

# MyDeal.com.au Limited

## Appendix 4E

### FULL YEAR REPORT

#### 1. COMPANY DETAILS

Name of entity:	MyDeal.com.au Limited
ABN:	60 640 108 130
Reporting period:	For the year ended 30 June 2021
Previous period:	For the year ended 30 June 2020

#### 2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	30 June 2021 \$	30 June 2020 \$	Change increase/ (decrease) \$	Change Increase/ (decrease) %
Gross Sales*	218,068,919	103,316,957	114,751,862	111.07
Revenues from ordinary activities	38,271,998	15,335,680	22,936,318	149.56
Adjusted EBITDA**	(4,025,659)	669,169	(4,694,828)	(701.59)
Profit/(Loss) before tax	(5,305,209)	331,632	(5,636,841)	(1,699.73)
Profit/(Loss) after tax attributable to members	(5,855,329)	849,232	(6,704,561)	(789.49)

\* Gross Sales is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the total value of transactions processed by MyDeal.com.au (including marketplace and private label), on a cash basis, before deducting refunds, chargebacks, discounts and coupons, but after deducting GST.

\*\* EBITDA is a financial measure which is not prescribed by AAS and represents the profit under AAS adjusted for depreciation, amortisation, interest and tax. Adjusted EBITDA is EBITDA adjusted to exclude share-based payments and transaction costs associated with the Group's IPO.

The Directors consider that these metrics are useful in gaining an understanding of the performance of the Group, consistent with internal reporting.

#### Dividends

There were no dividends paid, recommended or declared during the current financial period.

Further information on the 'Review of operations' is detailed in the Directors' report which is part of the Financial Report.

#### 3. NET TANGIBLE ASSETS

	30 June 2021 (cents)	30 June 2020 (cents)
Net tangible assets per ordinary security	11.16	0.32

The net tangible assets per ordinary share amount is calculated based on 258,827,306 ordinary shares on issue as at 30 June 2021 for the reporting and comparative period. The number of shares used in the comparative period has been adjusted retrospectively as a result of the capitalisation and share split undertaken during the current period.

#### 4. CONTROL GAINED OR LOST OVER ENTITIES

Not applicable.

**5. DIVIDENDS**

**Current period**

There were no dividends paid, recommended or declared during the current financial period.

**Previous period**

There were no dividends paid, recommended or declared during the previous financial period.

**6. DIVIDEND REINVESTMENT PLANS**

Not applicable.

**7. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES**

Not applicable.

**8. FOREIGN ENTITIES**

Details of origin of accounting standards used in compiling the report.

Not applicable.

**9. AUDIT QUALIFICATION OR REVIEW**

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unqualified opinion has been issued.

**10. ATTACHMENTS**

Details of attachments (if any):

The Financial Report of MyDeal.com.au Limited for the year ended 30 June 2021 is attached.

**11. SIGNED**

Details of attachments (if any):

Signed on behalf of the Directors.

A handwritten signature in black ink, appearing to be 'P. Greenberg', written over a horizontal line.

**Paul Greenberg**  
Chairman

Melbourne  
25 August 2021

The background of the entire page features large, light blue, stylized letters 'M' and 'U' arranged in a repeating pattern. The 'M' letters are positioned on the left and right sides, while the 'U' letters are in the center, creating a grid-like visual effect.

# Consolidated Financial Report

FOR THE YEAR ENDED  
30 JUNE 2021

**MjDeal**

# MYDEAL.COM.AU LIMITED

## CONSOLIDATED FINANCIAL REPORT

For the year ended 30 June 2021

MyDeal.com.au Limited

And controlled entities

ABN: 60 640 108 130

MYDEAL.COM.AU LIMITED AND CONTROLLED ENTITIES

FINANCIAL REPORT FOR THE YEAR ENDED

30 JUNE 2021

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# Directors' Report

The directors present their report together with the financial report of the consolidated entity consisting of MyDeal.com.au Limited ("the Company") and the entities it controlled ("the Group"), for the financial year ended 30 June 2021 and auditor's report thereon.

## DIRECTORS

The names of directors in office at any time during or since the end of the year are:

Paul Greenberg – Chairman (appointed 10 August 2020)  
Sean Senvirtne – Chief Executive Officer and Executive Director  
James Joughin – (appointed 10 August 2020)  
Christopher Tait – (appointed 10 August 2020)

The directors have been in office since the start of the year to the date of this report unless otherwise stated.

## PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year were the operation of an online retail marketplace.

There has been no significant change in the nature of these activities during the financial year.

## RESULTS

The consolidated loss after income tax attributable to the members of the Group was \$5,855,329 (2020: profit after tax \$849,232).

## REVIEW OF OPERATIONS

MyDeal.com.au Limited ("MyDeal.com.au") has delivered record Gross Sales of \$218.1 million (FY20: \$103.3 million), Net transaction value ("NTV") of \$204.6 million (FY20: \$94.0 million) and Gross Profit of \$33.3 million (FY20: \$15.3 million) for the year ended 30 June 2021 representing growth over the prior corresponding period of 111%, 118% and 119% respectively.

The Group recorded an EBITDA loss of \$4.4 million in FY21 (FY20: \$0.7 million profit) primarily due to a planned increase in advertising and promotional activity to support the Group's focus on customer acquisition and investment in the private label business.

Adjusted EBITDA which excludes the impact of transaction costs of \$0.4 million related to the Group's initial public offering was negative \$4.0 million.

MyDeal.com.au recorded a statutory loss before tax attributable to members of the Group of \$5.3 million (FY20: profit before tax \$0.3 million) and statutory loss after tax attributable to shareholders of \$5.9 million (FY20: profit after tax \$0.85 million).

The key drivers of performance in the year to 30 June 2021 were:

- Gross sales: the increase in Gross Sales was driven by continued growth in the Groups' active customer base which reached 894,225 at 30 June 2021, representing growth in excess of 83% year on year. Additionally, orders from repeat customers increased to 59.4% in Q4 FY21 up from 44.8% for the same time last year.
- Gross profit: Gross profit as a percentage of net transaction value (NTV) was stable at 16.3% (FY20: 16.2%) after including the recognition of cost of sales relating to the private label range.

# Directors' Report

continued

- **Private Label:** The Group is executing on its strategy to increase private label as a percentage of Gross Sales (Q4 FY21 5.2% of Gross Sales<sup>1</sup>) supported by investment in inventory during the year of \$4.9 million and expansion of the range to over 400 SKUs. The Group remains very excited about the growth and margin expansion opportunities this product range presents.
- **Operating Costs:** Operating costs increased during the period driven by an increase in advertising from 9.13% to 11.26% of NTV to support its customer acquisition strategy. Fixed costs<sup>2</sup> as a percentage of NTV decreased from 5.6% to 4.5%.
- From a balance sheet perspective, the Group remains well capitalised with a cash balance of \$42.7 million at June 2021. The Group recognised a tax expense during the period of \$0.6 million resulting from the derecognition of prior year deferred tax assets during the period.

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

MyDeal.com.au became the holding Company of the Group replacing E-Com (Aus) Pty Ltd ("E-Com") following a corporate restructure which was implemented on 18 September 2020 ("the Restructure"). Under the Restructure, the shareholders in E-Com exchanged their shares in E-Com for a proportionate number of shares in MyDeal.com.au Limited. The Restructure has been accounted for as a capital re-organisation. The financial statements of the Group present a continuation of the historical financial statements of E-Com and its controlled entities.

The Group raised \$40.0 million in an IPO of its shares in October 2020. Of this amount approximately \$5.0 million related to sell down shares. The residual proceeds provide the Group with funding to execute its growth strategy as outlined in the Group's prospectus including investment in personnel, advertising, inventory, working capital and the payment of the associated costs of the offer.

The Group also converted an outstanding convertible note of \$3.5 million to 4.3 million shares at the same time as the IPO.

On 22 October 2020, MyDeal.com.au Limited was admitted to the Official List of ASX Limited with the ASX code MYD.

There were no significant changes in the Group's state of affairs that occurred during the financial period, other than those referred to elsewhere in this report.

## SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

## LIKELY DEVELOPMENTS

The Group will not be providing earnings guidance for the FY22 year. However, the Group will provide regular business updates during the period. July 2021 unaudited management accounts show positive year on year Gross Sales growth and the Group will remain focussed on customer acquisition and expanding its private label business during FY22.

## ENVIRONMENTAL REGULATION

The Group's operations are not subject to any significant environmental Commonwealth or State regulations or laws.

## DIVIDEND PAID, RECOMMENDED AND DECLARED

No dividends were paid, declared or recommended since the start of the financial year.

<sup>1</sup> Q4 Private label revenue as a percentage of Q4 group gross sales.

<sup>2</sup> Fixed costs include all costs excluding distribution, marketing, merchant fees, finance costs, tax and IPO transaction costs.

## SHARE OPTIONS GRANTED TO DIRECTORS AND OFFICERS

Options over unissued ordinary shares granted by MyDeal.com.au Limited during or since the financial year end, including options granted to directors and KMP of the Group (other than the directors), were as follows:

<b>Total options granted</b>	<b>11,845,000</b>
<b>Directors</b>	<b>Options granted</b>
Paul Greenberg	400,000
James Joughin	210,000
Chris Tait	210,000
Sean Senvirtne	4,000,000
<b>Executives</b>	<b>Options granted</b>
Joshua Mangan	800,000
Lachlan Freeman	200,000

Further details regarding options granted as remuneration to key management personnel are provided in the Remuneration Report below.

## SHARES UNDER OPTION

Unissued ordinary shares of MyDeal.com.au Limited under option at the date of this report are as follows:

Date options granted	Number of unissued ordinary shares under option	Issue price of shares	Expiry date of the options
29/6/2021	5,895,000	\$1.0	29/06/2026
29/6/2021	350,000	\$1.0	17/10/2027
29/6/2021	1,405,000	\$1.0	29/06/2031
29/6/2021	450,000	\$1.5	29/06/2031
29/6/2021	1,000,000	\$0.2	17/10/2027
29/6/2021	2,570,000	\$0.2	29/06/2028
29/6/2021	175,000	\$0.2	29/06/2031

No option holder has any right under the options to participate in any other share issue of the Group.

## SHARES ISSUED ON EXERCISE OF OPTIONS

No shares were issued during the reporting period or up to the date of this report on exercise of options.

# Directors' Report

continued

## INFORMATION ON DIRECTORS AND COMPANY SECRETARY

The qualifications, experience and special responsibilities of each person who has been a director of MyDeal.com.au Limited at any time during or since 1 July 2020 is provided below, together with details of the company secretary as at the year end.

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### Paul Greenberg

#### Non-Executive Chairman

Paul is an entrepreneur, an online retail expert with over 35 years' experience in retail, technology and entrepreneurship. He is also a registered psychologist with a keen interest in consumer psychology.

