was incorporated in 1987 and is based in North Sydney, Australia.
MOQ Limited	MOQ Limited develops, builds, and acquires cloud focused technology businesses in Australia. It operates through three segments: Technology Sales, Professional Services, and Recurring Services. The Technology Sales segment provides vendor hardware, software, and associated licenses and maintenance contracts. The Professional Services segment offers various specialist services, including consulting, project management, infrastructure, cloud, and data analytics to assist clients with strategy, architecture, design, development, and implementation of information and ICT solutions. The Recurring Services segment provides managed services, such as operations, support, and ICT management, as well as a range of in-house developed IP and cloud (SAAS) based solutions. The company was formerly known as Montech Holdings Limited and changed its name to MOQ Limited in July 2016. MOQ Limited was incorporated in 1990 and is based in North Sydney, Australia. As of November 9, 2022, MOQ Limited operates as a subsidiary of Brennan Vdi Pty Ltd.



Company	Company Description
Ansarada Group Limited	Ansarada Group Limited provides software as a service information governance solutions in Australia, North America, New Zealand, Europe, the Middle East, Africa, Asia, and the United Kingdom. Its SaaS platform helps users to govern their information and processes in deals and transaction management, board management, compliance, and procurement. The company serves medium and large corporates, small businesses, investment banks, legal and accounting firms, state governments, local councils, and financial sponsors. Ansarada Group Limited was founded in 2005 and is based in The Rocks, Australia.
Janison Education Group Limited	Janison Education Group Limited provides online assessment software, assessment products, and assessment services in Australia and internationally. The company operates in two segments, Assessment and Solutions. The Assessment segment provides exam products, exam items, and associated exam services to schools, parents, and teachers. The Solutions segment operates exam enterprise-grade assessment platform technology and offers event management services for large organizations, national education authorities, and accreditation bodies. It serves certification/professional association, government, higher education, language testing and schools K-12 industries. The company was formerly known as HJB Corporation Ltd. and changed its name to Janison Education Group Limited in December 2017. Janison Education Group Limited was founded in 1998 and is based in Ultimo, Australia.
ReadyTech Holdings Limited	ReadyTech Holdings Limited provides SaaS technology for education and work pathways, workforce solutions, and government and justice markets in Australia. It operates in three segments: Education, Workforce Solutions, and Government and Justice. The Education segment offers cloud-based student and learning management systems for education and training providers to manage the student lifecycle, including student enrolment and course completion. This segment also provides platforms to help state governments to manage vocational education and training programs; software platforms for the pathways and back-to-work sector to manage apprentices and job seekers; and a competency assessment and skills profiling tools to track on-the-job training through a qualification. The Workforce Solutions segment offers payroll software, outsourced payroll services, and human resource management software solutions to mid-sized company to assist with payroll and management of their employees. This segment also provides human resource (HR) administration services, such as employee records, workplace health and safety, and organizational structure, as well as talent management services. The Government and Justice segment offers government and justice case management software as a service solutions to local and state governments, and justice departments; and provides asset management, property, licensing and compliance, finance, HR and payroll, and customer management products. ReadyTech Holdings Limited was founded in 1998 and is headquartered in Pyrmont, Australia.
RateGain Travel Technologies Limited	RateGain Travel Technologies Limited, a Software as a Service (SaaS) company, provides solutions for hospitality and travel industries in India, North America, the Asia-Pacific, Europe, and internationally. The company offers AirGain, an airfare pricing intelligence product for the airlines industry; CarGain, a car rental market intelligence and parity audit product; FerryGain, an AI enabled revenue management product designed specifically for ferries; Optima, a real-time rate intelligence platform; PriceGain; Rate Parity; RezGain, an AI enabled smart distribution channel manager; DHISCO Switch that enables hotels to drive reservations connects the hotel and hospitality chains with demand channels using switch technology; and smart distribution products. It also provides integrated distribution channel management, CRS level connectivity, business intelligence, and content management. The company serves hotels, airlines, online travel agents (OTAs), meta-search companies, vacation rentals, package providers, car rentals, rail, travel management companies, cruises, and ferries. RateGain Travel Technologies Limited was founded in 2004 and is based in Noida, India.
SiteMinder Limited	SiteMinder Limited develops, markets, and sells online guest acquisition platform and commerce solutions for accommodation providers in Australia, the Asia Pacific, Europe, the Middle East, Africa, and the Americas. Its online guest acquisition platform includes Channel Manager that allows customers to sell their rooms on all connected booking sites at a same time; Online Booking Engine, an online booking engine that allows customers to take direct reservations from guests through website, social media channels, and metasearch; Hotel Website Builder, an online tool that enables customers to create websites by leveraging pre-built templates and designs; Hotel Business Intelligence, a software that delivers data analytics and insights to help customers make decisions; Little Hotelier, a property management system for reservations, check-ins and check-outs, and guest information; SiteMinder Exchange, a hotel app store; and Multi-Property. The company's commerce solution products include Global Distribution System, a network that enables travel agencies to access and book hotel rooms, airline tickets, or car rentals; SiteMinder Pay, a hotel payment processing solution; and Demand Plus, a hotel metasearch for travellers to see rates and inventory for hotels from various booking sites. SiteMinder Limited was incorporated in 2006 and is headquartered in Millers Point, Australia.



Company	Company Description
Life360, Inc.	Life360, Inc. develops and delivers a mobile application in the United States and internationally. The company offers Life360 mobile application for families that provides location, driving, and digital safety, as well as emergency assistance services. It also offers Jiobit, a wearable location device for young children, pets, and seniors. The company was formerly known as LReady, Inc. and changed its name to Life360, Inc. in October 2011. Life360, Inc. was incorporated in 2007 and is headquartered in San Francisco, California.
Dye & Durham Limited	Dye & Durham Limited, through its subsidiary, Dye & Durham Corporation, provides cloud-based software and technology solutions for legal firms, financial service institutions, and government organizations in Canada, Australia, Ireland, and the United Kingdom. It offers real estate and legal practice management software enabling customers to execute transactions reliably, securely, and easily; unity, a real-estate conveyancing software; and cloud-based software solutions, including online property and business regulatory information, practice management software, conveyancing workflow, electronic contracts, and legal support services. The company also provides technology-enabled real estate due diligence solutions; company formation and search services; workflow software and data insights; and white-label payment infrastructure to process online bill and tax payments. In addition, it provides due diligence searches, which are an essential component of mergers and acquisitions, and financing and restructuring transactions, as well as the process of transferring ownership in real property, mortgaging real property, and registering claims and liens against real property. The company was founded in 1874 and is headquartered in Toronto, Canada.
Agilysys, Inc.	Agilysys, Inc., together with its subsidiaries, operates as a developer and marketer of hardware and software products and services to the hospitality industry in North America, Europe, the Asia-Pacific, and India. It offers point of sale, property management systems, inventory and procurement, payments, reservations management, and seat solutions to enhance guest experience. The company also provides technical software support, maintenance, and subscription services; and professional services. It offers its solutions for gaming, hotels, resorts and cruise, corporate foodservice management, restaurants, universities, stadium, and healthcare. The company was formerly known as Pioneer-Standard Electronics, Inc. and changed its name to Agilysys, Inc. in 2003. Agilysys, Inc. was founded in 1932 and is headquartered in Alpharetta, Georgia.
Technology One Limited	Technology One Limited researches, develops, markets, sells, implements, and supports integrated enterprise business software solutions worldwide. The company operates through Software and Consulting segments. It offers various business solutions, including enterprise asset management, human resource and payroll, financials, enterprise budgeting, supply chain, property and rating, student management, business intelligence, enterprise content management, performance planning, spatial, enterprise cash receipting, stakeholder management, timetabling and scheduling, and business process management. The company serves local government, education, government, health and community services, asset and project intensive, and financial and corporate organizations. Technology One Limited was incorporated in 1983 and is based in Fortitude Valley, Australia.

Source: Capital IQ

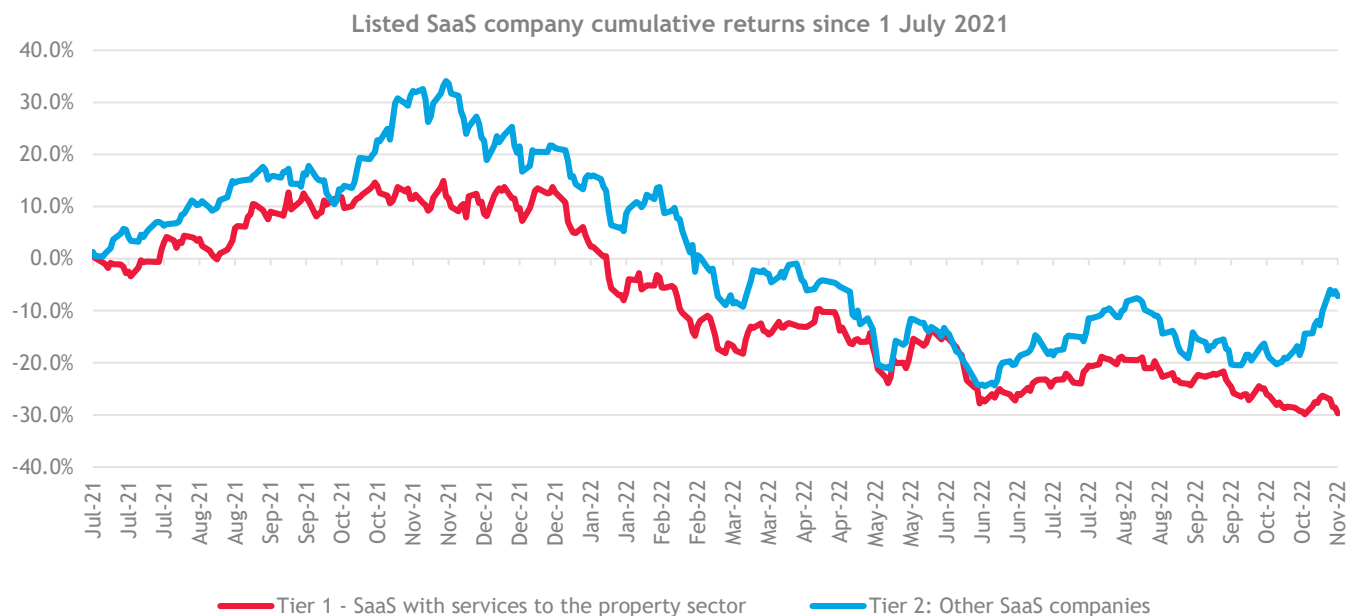


Appendix B: Movement in the Valuation of Comparable Trading Companies

This section sets out information in relation to the movement in valuations of listed comparable companies that we consider broadly comparable to PTG.

