



Rent.com.au Limited
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ASX Announcement

30 July 2021

RENT.COM.AU QUARTERLY ACTIVITIES REPORT FOR Q4 FY21

Rent.com.au Limited (ASX: **RNT**) ("**Rent.com.au**" or "**the Company**"), Australia's website made for renters, presents its quarterly activities report for the quarter ended 30th June 2021.

Key Points:

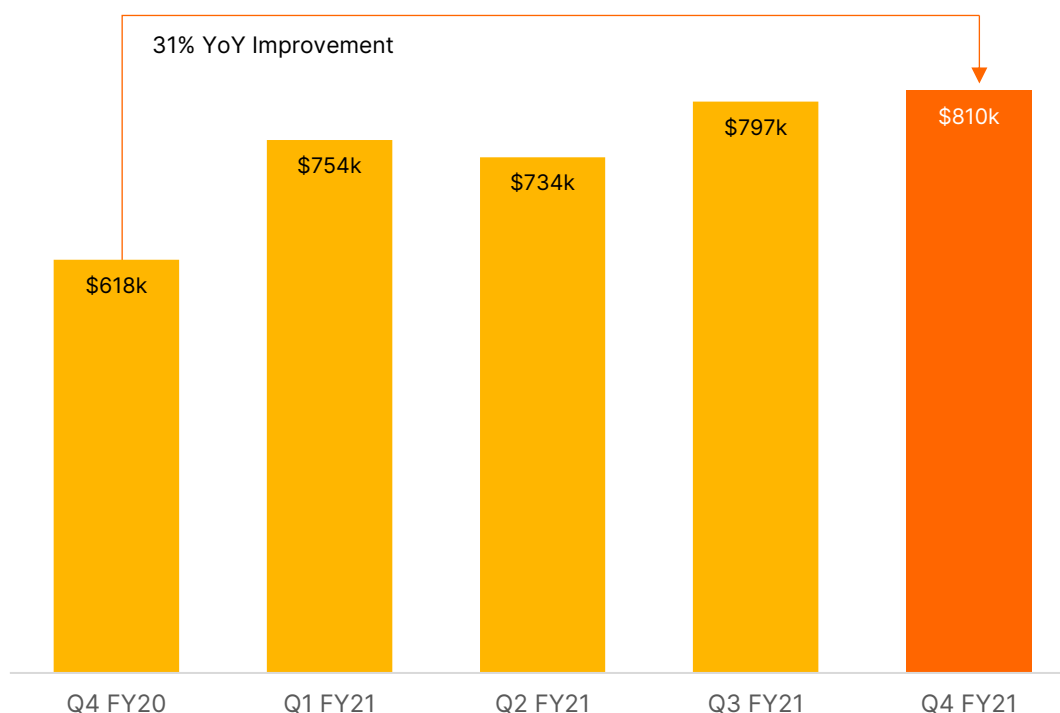
- › Record revenue of \$810k, a 31% improvement on the same quarter last year.
- › Core rent.com.au positive EBITDA of \$59k, 4th consecutive positive quarter.
- › RentPay released, optimisation ongoing ahead of marketing launch.
- › \$2.9m cash on hand at end of quarter.

Rent.com.au Update

"Another record revenue result for the business is fantastic. It's particularly pleasing to improve over the traditionally strong March quarter and compared to the same period last year we achieved a strong 31% improvement," said Rent.com.au CEO, Greg Bader.

"With RentPay only just launched and yet to materially contribute to our earnings, the core rent.com.au platform continues to go from strength to strength with strong contributions from both its main revenue streams".