Paul is widely regarded as the pioneer of online retail in Australia, having co-founded DealsDirect.com.au in 2004, which grew to become the single largest online retailer in Australia at the time. After the business was sold to private equity, he went on to establish NORA (National Online Retailers Association Pty Ltd), a business network that supports online retail and e-commerce. Paul is also a Director of the National Retail Association and holds an international post as Vice President of FIRA (Federation of International Retail Associations).

Paul holds a Bachelor of Arts (Psych) and Bachelor of Business Administration (Honours) from the University of Cape Town and University of Stellenbosch respectively.

Paul is a member of the Australian Institute of Company Directors and Australian Psychological Society.

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#### Board Committee membership:

Member of the Audit and Risk Committee

Member of the Remuneration and Nomination Committee

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#### Other current Directorships:

Director of National Retail Association

Vice President of Federation of International Retail Associations

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#### Directorships of other listed companies within the past three years:

N/A

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### James Joughin

#### Non-Executive Director

James brings over 30 years of general corporate experience, having been a senior partner of Ernst & Young until 2013. He was a partner of that firm for 17 years and headed the Mergers and Acquisitions division in Melbourne.

James has been the Chairman of the ASX listed Spirit Telecom (ASX:STI) since 16 June 2016, and holds a number of other directorships including at Viridian Financial Group Ltd, and Melbourne Institute of Technology Pty Ltd.

James Joughin holds a Bachelor of Business from RMIT University and is a Certified Practicing Accountant (CPA). James is also a member of the Australian Institute of Company Directors (GAICD).

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#### Board Committee membership:

Chair of the Audit and Risk Committee

Member of the Remuneration and Nomination Committee

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#### Other current Directorships:

Chairman of Spirit Telecom (ASX:STI) since 16 June 2016

Director of Bio-Gene Technology Limited (ASX: BGT) since 1 March 2021

Director of Viridian Financial Group Ltd

Director of Melbourne Institute of Technology Pty Ltd

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#### Directorships of other listed companies within the past three years:

None

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<b>Chris Tait</b> <b>Non-Executive Director</b>	<p>Chris has over 25 years' experience advising both local and multinational companies. Chris became the head of Strategy and Acquisitions for WH Smith PLC, before moving to Melbourne to become the regional CFO for WH Smith Asia Pacific.</p> <p>Chris then became a founder of Henslow, the Corporate Adviser to MyDeal. Chris' skills focus on general strategic advice, mergers and acquisitions, private capital raises and transaction structuring.</p> <p>Chris is Chairman of Atomos Limited (ASX:AMS), and Henslow investee company, Credo Holdings Pty Ltd.</p> <p>Chris holds a BSc in Economics and Accountancy from City, University of London and is qualified as a Chartered Accountant from the Institute of Chartered Accountants in England &amp; Wales.</p> <p><b>Board Committee membership:</b></p> <p>Member of the Audit and Risk Committee Chair of the Remuneration and Nomination Committee</p> <p><b>Other current Directorships:</b></p> <p>Director and Chairman of Atomos limited (ASX:AMS) since 13 May 2020 Chairman of Credo Holdings Pty Ltd</p> <p><b>Directorships of other listed companies within the past three years:</b></p> <p>None</p>
<b>Sean Senvirtne</b> <b>Chief Executive Officer</b>	<p>Sean is the founder and CEO of MyDeal, and since inception has led the organisation to over \$218m Gross Sales in FY2021.</p> <p>Prior to MyDeal, Sean ran several other online businesses including an online directory for restaurants, bars and nightclubs.</p> <p>Sean was named Business Leader of the Year at the Optus My Business Awards in 2016, as well as being named a finalist for Young Executive of the Year by The CEO Magazine.</p> <p><b>Board Committee membership:</b></p> <p>None</p> <p><b>Other current Directorships:</b></p> <p>None</p> <p><b>Directorships of other listed companies within the past three years:</b></p> <p>None</p>
<b>Vanessa Chidrawi</b> <b>Company secretary</b>	<p>Vanessa Chidrawi is a highly experienced governance professional, with a portfolio of domestic and international clients across various sectors. She had 12 years' private practice experience in commercial law and litigation, practicing for her own account in Johannesburg. Over the past 15 years, she has acted as General Counsel and Company Secretary for ASX200 and TSX-listed companies and has held senior executive positions in the mining industry across Australia and S-E Asia. Ms Chidrawi holds Bachelor of Law and Bachelor of Commerce qualifications and brings with her a wealth of experience in corporate governance, mergers and acquisitions, board advisory and capital raising in the listed company space. She currently acts as company secretary and governance advisor to 6 ASX-listed companies, including FINEOS Corporation plc and Wisr Limited.</p>

# Directors' Report

continued

## DIRECTORS' MEETINGS

The number of meetings of the board of directors and of each board committee held during the financial year and the numbers of meetings attended by each director were:

	Board of Directors		Audit Committee		Remuneration & Nomination Committee	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Paul Greenberg	7	7	4	4	2	2
James Joughin	7	7	4	4	2	2
Chris Tait	7	7	4	4	2	2
Sean Senvirtne	7	7	4	4	2	2

## DIRECTORS' INTERESTS IN SHARES OR OPTIONS

Directors' relevant interests in:	Ordinary shares of MyDeal.com.au Limited	Options over shares in MyDeal.com.au Limited
Paul Greenberg	1,687,855	400,000
James Joughin	128,261	210,000
Chris Tait	132,065	210,000
Sean Senvirtne	126,967,347	4,000,000

## INDEMNIFICATION AND INSURANCE OF DIRECTORS, OFFICERS AND AUDITORS

The Group has entered into deeds of indemnity, access and insurance with each Director. Under these deeds, the Group has agreed to indemnify, to the extent permitted by the *Corporations Act 2001*, each Director in respect of certain liabilities which the Director may incur as a result of or by reason of (whether solely or in part), being or acting as an officer of the Group. These liabilities include losses or liabilities incurred by the Director to any other person as an officer of the Group, including legal expenses. The Group has also agreed to maintain in favour of each officer a directors' and officers' policy of insurance for the period that they are officers and for seven years after they cease to act as officers.

Further disclosure required under section 300(9) of the *Corporations Act 2001* is prohibited under the terms of the contract.

## PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied for leave of Court to bring proceedings on behalf of MyDeal.com.au Limited or any of its subsidiaries.

## AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* in relation to the audit for the financial year is provided with this report.

## NON-AUDIT SERVICES

Non-audit services are approved by resolution of the audit committee and approval is provided in writing to the board of directors. Non-audit services were provided by the auditors of entities in the consolidated group during the year, namely Pitcher Partners Melbourne, network firms of Pitcher Partners, and other non-related audit firms, as detailed below.

The directors are satisfied that the provision of the non-audit services during the year by the auditor is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by MyDeal.com.au Limited and have been reviewed and approved to ensure they do not impact on the integrity and objectivity of the auditor; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for MyDeal.com.au Limited or any of its related entities, acting as an advocate for MyDeal.com.au Limited or any of its related entities, or jointly sharing risks and rewards in relation to the operations or activities of MyDeal.com.au Limited or any of its related entities.

	2021 \$	2020 \$
<b>Amounts paid and payable to Pitcher Partners Melbourne for non-audit services:</b>		
Taxation services	72,600	5,250
<b>Total auditor's remuneration for non-audit services</b>	<b>72,600</b>	<b>5,250</b>

## TRUE AND FAIR VIEW

### Non IFRS Measures

Throughout this report, MyDeal.com.au has included certain non-IFRS financial information, including Gross Sales, Net Transaction Value, EBITDA and adjusted EBITDA. MyDeal.com.au believes that these non-IFRS measures provide useful information to recipients for measuring the underlying operating performance of MyDeal.com.au Limited's business. Non-IFRS measures have not been subject to audit, or review.

The table below provides details of the Non-IFRS measures used in this report.

Gross Sales	Gross transaction value, on a cash basis, of products and services sold
Net Transaction Value (NTV)	Net transaction value represents Gross Sales after deducting refunds, chargebacks, discounts and coupons
EBITDA	Earnings before interest, tax, depreciation and amortisation
Adjusted EBITDA	Earnings before interest, tax, depreciation and amortisation, share-based payment expense and non-recurring transaction costs associated with the Group's IPO

## ROUNDING OF AMOUNTS

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' Report and in the financial report have been rounded to the nearest dollar.

## AFTER BALANCE DATE EVENTS

There has been no matter or circumstance, which has arisen since 30 June 2021 that has significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2021, of the group, or
- the results of those operations, or
- the state of affairs, in financial years subsequent to 30 June 2021, of the group.

# Directors' Report

continued

## REMUNERATION REPORT (AUDITED)

The directors present the Group's 2021 remuneration report which details the remuneration information for MyDeal.com.au Limited's executive directors, non-executive directors and other key management personnel.

The report is structured as follows:

- (A) Key management personnel (KMP) covered in this report
- (B) Remuneration policy and link to performance
- (C) Remuneration expenses for KMP
- (D) Contractual arrangements for executive KMP
- (E) Non-executive Director arrangements
- (F) Other statutory information

### A. Key management personnel (KMP) covered in this report

(i) Directors	Period of Responsibility	Position
Paul Greenberg	Appointed 10 August 2020	Chairman – Non-Executive
James Joughin	Appointed 10 August 2020	Director – Non-Executive
Chris Tait	Appointed 10 August 2020	Director – Non-Executive
Sean Senvirtne	Appointed 2 April 2020 <sup>3</sup>	Director and Chief Executive Officer

(ii) Executives		
Josh Mangan	Appointed 16 September 2020 <sup>4</sup>	Chief Operating Officer
Lachlan Freeman	Appointed 11 January 2021	Chief Financial Officer

There have been no changes to KMP after 30 June 2021 and the date the financial report was authorised for issue.

### B. Remuneration policy and link to performance

Our Remuneration and Nomination committee is made up of non-executive directors. The committee reviews and determines our remuneration policy and structure annually to ensure it remains aligned to business needs, and meets our remuneration principles. In particular, the board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the Group to attract and retain key talent,
- aligned to the Group's strategic and business objectives and the creation of shareholder value,
- transparent and easily understood, and
- acceptable to shareholders.

#### Remuneration Framework

Element	Purpose	Performance Metrics
Fixed Remuneration ('FR')	Provide competitive market salary including superannuation and non-monetary benefits	N/A.

<sup>3</sup> Sean Senvirtne was previously employed by E-Com (AUS) Pty Ltd (appointed 5 April 2011), now a subsidiary of MyDeal.com.au Limited.