B.1 Listed SaaS company cumulative returns since 1 July 2021

It is useful to analyse the movement of valuations of exchange listed comparable companies to assist with the assessment of current market conditions relevant to the valuation. We consider this information, in the context of the relevance of information content in the historical transaction multiples as well. This is especially useful in times of significant market volatility similar to that is experienced in year 2022. However, generally speaking, comparable trading multiples need to be treated with caution as not all companies operating in comparable industries can be readily compared to PTG.



Source: Capital IQ



B.2 Movement in listed SaaS company revenue multiples since 1 July 2021

Stated below are the movement in revenue multiples of listed SaaS companies between 1 July 2021 to 4 November 2022.

Table B.1: Broadly Comparable Company Transaction Multiples

Comparability	Company name	Ticker	EV/LTM Revenue Multiple	
			01-Jul-21	04-Nov-22
Tier 1	CleanBnB S.p.A.	BIT:CBB	3.8x	0.6x
Tier 1	Urbanise.com Limited	ASX:UBN	7.5x	2.3x
Tier 1	Tribe Property Technologies Inc.	TSXV:TRBE	8.8x	1.8x
Tier 1	MSL Solutions Limited	ASX:MSL	2.0x	1.7x
Tier 1	RMA Global Limited	ASX:RMY	15.0x	4.0x
Tier 1	Digital360 S.p.A.	BIT:DIG	1.7x	1.9x
Tier 1	Voxtur Analytics Corp.	TSXV:VXTR	10.8x	1.6x
Tier 1	SmartRent, Inc.	NYSE:SMRT	2.1x	1.6x
Tier 1	Matterport, Inc.	NasdaqGM:MTTR	2.8x	3.2x
Tier 1	Altus Group Limited	TSX:AIF	4.4x	3.6x
Tier 1	AppFolio, Inc.	NasdaqGM:APPF	15.0x	8.9x
Tier 1	Procore Technologies, Inc.	NYSE:PCOR	29.4x	10.1x
Tier 1	Black Knight, Inc.	NYSE:BKI	11.6x	7.2x
Tier 2	MOQ Limited	ASX:MOQ	0.5x	0.3x
Tier 2	Reckon Limited	ASX:RKN	2.0x	2.3x
Tier 2	Ansarada Group Limited	ASX:AND	2.7x	2.1x
Tier 2	Janison Education Group Limited	ASX:JAN	7.0x	3.6x
Tier 2	ReadyTech Holdings Limited	ASX:RDY	5.5x	6.2x
Tier 2	Life360, Inc.	ASX:360	9.3x	5.1x
Tier 2	Dye & Durham Limited	TSX:DND	24.0x	4.0x
Tier 2	Agilysys, Inc.	NasdaqGS:AGYS	9.5x	8.2x
Tier 2	Technology One Limited	ASX:TNE	9.4x	11.4x
	Min		0.5x	0.3x
	Mean		8.4x	4.2x
	Median		7.2x	3.4x
	Max		29.4x	11.4x

Source: Capital IQ



Appendix C: Control Premium

The concept of a premium for control reflects the additional value that is attached to a controlling interest. We have reviewed the control premiums on completed transactions, paid by acquirers of general technology companies and all ASX-listed companies. In assessing the appropriate sample of transactions from which to determine an appropriate control premium, we have excluded transactions where an acquirer obtained a controlling interest (20% and above) at a discount (i.e., less than a 0% premium) and at a premium in excess of 100%. We have summarised our findings below:

Table C.1: General Technology Companies

Year	Number of Transactions	Average Deal Value (AU\$m)	Average Control Premium (%)
2022	4	190.60	25.11
2021	4	209.00	33.06
2020	3	204.82	32.73
2019	3	166.51	17.69
2018	2	780.60	36.33
2017	1	72.72	72.21
2016	1	117.63	31.57
2015	0	0.00	0.00
2014	0	0.00	0.00
2013	2	111.45	46.96
2012	2	50.63	59.75

Source: Bloomberg, BDO Analysis

Table C.2: All ASX Listed Companies

Year	Number of Transactions	Average Deal Value (AU\$m)	Average Control Premium (%)
2022	33	3,424.41	21.54
2021	33	1,334.18	33.59
2020	25	415.71	37.66
2019	43	3,075.86	29.90
2018	42	1,122.76	31.08
2017	29	974.58	37.91
2016	38	770.61	36.82
2015	34	809.44	34.10
2014	45	519.69	37.98
2013	36	140.19	33.37
2012	47	529.03	43.94

Source: Bloomberg, BDO Analysis

The mean and median of the entire data sets comprising control transactions since 2012 for general technology companies and all ASX listed companies, respectively, are set out below.

Table C.3: Summary of Control Premiums

Entire Data Set Metrics	General Technology Companies		All ASX-Listed Companies	
	Deal Value (AU\$m)	Control Premium (%)	Deal Value (AU\$m)	Control Premium (%)
Mean	217.64	35.17	1190.31	34.53
Median	111.45	30.83	120.81	30.15

In arriving at an appropriate control premium to apply, we note that observed control premiums can vary due to the:

- ▶ Nature and magnitude of non-operating assets;
- ▶ Nature and magnitude of discretionary expenses;
- ▶ Perceived quality of existing management;
- ▶ Nature and magnitude of business opportunities not currently being exploited;
- ▶ Ability to integrate the acquiree into the acquirer's business;
- ▶ Level of pre-announcement speculation of the transaction;



- Level of liquidity in the trade of the acquiree's securities.

When performing our control premium analysis, we considered completed transactions where the acquirer held a controlling interest, defined at 20% or above, pre-transaction or proceeded to hold a controlling interest post-transaction in the target company.

We have removed transactions for which the announced premium was in excess of 100%. We have removed these transactions because we consider it likely that the acquirer in these transactions would be paying for special value and/or synergies in excess of the standard premium for control. Whereas the purpose of this analysis is to assess the premium that is likely to be paid for control, not specific strategic value to the acquirer.

The table above indicates that the long-term average control premium by acquirers of general technology companies and all ASX-listed companies is approximately 35.17% and 34.53% respectively. In a population where there are outliers, the median often represents a superior measure of central tendency compared to the mean. We note that the median announced control premium over the assessed period was 30.83% for all general technology companies and 30.15% for all ASX-listed companies.

We consider an appropriate control premium for PropTech Group Limited to be in line with historical averages as a result of the Company's strong balance sheet position. This is likely to provide an acquirer with benefits of obtaining control as the acquirer is likely to have the flexibility of making changes to the business that may not require additional funding. Therefore, given the Company's net asset position and operating history, we believe that an acquirer would be willing to pay a control premium in line with historical averages.

Based on the above, we consider an appropriate premium for control to be 30%.



Appendix D: Multiples of Comparable Transactions

Table D.1 below sets out information on recent transactions involving AMRS companies that may be broadly considered comparable to PTG.

Table D.1: Broadly Comparable Company Transaction Multiples

Target name	Country	Local currency ('LC')	Implied Equity Value (LC million)	Implied Enterprise Value (LC Million)	% Sought	Date announced	LTM Revenue Multiple	LTM Revenue (LC million)	LTM Revenue Growth	EBITDA Margin
MSL Solutions Limited ¹	Australia	AUD	119	117	100%	14-Nov-22	3.5x	33.9	37.6%	15.6%
Black Knight, Inc.	United States	USD	13,178	16,355	100%	4-May-22	10.8x	1,512.7	19.1%	57.2%
Realbase Pty Ltd	Australia	AUD	180	180	100%	1-Apr-22	8.2x	22.0	n.a.	40.9%
Top of Mind Networks, LLC.	United States	USD	250	250	100%	28-May-21	9.6x	26.0	n.a.	n.a.
Title365 Company, Inc.	United States	USD	499	499	90%	15-Mar-21	2.4x	212.1	n.a.	n.a.
CoreLogic, Inc.	United States	USD	6,011	7,854	100%	4-Feb-21	4.8x	1,642.4	14.0%	30.4%
RealPage, Inc.	United States	USD	9,275	10,080	100%	21-Dec-20	8.7x	1,158.5	17.2%	27.8%
Property Information Exchange Limited	United Kingdom	GBP	31	32	100%	22-Sep-20	2.5x	12.8	n.a.	17.5%
Ellie Mae, Inc. (nka:ICE Mortgage Technology, Inc.)	United States	USD	11,019	10,684	100%	6-Aug-20	11.9x	900.0	87.4%	52.2%
Ellie Mae, Inc. (nka:ICE Mortgage Technology, Inc.)	United States	USD	3,608	3,381	100%	12-Feb-19	7.0x	480.3	15.2%	2.3%
ZPG Plc (nka:ZPG Limited)	United Kingdom	GBP	2,148	2,494	100%	11-May-18	8.8x	283.6	29.4%	34.7%
Dye & Durham Corporation (nka:Dye & Durham Limited)	Canada	CAD	83	83	30%	5-Oct-17	4.4x	18.8	113.6%	46.3%
Hometrack.co.uk Limited	United Kingdom	GBP	108	145	100%	31-Jan-17	7.8x	18.6	n.a.	51.6%
The Property Software Group	United Kingdom	GBP	47	75	100%	19-Apr-16	4.7x	15.9	n.a.	32.1%
Onthehouse Holdings Limited	Australia	AUD	70	70	81%	23-Dec-15	3.3x	21.4	n.a.	34.5%
Min			31.0	32.1	30.1%		2.4x	12.8	14.0%	2.3%
Average			3,108.5	3,486.7	93.4%		6.6x	423.9	41.7%	34.1%
Median			250.0	250.0	100.0%		7.0x	33.9	24.2%	34.5%
Max			13,178.0	16,355.3	100.0%		11.9x	1,642.4	113.6%	57.2%

