

ASX Announcement

27 October 2022

RENT.COM.AU LAUNCHES FULLY UNDERWRITTEN ENTITLEMENT ISSUE TO ACCELERATE RENTPAY

KEY HIGHLIGHTS

- › Fully Underwritten Rights Issue to raise \$2.9 million at \$0.04 per Share (before costs)
- › Price represents a 29% premium to the last closing price of \$0.031 per share
- › Australian technology entrepreneur Bevan Slattery has agreed to sub-underwrite \$1.0 million, a further endorsement of the Company and its RentPay platform
- › Directors intend participating for \$200,000 via sub-underwriting and entitlement acceptance
- › Funds raised will accelerate sales and marketing of RentPay

Rent.com.au Limited (ASX:RNT) ('Rent.com.au' or 'the Company'), Australia's website made for renters, is pleased to announce that it has executed an underwriting agreement with Lazarus Corporate Finance Pty Ltd ('Lazarus') to raise approximately \$2.9 million (before costs) via a fully underwritten rights issue ('Rights Issue'), with gross proceeds to be applied primarily towards sales and marketing of RentPay.

OVERVIEW

"Our new onboarding and dashboard user experience for RentPay is live and having a demonstrable impact in converting customers, and the RentPay customer proposition has been enhanced through the incorporation of the Bill Smoothing[§] feature, so we feel the time is right for us to start accelerating growth. The funds raised via the Rights Issue will enable us to do this," said Rent.com.au CEO Mr Greg Bader.

The Rights Issue will be a non-renounceable, pro-rata offer on the basis of 1 new Share for every 6 Shares held at the record date of up to 73,450,000 new fully paid ordinary shares ('Shares') at an issue price of \$0.04 per Share to raise approximately \$2.9 million before costs.

The Rights Issue has been fully underwritten by Lazarus, with the Company largest shareholder, Mr Bevan Slattery entering into a sub-underwriting agreement with Lazarus for \$1.0 million. Additionally, the Board have stated their intent to subscribe for their entitlements with directors Garry Garside and Phil Warren entering into sub-underwriting agreements with Lazarus. The sub-underwriting arrangements are on standard terms and conditions for agreements of this nature.

Further details of the Underwriting Agreement, sub-underwriting agreements and the Rights Issue will be provided in the Offer Document released on ASX today and despatched to shareholders in accordance with ASX requirements.

"I am greatly encouraged by this strong level of support from the Board and major shareholder. The Rights Issue will provide us the capital capability to pursue our growth strategies for RentPay

[§] RentPay will rebate each RentPay 'Bill Smoothing' customer \$5 per week if they pay towards both electricity and gas services with Origin (dual fuel) or \$3 per week for those who only pay towards either electricity or gas bills (single fuel).

as well as take advantage of emerging opportunities to consolidate and collaborate for further growth,” concluded Mr Bader.

This announcement is authorised by the Board the Company.

INDICATIVE TIMETABLE

The indicative timetable for the Rights Issue is as follows:

Announcement of Rights Issue and lodgement of Appendix 3B	27 October 2022
Lodgement of Offer Document and s708AA notice	27 October 2022
Notice to Shareholders	1 November 2022
Existing Shares quoted on an "ex" basis	7 November 2022
Record Date	8 November 2022
Rights Issue Offer Document and Entitlement & Acceptance Form sent to Eligible Shareholders	11 November 2022
Last day to extend the offer closing date	29 November 2022
Closing Date*	2 December 2022
Securities quoted on a deferred settlement basis	5 December 2020
Company to notify ASX of under subscriptions (if any)	7 December 2022
Anticipated date for the issue of the Shares and sending of security holder statements	9 December 2022
Deferred settlement trading ends	12 December 2022
Anticipated date for the issue of the Shortfall Shares to Underwriter (or nominees)	14 December 2022

*Subject to the ASX Listing Rules, the Directors reserve the right to extend the Closing Date. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the Shares.

UNDERWRITING AGREEMENT

The material terms of the underwriting agreement between the Company and Lazarus are as follows:

- Underwriting commitment: Reduced to the extent of allocations to eligible shareholders that subscribe for their entitlements, shortfall allocations and sub-underwriting commitments.
- Conditions precedent:
 - the underwriter being satisfied with the offer materials for the Rights issue prior to lodgement with ASIC;
 - the Company releasing an Appendix 3B and notice under 708AA of the Corporations Act; and
 - the Company dispatching the offer document for the Rights Issue in accordance with the agreed timetable.
- Fees – 4% underwriting fee and 2% management fee on the full Rights Issue amount (with all fees and commissions due to sub-underwriters to be paid by the underwriter). The Company must also pay the other reasonable costs and expenses of the underwriter for the Rights Issue.
- Termination events – The Underwriter may terminate its obligations under the Underwriting Agreement if:
 - (Company default): the Company fails to perform an obligation under this Agreement;
 - (Indices fall): the S&P ASX 300 Index closes on any Business Day from the date of this Agreement at a level that is 5% or more below the level of the Index at the close of trading on the Business Day before the date of this Agreement.