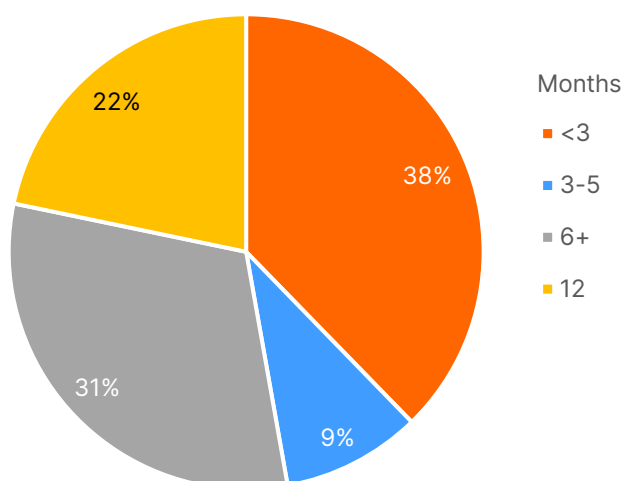
Quarterly Revenue



“Renter products continued their solid performance, up 15% on the same quarter last year. Our enhanced RentBond finance product was the standout with almost \$3 million of successful loans referred during the June 2021 quarter. RentBond is the market leader in helping people transition from one property to another.

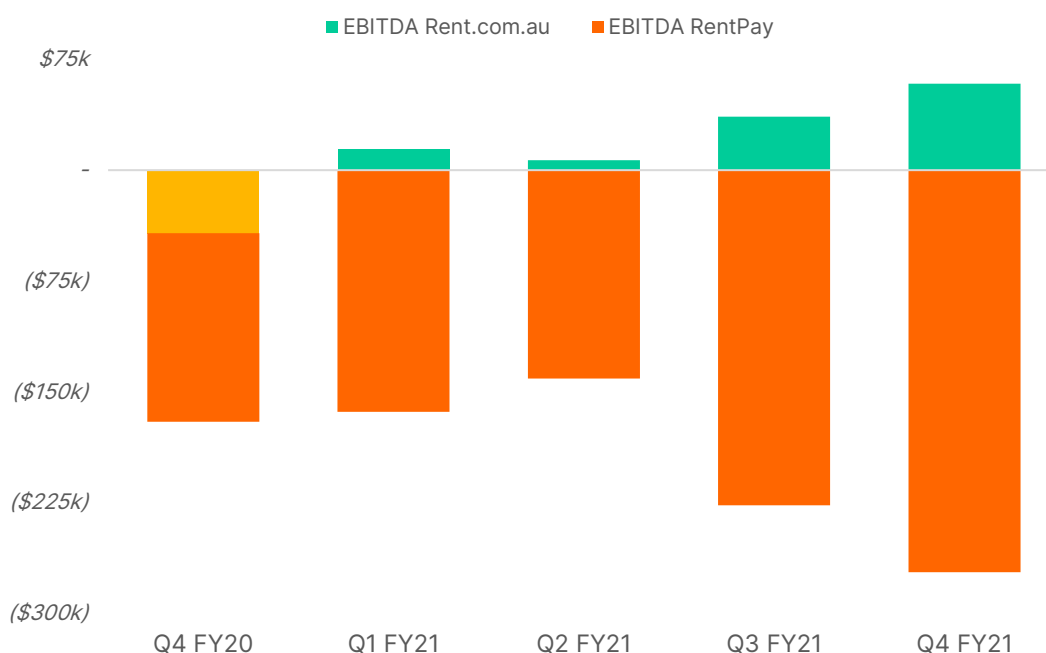
“Advertising revenue has also continued its strong growth, with a new quarterly record of \$384k (72% up on the same quarter in FY20). Our focus on developing long term advertising partner relationships has driven this result and provides a buffer against the transactional nature of Renter Products revenue. We are continuing to expand our efforts in this area to deliver value for our partners and have already contracted more than \$800k of advertising to be delivered during FY22 – for context, this is more than 60% of the total earned during FY21”.

Advertiser Campaign Duration FY21



“Our record revenue result has driven an increase in the profitability of our core rent.com.au business, with EBITDA increasing to \$59k, marking four successive quarters of positive EBITDA.”