Source: Capital IQ, Transaction announcements

1. Transaction pending



Table D.2: Target Descriptions - Broadly Comparable Transactions

Company	Company Description
MSL Solutions Limited	MSL Solutions Limited provides software as a service solution for sports, leisure, and hospitality sectors worldwide. The company offers SwiftPOS and OrderMate, an integrated point of sale platforms, which provides solutions to support complementary sectors and enhancing customers' ability to pick the right option for their venue. It also provides technology platforms to manage national federations, golf clubs, and golf professionals and tournaments; and digital solutions through mobile applications. It serves stadiums and arenas, multi-site venues, pubs, clubs, restaurants, retail, and education industries. The company was incorporated in 2006 and is based in Brisbane, Australia.
Black Knight, Inc.	Black Knight, Inc. provides integrated software, data, and analytics solutions in North America and Internationally. The Software Solutions segment offers software and hosting solutions comprising MSP, a software as a service application platform for mortgage, home equity loans, and lines of credit; Servicing Digital, a web and mobile solution for consumers that provides easy access to customized timely information about their mortgages; Loss Mitigation, an integrated solution that supports retention and liquidation workouts; and Empower, a loan origination system used by lenders to originate mortgages, home equity loans, and HELOCs. This segment also provides LoanCatcher, a cloud-based loan origination system designed for the needs of brokers; and LoanSifter PPE designed to meet the needs of the broker community by providing access to investors and loan products. The Data and Analytics segment offers property ownership data, lien data, servicing data, automated valuation models, collateral risk scores, behavioural models, lead generation, multiple listing service, and other data solutions. The company was formerly known as Black Knight Financial Services, Inc. and changed its name to Black Knight, Inc. in October 2017. Black Knight, Inc. was founded in 2013 and is headquartered in Jacksonville, Florida.
Realbase Pty Ltd	Realbase Pty Ltd develops and operates real estate campaign management technology platform. The company was incorporated in 2020 and is based in Allambie Heights, Australia. As of April 29, 2022, Realbase Pty Ltd operates as a subsidiary of Domain Holdings Australia Limited.
Top of Mind Networks, LLC.	Top of Mind Networks, LLC., doing business as TOMN Mortgage Services, develops customer relationship management (CRM) and marketing automation software, Surefire for the mortgage and real estate industry. It has been developing technology to enable loan officers to better track, connect, and engage with their customers, prospects and referral partners, driving repeat transactions, and allowing them to build their books of business. The company was founded in 2003 and is based in Atlanta, Georgia. As of July 7, 2021, Top of Mind Networks, LLC. operates as a subsidiary of Black Knight, Inc.
Title365 Company, Inc.	Title365 Company, Inc. operates as a title company. It is based in Santa Ana, California. Title365 Company, Inc. operates as a subsidiary of Blend Labs, Inc.
CoreLogic, Inc.	CoreLogic, Inc., together with its subsidiaries, provides property information, insight, analytics, and data-enabled solutions in North America, Western Europe, and the Asia Pacific. The company operates in two segments, Property Intelligence & Risk Management Solutions (PIRM) and Underwriting & Workflow Solutions (UWS). The PIRM segment combines property information, mortgage information, and consumer information to deliver housing market and property-level insights, predictive analytics, and risk management capabilities. It also offers proprietary technology and software platforms to access, automate, or track the information and assist its clients with decision-making and compliance tools in the real estate and insurance industries. This segment primarily serves commercial banks, mortgage lenders and brokers, investment banks, fixed-income investors, real estate agents, MLS companies, property and casualty insurance companies, title insurance companies, government agencies, and government-sponsored enterprises. The UWS segment combines property, mortgage, and consumer information to provide comprehensive mortgage origination and monitoring solutions, including underwriting-related solutions, and data-enabled valuations and appraisals. This segment also provides proprietary technology and software platforms to access, automate, or track the information and assist its clients with vetting and onboarding prospects, and meeting compliance regulations, as well as understanding, evaluating, monitoring property values. It primarily serves mortgage lenders and servicers, mortgage brokers, credit unions, commercial banks, fixed-income investors, government agencies, and property and casualty insurance companies. The company was formerly known as The First American Corporation and changed its name to CoreLogic, Inc. in June 2010. CoreLogic, Inc. was incorporated in 1894 and is headquartered in Irvine, California. As of June 4, 2021, CoreLogic, Inc. was taken private.

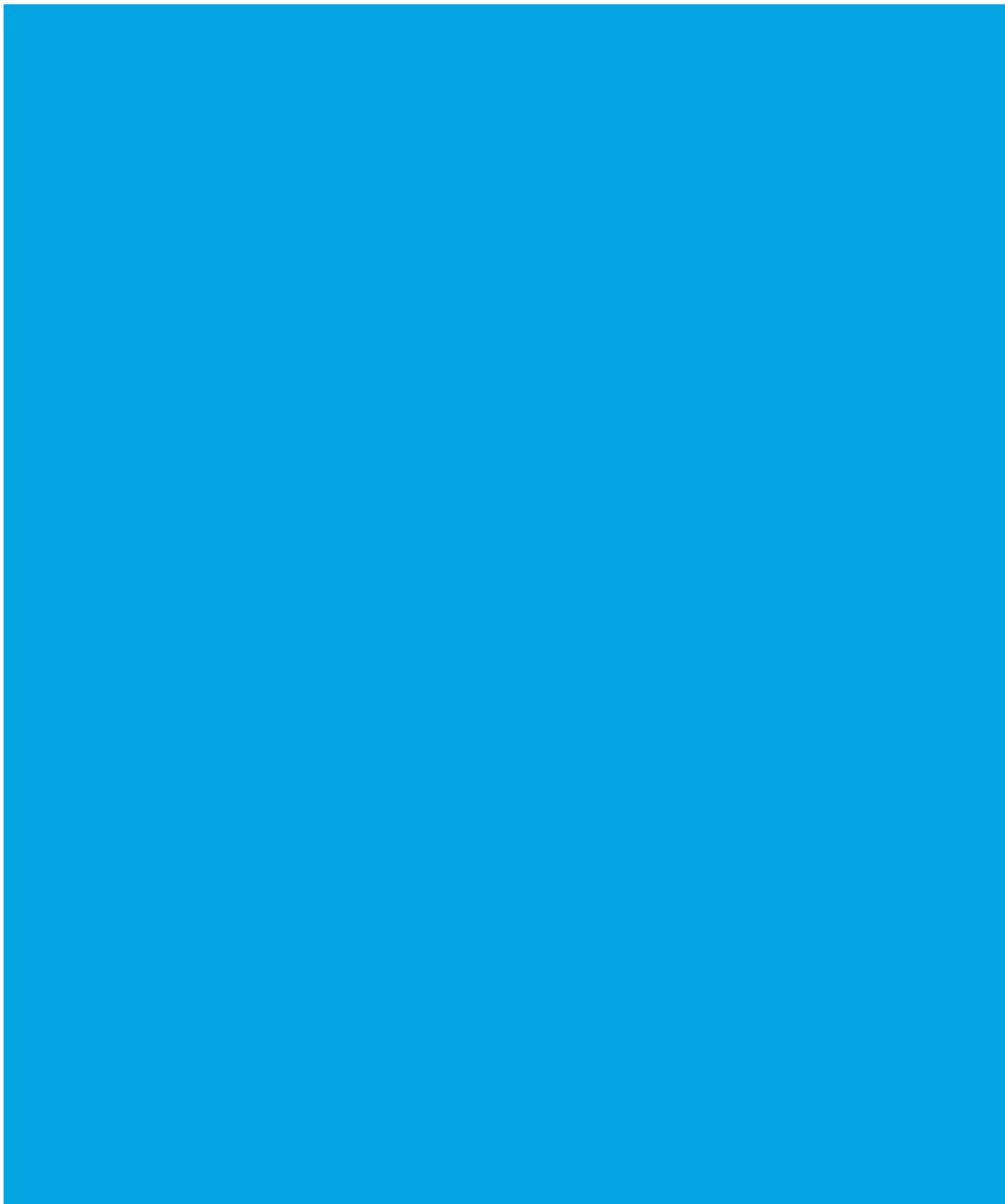


Company	Company Description
RealPage, Inc.	RealPage, Inc. provides software and data analytics for the real estate industry in the United States. It offers OneSite that generates lease documents, manages service requests, reports acuity of senior residents, enables senior community management, and manages procurement activities; and Propertyware, which offers accounting, maintenance and work order management, marketing, spend management, and portal services, as well as screening and payment solutions. The company also provides Buildium that provides customer support and rapid self-provisioning services; RealPage Financial Services for back office accounting; CommunityConnect, a smart building suite; Kigo, a vacation rental property management system; Spend Management solutions that enables property owners and managers to control costs; SmartSource IT, which offers outsourced IT management and support services; and EasyLMS, a learning management system. In addition, it offers Online Leasing, Contact Center, Websites and Syndication, Intelligent Lease Management, LeaseLabs, Modern Message, AI Resident Screening, and MyNewPlace solutions that manage leasing and marketing processes, including websites and syndication, paid lead generation, organic lead generation, lead management, automated lead closure, lead analytics, real-time unit availability, automated online apartment leasing, applicant screening, and creative content design. The company was founded in 1998 and is headquartered in Richardson, Texas. As of April 22, 2021, RealPage, Inc. was taken private.
Property Information Exchange Limited	Property Information Exchange Limited provides technology solutions for property markets. It offers a conveyancing managing tool; a search alert tool to take control of products and client orders; and property network solutions. The company was founded in 2006 and is based in Reading, United Kingdom. As of September 23, 2020, Property Information Exchange Limited operates as a subsidiary of Dye & Durham Limited.
ICE Mortgage Technology, Inc.	ICE Mortgage Technology, Inc. develops and provides a cloud-based platform for the mortgage finance industry in the United States. It provides Encompass, an enterprise solution that engages in running the business of originating mortgages, including marketing and lead management; loan origination and processing; underwriting; preparation of mortgage applications, disclosure agreements, and closing documents; loan funding and closing; compliance with regulatory and investor requirements; and enterprise management. The company also offers Ellie Mae Digital Lending Platform that helps lenders and investors across their workflow from the prospective customers to the point of loan delivery; Encompass Developer Connect that provides developers with documentation and tools supporting its application programming interfaces; Ellie Mae Marketplace that enables lenders to find, engage, and connect with the partner network; and Ellie Mae AIQ Credit Analyzer to automate the credit evaluation and due diligence reviews when underwriting a loan. In addition, the company provides education and training; professional and technical support; and loan product, policy, and guideline data and analytics services. ICE Mortgage Technology, Inc. was formerly known as Ellie Mae, Inc. and changed its name to ICE Mortgage Technology, Inc. in November 2020. ICE Mortgage Technology, Inc. was founded in 1997 and is headquartered in Pleasanton, California. As of September 4, 2020, ICE Mortgage Technology, Inc. operates as a subsidiary of Intercontinental Exchange, Inc.
ZPG Limited	ZPG Limited owns and operates home-related digital platforms in the United Kingdom. It operates through property and comparison segments. The company operates platforms under the brands: Zoopla, uSwitch, PrimeLocation, money.co.uk, hometrack, and The Property Software Group, which helps consumers to research the market. It also offers property advertising, display advertising, and data services to estate agents, lettings agents, and new homes developers; and switching services. ZPG Limited was founded in 2008 and is headquartered in London, United Kingdom.
Dye & Durham Limited	Dye & Durham Limited, through its subsidiary, Dye & Durham Corporation, provides cloud-based software and technology solutions for legal firms, financial service institutions, and government organizations in Canada, Australia, Ireland, and the United Kingdom. It offers real estate and legal practice management software enabling customers to execute transactions reliably, securely, and easily; unity, a real-estate conveyancing software; and cloud-based software solutions, including online property and business regulatory information, practice management software, conveyancing workflow, electronic contracts, and legal support services. The company also provides technology-enabled real estate due diligence solutions; company formation and search services; workflow software and data insights; and white-label payment infrastructure to process online bill and tax payments. In addition, it provides due diligence searches, which are an essential component of mergers and acquisitions, and financing and restructuring transactions, as well as the process of transferring ownership in real property, mortgaging real property, and registering claims and liens against real property. The company was founded in 1874 and is headquartered in Toronto, Canada.
Hometrack.co.uk Limited	Hometrack.co.uk Limited offers residential property market insights and analytics. The company was incorporated in 2000 and is based in London, United Kingdom. As of January 31, 2017, Hometrack.co.uk Limited operates as a subsidiary of ZPG



