



## ASX Announcement

31 May 2017

### MARKET UPDATE: NON-BINDING HEADS OF AGREEMENTS

Australian transaction management company, ServTech Global Limited (ASX: SVT) (**'ServTech'** or **'the Company'**), is pleased to provide a further update with regards to the non-binding Heads of Agreements (**'HOA'**) the Company has recently signed with Davey Real Estate (**'Davey'**) and DVG Automotive Group (**'DVG'**).

Under the HOAs, ServTech will work together with Davey and DVG to evaluate the counterparties' respective business models and determine the level of efficiencies and costs savings that would be generated through the adoption of the Company's scalable and adaptable technology platform. ServTech's proven and expanding Software as a Service (SaaS) platform conducts all back-office transactions on behalf of its clients, allowing them to focus on their core, revenue-generating activities.

These HOAs were signed after meetings with Davey and DVG, during which SVT developed a deeper understanding of how ServTech's SaaS transaction management platform could add value to their respective businesses. The HOAs contain standard confidentiality provisions and provide the framework for the counterparties to agree the material terms of a legally binding transaction management agreement, including pricing, intellectual property and tenure.

Investors should note that the HOAs are non-binding and do not provide for any payment to ServTech. There is no assurance that a legally binding transaction management agreement will be entered into. The Company will make an announcement when it enters into a material transaction management services agreement including details of all material terms.

In relation to the signing of a third HOA, as previously announced, that particular counterparty has now taken the decision to withdraw from the agreement due to the necessity to disclose its identity. The Company remains hopeful of re-engagement with the third counterparty in the near future.

Davey is a leading real estate group of companies, with five offices in the northern suburbs of Perth, Western Australia, specialising in residential sales and leasing.

DVG – with 24 new car and multiple used-car dealerships – is one of Western Australia's leading new and used car dealerships. DVG centres span 10 locations across Perth. Since commencing operations more than 20 years ago, DVG has expanded to include services such as finance, insurance, servicing and parts.

ServTech Managing Director, Brett Quinn, said the signing of these HOAs is in-line with the Company's strategy of geographic expansion in the property industry, as well as diversification by market sector.

"We are pleased to have secured interest in our technology and business model focused on creating efficiencies to our customers. We look forward to working with Davey Real Estate Group and DVG Automotive Group over the coming months and we are confident of successfully reaching binding service agreements.



“The opportunity with DVG represents our entry to the motor vehicle market, which is an important step forward for the Company and confirms our scalable technology is readily adaptable and applicable to industry sectors beyond real estate.”

The Company is not aware of any reason why the ASX would not allow trading to recommence immediately.

**ENDS**

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**About ServTech Global**

ServTech Global is a transaction management business that revolutionises the way businesses manage transactions through a unique customised Software as a Service (SaaS) workflow management application and back office support service. ServTech is the holding company of a number of wholly-owned subsidiary companies, including a real estate agency (Sell Lease Property Pty Ltd), a conveyancing business (Complete Settlements), a property management business (Capitol Asset Management) and a mortgage broking business (Value Finance).

ServTech’s key revenue driver to date is Sell Lease Property which has utilised ServTech’s SaaS platform (the ‘Angel’ platform) to improve operating efficiencies, minimise fixed overheads and increase profit margins, becoming a disruptive player in the Australian real estate sector. Sell Lease Property has grown to have more than 190 property consultants nationally and achieved revenue growth of 370% over the past two financial years.