

A photograph of a woman and a young boy laughing outdoors at sunset. The woman is in the foreground, wearing a grey tank top and a patterned skirt, looking up and laughing. The boy is in the background, wearing a blue tank top and camouflage shorts, also laughing. The background is filled with trees and a bright sunset sky.

Rent.com.au Limited

(ABN 25 062 063 692)

APPENDIX 4D

Report for the Half-Year ended 31 December 2017

ABN or equivalent company reference

Financial Half Year Ended
(‘current period’)

Financial Half Year Ended
(‘previous corresponding period’)

25 062 063 692

31 December 2017

31 December 2016

1. RESULTS FOR ANNOUNCEMENT TO MARKET

	Half-Year ended 31 December 2017 \$'000	Half-Year ended 31 December 2016 \$'000	Percentage Increase / (Decrease) over previous corresponding period
Revenue from ordinary activities	1,052	742	41.7%
Earnings before interest, taxation, depreciation and amortisation (“EBITDA”) and share based payments	(1,466)	(3,566)	(58.9%)
Loss after tax from ordinary activities attributable to members.	(1,672)	(5,794)	(71.1%)
Net Loss for the period attributable to members	(1,672)	(5,794)	(71.1%)
Dividends			
There were no dividends paid or payable for the half year ended 31 December 2017.			
Record date for determining entitlements to the final dividend.			N/A
Commentary on results			
Refer to the “Review of Operations” section included within the directors’ report of that attached financial report for the half year ended 31 December 2017.			

2. NET TANGIBLE ASSETS PER SHARE

	31 December 2017 \$/share	31 December 2016 \$/share
Net tangible asset backing per ordinary security	0.006	0.027

3. CONTROL GAINED OR LOST OVER ENTITIES IN THE YEAR
Control gained over entities

Name of entity (or group of entities)	N/A
Date control gained	N/A
Contribution of such entities to the reporting entity’s profit/ (loss) from ordinary activities during the period (where material).	N/A
Consolidated profit/ (loss) from ordinary activities of the controlled entity (or group of entities) whilst controlled during the whole of the previous corresponding period (where material).	N/A

Loss of control over entities

Name of entity (or group of entities)	N/A
Date control lost	N/A
Contribution of such entities to the reporting entity's profit/ (loss) from ordinary activities during the period (where material).	N/A
Consolidated profit/ (loss) from ordinary activities of the controlled entity (or group of entities) whilst controlled during the whole of the previous corresponding period (where material).	N/A

4. DIVIDEND DETAILS

There were no dividends paid or payable for the half year ended 31 December 2017.

5. DIVIDEND REINVESTMENT PLAN

There was no dividend reinvestment plan in operation during the half year ended 31 December 2017.

6. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Name of associate	Reporting entity's percentage holding		Contribution to profit/(loss) (where material)	
	Reporting period %	Previous period %	Reporting period \$'000	Previous period \$'000
Time Finance and Homeloans Pty Ltd	Nil	25	Nil	Nil

The Group's investment in the entity was disposed on 15th September 2017.

7. AUDIT QUALIFICATION OR REVIEW

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

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Financial Report for the half-year ended 31 December 2017.

8. ATTACHMENTS

The Interim Financial Report for the half-year ended 31 December 2017 is attached.

Signed: 

Dr. Garry Garside

Non-executive Chairman

26 February 2018



Rent.com.au Limited

ABN 25 062 063 692

**Interim Financial Report
for the half-year ended
31 December 2017**

Contents

Director's Report	3
Auditor's Independence Declaration	6
General Information	7
Statement of Profit or Loss and Other Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to The Financial Statements	12
Directors' Declaration	14
Independent Auditor's Review Report to The Members of Rent.com.au Limited	15

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'the Group') consisting of Rent.com.au Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2017.

Directors

The following persons were directors of Rent.com.au Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Dr. Garry Garside	(Non-Executive Chairman)
Mr. John Wood	(Non-Executive Director)
Mr. Sam McDonagh	(Non-Executive Director)
Mr. Philip Warren	(Non-Executive Director)