Company	Company Description
The Property Software Group	The Property Software Group develops and supplies software and media solutions to the property industry. It offers lettings, property management, accounting, and estate agency software for property managers, letting agents, and estate agents in the United Kingdom; EncoreLive, a system for residential estate agents; websites for single-office agencies and multi-office networks in residential sales, lettings, and commercial environments; web design services; and a consumer facing property portal. The Property Software Group was formerly known as GMG Property Services Group and changed its name to The Property Software Group in December 2013. The company was founded in 2007 and is based in Luton, United Kingdom. As of April 29, 2016, The Property Software Group operates as a subsidiary of ZPG Limited.
Ontheshouse Holdings Limited	Ontheshouse Holdings Limited provides real estate software in Australia and New Zealand. It offers Console GatewayLive, a locally-installed property management software program; ClientManager, a cloud-based sales customer relationship management software solution; and WebChoice, a cloud based platform to deliver Websites for real estate agencies. The company's real estate software and mobile products provide integrated real estate marketing, backend software solutions, and mobile applications that enable real estate agents to grow and manage their business. It serves approximately 3,900 real estate agents. Ontheshouse Holdings Limited is based in Brisbane, Australia.

Source: Capital IQ



Annexure B: Scheme

Scheme of arrangement

PropTech Group Limited

ABN 31 141 276 959

and

Scheme Participants

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Scheme of arrangement

Date

Parties

1. **PropTech Group Limited ABN 39 141 276 959** of C/- Nicholson Ryan Lawyers, Level 7, 416-420 Collins Street, Melbourne VIC 3000 (**Target**)
2. The holders of fully paid ordinary shares in the capital of Target as at the Record Date (each a **Scheme Participant**)

Background

- A. The Target, the Bidder and the Guarantor have entered into a Scheme Implementation Deed pursuant to which the Target has agreed to propose the Scheme to Scheme Participants.
- B. The Bidder and the Guarantor have executed a Deed Poll pursuant to which the Bidder covenants in favour of Scheme Participants to perform certain obligations to give effect to the Scheme and the Guarantor covenants in favour of Scheme Participants to procure that such obligations of the Bidder are met.

Agreed terms

1. Definitions and interpretation

1.1 Definitions

In this Scheme:

Accrued Interest has the meaning given to that term in clause 5.2(b).

ADI means an authorised deposit-taking institution (as defined in the *Banking Act 1959 (Cth)*).

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 and, where the context requires, the financial market that it operates.

Bidder means Rockend Technology Pty Limited ABN 56 003 544 107.

Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Melbourne, Victoria or Sydney, New South Wales.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited and ASX Clear Pty Ltd.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Court means the Federal Court of Australia (Victorian registry) or any other court of competent jurisdiction under the Corporations Act as the Bidder, Target and Guarantor may agree.

Deed Poll means the deed poll to be executed by the Bidder and the Guarantor substantially in the form of Annexure 3 of the Scheme Implementation Deed or such other form agreed in writing by the Target and the Bidder under which the Bidder covenants in favour of each Scheme Participant to perform its obligations under this Scheme.

Effective means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective.

Encumbrance means:

- (a) any:
 - (i) legal or equitable interest or power created, arising in or reserved in or over an interest in any property or asset; or
 - (ii) security for payment of money, performance of obligations or protection against default (including a mortgage, bill of sale, charge, lien, pledge, trust, power or retention of title arrangement, right of set-off, assignment of income, garnishee order, monetary claim and flawed deposit arrangement);
- (b) any thing or preferential interest or arrangement of any kind giving a person priority or preference over claims or other persons with respect to any property or asset;
- (c) a PPSA Security Interest; or
- (d) any agreement or arrangement (whether legally binding or not) to grant or create anything referred to in paragraphs (a), (b) or (c).

Equity Incentive means any rights to Target Shares issued under employee incentive arrangements of the Target (including options and performance rights).

Government Agency means ASIC, the Court, the Takeovers Panel and any other government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity and includes any minister and any regulatory organisation established under statute or any stock exchange.

Guarantor means MRI Software LLC, a Delaware limited liability company.

Immediately Available Funds means a bank cheque or other form of cleared funds acceptable to the Target.

Implementation Date means, the fifth Business Day after the Record Date, or such other Business Day after the Record Date the parties agree.

Listing Rules means the official listing rules of ASX.

Operating Rules means the official operating rules of ASX.

PPSA means the *Personal Property Securities Act 2009 (Cth)*.

PPSA Security Interest means a security interest as defined in the PPSA.

Record Date means, 7.00 pm on the date which is 3 Business Days after the Effective Date, or such other Business Day agreed by the Bidder and the Target.

Register means the register of members of the Target maintained by or on behalf of the Target in accordance with section 168(1) of the Corporations Act.

Registered Address means the address of a Scheme Participant shown in the Register.

Registry means the share registry of the Target, being Boardroom Pty Ltd.

Scheme means this scheme of arrangement pursuant to Part 5.1 of the Corporations Act between the Target and Scheme Participants in respect of the Scheme Shares, subject to any amendments made under section 411(6) of the Corporations Act and approved in writing by the Bidder.

Scheme Consideration means the consideration payable by the Bidder for the transfer of Scheme Shares held by a Scheme Participant to the Bidder, being \$0.60 per Scheme Share;

Scheme Implementation Deed means the scheme implementation deed dated [insert] 2022 between the Bidder, the Guarantor and the Target.

Scheme Meeting means the meeting of Target Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on the Scheme and includes any meeting convened following any adjournment or postponement of that meeting.

Scheme Share means a Target Share on issue as at the Record Date.

Scheme Transfer means, for each Scheme Participant, a duly completed and executed proper instrument of transfer of the Scheme Shares held by that Scheme Participant for the purposes of section 1071B of the Corporations Act, which may be a master transfer of all Scheme Shares.

Second Court Date means the first day on which the application to approve the Scheme under section 411(4)(b) of the Corporations Act is heard by the Court.

Separate Account has the meaning given to that term in clause 5.3(c).

Settlement Rules means the ASX Settlement Operating Rules, being the official operating rules of the settlement facility provided by ASX Settlement Pty Ltd.

Sunset Date means 5:00 pm on the date which is 6 months after the date of the Scheme Implementation Deed or such other date and time agreed between the Bidder and the Target.

Takeovers Panel means the review body continuing in existence under section 261 of the *Australian Securities and Investments Commission Act 2001 (Cth)* and given powers under Part 6.10 of the Corporations Act.

Target Option has the meaning given in the Scheme Implementation Deed.

Target Performance Rights has the meaning given in the Scheme Implementation Deed.

Target Share means a fully paid ordinary share in the capital of the Target.

Target Shareholder means each person who is registered as a holder of a Target Share in the Register.

Trust Account means the trust account with an ADI operated by or on behalf of the Target to hold the Scheme Consideration on trust for the purpose of paying the Scheme Consideration to the Scheme Participants in accordance with clause 5.3 of this Scheme; and

Unclaimed Money Act means the *Unclaimed Money Act 2008 (Vic)*.

1.2 Interpretation

In this Scheme unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes the other genders;
- (c) headings are used for convenience only and do not affect the interpretation of this Scheme;
- (d) other grammatical forms of a defined word or expression have a corresponding meaning;
- (e) a reference to a document includes the document as modified from time to time and any document replacing it;
- (f) a reference to a party is to a party to this Scheme and includes that party's executors, administrators, successors, permitted assigns and permitted substitutes;
- (g) if something is to be or may be done on a day that is not a Business Day then it must be done on the next Business Day;
- (h) the word "person" includes a natural person, partnership, body corporate, association, joint venture, governmental or local authority, agency and any other body or entity whether incorporated or not;
- (i) "month" means calendar month and "year" means 12 consecutive months;
- (j) the words "in writing" include any communication sent by letter, facsimile transmission or email or any other form of communication capable of being read by the recipient;
- (k) a reference to a thing includes a part of that thing;

- (l) a reference to all or any part of a statute, rule, regulation or ordinance (**statute**) is to that statute as amended, consolidated, re-enacted or replaced from time to time;
- (m) wherever "include", "for example" or any form of those words or similar expressions is used, it must be construed as if it were followed by "(without being limited to)"; money amounts are stated in Australian currency unless otherwise specified;
- (n) a reference to time is to Melbourne, Australia time;
- (o) a reference to any agency or body that ceases to exist, is reconstituted, renamed or replaced, or has its powers or functions removed (**defunct body**) is to the agency or body that performs most closely the powers or functions of the defunct body;
- (p) any provision in this Scheme which is in favour of more than one person benefits all of them jointly and each of them severally; and
- (q) any provision in this Scheme which binds more than one person binds all of them jointly and each of them severally.

2. Preliminary

2.1 Target

- (a) The Target is a public company limited by shares, incorporated and registered in Queensland, Australia.
- (b) The Target is admitted to the official list of the ASX and Target Shares are officially quoted on the securities market conducted by ASX.
- (c) As at the date of the Scheme Implementation Deed, the Target had the following securities on issue:
 - (i) 150,822,420 Target Shares;
 - (ii) The Target Options; and
 - (iii) The Target Performance Rights.

2.2 Bidder

The Bidder is proprietary company limited by shares, incorporated and registered in New South Wales, Australia.

2.3 Consequences of this Scheme becoming Effective

If the Scheme becomes Effective, on the Implementation Date:

- (a) the Bidder must, in consideration of the transfer of each Scheme Share to the Bidder, provide the Scheme Consideration to Scheme Participants in accordance with the terms of this Scheme and the Deed Poll;

- (b) all the Scheme Shares held by Scheme Participants, and all the rights and entitlements attaching to them, are to be transferred to the Bidder; and
- (c) the Target must enter the Bidder's name in the Register in respect of the Scheme Shares held by Scheme Participants in accordance with the terms of this Scheme.