<sup>4</sup> Joshua Mangan was previously employed by E-Com (AUS) Pty Ltd (appointed 2 November 2017), now a subsidiary of MyDeal.com.au Limited.

Element	Purpose	Performance Metrics
STI	Reward for in-year performance	<p>In FY21 STIs were in the form of cash.</p> <p>STI's were measured on the achievement of both financial and non-financial KPIs.</p> <p>In FY22 the Remuneration and Nomination Committee will formulate appropriate measures against which performance is measured in relation business level strategic priorities.</p>
LTI	Alignment to long-term shareholder value	<p>In FY21 LTIs were in the form of options in the Group.</p> <p>The LTI is designed to assist in the motivation and retention of selected employees and to align the interest of eligible participants with those of the Company and its shareholders. Options were issued with vesting criteria including either share price hurdles, service conditions or a combination of both.</p> <p>In FY22 the Remuneration and Nomination Committee will formulate appropriate measures in relation to shareholder returns and company performance.</p>

#### Assessing performance and claw-back of remuneration

The Remuneration and Nomination committee is responsible for assessing performance against KPIs and determining the STI and LTI to be paid.

In the event of serious misconduct or a material misstatement in the Group's financial statements, the remuneration committee can claw back performance-based remuneration paid in previous financial years.

#### Reliance on external remuneration consultants

Given the early stage of the Group's listing, the Group has not officially engaged external remuneration consultants. The Board has taken legal advice on remuneration practices.

## GROUP PERFORMANCE

The following table summarises the Group's performance and key performance indicators

	2021	2020	2019	2018	2017
Revenue	38,389,222	15,762,675	5,400,884	5,730,169	3,577,580
% increase/(decrease) in revenue	144%	192%	(6%)	60%	60%
Profit/(loss) before tax	(5,305,209)	331,632	(417,749)	(1,273,729)	(2,120,952)
% (Decrease)/increase in profit before tax	(1700%)	179%	67%	40%	(180%)
Change in share price (%)	–	–	–	–	–
Dividend paid to shareholders	–	–	–	–	–
Return of capital	–	–	–	–	–
Total remuneration of KMP	1,399,227	516,215	146,748	58,720	235,088
Total performance based remuneration	275,960	104,662	–	–	–

# Directors' Report

continued

## C. Remuneration expenses for key management personnel

(a) Directors' remuneration:

		Short-Term				Post-employment			Long-term	Share-based payments <sup>5</sup>	TOTAL	Total performance-related	Options as % of total
		Salary fees \$	Cash bonus \$	Non-monetary \$	Other \$	Superannuation \$	Retirement benefits \$	Termination benefits \$	Incentive plans \$	Options \$		\$	%
<b>2021</b>													
Paul Greenberg	83,714	-	-	-	-	7,953	-	-	-	88	91,755	0.1	0.1
James Joughin	45,662	-	-	-	-	4,338	-	-	-	48	50,048	0.1	0.1
Chris Tait	50,000	-	-	-	-	-	-	-	-	48	50,048	0.1	0.1
	179,376	-	-	-	-	12,291	-	-	-	184	191,851	0.1	0.1
<b>2020</b>													
Paul Greenberg	-	-	-	-	-	-	-	-	-	-	-	-	-
James Joughin	-	-	-	-	-	-	-	-	-	-	-	-	-
Chris Tait	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-

5 The value of options granted to directors and key management personnel as part of their annual remuneration is calculated as at the grant date. The amounts disclosed as part of remuneration for the financial year have been determined by allocating the grant date value on a straight-line basis over the period from grant date to the lesser of actual vesting date or 5 years.

(b) Executives' remuneration:

	Short-Term				Post-employment			Long-term		Share-based payments <sup>6</sup>		Total performance-related		Options as % of total
	Salary fees \$	Cash bonus \$	Non-monetary \$	Other <sup>7</sup> \$	Superannuation \$	Retirement benefits \$	Termination benefits \$	Incentive plans \$	Options \$	TOTAL	\$	%	%	
<b>2021</b>														
Sean Senvirtne	360,870	157,879	10,322	117,667	42,631	-	-	-	1,768	691,137		23.1		0.3
Josh Mangan	227,500	80,738	-	13,051	25,673	-	-	-	343	347,305		23.3		0.1
Lachlan Freeman	111,474	35,000	-	11,822	10,590	-	-	-	48	168,934		20.7		0.0
	699,844	273,617	10,322	142,540	78,894	-	-	-	2,159	1,207,376		22.8		0.2
<b>2020</b>														
Sean Senvirtne	216,754	101,662	-	-	30,250	-	-	-	-	348,666		29.2		-
Josh Mangan	149,690	3,000	-	353	14,506	-	-	-	-	167,549		1.8		-
Lachlan Freeman	-	-	-	-	-	-	-	-	-	-		-		-
	366,444	104,662	-	353	44,756	-	-	-	-	516,215		20.3		-

<sup>6</sup> The value of options granted to directors and key management personnel as part of their annual remuneration is calculated as at the grant date. The amounts disclosed as part of remuneration for the financial year have been determined by allocating the grant date value on a straight-line basis over the period from grant date to the lesser of actual vesting date or 5 years.

<sup>7</sup> Other includes car parking benefits and the net increase in annual and long service leave entitlements.

# Directors' Report

continued

## D. Contractual arrangements for KMP

### Executive employment agreements

Remuneration arrangements for executives are formalised in employment agreements. The following outlines the details of contracts with executives:

#### Chief Executive Officer (CEO) and Founder

Sean Senvirtne is the founder of the business and was contracted on a permanent basis from 2 April 2020 by MyDeal.com.au Limited<sup>8</sup>. His permanent contract was renewed on 16 September 2020.

Under the terms of the current contract:

- The CEO receives fixed remuneration of \$350,000 per annum, and in addition, 9.5% in superannuation entitlements.
- The CEO is eligible to participate in the Group's STI plan in accordance with the rules of the Plan, to be paid in cash.
- The CEO is eligible to participate in the Group's LTI plan on terms determined by the Board, in accordance with the rules of the Group's equity incentive plan.

#### Chief Operating Officer (COO)

Josh Mangan was contracted by MyDeal.com.au Limited on a permanent basis from 16 September 2020<sup>9</sup>.

Under the terms of the current contract:

- The COO receives fixed remuneration of \$250,000 per annum, and in addition, 9.5% in superannuation entitlements.
- The COO is eligible to participate in the Group's STI plan in accordance with the rules of the Plan, to be paid in cash.
- The COO is eligible to participate in the Group's LTI plan on terms determined by the Board, in accordance with the rules of the Group's equity incentive plan.
- The COO receives the provision of a free car parking space within the proximity of the Group's head office or reimbursement of same

#### Chief Financial Officer (CFO)

Lachlan Freeman was employed on a permanent basis from 11 January 2021.

Under the terms of the current contract:

- The CFO receives fixed remuneration of \$235,000 per annum, and in addition, 9.5% in superannuation entitlements.
- The CFO is eligible to participate in the Group's STI plan in accordance with the rules of the Plan, to be paid in cash.
- The CFO is eligible to participate in the Group's LTI plan on terms determined by the Board, in accordance with the rules of the Group's equity incentive plan.
- The CFO receives the provision of a free car parking space within the proximity of the Group's head office or reimbursement of same

Other key terms of the executive employment arrangements for the CEO, COO and CFO are summarised below:

	Contract term	Resignation	Notice Period Termination for cause	Termination payment
Sean Senvirtne	No fixed term	12 months	Nil	12 months
Josh Mangan	No fixed term	6 months	Nil	6 months
Lachlan Freeman	No fixed term	4 months	Nil	4 months

<sup>8</sup> Sean Senvirtne was previously employed by E-Com (AUS) Pty Ltd (appointed 5 April 2011), now a subsidiary of MyDeal.com.au Limited.

<sup>9</sup> Joshua Mangan was previously employed by E-Com (AUS) Pty Ltd (appointed 2 November 2017), now a subsidiary of MyDeal.com.au Limited.



## E. Non-executive Director arrangements

Non-executive director fees are established relative to the size of the Group and the responsibilities skills and experience of the directors.

In accordance with the Constitution of MyDeal.com.au Limited, the total amount provided to all non-executive directors must not exceed in aggregate in any financial year \$750,000. Additional fees may be payable for consulting services provided by non-executive directors. The Nomination and Remuneration Committee reviews the performance skills and experience of the Board, and the directors' fees on an annual basis.

The current non-executive directors' fee structure is set out below:

	Cash fee paid to chair	Cash fee paid to member(s)
Board	\$100,000	\$60,000

In addition to the above, as outlined in the Group's prospectus, the Group established a non-executive directors equity plan to assist in motivation, retention and reward of non-executive directors in the Group. Pursuant to the plan, non-executive directors were entitled to receive options.

Refer below for details.

# Directors' Report

continued

## F. Other Statutory Information – Key management personnel's share-based compensation

### (a) Details of compensation Options

Terms and conditions for each grant													
2021	Grant date	Number granted	Fair value per option at grant date	Number vested during the year	Year in which option may be vested	Fair value of exercised options during the year % Vested	Number lapsed during the year	Year lapsed options were granted	Amount paid or payable for exercised options	Exercise price \$	Expiry date	First exercise date	Last exercise date
Directors													
Paul Greenberg	29/6/21	50,000	0.145	-	2022	-	-	-	-	1.0	29/06/2026	-	-
Paul Greenberg	29/6/21	150,000	0.145	-	2022	-	-	-	-	1.0	20/10/2027	-	-
Paul Greenberg	29/6/21	150,000	0.120	-	2023	-	-	-	-	1.5	20/10/2028	-	-
Paul Greenberg	29/6/21	50,000	0.135	-	2024	-	-	-	-	1.5	20/10/2029	-	-
James Joughin	29/6/21	10,000	0.145	-	2022	-	-	-	-	1.0	29/06/2026	-	-
James Joughin	29/6/21	100,000	0.145	-	2022	-	-	-	-	1.0	20/10/2027	-	-
James Joughin	29/6/21	100,000	0.120	-	2023	-	-	-	-	1.5	20/10/2028	-	-
Chris Tait	29/6/21	10,000	0.145	-	2022	-	-	-	-	1.0	29/06/2026	-	-
Chris Tait	29/6/21	100,000	0.145	-	2022	-	-	-	-	1.0	20/10/2027	-	-
Chris Tait	29/6/21	100,000	0.120	-	2023	-	-	-	-	1.5	20/10/2028	-	-
Executives													
Sean Senvirtne	29/6/21	3,000,000	0.145	-	2022	-	-	-	-	1.0	29/06/2026	-	-
Sean Senvirtne	29/6/21	1,000,000	0.410	-	2022	-	-	-	-	0.2	20/10/2027	-	-
Josh Mangan	29/6/21	350,000	0.175	-	2023	-	-	-	-	1.0	29/06/2026	-	-
Josh Mangan	29/6/21	450,000	0.420	-	2023	-	-	-	-	0.2	29/06/2028	-	-
Lachlan Freeman	29/6/21	200,000	0.175	-	2023	-	-	-	-	1.0	29/06/2031	-	-
		- 5,820,000		-	-	-	-	-	-	-	-	-	-