Quarterly EBITDA Breakdown



RentPay Update

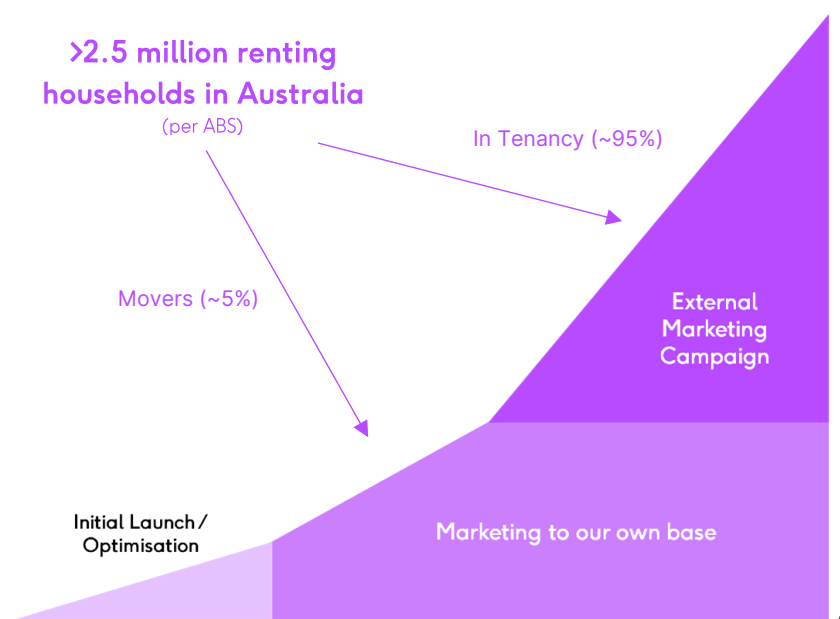
- › 700 paying customers at end July 2021.
- › 95% of customers pay to a real-estate agent, 5% to a private landlord.
- › 87% of customers take advantage of automatically scheduled payments.

“Having more than 700 paying customers within 90 days of launch is a great result. This equates to over \$1 million in rental payments per month, with 94% of that paid instantly into agents accounts via the New Payments Platform (NPP),” said Mr Bader.

“The product is working as intended. Customers are using the flexibility in scheduling payments, and we have around 30% of customers actively building a buffer which is encouraging given that we haven’t done education/marketing around these savings type features. We have also seen strong take up of other features such as 70% of customers opting in to ScoreBuilder.

“It has not been without its challenges though. We are yet to find the ideal balance between the required level of security and a simple, intuitive process flow for onboarding customers. We’re still making improvements to the platform, for example, our optimisations so far have seen a doubling of our conversion rate (from App download to paying customer) in June compared with May. We are also implementing additional credit card security protocols that simplify the verification process and improve security.

“We have a clear vision for RentPay that is informed by research and customer feedback. We are not deviating from this approach and this optimisation phase is reinforcing for us the value of customer feedback in continuing to improve the platform, enhance the value proposition and contribute to an expanding product roadmap. Planning is well underway for an expanded marketing campaign, and we expect to finalise this over the coming months.



“We’ve also been working with several real estate agencies to ensure that we can deliver the payments functionality that they require to efficiently run their rent rolls. This includes around 40 agencies who are using our legacy rental payments platform. We’re commencing the migration of those agencies and their renters onto the new platform which maintains the agent features but also delivers the flexibility and features sought by renters. From this migration we expect to add a further 1,500 customers to the RentPay platform by the end of the September quarter,” said Mr Bader.

During the June 2021 quarter, RentPay software development costs of \$698k were capitalised, and a net \$273k was spent on launching and optimising RentPay.

Outlook

“Ongoing optimisation of RentPay remains the focus for the September quarter. We are adding new security functionality and verifications on the front end while also optimising the user experience and features based on customer insights. In parallel we are finalising marketing campaigns to both our existing customer base as well as the broader renter market. As we’ve consistently indicated, we will only launch broader marketing campaigns once we’re happy that the customer onboarding and the feature set that we have match the planned investment.

“Now that the peak of the RentPay development has passed, some of our capacity can return to enabling the growth opportunities within the rent.com.au platform. We have an extensive product roadmap of new features and products to drive further profitability and help renters during the search phase of their journey. These improvements will also help transition customers to RentPay.

“We have had a strong start to the new financial year, despite lockdowns in several states restricting the ability of renters to move house. Our core business is firing, and we are creating an exciting new product segment with the release of RentPay that is already attracting interest from customers, real estate agents and potential partners. I feel we have never been in a stronger position to deliver upon our vision of reinventing the renting process and thereby delivering significant shareholder value,” concluded Mr Bader.