2.4 Scheme Implementation Deed and Deed Poll

- (a) The Bidder and the Target have agreed, by executing the Scheme Implementation Deed, to implement the terms of this Scheme.
- (b) This Scheme attributes actions to the Bidder but does not itself impose an obligation on the Bidder to perform those actions. The Bidder has agreed by executing the Deed Poll to perform (or procure the performance of) its obligations as contemplated by this Scheme, including to provide the Scheme Consideration to Scheme Participants.
- (c) The Guarantor has executed the Deed Poll for the purpose of covenanting in favour of each Scheme Participant to procure that all obligations of the Bidder under the Deed Poll and the Scheme are met.

3. Conditions, Effective Date and Sunset Date

3.1 Conditions to the Scheme

The Scheme is conditional on, and will have no force or effect until, the satisfaction of each of the following conditions (each a **Condition**):

	Condition
1.	Scheme Implementation Deed Conditions: All the conditions set out in Schedule 1 of the Scheme Implementation Deed (other than the condition relating to Court approval of this Scheme) have been satisfied or waived in accordance with the terms of the Scheme Implementation Deed by 8.00 am on the Second Court Date.
2.	No termination: As at 8.00 am on the Second Court Date, neither the Scheme Implementation Deed nor the Deed Poll having been terminated in accordance with their terms.
3.	Court approval: The Court having approved the Scheme pursuant to section 411(4)(b) of the Corporations Act, without modification or with modifications and which are agreed to in writing between the Target and the Bidder.
4.	Additional Conditions: Such other conditions made or required by the Court under section 411(6) of the Corporations Act (and agreed to by the Target and the Bidder) have been satisfied or waived.
5.	Court orders effective: The Court orders made under section 411(4)(b), and if applicable section 411(6) of the Corporations Act approving the Scheme come

	Condition
	into effect pursuant to section 411(10) of the Corporations Act, on or before the Sunset Date.

3.2 Certificates

- (a) The Bidder and the Target must each give to the Court on the Second Court Date a certificate confirming (in respect of matters within their knowledge), whether or not all of the Conditions set out in Item 1 and Item 2 of clause 3.1 have been satisfied or waived as at 8.00 am on the Second Court Date.
- (b) The certificates referred to in clause 3.2(a) constitute conclusive evidence of whether the conditions precedent referred to in clause 3.1 of this Scheme have been satisfied or waived as at 8:00 am on the Second Court Date.

3.3 Effective Date

Subject to clause 3.4, the Scheme will take effect pursuant to section 411(10) of the Corporations Act on and from the Effective Date.

3.4 Sunset Date

The Scheme will lapse and be of no further force or effect, and each of the Bidder, the Target and the Guarantor are released from any further obligation to take steps to implement the Scheme, if:

- (a) the Effective Date does not occur on or before the Sunset Date; or
- (b) the Scheme Implementation Deed or Deed Poll are terminated in accordance with their terms,

unless the Target and the Bidder otherwise agree in writing, with the approval of the Court, if required.

4. Implementation of the Scheme

4.1 Lodgement

Target must lodge with ASIC, in accordance with subsection 411(10) of the Corporations Act, an office copy of the Court order approving this Scheme as soon as possible after the Court approves this Scheme and in any event by no later than 5.00pm on the first Business Day after the date on which the Court order was made, or such later time as the Target and the Bidder agree in writing.

4.2 Transfer of Scheme Shares

Subject to this Scheme becoming Effective, the following actions are to occur (in the order set out below):

- (a) the Bidder is to provide the Scheme Consideration in the manner contemplate by clause 5;

- (b) on the Implementation Date, subject to the payment of the Scheme Consideration in accordance with clauses 5.1 to 5.3 of this Scheme:
 - (i) the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, must be transferred to the Bidder, without the need for any further act by any Scheme Participant (other than acts performed by the Target as attorney and agent for Scheme Participants under clause 7.1 of this Scheme) by:
 - (A) the Target delivering to the Bidder a duly completed and executed Scheme Transfer executed on behalf of the Scheme Participants; and
 - (B) the Bidder duly executing the Scheme Transfer, attending to the stamping of the Scheme Transfer (if required) and delivering it to the Target for registration; and
 - (c) as soon as practicable after receipt of the executed Scheme Transfer in accordance with clause 4.2(b)(i)(B) or the transfer being effected under section 1074D of the Corporations Act (as the case may be), the Target must enter, or procure the entry of, the name of the Bidder in the Register as the holder of the Scheme Shares transferred to Bidder in accordance with the Scheme.

4.3 Entitlement to Scheme Consideration

On the Implementation Date, in consideration for the transfer to the Bidder of the Scheme Shares, each Scheme Participant will be entitled to receive the Scheme Consideration in respect of their Scheme Shares in accordance with clause 5 of this Scheme.

4.4 Title and rights in Target Shares

Subject to the provision of the Scheme Consideration for the Scheme Shares as contemplated by clause 5 of this Scheme, on and from the Implementation Date, the Bidder will be beneficially entitled to the Scheme Shares transferred to it under the Scheme, pending registration by the Target of the Bidder in the Register as the holder of the Scheme Shares.

4.5 Scheme Participants' agreements

Under this Scheme, each Scheme Participant agrees to the transfer of their Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares, in accordance with the terms of this Scheme.

4.6 Transfer free of Encumbrances

To the extent permitted by law, all Target Shares (including any rights and entitlements attaching to those shares) which are transferred to the Bidder under this Scheme will, at the date of the transfer of them to the Bidder, vest in the Bidder free from all Encumbrances and interests of third parties of any kind, whether legal or otherwise, and free from any restrictions on transfer of any kind not referred to in this Scheme.

5. Scheme Consideration

5.1 Consideration under the Scheme

On the Implementation Date, the Bidder must, and Target must use its best endeavours to procure the Bidder does, pay (or procure the payment of) the Scheme Consideration to the Scheme Participants in accordance with clauses 5.2, 5.3 and 5.4 of this Scheme.

5.2 Satisfaction of obligations and interest accruing

- (a) The obligation of the Bidder to pay or procure payment of the Scheme Consideration pursuant to clause 5.1 of this Scheme is satisfied by the Bidder, no later than 2 Business Days before the Implementation Date, depositing (or procuring the deposit) in Immediately Available Funds the aggregate amount of the Scheme Consideration payable to all Scheme Participants into the Trust Account, such amount to be held by the Target on trust for Scheme Participants for the purposes of paying the Scheme Consideration to the Scheme Participants in accordance with clause 5.3(a).
- (b) The amount of any interest (less any bank fees and other charges) on the amount deposited in the Trust Account will be to the Bidder's account (**Accrued Interest**).

5.3 Payment of Scheme Consideration

- (a) On the Implementation Date, subject to receipt of the Scheme Consideration from the Bidder in accordance with clause 5.2 of this Scheme, the Target must pay or procure payment to each Scheme Participant from the Trust Account an amount equal to the Scheme Consideration for each Scheme Share transferred to the Bidder on the Implementation Date by that Scheme Participant.
- (b) Unless otherwise directed by a Scheme Participant before the Record Date, the amounts referred to in clause 5.3(a) of this Scheme must be paid by:
 - (i) where a Scheme Participant has, before the Record Date, made an election in accordance with the requirements of the Registry to receive dividend payments from the Target by electronic funds transfer to a bank account nominated by the Scheme Participant, paying, or procuring the payment of, the relevant amount of Australian currency by electronic means in accordance with that election; or
 - (ii) sending a cheque drawn on an Australian bank in Australian currency on the Implementation Date to the Scheme Participant by pre-paid regular post (or, if the address of the Scheme Participant in the Register is outside Australia, by pre-paid airmail post) to their Registered Address as at 7.00 pm on the Record Date (or in the case of joint holders, in accordance with clause 5.7).
- (c) If:
 - (i) either:
 - (A) a Scheme Participant does not have a Registered Address; or

- (B) the Target as trustee for the Scheme Participants believes that a Scheme Participant is not known at the Scheme Participant's Registered Address,

and no account has been notified in accordance with clause 5.3(b)(i) or a deposit into such account is rejected or refunded; or

- (ii) a cheque issued under this clause 5.3 has been cancelled in accordance with clause 5.4(a),

the Target as the trustee for the Scheme Participants may credit the amount payable to the relevant Scheme Participant to a separate bank account of the Target (**Separate Account**) to be held until the Scheme Participant claims the amount or the amount is dealt with in accordance with the Unclaimed Money Act. If the amount is not credited to a Separate Account, the amount will continue to be held in the Trust Account until the Scheme Participant claims the amount or the amount is dealt with in accordance with the Unclaimed Money Act. Until such time as the amount is dealt with in accordance with the Unclaimed Money Act, the Target must hold the amount on trust for the relevant Scheme Participant, but any interest or other benefit accruing from the amount will be to the benefit of the Bidder. An amount credited to the Separate Account or Trust Account (as applicable) is to be treated as having been paid to the Scheme Participant when credited to the Separate Account or Trust Account (as applicable). The Target must maintain records of the amounts paid, the people who are entitled to the amounts and any transfers of the amounts.

- (d) To the extent that there is a surplus in the amount held by the Target as the trustee for the Scheme Participants in the Trust Account, that surplus may be paid by the Target as the trustee for the Scheme Participants to the Bidder following the satisfaction of the Target's obligations as the trustee for the Scheme Participants under this clause 5.3.
- (e) The Target must pay any Accrued Interest to any account nominated by the Bidder following satisfaction of the Target's obligations under this clause 5.3.

5.4 Unclaimed monies

- (a) The Target may cancel a cheque issued under clause 5.3 of this Scheme if the cheque:
 - (i) is returned to the Target; or
 - (ii) has not been presented for payment within 6 months after the date on which the cheque was sent.
- (b) During the period of one year commencing on the Implementation Date, on request in writing from a Scheme Participant to the Target, the Target must reissue a cheque that was previously cancelled under clause 5.4(a).
- (c) The Unclaimed Money Act will apply in relation to any Scheme Consideration which becomes "unclaimed money" (as defined in section 3 of the Unclaimed Money Act).
- (d) Any interest or other benefit accruing from unclaimed Scheme Consideration will be to the benefit of the Bidder.

5.5 Orders of a court or Government Agency

In the case of notice having been given to the Target (or the Registry) of an order or direction made by a court of competent jurisdiction or by another Government Agency:

- (a) which requires payment to a third party of a sum in respect of Scheme Shares held by a particular Scheme Participant, which would otherwise be payable to that Scheme Participant in accordance with clause 5.3 of this Scheme, then the Target must procure that payment is made in accordance with that order or direction; or
- (b) which would prevent the Target from dispatching payment to any particular Scheme Participant in accordance with clause 5.3 of this Scheme, or such payment is otherwise prohibited by applicable law, the Target must retain an amount, in Australian dollars, equal to the number of Scheme Shares held by that Scheme Participant multiplied by the Scheme Consideration until such time as payment in accordance with clause 5.3 of this Scheme is permitted by that order or direction or otherwise by law,

and the payment or retention by the Target (or the Registry) will constitute the full discharge of the Target's obligations under clause 5.3(a) with respect to the amount so paid or retained until, in the case of clause 5.5(b), it is no longer required to be retained.