(b) Shares issued on exercise of compensation options

	Number issued	Amount paid per share \$	Amount unpaid per share \$
<b>2021</b>			
<b>Directors</b>			
Paul Greenberg	–	–	–
James Joughin	–	–	–
Chris Tait	–	–	–
<b>Executives</b>			
Sean Senvirtne	–	–	–
Josh Mangan	–	–	–
Lachlan Freeman	–	–	–
	–	–	–

**G. Other Statutory Information – Key management personnel's equity holdings**

(a) Number of options held by key management personnel

2021	Balance 01/07/20	Granted as remuneration	Options exercised*	Other changes (net)*	Balance 30/06/21	Total vested 30/06/21	Total vested and exercisable 30/06/21	Total vested and unexercisable 30/06/21
<b>Directors</b>								
Paul Greenberg	–	400,000	–	–	400,000	–	–	–
James Joughin	–	210,000	–	–	210,000	–	–	–
Chris Tait	–	210,000	–	–	210,000	–	–	–
<b>Executives</b>								
Sean Senvirtne	–	4,000,000	–	–	4,000,000	–	–	–
Josh Mangan	–	800,000	–	–	800,000	–	–	–
Lachlan Freeman	–	200,000	–	–	200,000	–	–	–
	–	5,820,000	–	–	5,820,000	–	–	–

\* Note: Net change includes options forfeit.

# Directors' Report

continued

## (b) Number of shares held by key management personnel (consolidated)

2021	Balance 1/07/20	Received as Remuneration	Received on the exercise of options	Other changes (net)	Total balance at 30/06/21	Number held nominally at 30/6/21
<b>Directors</b>						
Paul Greenberg	–	–	–	1,687,855	1,687,855	–
James Joughin	–	–	–	128,261	128,261	–
Chris Tait	–	–	–	132,065	132,065	–
<b>Executives</b>						
Sean Senvirtne	79,110,124	–	–	47,857,223	126,967,347	–
Josh Mangan	–	–	–	15,000	15,000	–
Lachlan Freeman	–	–	–	–	–	–
	79,110,124	–	–	49,820,404	128,930,528	–

## H. Other transactions with key management personnel

During the year the following KMP transactions occurred:

Paul Greenberg, Non Executive Chairman, is a shareholder in RetailTech Capital Pty Limited ACN 639 392 368. During the year RetailTech entered into a contractor agreement with E-Com in respect of the provision of consultancy services in connection with the IPO and received \$20,000, excluding GST. These consultancy services terminated on listing.

Chris Tait is a shareholder and Director of Henslow. Henslow entered into an agreement on 15 July 2020 with E-Com to act as Corporate Adviser to the Group in respect of the IPO. Henslow was retained as the Corporate Adviser to the Group and was paid a retainer of \$60,000 and a success fee of \$300,000 during the year ended 30 June 2021.

## I. Voting and comments made at the Group's 2021 Annual General Meeting (AGM)

Following listing on the ASX in October 2020, MyDeal.com.au Limited will put its remuneration report to the Group's AGM in November 2021.

— end of the Remuneration Report —

Signed in accordance with a resolution of the directors.



**Paul Greenberg**

Chairman

Melbourne

25 August 2021

# Auditor's Independence Declaration

To the Directors of MyDeal.com.au Limited



MYDEAL.COM.AU LTD  
ABN 60 640 108 130

## AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF MYDEAL.COM.AU LTD

In relation to the independent audit for the year ended 30 June 2021, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) No contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of MyDeal.com.au Ltd and the entities it controlled during the year.

A handwritten signature in black ink, appearing to read "S. Schonberg".

S SCHONBERG  
Partner

25 August 2021

A handwritten signature in black ink, appearing to be a stylized "P" followed by a flourish.

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# Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2021

	Notes	2021 \$	2020 \$
<b>Continuing operations</b>			
<b>Revenue and other income</b>			
Revenue from contracts with customers	4	38,271,998	15,335,680
Cost of sales	5	(4,926,100)	(84,094)
Gross profit		33,345,898	15,251,586
Other revenue	6	117,224	426,995
<b>Less: Expenses</b>			
Advertising expense		(23,032,201)	(8,575,077)
Depreciation and amortisation expense	7	(751,657)	(286,228)
Distribution expense		(2,789,787)	(23,414)
Employee benefits expense	7	(5,052,221)	(2,908,672)
Finance costs	7	(104,502)	(51,309)
Merchant fees		(3,236,011)	(1,472,908)
Occupancy expense		(80,993)	(74,496)
Professional fees		(843,799)	(480,537)
Software expenses		(1,984,092)	(1,147,445)
Other expenses		(893,068)	(326,863)
		(38,768,331)	(15,346,949)
<b>Profit/(loss) before income tax expense</b>		<b>(5,305,209)</b>	<b>331,632</b>
Income tax (expense)/benefit	8	(550,120)	517,600
<b>Net Profit/(loss) from continuing operations</b>		<b>(5,855,329)</b>	<b>849,232</b>
Other comprehensive income for the year		–	–
<b>Total comprehensive income</b>		<b>(5,855,329)</b>	<b>849,232</b>
<b>Earnings per share for profit from continuing operations attributable to equity holders of the parent entity:</b>			
Basic earnings per share	25	(0.025)	0.004
Diluted earnings per share	25	(0.025)	0.004

The above statement should be read in conjunction with the accompanying notes.

# Consolidated Statement of Financial Position

As at 30 June 2021

	Notes	2021 \$	2020 \$
<b>Current assets</b>			
Cash and cash equivalents	9	42,674,560	16,808,955
Receivables	10	351,967	736,716
Inventories	11	5,326,581	384,981
Other assets	12	922,099	782,408
<b>Total current assets</b>		<b>49,275,207</b>	<b>18,713,060</b>
<b>Non-current assets</b>			
Intangible assets	15	1,952,469	219,967
Lease assets	14	124,053	280,749
Deferred tax assets	8	–	550,120
Property, plant and equipment	13	261,222	69,395
<b>Total non-current assets</b>		<b>2,337,744</b>	<b>1,120,231</b>
<b>Total assets</b>		<b>51,612,951</b>	<b>19,833,291</b>
<b>Current liabilities</b>			
Payables	16	19,184,989	13,707,294
Lease liabilities	14	154,489	152,326
Borrowings	17	–	–
Current tax Liability	8	–	32,520
Provisions	18	554,092	226,269
Other liabilities	19	823,446	1,385,635
<b>Total current liabilities</b>		<b>20,717,016</b>	<b>15,504,044</b>
<b>Non-current liabilities</b>			
Lease liabilities	14	–	154,482
Borrowings	17	–	3,082,265
Provisions	18	67,377	34,775
<b>Total non-current liabilities</b>		<b>67,377</b>	<b>3,271,522</b>
<b>Total liabilities</b>		<b>20,784,393</b>	<b>18,775,566</b>
<b>Net assets</b>		<b>30,828,558</b>	<b>1,057,725</b>
<b>Equity</b>			
Share capital	20	40,771,727	5,150,102
Reserves	21	4,537	–
Accumulated Losses	22	(9,947,706)	(4,092,377)
<b>Total equity</b>		<b>30,828,558</b>	<b>1,057,725</b>

The above statement should be read in conjunction with the accompanying notes.

# Consolidated Statement of Changes In Equity

For the year ended 30 June 2021

	Contributed equity \$	Reserves \$	Retained losses \$	Total Equity \$
<b>Balance as at 1 July 2019</b>	5,150,102	–	(4,941,609)	208,493
Profit for the year	–	–	849,232	849,232
<b>Total comprehensive income for the year</b>	–	–	849,232	849,232
<b>Balance as at 30 June 2020</b>	5,150,102	–	(4,092,377)	1,057,725
<b>Balance as at 1 July 2020</b>	5,150,102	–	(4,092,377)	1,057,725
Proceeds and cost of raising capital	35,621,625			35,621,625
Employee Share Ownership Plan		4,537		4,537
Profit/(Loss) for the year			(5,855,329)	(5,855,329)
<b>Total comprehensive income for the year</b>	35,621,625	4,537	(5,855,329)	29,770,833
<b>Balance as at 30 June 2021</b>	40,771,727	4,537	(9,947,706)	30,828,558

The above statement should be read in conjunction with the accompanying notes.



# Consolidated Statement of Cash Flows

For the year ended 30 June 2021

	Notes	2021 \$	2020 \$
<b>Cash flow from operating activities</b>			
Receipts from customers		229,381,111	106,603,916
Payments to suppliers and employees		(233,245,212)	(94,626,335)
Interest received		42,139	22,080
Interest paid		(9,881)	(104)
Income Tax Paid		(32,520)	–
<b>Net cash provided by/(used in) operating activities</b>	23	<b>(3,864,363)</b>	<b>11,999,557</b>
<b>Cash flow from investing activities</b>			
Payment for property, plant and equipment		(279,087)	(45,074)
Payment for intangibles		(2,283,365)	(278,733)
<b>Net cash provided by/(used in) investing activities</b>		<b>(2,562,452)</b>	<b>(323,807)</b>
<b>Cash flow from financing activities</b>			
Proceeds from share issue		32,456,811	2,950,000
Repayment of borrowings		–	(24,919)
Repayment of lease principal		(152,319)	(130,638)
Repayment of leases interest		(12,072)	(18,940)
<b>Net cash provided by/(used in) financing activities</b>		<b>32,292,420</b>	<b>2,775,503</b>
<b>Reconciliation of cash</b>			
Cash and cash equivalents at beginning of year		16,808,955	2,357,702
Net increase in cash held		25,865,605	14,451,253
<b>Cash and cash equivalents at end of the year</b>	23	<b>42,674,560</b>	<b>16,808,955</b>

The above statement should be read in conjunction with the accompanying notes.

# Notes to the Financial Statements

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# Notes to the Financial Statements

Year ended 30 June 2020

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICES

The following are the significant accounting policies adopted by the Group in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

### (a) Basis of preparation of the financial report

This financial report is a general purpose financial report that has been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board (AASB).

The financial report covers MyDeal.com.au Limited and its controlled entities as a group. MyDeal.com.au Limited is a Company limited by shares, incorporated and domiciled in Australia. The address of MyDeal.com.au Limited's registered office and principal place of business is Level 1, 446 Collins Street, Melbourne 3000. MyDeal.com.au Limited is a for-profit entity for the purpose of preparing the financial report.

