



Rent.com.au Limited
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ASX Announcement
31 January 2022

RENT.COM.AU QUARTERLY ACTIVITIES REPORT FOR Q2 FY22

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 31st December 2021.

Key Points:

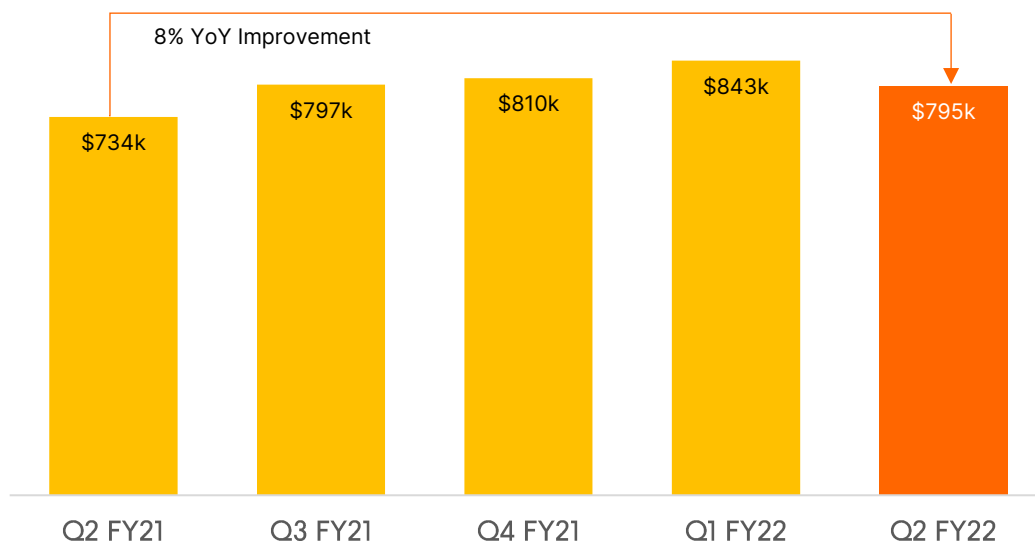
- › Revenue of \$795k, 8% improvement on the same quarter last year.
- › Core rent.com.au EBITDA of \$62k (6th consecutive positive quarter).
- › RentPay efforts accelerating, new agent onboarding to commence this quarter.
- › \$1.6m cash on hand at end of quarter, prior to raising \$2.5m (before costs) in January.

Overview

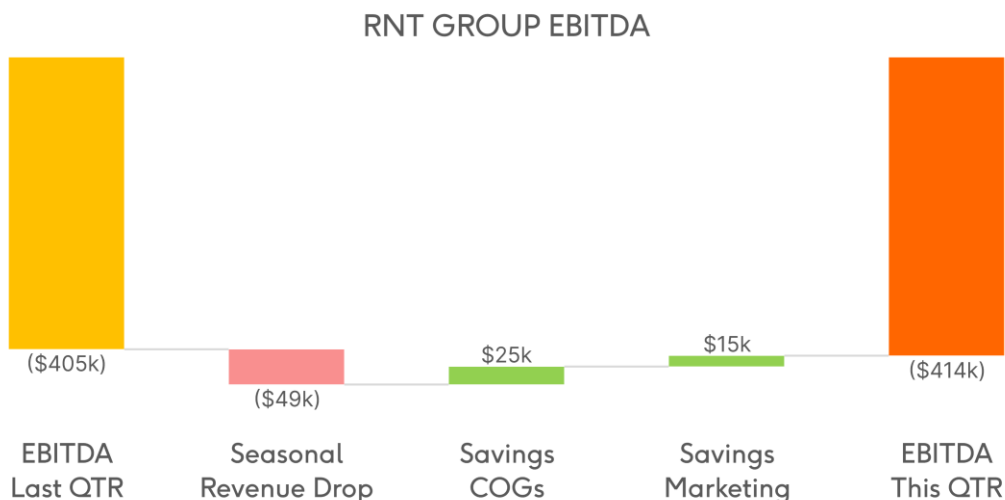
"Strong performance for what is typically our quietest quarter of the year, to achieve 8% YoY revenue growth is pleasing given the sudden Omicron surges that impacted people's ability (and desire) to move in our largest cities. It will be interesting to see how the market moves forward as we reach a point where "living with Covid" becomes more of the norm. Whilst property listing volumes remain below pre-Covid levels, we are seeing very positive signs for the coming quarter with new daily sales records being set for those of our products that help people prepare for their move," said RENT CEO Mr Greg Bader.

