

**ASX Announcement**  
**31 May 2021**

**REA Group to combine Malaysia and Thailand operations with  
PropertyGuru Group**

REA Group Ltd (ASX:REA, "REA") today announced that it has entered into a binding agreement to combine REA's Malaysia and Thailand businesses with PropertyGuru Pte. Ltd. ("PropertyGuru").

Under the proposed transaction, REA will transfer ownership of its Malaysia and Thailand entities (which operate iProperty.com.my and Brickz.my in Malaysia and thinkofliving.com and Prakard.com in Thailand) to PropertyGuru in exchange for an 18%<sup>1</sup> equity interest in PropertyGuru. REA will take one seat on the Board.

PropertyGuru is a leading digital proptech company operating marketplaces in Singapore, Vietnam, Malaysia, Thailand and Indonesia. The combined businesses will have access to a deeper pool of expertise, technology and investment which will accelerate innovation and provide enhanced digital solutions to home seekers, property agents and developers.

The proposed transaction will provide REA with a strategic shareholding in a larger, more diversified company in a region that continues to experience rapid digital transformation across the real estate sector.

REA Group Chief Executive Officer, Owen Wilson commented: "Building on the success of our operations in Malaysia and Thailand, this transaction presents a unique opportunity to create the most compelling digital property classifieds company in Southeast Asia and accelerate the next wave of proptech innovation across the region."

The sale agreement contains customary termination events, and completion of the transaction, which is expected to occur in July 2021, is conditional on REA's divestment of its 27% interest in 99 Group, operator of 99.co, iProperty.com.sg and rumah123.com. Discussions are well progressed in relation to the divestment. REA will retain ownership of its Hong Kong and Myfun businesses. The transaction does not require REA shareholder approval.

The transaction is expected to result in an overall gain on divestment of approximately A\$10m<sup>2</sup>. In FY21 the Malaysia and Thailand businesses are expected to contribute approximately \$15m to REA Group revenue and to reduce EBITDA by approximately \$11m.

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<sup>1</sup> Undiluted, 16.3% on a fully diluted basis if all warrants and ESOPs are exercised.

<sup>2</sup> Final gain on sale is subject to foreign currency translation and tax, and excludes transaction costs.





The release of this announcement was authorised by the REA Group Board.

**About REA Group Ltd:** ([www.rea-group.com](http://www.rea-group.com)): REA Group Ltd ACN 068 349 066 (ASX:REA) ("REA Group") is a multinational digital advertising business specialising in property. REA Group operates Australia's leading residential and commercial property websites – [realestate.com.au](http://realestate.com.au) and [realcommercial.com.au](http://realcommercial.com.au) – as well as the leading website dedicated to share property, [Flatmates.com.au](http://Flatmates.com.au) and [Spacely](http://Spacely.com.au), a short-term commercial and coworking property website. REA Group owns Smartline Home Loans Pty Ltd, an Australian mortgage broking franchise group, and PropTrack Pty Ltd, a leading provider of property data services. In Asia, REA Group owns leading portals in Malaysia ([iproperty.com.my](http://iproperty.com.my)) and Hong Kong ([squarefoot.com.hk](http://squarefoot.com.hk)), a prominent portal in China ([myfun.com](http://myfun.com)) and a leading property review site in Thailand ([thinkofliving.com](http://thinkofliving.com)). REA Group holds a controlling interest in India's Elara Technologies Pte. Ltd. which operates the established brands of [Housing.com](http://Housing.com), [Makaan.com](http://Makaan.com) and [PropTiger.com](http://PropTiger.com). REA Group also holds a significant shareholding in property websites [realtor.com](http://realtor.com) in the US, [99.co](http://99.co) and [iproperty.com.sg](http://iproperty.com.sg) in Singapore and [rumah123.com](http://rumah123.com) in Indonesia.