The financial report was approved by the Directors as at the date of the Directors' report.

#### Compliance with IFRS

The financial report also complies with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

#### Historical cost convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

#### Significant accounting estimates and judgements

The preparation of the financial report requires the use of certain estimates and judgements in applying the entity's accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 2 to the consolidated financial statements.

### (b) Going concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group recorded a loss before income tax of \$5,305,209 during the year ended 30 June 2021 (2020: profit before income tax \$331,632).

At 30 June 2021 the Group has net assets of \$30,828,558 (2020: \$1,057,725).

At 30 June 2021 the Group has cash and cash equivalents of \$42,674,560 (2020: \$16,808,955).

The Directors have concluded that the going concern basis is appropriate based on analysis of the Group's recent performance and financial forecasts for the next 12 months from the signing of the Director's report. Forecasts indicate the group will have sufficient cash to pay its debts as and when they fall due.

### (c) Principles of consolidation

The consolidated financial statements are those of the consolidated entity ("the group"), comprising the financial statements of the parent entity and all of the entities the parent controls. The group controls an entity where it has the power, for which the parent has exposure or rights to variable returns from its involvement with the entity, and for which the parent has the ability to use its power over the entity to affect the amount of its returns.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

All inter-group balances and transactions, including any unrealised profits or losses have been eliminated on consolidation. Subsidiaries are consolidated from the date on which control is obtained by the group and are de-recognised from the date that control ceases.

# Notes to the Financial Statements

continued

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICES (continued)

### (d) Revenue from contracts with customers

#### Revenue from contracts with customers

The group derives revenue from the commission on sale of goods, sale of goods, advertising services and subscription fees.

Revenue is recognised as, or when, goods or services are transferred to the customer, and is measured at an amount that reflects the consideration to which the group expects to be entitled in exchange for the goods or services.

Sales Commission comprises commission and transaction fees charged to sellers for every product sold on the marketplace. Transaction fees are recognised at the point of sale and commission fees are recognised upon dispatch of the goods.

Private Label reflects revenue from the sale of goods controlled by the Group prior to transfer and are recognised upon delivery of the goods.

Advertising revenue are fees charged to sellers with respect to promotional activity and are recognised over time when the promotional activity and the Group's service obligations have been performed.

Subscription fees comprise fees charged to sellers to list products on the marketplace and are recognised over time with respect to the period that products are listed.

#### Receivables from contracts with customers

A receivable from a contract with a customer represents the group's unconditional right to consideration arising from the transfer of goods or services to the customer (i.e., only the passage of time is required before payment of the consideration is due). Subsequent to initial recognition, receivables from contracts with customers are measured at amortised cost and are tested for impairment.

### (e) Other revenue and other income

#### Government grants

Government grants, including research and development incentives, are recognised when the grant income can be reliably measured and the conditions attached to them, if any, have been completed.

#### Interest

Interest revenue is measured in accordance with the effective interest method. All revenue is measured net of the amount of goods and services tax (GST).

### (f) Income tax

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities are settled. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

MyDeal.com.au Limited (the 'head entity') and its wholly-owned Australian subsidiaries formed an income tax consolidated group ('tax group') under the tax consolidation regime with effect from 1 July 2020. Each entity in the tax group continues to account for their own current and deferred tax amounts. The tax group has applied the 'group allocation' approach in determining the appropriate amount of taxes to allocate to group members. In addition to its own tax amounts, the head entity also recognises the tax arising from unused tax losses and tax credits from each subsidiary in the tax group.

## **NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICES** (continued)

### **(f) Income tax** (continued)

Assets or liabilities arising under tax funding agreements are recognised as amounts receivable from or payable to other entities in the tax group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

### **(g) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions. Bank overdrafts are shown within payables in current liabilities in the consolidated statement of financial position.

### **(h) Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

### **(i) Financial instruments**

#### **Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

#### **Classification of financial assets**

Financial assets recognised by the group are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the group irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) the group's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

#### **Classification of financial liabilities**

Financial liabilities classified as held-for-trading, contingent consideration payable by the group for the acquisition of a business, and financial liabilities designated at FVtPL, are subsequently measured at fair value.

All other financial liabilities recognised by the group are subsequently measured at amortised cost.

#### **Trade and other receivables**

Trade and other receivables arise from the group's transactions with its customers and are normally settled within 30 days. Consistent with both the group's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

#### **Convertible notes**

Convertible notes are debt instruments that can be converted into ordinary shares of the issuer, by the issuer, on maturity. The convertible notes are classified as financial liabilities in accordance with their contractual terms.

# Notes to the Financial Statements

continued

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICES (continued)

### (i) Financial instruments (continued)

#### Impairment of financial assets

Receivables from contracts with customers are tested for impairment by applying the 'expected credit loss' impairment models.

The group applies the simplified approach under AASB 9 to measuring the allowance for credit losses for receivables from contracts with customers. Under the AASB 9 simplified approach, the group determines the allowance for credit losses for receivables from contracts with customers on the basis of the lifetime expected credit losses of the financial asset. Lifetime expected credit losses represent the expected credit losses that are expected to result from default events over the expected life of the financial asset.

### (j) Leases

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the group recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

#### Lease assets

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the group, and an estimate of costs to be incurred by the group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

#### Lease liabilities

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the group's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

#### Leases of 12-months or less and leases of low value assets

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICES (continued)

### (k) Plant and equipment

Each class of plant and equipment is measured at cost or fair value less, where applicable, any accumulated depreciation and any accumulated impairment losses.

#### Plant and equipment

Plant and equipment is measured at cost, less accumulated depreciation and any accumulated impairment losses.

#### Depreciation

The depreciable amount of all plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

Class of fixed asset	Depreciation rates	Depreciation basis
Motor vehicles at cost	20%	Straight line
Office equipment at cost	25%	Straight line
Computer equipment at cost	33%	Straight line
Leasehold improvements	33%	Straight line

### (l) Intangible assets

#### Separately acquired intangible assets

Except for indefinite useful life intangible assets, which are not amortised but are tested annually for impairment, separately acquired intangible assets are recognised at cost and amortised over their estimated useful lives commencing from the time the asset is available for use. The amortisation method applied to an intangible asset is consistent with the estimated consumption of economic benefits of the asset. Subsequent to initial recognition, separately acquired intangible assets are measured at cost, less accumulated amortisation (where applicable) and any accumulated impairment losses.

#### Internally generated intangible assets

Software development costs are measured at cost less any accumulated amortisation and accumulated impairment losses. Such development costs are only capitalised if they can be reliably measured, the process is technically and commercially feasible, future economic benefits are probable, and the Group has sufficient resources to complete development. Development costs are amortised over the useful life of the asset.

Software development costs are amortised on a straight-line basis over the period of their expected benefit being their finite life of 3-5 years.

### (m) Employee benefits

#### (i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the consolidated statement of financial position.

# Notes to the Financial Statements

continued

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICES (continued)

### (m) Employee benefits (continued)

#### (ii) Long-term employee benefit obligations

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. For currencies in which there is no deep market in such high-quality corporate bonds, the market yields (at the end of the reporting period) on government bonds denominated in that currency are used. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the consolidated statement of financial position if the group does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the consolidated statement of financial position.

#### (iii) Retirement benefit obligations Defined contribution superannuation plan

The group makes superannuation contributions to the employee's defined contribution superannuation plan of choice in respect of employee services rendered during the year. These superannuation contributions are recognised as an expense in the same period when the related employee services are received. The group's obligation with respect to employee's defined contributions entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the consolidated statement of financial position.

#### (iv) Share-based payments

The group operates share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. In respect of share-based payments that are dependent on the satisfaction of performance conditions, the number of shares and options expected to vest is reviewed and adjusted at each reporting date. The amount recognised for services received as consideration for these equity instruments granted is adjusted to reflect the best estimate of the number of equity instruments that eventually vest.

#### (v) Bonus

The group recognises a provision when a bonus is payable in accordance with the discretion and determination of the Remuneration and Nomination Committee, and the amount can be reliably measured.

### (n) Goods and services tax (GST)

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.



## **NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICES** (continued)

### **(o) Comparatives**

MyDeal.com.au Limited became the holding company of the Group replacing E-Com (Aus) Pty Ltd ("E-Com") following a corporate restructure which was implemented on 18 September 2020 ("the Restructure"). Under the Restructure, the shareholders in E-Com exchanged their shares in E-Com for a proportionate number of shares in MyDeal.com.au Limited. The Restructure has been accounted for as a capital re-organisation. The financial statements of the Group present a continuation of the historical financial statements of E-Com and its controlled entities.

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

### **(p) Foreign currency transactions and balances**

#### **Functional and presentation currency**

The financial statements are presented in Australian dollars which is the Group's functional and presentation currency.

#### **Transactions and Balances**

Transactions undertaken in foreign currencies are recognised in the Group's functional currency, using the spot rate at the date of the transaction.

Foreign currency monetary items that are outstanding at the reporting date (other than monetary items arising under foreign currency contracts where the exchange rate for that monetary item is fixed in the contract) are restated to the spot rate at the reporting date.

All exchange gains or losses are recognised in profit or loss for the period in which they arise.

### **(q) Impairment of non-financial assets**

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If an such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGU).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current marketing assessments of the time value of money and the risks specific to the asset or CGU.

### **(r) Cashflow**

Cashflows are recognised on a gross basis reflecting total cash balances transacted by the Group in accordance with AASB 107. From a revenue recognition perspective, the Group determines whether it is a principal or agent for each transaction entered into with its customers in accordance with AASB 15. In general, the Group acts as an agent with respect to transactions where external third-party sellers control goods that are sold on the Group's marketplace and as principal where the Group controls goods before they are transferred to the customer.

### **(s) Rounding of amounts**

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' Report and in the financial statements have been rounded to the nearest dollar.

# Notes to the Financial Statements

continued

## NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Certain accounting estimates include assumptions concerning the future, which, by definition, will seldom represent actual results. Estimates and assumptions based on future events have a significant inherent risk, and where future events are not as anticipated there could be a material impact on the carrying amounts of the assets and liabilities discussed below:

### (a) Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date which they are granted. The fair value of LTI options is determined by using either the Trinomial, Monte Carlo or Black-Scholes models, as appropriate, taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

### (b) Deferred tax

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent it is probable that future taxable profits will be available to utilise those temporary differences and losses. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits, together with future tax planning strategies.

### (c) Impairment of non-financial assets

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether intangible and other non-financial assets have suffered any impairment, in accordance with the stated accounting policy. The recoverable amount of the cash generating unit has been determined based on a value in use calculation. The calculation requires the use of assumptions including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

### (d) Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or other events. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or impaired.