"RentPay continues to occupy much of our focus. We recently announced new partnerships with several real-estate agencies, and we will commence onboarding their new and existing customers into the platform this quarter. Penetrating the consumer side of the market remains a priority and our recent capital raise allows us to accelerate the implementation of our learnings from the past 6 months, including a revamped onboarding flow that will halve the number of screens a customer needs to navigate to activate their account. This will make it easier for a customer but also expands their choices and functionality at the same time".

QUARTERLY REVENUE - GROUP



“EBITDA at a group level is consistent with expectations with a slight revenue drop, partly offset by lower cost of sales and marketing as the sector goes into a seasonal low of activity around Christmas. As a business we continue to invest in RentPay, not just in terms of marketing, but also in building out the team that is needed to grow this platform into the market leading opportunity we believe it can be”.



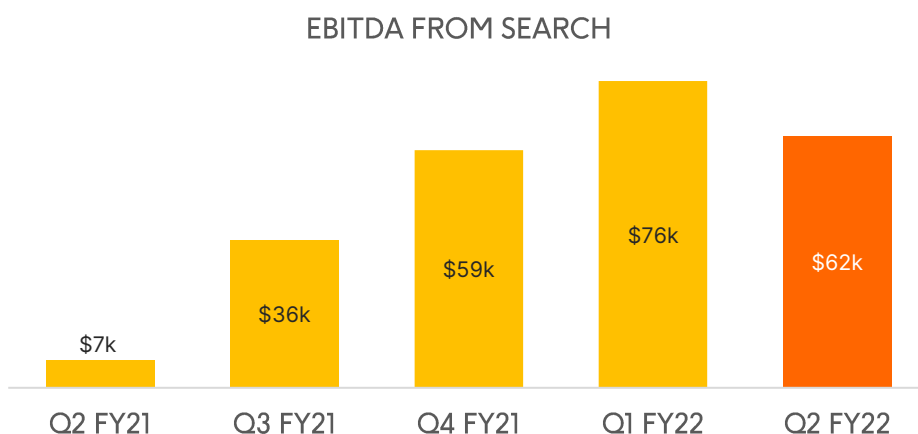
Rent.com.au Update

“We have a tight rental market across all states, with reports of large groups of renters attending home opens. In a tight market, our Renter Products really help and we’re seeing increased penetration of these products through the quarter and into January. RentCheck allows people to present their application or enquiry in the best light since it verifies the renters ID and checks they’ve not been reported on the National Tenancy Database. At the start of January, we are seeing new daily records for both Renter Resumes and RentChecks and we expect to see continued strong uptake of these products in a tight rental market, especially as borders continue to ease and we see increased foreign and interstate migration. RentBond and RentConnect we expect to be taken up a few weeks later as the renter moves.

“Our RentConnect product continues to deliver value for our partner AGL, driving over 10% of their net new customer additions and during the quarter they renewed the partnership, taking it into a third year. We have also worked with our finance partner to review performance of the RentBond product and have introduced improved pricing and application flows which we expect will help us grow sales during the March quarter.

“Advertising revenue continued its strong growth, with the second highest ever ad sales quarter driving the overall group result, although we are seeing some softening in the market for new build homes following the expiration of the federal governments Home Builder grant, as well as delays in land titling and releases. We are introducing more resources into this area and broadening our sales activity to maintain the growth momentum we have achieved over recent quarters”.

“Our strong revenue result which was up on the previous year has driven continued profitability of our core rent.com.au business, with EBITDA of \$62k, marking six successive quarters of positive EBITDA.”



RentPay Update

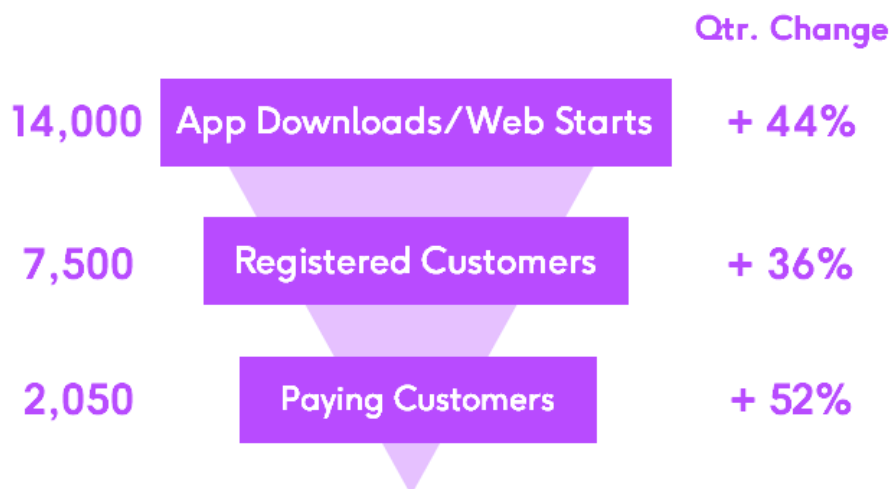
- › 2,050 active customers transacting payments, 52% increase since previous quarterly.
- › \$10.5m in rent has been paid into RentPay to date (daily trust account balance ~\$500k).
- › Complete redesign of the onboarding flow in development.
- › New agent rent roll onboarding to commence.

