

# ASX Announcement

18 April 2023

## Quarterly business update and Appendix 4C

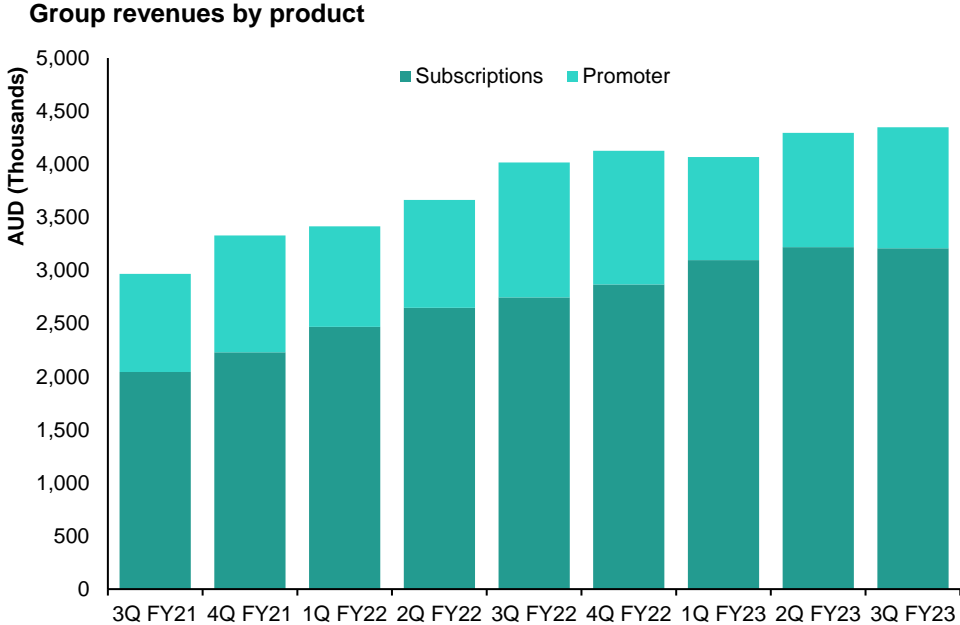
**Highlights:**

- US continues to shine
  - US Reviews (a leading indicator of subscriptions) up 97% YOY
  - Strong US growth with subscription revenues up 82% 3Q FY23 vs 3Q FY22
- Group subscription revenue up 17% 3Q FY23 vs 3Q FY22
- Net cash burn improved by 45% 3Q FY23 vs 3Q FY22 and cash receipts are up

### Quarterly performance

Overall subscription revenue in 3Q FY23 is up 17% to \$3.2m compared with 3Q FY22. This is considered an exceptional overall result in an environment where Real Estate transactions in all markets have been trending below historical averages. US subscriptions increased 82% over the same period.

Promoter, which is more seasonal, delivered \$1.1m in revenue in 3Q FY23, up 6% compared with 2Q FY23.



CEO Michael Davey said, “The growth in subscriptions in an environment with significantly less real estate transactions is a great result.”

Mr. Davey went on to say, “We have experienced a number of cash flow positive months and are on track to becoming cash flow positive on a consistent basis.”

**USA**

*Agents on the platform and reviews*

Reviews and platform usage are the leading indicators for paid subscriptions. As of 31 March 2023 c.250,000 agents on the platform had collected over 680,000 reviews, up 97% on March 2022.

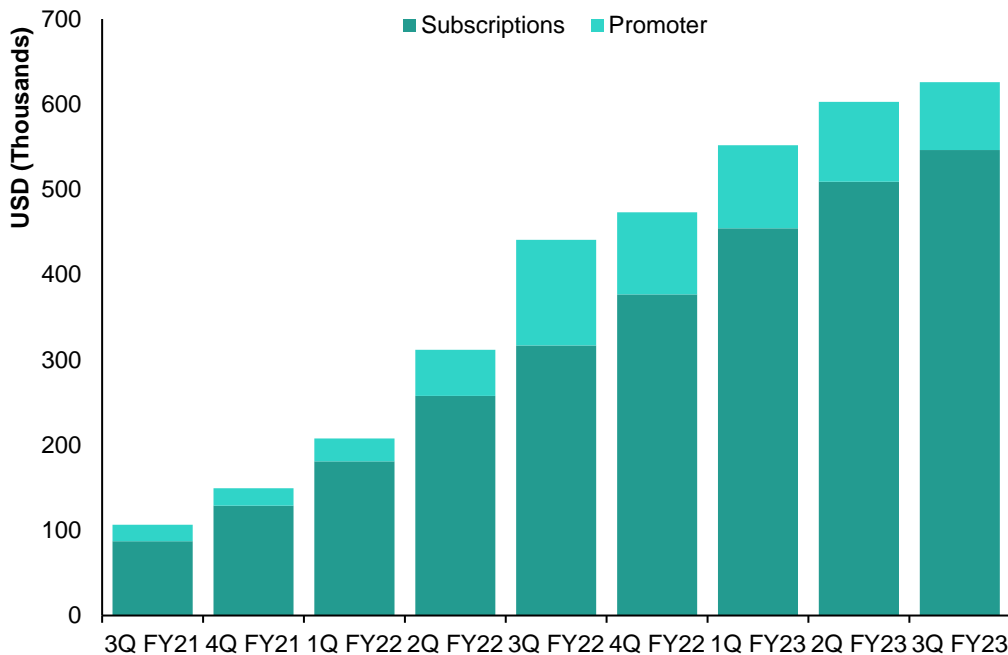
The real estate environment in the US remains depressed, with total property sales in the market down c.22.6% YoY<sup>1</sup>. However, over 4.5 million homes were sold in US over the 12 months to February 2023<sup>1</sup>. RMA’s target market is the top 30% of agents who participate in over 80% of transactions. These agents are more resilient in market downturns and continue to promote their profiles.