## NOTE 3: FINANCIAL RISK MANAGEMENT

The Group is exposed to the following financial risks:

- Currency risk
- Interest rate risk
- Credit risk
- Liquidity risk

The board of directors has overall responsibility for identifying and managing operational and financial risks.

### NOTE 3: FINANCIAL RISK MANAGEMENT (continued)

#### (a) Currency risk

The Group undertakes transactions denominated in foreign currencies and is exposed to foreign currency risk through foreign exchange rate fluctuations.

The carrying amounts of foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
	2021 AUD\$	2020 AUD\$	2021 AUD\$	2020 AUD\$
United States Dollar denominated	–	–	83,068	21,304
	–	–	83,068	21,304

If foreign exchange rates were to increase/decrease by 5% from the rates prevailing at the reporting date, assuming all other variables remain constant, then the impact on profit for the year and equity would be as follows:

	2021 \$	2020 \$
+/- 5%		
Impact on profit after tax	4,153	1,065
Impact on equity	–	–

Based on this position, the Group is not exposed to any significant foreign currency sensitivity from its existing liabilities.

#### (b) Interest rate risk

The Group has a credit card facility with an available balance of \$30,000. The Group is exposed to interest rate risk in relation to this facility. The Group is not materially exposed to any significant interest rate risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

#### (c) Credit risk

Credit risk is the risk that one counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is not materially exposed to any significant credit risk. All cash and cash equivalents are held by well-established banks, hence the expected default rate for these institutions is highly unlikely based on both financial and non-financial data available. All receivables are neither past due nor impaired.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at the reporting date of recognised financial assets is the carrying amount of those assets, net of any allowance for credit losses, as disclosed in consolidated statement of financial position and notes to the consolidated financial statements.

#### (d) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Group manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows.

The following table outlines the Group's remaining contractual maturities for non-derivative financial liabilities. The amounts presented in the table are the undiscounted contractual cash flows of the financial liabilities, allocated to time bands based on the earliest date on which the Group can be required to pay.

# Notes to the Financial Statements

continued

## NOTE 3: FINANCIAL RISK MANAGEMENT (continued)

### (d) Liquidity risk (continued)

	<6 months \$	6-12 months \$	1-5 years \$	Total contractual cash flows \$	Carrying amount \$
<b>30 June 2021</b>					
Payables	19,184,989	—	—	19,184,989	19,184,989
Borrowings	—	—	—	—	—
Current tax liabilities	—	—	—	—	—
Lease liabilities	99,718	58,169	—	157,887	154,489
Provisions	554,092	—	67,377	621,469	621,469
Other liabilities	823,446	—	—	823,446	823,446
	20,662,245	58,169	67,377	20,787,791	20,784,393
<b>30 June 2020</b>					
Payables	13,707,294	—	—	13,707,294	13,707,294
Borrowings	181,285	3,203,766	—	3,385,051	3,082,265
Current tax Liabilities	32,520	—	—	32,520	32,520
Lease liabilities	77,395	86,997	157,887	322,279	306,808
Provisions	226,269	—	34,775	261,044	261,044
Other liabilities	1,385,635	—	—	1,385,635	1,385,635
	15,610,398	3,290,763	192,662	19,093,823	18,775,566

## NOTE 4: REVENUE FROM CONTRACTS WITH CUSTOMERS

	Notes	2021 \$	2020 \$
<b>Revenue from contracts with customers from continuing operations</b>			
Revenue recognised at a point in time:			
<i>Sales commission</i>		28,055,432	13,983,150
<i>Private label revenue</i>		8,662,981	281,209
		36,718,413	14,264,359
Revenue recognised over time:			
<i>Advertising income</i>		1,240,772	882,625
<i>Subscription fee income</i>		312,813	188,696
		1,553,585	1,071,321
		38,271,998	15,335,680

## NOTE 5: COST OF GOODS SOLD

	Notes	2021 \$	2020 \$
Cost of goods sold		4,926,100	84,094
		4,926,100	84,094

The Group commenced recognition of cost of goods sold in relation to the Group's private label business.

## NOTE 6: OTHER REVENUE AND OTHER INCOME

	Notes	2021 \$	2020 \$
<i>Other revenue</i>			
Interest income		42,138	22,080
App support		30,000	0
Research and development tax incentive		8,844	343,578
COVID-19 – cash flow boost		50,000	50,000
Foreign exchange gain/(loss)		(33,347)	11,337
Profit on sale of assets		19,589	0
		117,224	426,995

# Notes to the Financial Statements

continued

## NOTE 7: PROFIT FROM CONTINUING OPERATIONS

Profit from continuing operations before income tax has been determined after the following specific expenses:

	Notes	2021 \$	2020 \$
<i>IPO Transaction costs</i>			
IPO Transaction costs		493,422	–
		493,422	–
<i>Finance costs</i>			
Convertible notes		92,064	32,265
Lease Liabilities		12,072	18,940
Other		366	104
		104,502	51,309
<i>Depreciation and amortisation</i>			
<i>Depreciation of non-current assets</i>			
Motor vehicles		1,203	14,198
Office furniture and equipment		4,035	8,866
Computer equipment		38,363	15,115
Leasehold improvement		497	
		44,098	38,179
<i>Amortisation of non-current assets</i>			
Leased assets			
Software		156,696	156,697
		550,863	91,352
		707,559	248,049
<i>Total depreciation and amortisation</i>		751,657	286,228
<i>Bad debts</i>		64,948	12,032
<i>Employee benefits</i>		5,052,221	2,908,672
<i>Loss/(Gain) on disposal of plant and equipment</i>		43,162	–

The Group recognised transaction costs with respect to the \$40 million initial public offer and listing on the ASX on 22 October 2020.

In accordance with AASB 132, total transaction costs of \$3,336,632 were recognised in either equity \$2,843,190 or the statement of financial performance \$493,442 during the period. Of the costs recognised in the statement of financial performance \$418,854 have been deemed non-recurring.

## NOTE 8: INCOME TAX

### (a) Components of tax expense:

	Notes	2021 \$	2020 \$
Current tax		–	32,520
Deferred tax		550,120	(550,120)
Under/(over) provision in prior years		–	–
		550,120	(517,600)

### (b) Income tax reconciliation

The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:

	Notes	2021 \$	2020 \$
Prima facie income tax payable on profit before income tax at 26.0% (2020: 27.5%)		(1,379,354)	91,199
Add tax effect of:			
– Other non-allowable items		33,573	12,863
– Research and development expenditure			217,204
– Deferred tax assets previously recognised, derecognised		550,120	
– Deferred tax assets not recognised		1,343,239	
– Change in tax rate		28,942	
– Other differences		19,520	
Under provision for income tax in prior year		–	–
		1,975,394	230,067
Less tax effect of:			
– Non assessable income		17,900	–
– Research and development tax incentive		28,020	94,484
– Deferred tax assets, previously not recognised, utilised		–	718,673
– Other differences		–	25,709
Over provision for income tax in prior years		–	–
		45,920	838,866
Income tax expense attributable to profit/(loss)		550,120	(517,600)

# Notes to the Financial Statements

continued

## NOTE 8: INCOME TAX (continued)

### (c) Deferred tax

Deferred tax relates to the following:

	Notes	2021 \$	2020 \$
<i>Deferred tax assets</i>			
The balance comprises:			
Tax losses carried forward		–	450,858
Employee benefits		–	71,787
Leases		–	7,166
Accruals		–	75,633
Unrealised FX gains		–	2,703
		–	608,147
<i>Deferred tax liabilities</i>			
The balance comprises:			
Property, plant and equipment		–	11,177
Prepayments		–	46,850
		–	58,027
<i>Net deferred tax assets/(liabilities)</i>		–	550,120

### (d) Deferred tax asset not brought to account

	Notes	2021 \$	2020 \$
Temporary differences		516,758	–
Tax losses		2,105,868	–
		2,622,626	–

## NOTE 9: CASH AND CASH EQUIVALENTS

	Notes	2021 \$	2020 \$
Cash on hand		102	102
Cash at bank		40,745,276	15,556,016
Cash on deposit		1,929,182	1,252,837
		42,674,560	16,808,955



## NOTE 10: RECEIVABLES

	Notes	2021 \$	2020 \$
CURRENT			
Receivables from contracts with customers		411,841	310,098
Allowance for credit losses		(66,342)	(17,411)
		345,499	292,687
Research and development tax incentive receivable		–	344,029
		–	344,029
Other receivables		6,468	100,000
		6,468	100,000
		351,967	736,716

30-Jun-21	Not past due	Days Past Due				Total
		<30	31 - 60	61 - 90	>90	
Trade receivables	282,463	16,738	18,575	16,100	11,623	345,499
Other Receivables	6,468	–	–	–	–	6,468
Total	288,931	16,738	18,575	16,100	11,623	351,967

30-Jun-20						
Trade receivables	227,347	22,450	12,073	9,688	21,129	292,687
Other Receivables	444,029	–	–	–	–	444,029
Total	671,376	22,450	12,073	9,688	21,129	736,716

## NOTE 11: INVENTORIES

	Notes	2021 \$	2020 \$
CURRENT			
Stock on hand at cost		4,490,004	319,749
Stock in transit at cost		836,577	65,232
Total inventories		5,326,581	384,981

## NOTE 12: OTHER CURRENT ASSETS

	Notes	2021 \$	2020 \$
Prepayments		878,943	739,252
Other current assets		43,156	43,156
		922,099	782,408

# Notes to the Financial Statements

continued

## NOTE 13: PROPERTY PLANT AND EQUIPMENT

	Notes	2021 \$	2020 \$
<i>Motor vehicle at cost</i>		–	70,835
Less: Accumulated depreciation		–	(52,680)
		–	18,155
<i>Office equipment at cost</i>		56,774	45,544
Less Accumulated depreciation		(41,177)	(37,142)
		15,597	8,402
<i>Computer equipment at cost</i>		307,869	127,533
Accumulated depreciation		(123,057)	(84,695)
		184,812	42,838
<i>Leasehold improvement at cost</i>		61,310	–
Accumulated amortisation		(497)	–
		60,813	–
<i>Total property, plant and equipment at cost</i>		425,953	243,912
Accumulated depreciation and amortisation		(164,731)	(174,517)
Total property, plant and equipment		261,222	69,395

### (a) Reconciliations

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year.