“Funds from our recent capital raising will be used to accelerate product development and expand our marketing efforts. Our focus on RentPay continues to be around improving the functionality and the experience for customers, key activities include:

- Last quarter we deployed a web version of RentPay which has proved popular with around 30% of customers taking advantage of the ‘large screen’ format for onboarding and identification checking, many then move to the portability of the app for easy management and keeping updated.
- Building on from this, and based on customer feedback, we have a new redesign of our onboarding process – crucially, this maintains the security and privacy for the customer but simplifies the process significantly by removing half the screens a customer needs to navigate to become active in the system. We expect to deploy this capability this quarter.
- This month also sees the start of the onboarding of agent rent rolls from those agencies we had previously announced agreements with. Significant development occurred last quarter in terms of expanding the RentPay functionality that our agent partners use. We’re ensuring a steady and painless move for both customers and agents by providing training for property management staff, handy guides for customers and our own specialist customer service staff will support agents too.
- Modular but important changes are also ongoing in the functionality of the RentPay app. Customers can now pay bills other than their rent in addition to their automated rental schedules. This is important for those customers needing to make extra payments (water bills for example) but also will become a key part of our expanded RentPay offering.

“Partner discussions are continuing. We have previously explained that we see RentPay as a platform for services and that there are several opportunities in finance, mortgages and utilities being pursued. These sorts of collaborations not only provide opportunity to our partners but importantly they will build on our mission of “putting your rent money to work”, by recognising and rewarding our customers and complementing our efforts to build more value into RentPay.

“We saw solid growth in RentPay utilisation over the last quarter and we expect the start of our agent onboarding and the expanded marketing efforts to build on this for the coming quarter.



During the quarter RNT invested a net \$476k into the marketing and operation of RentPay to go along with \$303k of software development costs.

Outlook

“Our core Rent business continues to provide a sustainable base for RNT to grow from, and we have a number of improvements underway. It continues to be one of the top portals in the country and customers continue to rate our apps higher than other real estate segment apps in both App Stores. With new daily records in key product sales, we are expecting a surge in demand during the rest of Q3 FY22, which is traditionally a strong quarter but with lockdowns over and some expected relaxing of international borders, we expect that notwithstanding the impacts of the Omicron variant, will be stronger than usual.

“RentPay is improving every day in terms of general awareness in the market and our ability to reach customers. Our commencement of the agent onboarding will further assist in this, as will our expanded marketing. It’s certainly not without its challenges and our product roadmap is comprehensive with new features, simplified processes, upgraded technology (as the banking rails improve in AU) and the inclusion of new partners.

“We already have the staff expertise, and now with our recently concluded capital raising completed, we also have the cash reserves to focus on growing RentPay to deliver on the significant opportunity we see,” concluded Mr Bader.

Disclosures required under ASX Listing Rules:

Payments to related parties of the entity during the quarter totalled \$71k, 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.

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 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 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 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 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")

31 DECEMBER 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	968	1,844
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(396)	(808)
(c) advertising and marketing	(380)	(565)
(d) leased assets	(22)	(73)
(e) staff costs	(463)	(967)
(f) administration and corporate costs	(138)	(453)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(5)	(5)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	622	622
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	186	(405)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	-	(2)
(d) investments		
(e) intellectual property		
(f) other non-current assets	(410)	(903)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
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)	-	-
2.6	Net cash from / (used in) investing activities	(410)	(905)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
3.6	Repayment of borrowings	(25)	(51)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(25)	(51)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,806	2,918
4.2	Net cash from / (used in) operating activities (item 1.9 above)	186	(405)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(410)	(905)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(25)	(51)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,557	1,557

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,487	1,736
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)	1,557	1,806

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	71
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>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.</i></p> <p>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</p>		

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		0
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)	186
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,557
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	1,557
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<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: 31 January 2022

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 – 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.