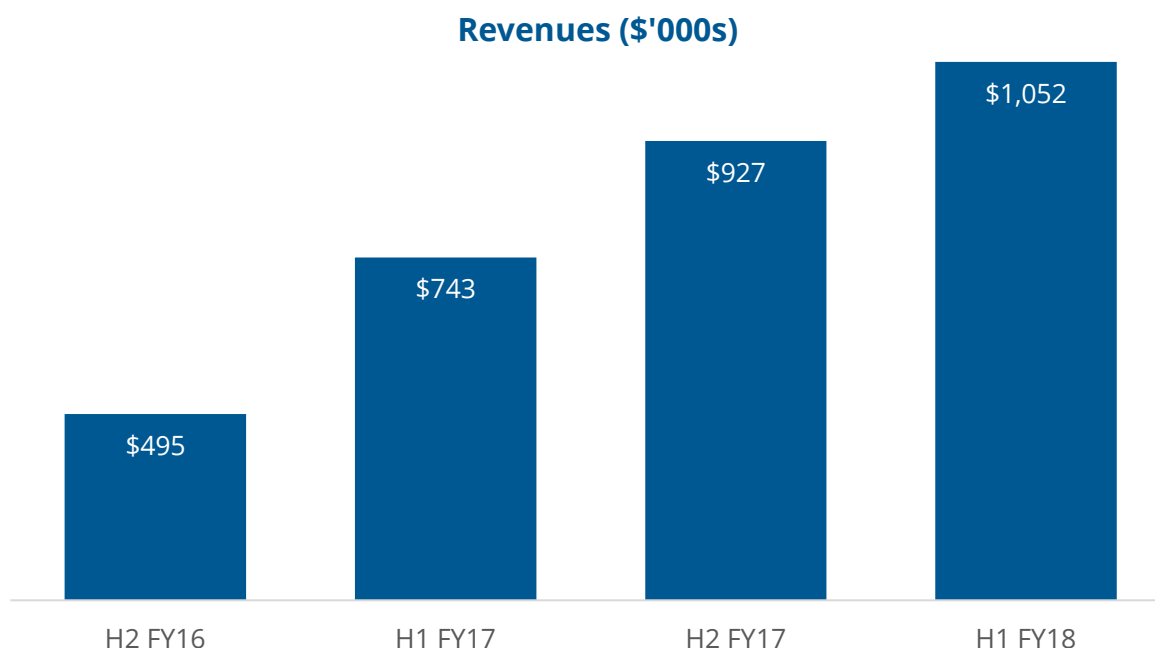
Principal Activities

The Group operates real estate websites focusing on the rental property market. The primary website operated by the Group is www.rent.com.au.

Review of Operations

The Consolidated Statement of Profit or Loss and Other Comprehensive Income shows a net operating loss after tax of \$1,672,497 (31 December 2016: \$5,794,317). The net operating loss for the half-year ended 31 December 2017 included non-cash share-based payments expenses of \$132,331 (31 December 2016: \$2,023,893) associated with performance based convertible securities issued to advisors, shareholders and employees. Earnings Before Interest, Tax, Depreciation, and Amortisation (and excluding non-cash share-based payments) ("EBITDA") for the half-year ended 31 December 2017 was a loss of \$1,466,432 (31 December 2016: \$3,566,120).

The quarter ending 31 December 2017 was the Group's 10th successive quarter of revenue growth since its ASX listing. Revenue for the half-year ended 31 December 2017 was \$1,052,055 which was up 42% from the \$742,586 which was recorded in the half-year ended 31 December 2016.