	Notes	2021 \$	2020 \$
<i>Motor Vehicles</i>			
Carrying amount at beginning of year		18,155	32,353
Disposals		(16,952)	–
Depreciation expense		(1,203)	(14,198)
<b>Carrying amount end of year</b>		<b>–</b>	<b>18,155</b>
<i>Office equipment</i>			
Carrying amount at beginning of year		8,402	11,187
Additions		12,884	6,081
Disposals		(1,654)	–
Depreciation expense		(4,035)	(8,866)
<b>Carrying amount end of year</b>		<b>15,597</b>	<b>8,402</b>

**NOTE 13: PROPERTY PLANT AND EQUIPMENT** (continued)**(a) Reconciliations** (continued)

	Notes	2021 \$	2020 \$
<i>Computer equipment</i>			
Carrying amount at beginning of year		42,838	18,960
Additions		204,893	38,993
Disposals		(24,556)	–
Depreciation expense		(38,363)	(15,115)
<b>Carrying amount end of year</b>		<b>184,812</b>	<b>42,838</b>
<i>Leasehold improvement</i>			
Carrying amount at beginning of year		–	–
Additions		61,310	–
Depreciation expense		(497)	–
<b>Carrying amount end of year</b>		<b>60,813</b>	<b>–</b>
<i>Total property, plant and equipment</i>			
Carrying amount at beginning of year		69,395	62,500
Additions		279,087	45,074
Disposals		(43,162)	–
Depreciation expense		(44,098)	(38,179)
<b>Carrying amount end of year</b>		<b>261,222</b>	<b>69,395</b>

**NOTE 14: LEASE ASSETS AND LEASE LIABILITIES**

The following disclosure is applicable to lessees only.

**Lease arrangements (30 June 2021)**

The following information relates to the current reporting period only, and is presented in accordance with AASB 16 Leases.

**(a) Lease assets**

	Notes	2021 \$	2020 \$
Carrying amount of lease assets, by class of underlying asset:			
<i>Buildings under lease arrangements</i>			
At cost		437,446	437,446
Accumulated depreciation		(313,393)	(156,697)
		<b>124,053</b>	<b>280,749</b>

# Notes to the Financial Statements

continued

## NOTE 14: LEASE ASSETS AND LEASE LIABILITIES (continued)

### Lease arrangements (30 June 2021) (continued)

#### (a) Lease assets (continued)

	2021 \$	2020 \$
Reconciliation of the carrying amount of lease assets at the beginning and end of the financial year:		
Opening Balance	280,749	437,446
Depreciation	(156,696)	(156,697)
Closing Balance	124,053	280,749

#### (b) Lease liabilities

	Notes	2021 \$	2020 \$
Current lease liabilities		154,489	152,326
Non-current lease liabilities		–	154,482
Total carrying amount of lease liabilities		154,489	306,808

#### Lease expenses and cashflows

Interest expense on lease liabilities	12,072	18,940
Depreciation expense on lease assets	156,696	156,697
Total cash outflow in relation to leases	164,391	149,579

## NOTE 15: INTANGIBLE ASSETS

	Notes	2021 \$	2020 \$
Customer lists and contracts		949,026	138,347
Less: Accumulated amortisation		(405,577)	(38,729)
		543,449	99,618
Internally generated software		1,077,355	–
Less: Accumulated amortisation		(75,800)	–
		1,001,555	–
Computer software at cost		660,117	
		(252,652)	221,351
Accumulated amortisation and impairment			(101,002)
		407,465	120,349
Net book amount		1,952,469	219,967

**NOTE 15: INTANGIBLE ASSETS** (continued)

Reconciliations of the carrying amounts at the beginning and end of the year ended 30 June 2021 are provided below.

	Customer lists and contracts	Internally generated software	Computer software at cost	Total
Balance at 1 July 2020	99,618	–	120,349	219,967
Additions	783,677	1,077,355	422,333	2,283,365
Amortisation expense	(339,846)	(75,800)	(135,217)	(550,863)
Impairment losses	–	–	–	–
Balance at 30 June 2021	543,449	1,001,555	407,465	1,952,469

**NOTE 16: PAYABLES**

	Notes	2021 \$	2020 \$
CURRENT			
Trade payables		18,150,766	13,165,560
Sundry creditors and accruals		1,034,224	541,734
		19,184,990	13,707,294

**NOTE 17: BORROWINGS**

	Notes	2021 \$	2020 \$
NON-CURRENT			
<i>Unsecured liabilities:</i>			
<i>Convertible Notes</i>		–	3,082,265
		–	3,082,265

**NOTE 18: PROVISIONS**

	Notes	2021 \$	2020 \$
CURRENT			
Employee benefits		554,092	226,269
		554,092	226,269
NON-CURRENT			
Employee benefits		67,377	34,775
		67,377	34,775
Aggregate employee benefits liability		621,469	261,044

# Notes to the Financial Statements

continued

## NOTE 19: OTHER LIABILITIES

	Notes	2021 \$	2020 \$
CURRENT			
Customer deposits received in advance		823,446	1,385,635
		823,446	1,385,635

## NOTE 20: SHARE CAPITAL

### (a) Ordinary Shares

	30 June 2021 \$	30 June 2020 \$	30 June 2021 No.	30 June 2020 No.
	40,771,725	5,150,102	258,827,306	131,788,967

### (b) Movements in ordinary share capital

Details	Date	Shares No.	Issue Price	\$
Balance	1 July 2019	131,788,967	–	5,150,102
Balance	30 June 2020	131,788,967	–	5,150,102
Balance	1 July 2020	131,788,967	–	5,150,102
Share split 1:1.67	September 2020	219,490,369		
Convertible note	September 2020	4,336,937	0.8	3,464,814
Shares issued at IPO	October 2020	35,000,000	1.0	35,000,000
Transaction costs arising on IPO offset against share capital, net of tax	October 2020			(2,843,191)
Balance	30 June 2021	258,827,306		40,771,725

### (c) Rights of each type of share

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders meetings each ordinary share gives entitlement to one vote when a poll is called.

## NOTE 21: RESERVES

	Notes	2021 \$	2020 \$
Share-based payment reserve	26(b)	4,537	–
		4,537	–

### (a) Share-based payment reserve

#### (i) Nature and purpose of reserve

This reserve is used to record the value of equity settled share-based payments.

#### (ii) Movements in reserve

Balance at beginning of year	–	–
Net share-based payment expense for the year	4,537	–
Balance at end of year	4,537	–

## NOTE 22: ACCUMULATED LOSSES

	Notes	2021 \$	2020 \$
Balance at beginning of year		(4,092,377)	(4,941,609)
Net profit/(loss)		(5,855,329)	849,232
Balance at end of year		(9,947,706)	(4,092,377)

# Notes to the Financial Statements

continued

## NOTE 23: CASH FLOW INFORMATION

### (a) Reconciliation of cash flow from operations with profit after income tax

	Notes	2021 \$	2020 \$
Profit/(loss) from ordinary activities after income tax		(5,855,329)	849,232
<b>Non-Cash Items</b>			
Amortisation		707,559	248,049
Depreciation		44,098	38,179
Interest expense not actually paid		94,621	51,205
Share-based payment		4,537	–
Asset write off		43,162	–
<b>Changes in assets and liabilities</b>			
Decrease in receivables from contracts with customers		384,749	176,696
Increase in other assets		(139,691)	(578,249)
Increase in inventory		(4,941,600)	(383,592)
Decrease/(Increase) in income tax		517,600	(517,600)
Increase in payables		5,477,695	11,480,228
(Decrease)/Increase in other liabilities		(562,189)	507,753
Increase in provisions		360,425	127,656
Net cash provided by/(used in) operating activities		(3,864,363)	11,999,557

### (b) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position is as follows:

	Notes	2021 \$	2020 \$
– Cash on hand		102	102
– Cash at bank		40,745,276	15,556,016
– Cash on deposit		1,929,182	1,252,837
Closing cash balance		42,674,560	16,808,955



## NOTE 24: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

### Contingent liabilities

A contingent liability exists for possible future claims which may be made against the group.

Estimates of the maximum amounts of contingent liabilities that may become payable:

	2021	2020
Bank guarantees over rental properties	60,702	60,702

## NOTE 25: EARNINGS PER SHARE

	Notes	2021 \$	2020 \$
Reconciliation of earnings used in calculating earnings per share:			
Profit from continuing operations		(5,855,329)	849,232
Profit from discontinued operations		–	–
Profit used in calculating basic earnings per share		(5,855,329)	849,232
Profit used in calculating diluted earnings per share		(5,855,329)	849,232
Earnings used in calculating diluted earnings per share		(5,855,329)	849,232

	2021 No of Shares	2020 No of Shares
Weighted average number of ordinary shares used in calculating basic earnings per share	234,376,171	234,376,171 <sup>10</sup>
Effect of dilutive securities:		
Share options and convertible note	2,061,194	2,061,194
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	236,437,365	236,437,365 <sup>11</sup>

Earnings per share have been calculated using weighted average shares of 234,376,171 and diluted weighted average shares of 236,437,365 for both the current and comparative periods. In accordance with AASB 133 *Earnings Per Share* the number of shares used in the comparative period has been adjusted retrospectively as a result of the capitalisation and share split.

## NOTE 26: SHARE-BASED PAYMENTS

### (a) Employee option plan

During the year ended 30 June 2021, the Group issued 11,845,000 options to directors, the leadership team and key team members, under the Group's Equity Incentive Plan.

The issue of 9,965,000 options was foreshadowed in the Prospectus (lodged with ASX on 20 October 2020), and an additional 1,880,000 options are being issued under the Equity Incentive Plan, to take account of the growth of the team.

The Equity Incentive Plan has been designed to align the interests of key personnel with those of the Group and its shareholders, with the objective of attracting, motivating and retaining key talent within the Group.

<sup>10</sup> Actual weighted average number of ordinary shares on 30 June 2020 was 131,788,967.

<sup>11</sup> Actual diluted weighted average number of ordinary shares on 30 June 2020 was 135,461,798.