*US Revenue*

The Company’s primary focus in the US is to monetise the current agent base, particularly in Florida, through improvements to agent onboarding and expanding the product offering. In February, the Realtor.com partnership went live. This has markedly increased review traffic and pipeline metrics, which is now flowing into paid subscriptions. Subscription revenues in 3Q FY23 are up 82% on 3Q FY22<sup>2</sup>, with monthly new sales continuing to break previous records.

Promoter revenues, which are comparatively more resource intensive and with lower margins than subscriptions, were down following changes in November to redirect resources to focus on subscription revenue.

**US Quarterly Revenues**



**ANZ Revenue**

ANZ subscription revenues in 3Q FY23 grew by 4% compared to 3Q FY22, highlighting the exceptional result achieved in growing subscriptions YoY. Housing sales volumes were down 21% YoY<sup>3</sup>.

Promoter, which enables agents to showcase their reviews and profiles across social media platforms and Google generated just over \$1.0m in ANZ, up 10% vs 2Q FY23.

<sup>1</sup> National Association of Realtors: Summary of February 2023 – Existing Home Sales Statistics

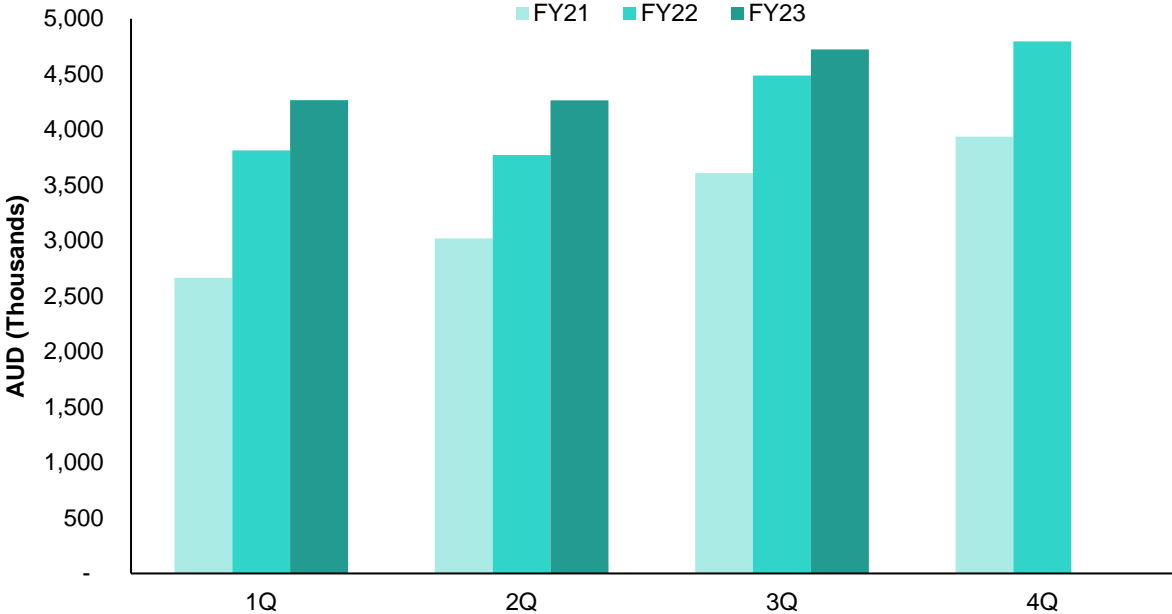
<sup>2</sup> AUD revenue growth. Underlying USD revenue growth was 72% over the same period.