5.6 Withholding

- (a) If the Bidder determines, having regard to legal advice, that the Bidder is either:
 - (i) required by law to withhold any amount from a payment to a Scheme Participant; or
 - (ii) liable to pay an amount to the Commissioner of Taxation under section 14-200 of Schedule 1 to the *Taxation Administration Act 1953* (Cth) (amounts required to be paid for CGT non-resident withholding) in respect of the acquisition of Scheme Shares from a Scheme Participant,

then the Bidder is entitled to withhold the relevant amount before making the payment to the Scheme Participant (and payment of the reduced amount is to be taken to be full payment of the relevant amount for the purposes of this Scheme, including clause 5.3).

- (b) The Bidder must pay any amount so withheld to the relevant taxation authority within the time permitted by law, and, if requested in writing by the relevant Scheme Participant, provide a receipt or other appropriate evidence (or procure the provision of such receipt or other evidence) of such payment to the relevant Scheme Participant.

5.7 Joint holders

In the case of Scheme Shares held in joint names the Scheme Consideration is payable to and must be forwarded to the holder whose name appears first in the Register as at 7.00 pm on the Record Date.

5.8 Fractional entitlements

Where the calculation of the aggregate amount of the Scheme Consideration to be provided to a Scheme Participant would result in the Scheme Participant becoming entitled to a fraction of a cent, that fractional entitlement will be rounded down to the nearest whole cent.

6. Dealings in Scheme Shares

6.1 Determination of Scheme Participants

To establish the identity of the Scheme Participants, dealings in Scheme Shares must only be recognised by the Target if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Register as the holder of the relevant Scheme Shares on or before 7.00 pm on the Record Date; and
- (b) in all other cases, registrable transmission applications or transfers in registrable form in respect of those dealings are received on or before 7.00 pm on the Record Date at the place where the Register is kept.

6.2 Register

The Target must register registrable transmission applications or transfers of the Scheme Shares that are received in accordance with clause 6.1(b) before 7.00pm on the Record Date provided that nothing in this clause 6.2 requires the Target to register a transfer that would result in an the Target Shareholder holding a parcel of the Target Shares that is less than a 'marketable parcel' (for the purposes of this clause 6.2 'marketable parcel' has the meaning given in the Operating Rules).

6.3 No disposals after Record Date

- (a) If this Scheme becomes Effective, a holder of Scheme Shares (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them after the Record Date in any way except as set out in this Scheme and any such disposal will be void and of no legal effect.
- (b) The Target must not accept for registration or recognise for any purpose any transmission, application or transfer in respect of Scheme Shares received after 7.00 pm on the Record Date (except a transfer to the Bidder pursuant to this Scheme and any subsequent transfer by the Bidder or its successors in title).

6.4 Maintenance of Target Register

For the purpose of determining entitlements to the Scheme Consideration, the Target must maintain the Register in accordance with the provisions of this clause 6 until the Scheme Consideration has been paid to the Scheme Participants and the Bidder has been entered in the Register as the holder of all the Scheme Shares. The Register in this form is solely determinative of entitlements to the Scheme Consideration.

6.5 Effect of certificates and holding statements

- (a) Subject to provision of the Scheme Consideration and registration of the transfer to the Bidder contemplated in clauses 4.2 and 5.3 of this Scheme, any statements of holding in respect of Scheme Shares (other than statements of holding in favour of the Bidder or its successors in title) cease to have effect after 7.00 pm on the Record Date as documents of title in respect of those shares.
- (b) After 7.00 pm on the Record Date, each entry current on the Register as at 7.00 pm on the Record Date (other than entries in respect of the Bidder, or its successors in title) cease to have effect except as evidence of entitlement to the Scheme Consideration.

6.6 Details of Scheme Participants

As soon as practicable after the Record Date, and in any event within one Business Day of the Record Date, the Target must ensure that details of the names, Registered Addresses and holdings of Scheme Shares for each Scheme Participant, as shown in the Register at 7.00 pm on the Record Date, are available to the Bidder in such form as the Bidder reasonably requires.

6.7 Quotation of Target Shares

- (a) The Target must apply to ASX to suspend trading on ASX in Target Shares with effect from the close of trading on ASX on the Effective Date.
- (b) After the Implementation Date, the Target must apply:
 - (i) for termination of the official quotation of Target Shares on the ASX; and
 - (ii) to have itself removed from the official list of the ASX.

7. General Scheme provisions

7.1 Appointment of agent and attorney

Each Scheme Participant, without the need for any further act, irrevocably appoints the Target as its agent and attorney for the purpose of:

- (a) executing any document or form or doing any other act necessary to give effect to the terms of this Scheme including, without limitation, the Scheme Transfer and the giving of the Scheme Participant's consent under clause 7.8; and
- (b) enforcing the Deed Poll against the Bidder and the Guarantor,

and the Target accepts such appointment. The Target, as agent of each Scheme Participant, may sub-delegate its functions, authorities or powers under this clause 7.1 to all or any of its directors and officers (jointly, severally or jointly and severally).

7.2 Appointment of Bidder as sole proxy

On the provision of the Scheme Consideration for the Scheme Shares in accordance with clause 5.3 of this Scheme and until the Target registers the Bidder as the holder of all Scheme Shares in the Register, each Scheme Participant:

- (a) irrevocably appoints the Bidder as its attorney and agent (and directs the Bidder in such capacity) to appoint an officer or agent nominated by the Bidder as its sole proxy and, where applicable, corporate representative to attend shareholders' meetings of the Target, exercise the votes attaching to the Scheme Shares registered in its name and sign any shareholders' resolution;
- (b) undertakes not to attend shareholders' meetings, exercise the votes attaching to Scheme Shares registered in its name or sign or vote on any resolution (whether in person, by proxy or by corporate representative) other than pursuant to clause 7.2(a);
- (c) must take all other actions in the capacity of a registered holder of Scheme Shares as the Bidder reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in clause 7.2(a), the Bidder and an officer or agent nominated by the Bidder under clause 7.2(a) may act in the best interests of the Bidder as the intended registered holder of Scheme Shares.

7.3 Alterations to Scheme or condition

The Target may, by its counsel or solicitors, and with the consent of the Bidder (which cannot be unreasonably withheld), consent on behalf of all persons concerned, including a Scheme Participant, to any alteration or condition to the Scheme which the Court thinks fit to impose. Each Scheme Participant agrees to any such variation, alteration or condition.

7.4 Binding effect of Scheme

This Scheme binds the Target and all Scheme Participants (including those who did not attend the Scheme Meeting, those who did not vote at that meeting, or who voted against this Scheme at that meeting) and, to the extent of any inconsistency, overrides the constitution of the Target.

7.5 Further action by the Target

The Target must execute all documents and do all things (on its own behalf and on behalf of each Scheme Participant) necessary or expedient to implement, and perform its obligations under, this Scheme.

7.6 No liability when acting in good faith

Neither the Target nor the Bidder, nor any of their respective officers, employees and advisers (as applicable), will be liable for anything done or omitted to be done in the performance of this Scheme in good faith.

7.7 Enforcement of Deed Poll

The Target undertakes in favour of each Scheme Participant that it will enforce the Deed Poll against the Bidder and the Guarantor on behalf of and as agent and attorney for the Scheme Participants.

7.8 Scheme Participants' consent

Each Scheme Participant irrevocably:

- (a) agrees to the transfer of their Scheme Shares together with all rights and entitlements attaching to those Scheme Shares in accordance with this Scheme;
- (b) consents to the Target and the Bidder doing all things and executing all deeds, instruments, transfers or other documents as may be necessary, incidental or expedient to the implementation and performance of the Scheme;
- (c) agrees to any variation, cancellation or modification of the rights attached to their Scheme Shares constituted by or resulting from this Scheme;
- (d) agrees to, on the direction of the Target, destroy any holding statements or share certificates relating to their Scheme Shares;
- (e) who holds their Target Shares in a CHESS Holding agrees to the conversion of those Target Shares to an Issuer Sponsored Holding and irrevocably authorises Target to do anything necessary or expedient (whether required by the Settlement Rules or otherwise) to effect or facilitate such conversion;
- (f) acknowledges that the Scheme binds the Target and all of the Scheme Participants (including those who do not attend the Scheme Meeting, do not vote at that meeting or vote against the Scheme); and
- (g) agrees to any alteration or condition to the Scheme which the Court thinks fit to impose.

7.9 Warranty by Scheme Participants

- (a) Each Scheme Participant warrants to the Bidder, and is deemed to have authorised the Target as its agent and attorney to warrant to the Bidder, that, to the extent permitted by law:
 - (i) all their Scheme Shares (including any rights and entitlements attaching to those shares) will, at the date of their transfer to the Bidder, be fully paid and free from all Encumbrances and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind;
 - (ii) they have full power and capacity to sell and to transfer their Scheme Shares together with any rights and entitlements attaching to such shares; and
 - (iii) they have no existing right to be issued any Target Shares, Target Equity Incentives or any other Target equity securities.
- (b) The Target provides the warranties in clause 7.9(a) to the Bidder as agent and attorney of each Scheme Participant on the Implementation Date.
- (c) To the extent permitted by law, Scheme Shares transferred under the Scheme must be transferred free from all Encumbrances and interests of third parties of any kind, whether legal or otherwise.

8. General

8.1 Notices

Where a notice, transfer, transmission application, direction or other communication referred to in the Scheme is sent by post to the Target, it will be deemed to be received on the date (if any) on which it is actually received at the Target's registered office, and will not be deemed to be received on any other date.

8.2 Nature of obligations

Each obligation imposed on a party by this Scheme in favour of another is a separate obligation. Unless specified otherwise, the performance of one obligation is not dependent or conditional on the performance of any other obligation.

8.3 No variation

This Scheme cannot be amended or varied except in writing signed by the parties.

8.4 Duty

Any duty (including related interest or penalties) payable in respect of this Scheme or any instrument created in connection with it must be paid by the Bidder.

8.5 Further assurances

A party, at its own expense and within a reasonable time of being requested by another party to do so, must do all things and execute all documents that are reasonably necessary to give full effect to this Scheme.

8.6 Governing law and jurisdiction

- (a) This Scheme is governed by and must be construed in accordance with the laws in force in Victoria.
- (b) The parties submit to the exclusive jurisdiction of the courts of that State and the Commonwealth of Australia in respect of all matters arising out of or relating to this Scheme, its performance or subject matter.