# Notes to the Financial Statements

continued

## NOTE 26: SHARE-BASED PAYMENTS (continued)

### (a) Employee option plan (continued)

Details of the options granted are provided below:

2021									
Grant date	Expiry date	Exercise price	Balance at beginning of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at the end of the year	Exercisable at the end of the year	Fair Value of options granted
29/6/2021	29/6/2026	1.0	–	3,070,000	–	–	3,070,000	–	445,150
29/6/2021	29/6/2026	1.0	–	2,650,000	–	–	2,650,000	–	463,750
29/6/2021	29/6/2026	1.0	–	175,000	–	–	175,000	–	25,375
29/6/2021	20/10/2027	1.0	–	350,000	–	–	350,000	–	50,750
29/6/2021	20/10/2027	0.2	–	1,000,000	–	–	1,000,000	–	410,000
29/6/2021	29/6/2028	0.2	–	2,470,000	–	–	2,470,000	–	1,037,400
29/6/2021	20/10/2027	0.2	–	100,000	–	–	100,000	–	41,000
29/6/2021	20/10/2028	1.5	–	350,000	–	–	350,000	–	42,000
29/6/2021	20/10/2028	1.5	–	50,000	–	–	50,000	–	6,000
29/6/2021	29/6/2031	0.2	–	175,000	–	–	175,000	–	46,375
29/6/2021	29/6/2031	1.0	–	1,155,000	–	–	1,155,000	–	202,125
29/6/2021	29/6/2031	1.0	–	250,000	–	–	250,000	–	47,500
29/6/2021	20/10/2029	1.5	–	50,000	–	–	50,000	–	6,750
				11,845,000			11,845,000		2,824,175

### Fair Value of options granted:

The fair value of the options at grant date was \$2,824,175. Fair value was determined using either the Trinomial, Monte Carlo or Black-Scholes models, as appropriate, taking into account the terms and conditions upon which the instruments were granted. The following inputs were utilised:

Exercise price(s): 3,570,000 options at \$0.2, 7,650,000 options at \$1.0 and 450,000 options at \$1.5

Grant Date: 29 June 2021

Expiry Date(s): 5,895,000 options at 29/06/2026, 1,450,000 options at 20/10/2027, 2,470,000 options at 29/06/2028, 400,000 options at 20/10/2028, 50,000 options at 20/10/2029 and 1,580,000 options at 29/06/2031

Share price at Grant date: \$0.61

Expected price volatility: 60.2%

Expected dividend yield: N/A

Risk free rate(s): 11,145,000 options at 3-year Government Bond Rate 0.027% and 700,000 options at 5-year Government Bond Rate 0.259%

Market conditions: 8,275,000 options are subject to share price reaching \$1.5 calculated as 20-day volume weighted average price

**NOTE 26: SHARE-BASED PAYMENTS** (continued)**(b) Expenses recognised from share-based payment transactions**

The expense recognised in relation to the share-based payment transactions was recognised within employee benefits expense within profit or loss were as follows:

	Notes	2021 \$	2020 \$
Options issued under employee option plan		4,537	–
Shares issued under employee share scheme		–	–
Total expenses recognised from share-based payment transactions		4,537	–

**NOTE 27: DIRECTORS' AND EXECUTIVES' COMPENSATION**

	Notes	2021 \$	2020 \$
<b>Compensation by category</b>			
Short-term employment benefits		1,305,699	471,460
Post-employment benefits		91,185	44,756
Termination benefits		–	–
Other long-term benefits		–	–
Share-based payments		2,343	–
		1,399,227	516,216

**NOTE 28: RELATED PARTY DISCLOSURES**

(a) The consolidated financial statements include the financial statements of MyDeal.com.au Limited and its controlled entities listed below:

		Percentage owned	
	Country of incorporation	2021	2020
<i>Parent Entity:</i>			
MyDeal.com.au Limited	Australia		
<i>Subsidiaries of MyDeal.com.au Limited:</i>			
E-Com (Aus) Pty Ltd	Australia	100%	
Duke Living Pty Ltd	Australia	100%	

# Notes to the Financial Statements

continued

## NOTE 28: RELATED PARTY DISCLOSURES (continued)

(b) The following table provides the total amount of transactions that were entered into with related parties for the relevant financial year:

### Transactions with directors, key management personnel and other related parties

During the year the following KMP transactions occurred:

Paul Greenberg, Non Executive Chairman, is a shareholder in RetailTech Capital Pty Limited ACN 639 392 368. During the year RetailTech entered into a contractor agreement with E-Com in respect of the provision of consultancy services in connection with the IPO and received \$20,000, excluding GST. These consultancy services terminated on listing.

Chris Tait is a shareholder and Director of Henslow. Henslow entered into an agreement on 15 July 2020 with E-Com to act as Corporate Adviser to the Group in respect of the IPO. Henslow was retained as the Corporate Adviser to the Group and was paid a retainer of \$60,000 and a success fee of \$300,000 during the year ended 30 June 2021.

## NOTE 29: AUDITOR'S REMUNERATION

(a) Amounts paid and payable to Pitcher Partners Melbourne for:

Notes	2021 \$	2020 \$
(i) Audit and other assurance services		
An audit or review of the financial report of the parent entity and any other entity in the Group	71,982	56,888
Other assurance services		
– Investigating Accountant and Due diligence	75,500	10,500
Total remuneration for audit and other assurance services	147,482	67,388
(ii) Other non-audit services		
Taxation services	72,600	5,250
Total remuneration for non-audit services	72,600	5,250
Total auditor's remuneration	220,082	72,638

## NOTE 30: PARENT ENTITY INFORMATION

Summarised presentation of the parent entity, MyDeal.com.au Limited, financial statements:

### (a) Summarised statement of financial position

	Notes	2021 \$	2020 \$
<b>Assets</b>			
Current assets		34,023,383	1
Non-current assets		6,110,003	–
Total assets		40,133,386	1
<b>Liabilities</b>			
Current liabilities		71,010	–
Non-current liabilities			–
Total liabilities		71,010	–
<b>Net assets</b>		40,062,376	1
<b>Equity</b>			
Share capital		40,771,725	1
Reserves		4,537	–
Retained earnings		(713,886)	–
Total equity		40,062,376	1

### (b) Summarised Statement of Profit or Loss and Other Comprehensive Income

	Notes	2021 \$	2020 \$
Profit/(Loss) for the year		(713,886)	–
Other comprehensive income for the year		–	–
Total comprehensive income for the year		(713,886)	–

## NOTE 31: SEGMENT INFORMATION

### (a) Description of segments

The Group's operations consist primarily of operating an online retail marketplace. The Chief Operating Decision Maker has considered the requirements of AASB 8 *Operating Segments* and assessed that the Group has one operating segment, representing the consolidated results, as this is the only segment which meets the requirements of AASB 8.

## NOTE 32: SUBSEQUENT EVENTS

There has been no matter or circumstance, which has arisen since 30 June 2021 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2021, of the Group, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2021, of the Group.

# Directors Declaration

The directors declare that:

1. In the directors' opinion, the financial statements and notes thereto, as set out on pages 1 to 50, are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with *Australian Accounting Standards and the Corporations Regulations 2001*, and other mandatory professional reporting requirements;
  - (b) as stated in Note 1(a) the consolidated financial statements also comply with International Financial Reporting Standards; and
  - (c) giving a true and fair view of the financial position of the group as at 30 June 2021 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that MyDeal.com.au Limited will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made by the chief executive officer and chief financial officer to the directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ending 30 June 2021.

This declaration is made in accordance with a resolution of the directors.



**Paul Greenberg**  
Chairman

Melbourne  
25 August 2021

# Independent Auditor's Report



MYDEAL.COM.AU LTD  
60 640 108 130

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS MYDEAL.COM.AU LTD

### Report on the Audit of the Financial Report

#### *Opinion*

We have audited the financial report of MyDeal.com.au Ltd "the Company" and its controlled entities "the Group", which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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# Independent Auditor's Report

continued



MYDEAL.COM.AU LTD  
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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS MYDEAL.COM.AU LTD

Key Audit Matter	How our audit addressed the key audit matter
<b>Revenue Recognition</b> Refer to Note 4 - Revenue - \$38,271,998	
<p>The Group's revenue of \$38,271,998, (2020: \$15,335,680) is derived primarily from sales commissions, sale of private label goods, advertising income and subscription fees.</p> <p>We focused on the existence and appropriate recognition of revenue as a key audit matter as these are a key contributor to the determination of profit and loss, and judgement is required in assessing revenue recognition in accordance with AASB 15 Revenue from contracts with customers.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"><li>• Reviewing the Groups terms and conditions of sale or revenue contracts;</li><li>• Understanding the Groups controls and processes for recognising and recording revenue transactions.</li><li>• Testing existence of revenue transactions to supporting documentation.</li><li>• Analysing general journal entries impacting revenue.</li><li>• Assessing the adequacy of the disclosures in the financial statements.</li></ul>

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS MYDEAL.COM.AU LTD**

Key Audit Matter	How our audit addressed the key audit matter
<b>Capitalisation of development expenditure within intangible assets</b> Refer to Note 15 - Intangible Assets - \$1,952,469	
<p>The research and development of new and existing technology is part of the Group's operations. Each project undertaken represents an investment made by the business for which future economic benefits are expected to be derived.</p> <p>The capitalisation of any development costs is highly subjective and based on management judgement and is also subject to various recognition criteria as detailed in AASB 138 <i>Intangible assets</i>.</p> <p>Key management judgements to be made include the following:</p> <ul style="list-style-type: none"> <li>• Stage of the development cycle - research vs development;</li> <li>• Ability to accurately record and allocate costs incurred for individual projects, including employee costs; and</li> <li>• Technical and commercial viability of individual projects undertaken.</li> </ul> <p>We focused on existence and accuracy of capitalised development costs as a key audit matter due to the number and type of judgement and estimation events required.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of and evaluating the accounting processes and internal controls relating to the capitalisation of development costs;</li> <li>• Evaluating management's process regarding capitalisation of development costs, and reviewing development projects against the recognition criteria as detailed in AASB 138 <i>Intangible assets</i>;</li> <li>• Reviewing management reconciliations for the amounts capitalised, including: <ul style="list-style-type: none"> <li>• Testing the mathematical accuracy of reconciliations prepared for costs that had been capitalised;</li> </ul> </li> <li>• Selecting a sample of transactions from the capitalised development costs and performing the following: <ul style="list-style-type: none"> <li>• Reviewing employee costs allocated to different development projects, and testing employee pay rates and captured hours for the amounts capitalised and vouching to employee time records;</li> <li>• Reviewing external costs incurred and allocated to intangible assets and vouching to appropriate support; and</li> </ul> </li> <li>• Assessing the adequacy of the disclosures in the financial statements.</li> </ul>

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# Independent Auditor's Report

continued



MYDEAL.COM.AU LTD  
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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS MYDEAL.COM.AU LTD

### *Other Information*

The directors are responsible for the other information. The other information comprises the information included in the Group's directors report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Chairman's report and CEO report, which is expected to be made available after that date.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of the Directors for the Financial Report*

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

### *Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS MYDEAL.COM.AU LTD**

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



# Independent Auditor's Report

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60 640 108 130

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS MYDEAL.COM.AU LTD

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on the Remuneration Report

#### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 9 to 17 of the directors' report for the year ended 30 June 2021. In our opinion, the Remuneration Report of MyDeal.com.au Ltd, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

#### *Responsibilities*

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in black ink, appearing to read "S. Schonberg".

S SCHONBERG  
Partner

A handwritten signature in black ink, appearing to be a stylized "P.P.". Below it is another signature, also in black ink, appearing to be a stylized "P.P.". These are likely the signatures of the two partners mentioned in the caption.

PITCHER PARTNERS  
Melbourne

25 August 2021