- (Offer Document): the Company does not dispatch the Offer Document to Shareholders on the Dispatch Date or the Offer Document or the Offer is withdrawn by the Company;
- (Offer Materials) a statement contained in the Offer Materials is or becomes misleading or deceptive or likely to mislead or deceive, or the Offer Materials omit any information they are required to contain (having regard to the provisions of section 708AA of the Corporations Act and any other applicable requirements);
- (Lodgement of Cleansing Notice): the Company fails to lodge with the ASX the Cleansing Notice on the Lodgement Date;
- (Cleansing Notice): the Cleansing Notice is defective, or a supplementary statement is issued or is required to be issued under the Corporations Act;
- (No Listing Approval): the Company fails to lodge an Appendix 3B in relation to the Underwritten Securities with ASX by the time required by the Listing Rules, the Corporations Act or any other regulations;
- (No Official Quotation): ASX has advised the Company that it will or may not grant official quotation to the Underwritten Securities on or prior to the Shortfall Notice Deadline Date;
- (proceedings) ASX, ASIC or any other person proposes to conduct any enquiry, investigation or proceedings, or to take any regulatory action or to seek any remedy, in connection with the Offer or the Offer Materials, or publicly foreshadows that it may do so; or
- (Unable to issue Shares) the Company is prevented from issuing the Underwritten Securities within the time required by this Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority; or
- (future matters) Any statement or estimate in the Offer Materials which relates to a future matter is or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe;
- (ASIC application): an application is made by ASIC for an order under Section 1324B or any other provision of the Corporations Act in relation to the Offer Materials, the Shortfall Notice Deadline Date has arrived, and that application has not been dismissed or withdrawn; or
- (No Quotation Approval): the Company fails to lodge an Appendix 3B in relation to the Underwritten Securities with ASX by the time required by the Corporations Act, the Listing Rules or any other regulation;
- (Takeovers Panel): the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act,
 - which in the Underwriter's reasonable opinion has a Material Adverse Effect;
- (Authorisation): any authorisation which is material to anything referred to in the Offer Document is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter acting reasonably;
- (Cleansing Statement): the Company ceases to be capable of issuing, at the date of issue of any Shortfall Securities, a notice under section 708A(5)(e) of the Corporations Act to allow secondary trading of any Shortfall Securities; or
- (Indictable offence): a director of the Company is charged with an indictable offence; or
- (Termination Events): subject always to clause 10.3, any of the following events occurs:
 - (Hostilities): there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, the Democratic People's Republic of Korea, or the Peoples Republic of China or any member of the European Union;
- (Default): default or breach by the Company under this Agreement of any terms, condition, covenant or undertaking;

- (Incorrect or untrue representation): any representation, warranty or undertaking given by the Company in this Agreement is or becomes untrue or incorrect in a material respect;
- (Contravention of constitution or Act): a contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- (Adverse change): an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a prospective adverse change after the date of this Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company;
- (Error in Due Diligence Results): it transpires that any of the Due Diligence was materially false, misleading or deceptive or that there was a material omission from them;
- (Public statements): without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer or the Offer Document, other than a statement the Company is required to make in order to ensure its disclosure obligations under the Listing Rules and the Corporations Act;
- (Misleading information): any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (Official Quotation qualified): the official quotation is qualified or conditional other than as set out in clause 1.3;
- (Change in Act or policy): there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (Prescribed Occurrence): a Prescribed Occurrence occurs;
- (Suspension of debt payments): the Company suspends payment of its debts generally;
- (Event of Insolvency): an Event of Insolvency occurs in respect of a Relevant Company;
- (Judgment against a Relevant Company): a judgment in an amount exceeding \$100,000 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (Litigation): litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced against any Relevant Company;
- (Board and senior management composition): there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Securities without the prior written consent of the Underwriter (such consent not to be unreasonably withheld);
- (Change in shareholdings): there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Offer, a matter disclosed in the Offer Document) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (Timetable): there is a delay in any specified date in the Timetable which is greater than 2 Business Days;
- (Force Majeure): a Force Majeure affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- (Certain resolutions passed): a Relevant Company passes or takes any steps to pass a resolution under Section 254N, Section 257A or Section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (Capital Structure): any Relevant Company alters its capital structure in any manner not contemplated by the Offer Document;

- (Breach of Material Contracts): any of the Contracts are terminated or substantially modified; or
- (Market Conditions): a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets excluding any general election announced as at the Announcement Date.