Annexure C: Deed Poll

Deed Poll

Rockend Technology Pty Limited

ABN 56 003 544 107

and

MRI Software LLC.

Deed Poll

Date 13 December 2022

This Deed Poll is made by:

Rockend Technology Pty Limited ABN 56 003 544 107 of Suite 1, Level 1, 95-97 Grafton Street, Bondi Junction NSW 2022 (**Bidder**)

MRI Software LLC, a Delaware limited liability company of c/- Suite 1, Level 1, 95-97 Grafton Street, Bondi Junction NSW 2022 (**Guarantor**)

in favour of:

Each Scheme Participant.

Background

- A. On 31 October 2022, Bidder, Target and Guarantor entered into the Scheme Implementation Deed.
- B. Target has agreed in the Scheme Implementation Deed to propose the Scheme pursuant to which (among other things), subject to the Scheme becoming Effective, Bidder will acquire all of the Scheme Shares from Scheme Participants for the Scheme Consideration.
- C. In accordance with the Scheme Implementation Deed, Bidder enters into this deed poll (**Deed Poll**) for the purposes of covenanting in favour of the Scheme Participants that it will perform all actions attributed to it under the Scheme.
- D. The Guarantor enters into this Deed Poll for the purposes of guaranteeing the obligations and liabilities of the Bidder under this Deed Poll.

The parties agree

1. Defined terms and interpretation

1.1 Definitions

In this Deed Poll:

Scheme Implementation Deed means the scheme implementation deed entered into between Bidder and Target on 31 October 2022 with respect to the Scheme and associated matters.

Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between Target and the Scheme Shareholders, substantially in the form set out in Attachment 1, subject to any alterations or conditions made or required by the Court

under subsection 411(6) of the Corporations Act and agreed to in writing by Bidder and the Target.

Target means PropTech Group Limited ACN 141 276 959.

Unless the context otherwise requires, terms defined in the Scheme have the same meaning when used in this Deed Poll.

1.2 Interpretation

The provisions of clause 1 of the Scheme form part of this Deed Poll as if set out in full in this Deed Poll, on the basis that references to 'this Scheme' in that clause are references to 'this Deed Poll', unless the context makes it clear that a rule is not intended to apply.

1.3 Nature of Deed Poll

The Bidder acknowledges that:

- (a) this Deed Poll may be relied on and enforced by any Scheme Participant in accordance with its terms, even though the Scheme Participant is not party to it; and
- (b) under the Scheme, each Scheme Participant irrevocably appoints the Target and each of its directors and officers (jointly and severally) as its agent and attorney to enforce this Deed Poll against the Bidder on behalf of that Scheme Participant.

2. Condition precedent and termination

2.1 Condition precedent

This Deed Poll, and the obligations of the Bidder and Guarantor under this Deed Poll, are subject to the Scheme becoming Effective on the Effective Date.

2.2 Termination

The obligations of the Bidder and Guarantor under this Deed Poll will automatically terminate, and the terms of this Deed Poll will be of no force or effect, if:

- (a) the Scheme Implementation Deed is terminated in accordance with its terms; or
- (b) the Scheme is not Effective by the End Date; or
- (c) the Scheme lapses and becomes of no further force or effect under clause 3.4 of the Scheme,

unless the Target and the Bidder otherwise agree in writing.

2.3 Consequences of termination

If this Deed Poll terminates under clause 2.2, then, in addition and without prejudice to any other rights, powers or remedies available to it:

- (a) Bidder and Guarantor are released from their obligations to further perform this Deed Poll, except those obligations under clause 6.8; and
- (b) each Scheme Participant retains the rights it has against the Bidder and Guarantor in respect of any breach of the terms of this Deed Poll which occurs before it is terminated.

3. Scheme obligations

Subject to clause 2, the Bidder undertakes and covenants in favour of each Scheme Participant that it will, and the Guarantor undertakes in favour of each Scheme Participant to unconditionally and irrevocably guarantee the obligations of Bidder to:

- (a) deposit, or procure the deposit of, in cleared funds, by no later than 2 Business Days before the Implementation Date, an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Participants under the Scheme into an Australian dollar denominated trust account with an ADI operated by the Target as trustee for those Scheme Participants (provided that any interest on the amounts deposited (less bank fees and other charges) will be credited to the Bidder's account); and
- (b) observe and perform all other obligations and actions attributed to the Bidder under the Scheme.

4. Warranties

Each of the Bidder and Guarantor makes the following representations and warranties in favour of each Scheme Participant:

- (a) **(Status)** it is a corporation validly existing under the laws of the place of its incorporation;
- (b) **(Power)** it has the corporate power to enter into and perform its obligations under this Deed Poll and to carry out the transactions contemplated by this Deed Poll;
- (c) **(Corporate authorisations)** it has taken all necessary corporate action to authorise its entry into this Deed Poll and has taken or will take all necessary corporate action to authorise the performance of this Deed Poll and to carry out the transactions contemplated by this Deed Poll;
- (d) **(Document binding)** this Deed Poll is valid and binding on it and enforceable against it in accordance with its terms;
- (e) **(Transactions permitted)** the execution and performance by it of this Deed Poll and each transaction contemplated by this Deed Poll did not and will not violate a provision of:
 - (i) a law, judgment, ruling or order or decree binding on it; or
 - (ii) its constitution or other constituent documents;
- (f) **(Solvency)** it is solvent and no resolutions have been passed nor has any other step been taken or legal proceedings commenced or threatened against it for

its winding up or dissolution or for the appointment of a liquidator, receiver, administrator or similar officer over any or all of its assets;

- (g) **(Regulatory action)** no regulatory action of any nature has been taken which would prevent, inhibit or otherwise have a material adverse effect on its ability to fulfil its obligations under this Deed Poll; and
- (h) **(No breach)** this Deed Poll does not conflict with, or result in the breach of or default under, any provision of the constitution of Bidder or any material term or provision of any agreement, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or by which it is bound.

5. Continuing obligations

This Deed Poll is irrevocable and, subject to clause 2, remains in full force and effect until the earlier of:

- (a) the Bidder and Guarantor having fully performed their obligations under this Deed Poll; or
- (b) the termination of this Deed Poll under clause 2.

6. General

6.1 Notices

- (a) A notice, consent, approval, waiver or other communication sent to Bidder or Guarantor under this deed poll **(Notice)** must be:
 - (i) in writing;
 - (ii) sent by an authorised representative of the sender; and
 - (iii) marked for the attention of the person named below,
and must be:
 - (iv) left at, or sent by commercial courier to, the address set out below; or
 - (v) sent by email to the address set out below.

Bidder

Attention: Hal Gunder / Charlie Cooper

Address: Suite 1, Level 1, 95-97 Grafton Street, Bondi Junction NSW 2022

Email: Hal.Gunder@mrsoftware.com &
Charlie.Cooper@mrsoftware.com

with a copy (for information purposes only) to: Corrs Chambers Westgarth

Attention: Andrew Lumsden / Andrew Hewson
Address:
Email: Andrew.Lumsden@corrs.com.au &
andrew.hewson@corrs.com.au

Guarantor

Attention: Hal Gunder / Charlie Cooper
Address: c/- Suite 1, Level 1, 95-97 Grafton Street, Bondi Junction NSW 2022
Email: Hal.Gunder@mrsoftware.com &
Charlie.Cooper@mrsoftware.com

with a copy (for information purposes only) to: Corrs Chambers Westgarth

Attention: Andrew Lumsden / Andrew Hewson
Address:
Email: Andrew.Lumsden@corrs.com.au &
andrew.hewson@corrs.com.au

- (b) Subject to clause 6.1(c), a Notice is taken to be received:
- (i) if sent by delivery, when it is delivered;
 - (ii) if sent by commercial courier, three days after dispatch; and
 - (iii) if sent by email:
 - (A) when the sender receives an automated message confirming delivery; or
 - (B) four hours after the time sent (as recorded on the device from which the email was sent), provided that the sender does not receive an automated message that the email has not been delivered,
- whichever happens first.
- (c) If a Notice is taken to be received under clause 6.1(b):
- (i) before 9:00am on a Business Day, it will be taken to be received at 9:00am on that Business Day; or

- (ii) after 5:00pm on a Business Day or on a non-Business Day, it will be taken to be received at 9:00am on the next Business Day.

6.2 Amendment and Variation

This Deed Poll may not be amended or varied unless:

- (a) before the First Court Date, the amendment or variation is agreed to in writing by the Target; or
- (b) on or after the First Court Date, the amendment or variation is agreed to in writing by the Target and the Court indicates that the variation would not of itself preclude approval of the Scheme,

in which event the Bidder and Guarantor must enter into a further deed poll in favour of the Scheme Participants giving effect to that amendment or variation.

6.3 Assignment

The rights and obligations of the Bidder, Guarantor and each Scheme Participant created by this Deed Poll are personal. They cannot be assigned, encumbered or otherwise dealt with and no person may attempt, or purport, to do so without the prior written consent of the Target or the Bidder or the Guarantor (as appropriate).

6.4 Waiver

A party does not waive a right, power or remedy if it fails to exercise or delays in exercising the right, power or remedy. A single or partial exercise by a party of any right, power or remedy does not prevent any other or further exercise of that or another right, power or remedy. A waiver of a right, power or remedy is not valid or binding unless made in writing and signed by the party giving the waiver.

6.5 Cumulative rights

The rights, powers and remedies of the Bidder, the Guarantor and each Scheme Participant under this Deed Poll are cumulative and do not exclude or limit, any other rights, powers or remedies provided by law or equity or by any agreement independently of this Deed Poll.

6.6 Further assurances

The Bidder and Guarantor will do all things necessary to give full effect to the provisions of this Deed Poll.

6.7 No merger

The rights and obligations of the Bidder and Guarantor will not merge on the completion of any transaction contemplated by this Deed Poll. They will survive the execution and delivery of any assignment or other document entered into for the purpose of implementing a transaction.

6.8 Costs and Stamp duty

- (a) The Bidder and Guarantor must bear their own costs arising out of the negotiation, preparation and execution of this Deed Poll.


- (b) The Bidder must pay all stamp duties and any related fines and penalties payable on or in connection with this Deed Poll and any instrument executed under of any transaction evidenced by this Deed Poll.

6.9 Governing law

- (a) This Deed Poll is governed by and will be construed according to the laws of Victoria.
- (b) Each party irrevocably submits to the non-exclusive jurisdiction of the courts of Victoria and of the courts competent to determine appeals from those courts.

Executed as a **Deed Poll**.