<sup>3</sup> March 2023 vs March 2022 – CoreLogic Monthly Housing Chart Pack March 2023

**Cash flow and net cash position**

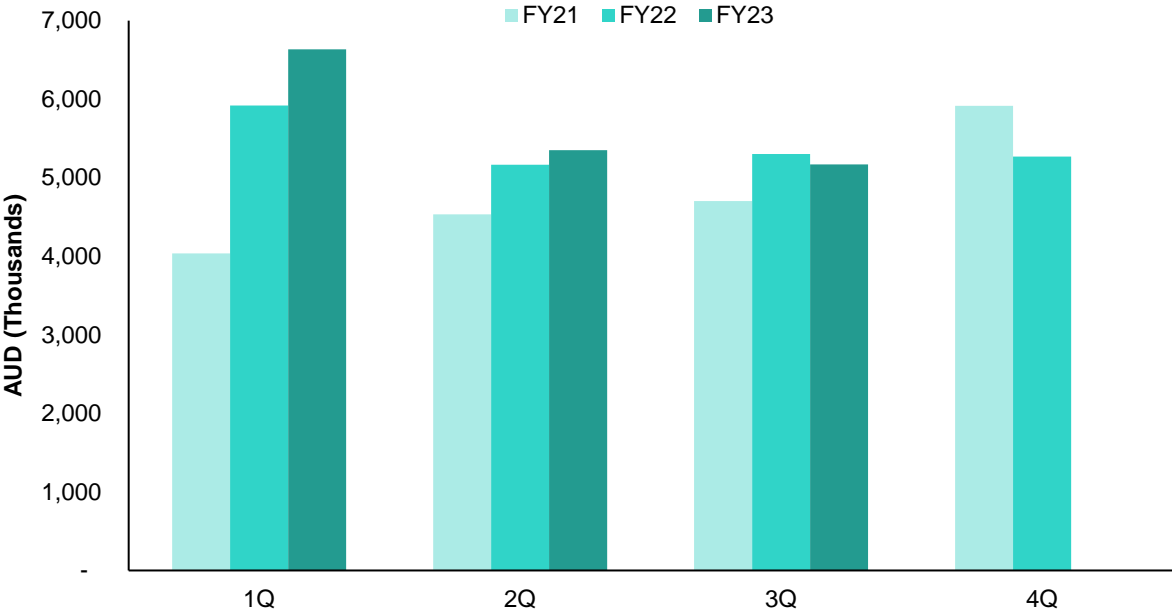
- **Cash receipts from customers** in 3Q FY23 were \$4.7m, up 10% from 2Q FY23 and up 5% on 3Q FY22, reflecting continuing YoY growth.

**Cash receipts from customers**



- **Operational cash payments** for 3Q FY23 were c.\$5.2m, down 2.5% (\$130k) on 3Q FY22.

**Operational cash payments**



- **Net cash burn** of \$445k, an improvement of c.\$370k (45%) on 3Q FY22.
- **Cash on hand** as of 31 March 2023 was \$6.8m.

In January 2023 the retail portion of the capital raise (announced in December 2022) was successfully completed, with the Company receiving a further \$1.7m.

- Cash payments to connected parties of \$100k per 6.1 of the Appendix 4C relate to director fees.

Authorised for release by the Board of RMA Global Limited

Further information:

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## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

RMA Global Ltd

**ABN**

69 169 102 523

**Quarter ended ("current quarter")**

31 March 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	4,724	13,255
1.2 Payments for		
(a) research and development	(385)	(1,486)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing (mainly Promoter costs)	(961)	(2,648)
(d) leased assets	(80)	(252)
(e) staff costs	(3,246)	(10,661)
(f) administration and corporate costs	(505)	(2,164)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	8	15
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	0	25
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(445)</b>	<b>(3,898)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(9)	(86)
(d) investments	-	-
(e) intellectual property	(11)	(11)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(20)</b>	<b>(97)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	1,748	5,501
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(269)	(476)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>1,479</b>	<b>5,025</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	5,785	5,762
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(445)	(3,898)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(20)	(97)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,479	5,025
4.5	Effect of movement in exchange rates on cash held	(2)	5
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>6,797</b>	<b>6,797</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	6,797	5,785
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>6,797</b>	<b>5,785</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(100)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	N/A	N/A
7.2 Credit standby arrangements	N/A	N/A
7.3 Other (please specify)	N/A	N/A
7.4 <b>Total financing facilities</b>	N/A	N/A
7.5 <b>Unused financing facilities available at quarter end</b>		N/A
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(445)
8.2 Cash and cash equivalents at quarter end (item 4.6)	6,797
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	6,797
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	15.3
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	



## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 18/04/2023

Authorised by: the Board  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.