Disclosures required under ASX Listing Rules:

Payments to related parties of the entity during the quarter totalled \$98k, comprising directors fees and office rent and outgoings paid to entities associated with Dr Garside. Office rent is on more favourable than market standard terms and negotiated independently of Dr Garside. Subsequent to the quarter end, the office lease was renewed for a further four-year period.

Lodgement with the ASX has been authorised by the Board of Directors.

Investors wishing to keep up to date with company news and events are invited to subscribe for updates at: <https://investors.rent.com.au/>

About rent.com.au

rent.com.au (ASX: RNT) exists to make renting rewarding. Made for renters, RNT is reimagining the renting experience to create Australia's most empowered rental community.

Our Mission

Inspired by our customers, and through the clever use of technology, we deliver innovative solutions to remove the complexities of renting and create positive, lasting change.

Our Products

The logo for 'rent check' features the word 'rent' in a bold, lowercase sans-serif font with a small house icon above the 'e', followed by the word 'check' in a similar font.

An easy way for a renter to verify their ID and check for any reported breaches in their tenancy history, giving them an edge on their application.

[Learn More](#)

The logo for 'rent bond' features the word 'rent' in a bold, lowercase sans-serif font with a small house icon above the 'e', followed by the word 'bond' in a similar font.

A move now, pay later product that helps renters bridge the gap from one rental to another by financing their bond online.

[Learn More](#)

The logo for 'rent connect' features the word 'rent' in a bold, lowercase sans-serif font with a small house icon above the 'e', followed by the word 'connect' in a similar font.

A free and easy to use utility connection service in partnership with AGL that not only makes moving hassle free – ensuring the lights are on and the water is hot when a renter moves into their new place but also provides the renter with a \$100 gift card to help them turn a house into a home.

[Learn More](#)

Renter (and Pet) Resume

Renters can streamline their rental search with Renter Resume. Creating it once and using it to apply for as many properties as they like.

[Learn More](#)

The logo for 'rent pay' features the word 'rent' in a bold, lowercase sans-serif font with a small house icon above the 'e', followed by the word 'pay' in a similar font.

Rental payments in the palm of their hand. Renters can make payments, track payments, view their rental history, and set-up reminders.

[Learn More](#)

Appendix 4C

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

Name of entity

RENT.COM.AU LIMITED

ABN

25 062 063 692

Quarter ended ("current quarter")

30 JUNE 2021

Consolidated statement of cash flows	Current quarter	Year to date (12 months)
	\$A'000	\$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	857	3,248
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(337)	(1,339)
(c) advertising and marketing	(125)	(380)
(d) leased assets	(6)	(124)
(e) staff costs	(223)	(1,444)
(f) administration and corporate costs	(255)	(559)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(1)	(9)
1.6 Income taxes paid	-	(13)
1.7 Government grants and tax incentives	-	747
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(90)	127
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(11)	(50)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	(713)	(1,799)

Consolidated statement of cash flows		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	1	1
	(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)	-	-
2.6	Net cash from / (used in) investing activities	(723)	(1,848)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	4,250
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	-	-
3.5	Proceeds from borrowings	-	27
3.6	Repayment of borrowings	(25)	(122)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (costs of issuing equity securities)	-	(149)
3.10	Net cash from / (used in) financing activities	(25)	4,006

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,756	633
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(90)	127
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(723)	(1,848)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(25)	4,006

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

Consolidated statement of cash flows		Current quarter	Year to date
		\$A'000	(12 months)
			\$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,918	2,918

5.	Reconciliation of cash and cash equivalents	Current quarter	Previous quarter
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	\$A'000	\$A'000
5.1	Bank balances	2,848	3,686
5.2	Call deposits	70	70
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,918	3,756

6. Payments to related parties of the entity and their associates

6.1	Aggregate amount of payments to related parties and their associates included in item 1	98
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Current quarter
\$A'000
98
-

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

NB: The amount at item 6.1 includes director fees paid to each of the directors, as well as office rental and outgoings paid to an entity related to Dr. Garry Garside

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

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-

7.5 **Unused financing facilities available at quarter end** -

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.

n/a

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(90)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	2,918
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	2,918
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	32.4

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

- 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

- 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

- 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

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.

30 July 2021

Date:

By the Board

Authorised by:
(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 – e.g. 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.