Executed by **Rockend Technology Pty Limited ABN 56 003 544 107** in accordance with the provisions of section 127(1) of the *Corporations Act*



Signature of director

John Ensign

Name of director (print)



Signature of director/secretary

Patrick J. Ghilani

Name of director/secretary (print)

Executed by **MRI Software LLC**



Signature

John Ensign

Name (print)

President

Title (print)

Notice of Meeting

PropTech Group Limited ACN 141 276 959

Notice of meeting

Notice is given that by an order of the Federal Court of Australia made on [16] December 2022 pursuant to section 411(1) of the *Corporations Act 2001* (Cth), a meeting of shareholders of PropTech Group Limited (**PropTech Group**) will be held at the time and location, and to conduct the business specified below (**Scheme Meeting**):

Date: Tuesday, 7 February 2023

Time: 11.00am (Melbourne time)

Location: The offices of RSM Australia, Level 21, 55 Collins Street, Melbourne VIC 3000

Purpose of Meeting

The purpose of the Scheme Meeting is to consider and, if thought fit, to agree to a scheme of arrangement (with or without amendment or any alterations or conditions required by the Court to which PropTech Group and Rockend Technology Pty Limited (**BidCo**) agree) proposed to be made between PropTech Group and PropTech Group Shareholders (**Scheme**).

A copy of the Scheme and a copy of the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme are contained in the Scheme Booklet, of which this notice of meeting forms part. Additional information about the Scheme Meeting is set out in the explanatory notes that accompany and form part of this notice.

Capitalised terms used but not defined in this notice have the defined meanings set out in the Glossary contained in section 10 of the Scheme Booklet, unless the context otherwise requires.

Business of Scheme Meeting

The purpose of the Scheme Meeting is to consider and, if thought fit, to pass (with or without amendment) the following resolution (**Scheme Resolution**) in accordance with section 411(4)(a)(ii) of the Corporations Act:

"That, pursuant to and in accordance with section 411 of the Corporations Act 2001 (Cth):

- (a) the scheme of arrangement proposed between PropTech Group Limited and the holders of its ordinary shares, the terms of which are contained in and more particularly described in the Scheme Booklet (of which this Notice of Meeting forms part) is agreed to (with or without any alterations or conditions agreed in writing between PropTech Group and BidCo and approved by the Court or any alterations or conditions as thought just by the Court to which PropTech Group and BidCo agree in writing); and*
- (b) the directors of PropTech Group are authorised, subject to the terms of the Scheme Implementation Deed:*
 - (1) to agree to any modifications, alterations or conditions with BidCo;*
 - (2) to agree to any modifications, alterations or conditions as are thought just by the Court; and*
 - (3) subject to approval of the Scheme by the Court, to implement the Scheme with any such modifications, alterations or conditions."*

Chair

The Court has directed that Simon Baker is to act as Chair of the Scheme Meeting (and that, if Simon Baker is unable or unwilling to attend, Sam Plowman is to act as Chair of the Scheme Meeting) and has directed the Chair to report the result of the Scheme Resolution to the Court.

By order of the Court and the PropTech Group Board.

A handwritten signature in black ink, appearing to be 'Lee Mitchell', written over a faint circular stamp or watermark.

Lee Mitchell
Company Secretary

Dated: 16 December 2022

Explanatory Notes for the Scheme Meeting

This notice of meeting and the Scheme Resolution should be read in conjunction with the booklet of which this notice forms part (**Scheme Booklet**). Terms used in this notice, unless otherwise defined, have the same meaning as set out in the Glossary in Section 10 of the Scheme Booklet.

A Proxy Form also accompanies this notice.

How to vote

If you are a PropTech Group Shareholder entitled to attend and vote at the Scheme Meeting, you may vote by:

- attending the Scheme Meeting in person;
- appointing a proxy to attend on your behalf;
- appointing an attorney to vote on your behalf; or
- in the case of a corporation which is a PropTech Group Shareholder, by appointing an authorised corporate representative to attend on its behalf.

Voting entitlement

Only PropTech Group Shareholders registered at 7.00pm (Melbourne time) on the Voting Record Date, being 7:00pm on Sunday 5 February 2023, are entitled to attend and vote at the Scheme Meeting.

PropTech Group is not aware of any entity or any Associate of any entity within the MRI Group holding PropTech Group Shares. If such an entity does hold PropTech Group Shares, they would not be entitled to vote (and any votes cast would be disregarded) at the Scheme Meeting.

Voting in person

To vote in person at the Scheme Meeting, you must attend the Scheme Meeting to be held at the offices of RSM Australia, Level 21, 55 Collins Street, Melbourne VIC 3000, Victoria 3000 on Tuesday 7 February 2023. The meeting will commence at 11.00am.

A PropTech Group Shareholder who wishes to attend and vote at the Scheme Meeting in person will be admitted to the Scheme Meeting and given a voting card on disclosure at the point of entry to the Scheme Meeting of their name and address.

Voting by attorney

A PropTech Group Shareholder entitled to attend and vote at the Scheme Meeting may appoint an attorney to vote at the Scheme Meeting. An original or certified copy of the power of attorney must be received at any of the addresses, or via facsimile, as set out below at least 48 hours before the commencement of the Scheme Meeting.

By facsimile: +61 2 9290 9655

By mail: Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001

By delivery: Boardroom Pty Limited, Level 8, 210 George Street, Sydney NSW 2000

Voting by corporate representative

To vote at the Scheme Meeting (other than by proxy or by attorney), a corporation that is a PropTech Group Shareholder, or has been appointed as a proxy by a PropTech Group Shareholder, must appoint a person (either by name or position and whether a PropTech Group Shareholder or not) to act as its representative. The appointment must comply with section 250D of the Corporations Act. Evidence of the appointment must be brought to the Scheme Meeting together with any authority under which it is signed. A pro-forma 'Certificate of Appointment of Corporate Representative' may be obtained from the Share Registry by calling the Shareholder Information Line on 1300 737 760 (within Australia) or + 61 2 9290 9600 (outside Australia) between 8.15am and 5.30pm (Melbourne time), Monday to Friday.

Proxies

A PropTech Group Shareholder entitled to attend and vote at the Scheme Meeting is entitled to appoint not more than two proxies, who need not be PropTech Group Shareholders.

Each proxy should be appointed to represent a specified percentage or specified number of the PropTech Group Shareholder's voting rights. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half the votes. Fractions of votes will be disregarded.

If you sign and return a Proxy Form and do not nominate a person to act as your proxy, the Chair will be appointed as your proxy by default.

How the Chair will vote undirected proxies

The Chair intends to vote any available undirected proxy in favour of the Scheme Resolution.

You should note that if you appoint the Chair as your proxy, or the Chair is appointed as your proxy by default, and the Proxy Form does not specify whether to vote 'For', 'Against' or 'Abstain', this will be taken as a direction to the Chair to vote in accordance with his stated voting intention, which is to vote in favour of the Scheme Resolution. PropTech Group Shareholders always have the ability to appoint the Chair as their proxy and direct him to cast the votes contrary to the Chair's stated voting intention or to abstain from voting on a resolution.

If you appoint the Chair as your proxy but do not wish him to vote in favour of the Scheme Resolution, it is important for you to complete the voting directions in respect of the Scheme Resolution on the Proxy Form.

A Proxy Form is enclosed with this Notice of Meeting

For the appointment of a proxy to be valid, the following documents must be received at least 48 hours prior to the Scheme Meeting or any adjournment of the Scheme Meeting:

- the Proxy Form; and
- if the Proxy Form is signed by the appointor's attorney, the authority under which the Proxy Form was signed or a certified copy of the authority.

The documents must be received by PropTech Group at any of the addresses, or via facsimile, as specified below by no later than 11.00am (Melbourne time) on Sunday 5 February 2023. Proxy Forms received after that time will not be valid for the scheduled Meeting.

Further directions for the proper completion of a Proxy Form are printed on the Proxy Form.

Online: <https://www.votingonline.com.au/ptgscheme>

By facsimile: +61 2 9290 9655

By mail: Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001

By delivery: Boardroom Pty Limited, Level 8, 210 George Street, Sydney NSW 2000

Voting procedure

In general, each PropTech Group Shareholder present in person or by proxy, attorney or corporate representative has one vote on a show of hands and one vote for each Scheme Share held on a poll (subject to any voting exclusion referred to earlier).

Voting at the Scheme Meeting will occur by poll.

All persons attending the Scheme Meeting are asked to arrive at least 30 minutes prior to the time the Scheme Meeting is to commence, so that either their shareholding may be

checked against the Register, their power of attorney or appointment as corporate representative can be verified (as the case may be), and their attendance noted.

Jointly held shares

If the Scheme Shares are jointly held, only one of the PropTech Group Shareholders can vote. If more than one joint PropTech Group Shareholder votes, only the vote of the PropTech Group Shareholder whose name appears first on the Register will be counted.

Quorum

A quorum for a meeting of PropTech Group Shareholders is three or more members present at the meeting and entitled to vote on a resolution at the meeting.

Majorities required

In accordance with section 411(4)(a) of the Corporations Act, for the Scheme of Arrangement to be approved by PropTech Group Shareholders, the Scheme Resolution must be agreed to by:

- unless the court orders otherwise, a majority in number of holders of ordinary shares present and voting (either in person or by proxy, attorney or, in the case of corporate PropTech Shareholders, corporate representative) at the meeting; and
- at least 75% of the votes cast on the Scheme Resolution (either in person or by proxy, attorney or, in the case of corporate PropTech Shareholders, corporate representative).

Court approval

In accordance with section 411(4)(b) of the Corporations Act, to become Effective, the Scheme of Arrangement must be approved by the order of the Court. If the Scheme Resolution set out in this notice is agreed to by the required majorities set out above and the Conditions Precedent set out in the Scheme of Arrangement are satisfied or waived (where capable of waiver), PropTech Group will apply to the Court for the necessary orders to give effect to the Scheme of Arrangement.

In order for the Scheme of Arrangement to become Effective, it must be approved by the Court and an office copy of the orders of the Court approving the Scheme of Arrangement must be lodged with ASIC.

Corporate Directory

PropTech Group Limited

The offices of Nicholson Ryan Lawyers
Level 7, 416-420 Collins Street
Melbourne, Victoria 3000
Australia

Financial Adviser to PropTech Group

Nomura Australia Ltd
Level 41, Governor Phillip Tower
1 Farrer Place
Sydney, New South Wales 2000
Australia

Australian Legal Adviser to PropTech Group

Nicholson Ryan Lawyers
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Share Registry

Boardroom Pty Limited
Level 8, 210 George Street
Sydney, New South Wales 2000
Australia

Shareholder Information Line

1300 737 760 (within Australia)
+61 2 9290 9600 (outside Australia)
between 8.15am and 5.30pm, Monday to Friday



(ASX:PTG)