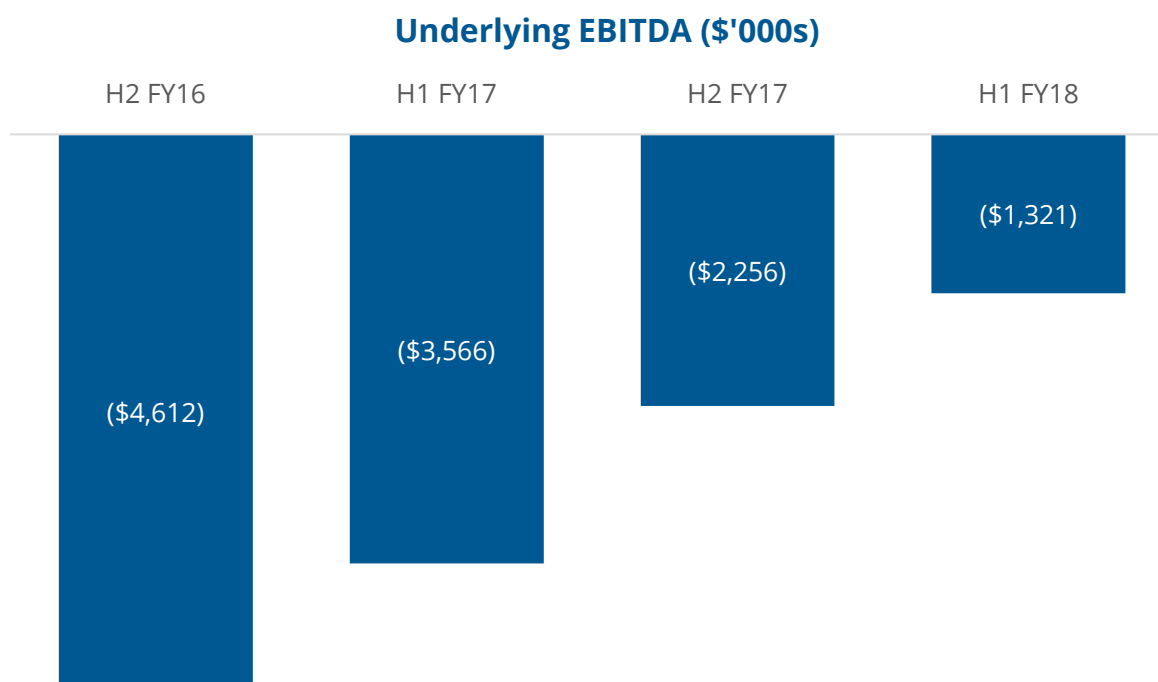


This result was achieved despite a decline in agent revenues of more than 50% relative to the half-year ended 31 December 2016 and by the Group's decision to write off \$34,869 in revenue to settle a dispute with a service provider to one of the Group's renter products (affects revenue reported for both Q1 and Q2 of FY18). Growth in revenue has been driven by a 171% increase in Renter Products revenue and an increase of 37% in Advertising Sales to third parties.

The significant increase in Renter Products revenue is a result of the Group's continued focus on driving revenue from Renter Products via its Renter Resume feature. During the period the Group trademarked Renter Resume and was granted an innovation patent for its online rental application process. A Research and Development tax incentive of \$361,890 (net of costs) was received during the period. This tax incentive related to research and development conducted during the year ended 30 June 2017. The Group continued innovating its systems during the current period and incurred \$329,590 of costs (both labour costs and externally purchased costs) which were capitalised.

The Group maintained its disciplined focus on costs and was able to reduce its cost base for the half-year ended 31 December 2017 (ignoring impact of share-based payments, depreciation and amortisation) by 58% or \$1,790,219 relative to the half-year ended 31 December 2016. These cost savings were achieved across marketing (by increasing site visitation from non-paid sources such that it now represents half of all site visits), labour costs (redundancy costs of \$145,517 were included in the half-year ended 31 December 2017) and administration and office costs (the Group relocated its office from West Perth to 3 Craig Street, Burswood owned by an entity controlled by the Group's Non-Executive Chairman Dr. Garry Garside).

The combination of revenue growth and cost reductions contributed to significant improvements in the Group's underlying operating losses with EBITDA for the half-year ended 31 December 2017 (adjusted to exclude one-off redundancy costs) improving 63% relative to the half-year ended 31 December 2016.



Significant changes in the state of affairs

None noted.

Events since the end of the financial reporting period

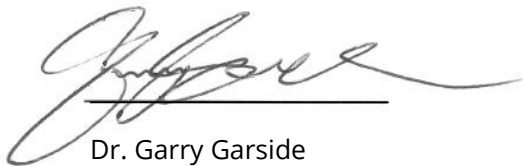
None noted.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'Garry Garside', is written over a horizontal line.

Dr. Garry Garside
Non-executive Chairman
Perth, 26 February 2018

RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +618 9261 9100
F +618 9261 9111

www.rsm.com.au

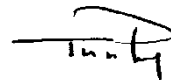
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Rent.com.au Limited for the half-year ended 31 December 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 26 February 2018

General information

The financial statements cover Rent.com.au Limited as a consolidated entity consisting of Rent.com.au Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Rent.com.au Limited's functional and presentation currency.

Rent.com.au Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

945 Wellington Street
West Perth
WA 6005

Principal place of business

3 Craig Street
Burswood
WA 6100

A description of the nature of the consolidated entity's operations and its principal activities are included in the director's report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 26 February 2018.

Rent.com.au Limited
Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2017

	Note	Consolidated	
		31-Dec-17	31-Dec-16
		\$	\$
Revenue	3	1,052,055	742,586
Other income		132,997	37,951
		1,185,052	780,537
Administration charges		(166,849)	(249,108)
Consulting & business development costs		(92,203)	(240,470)
Depreciation and amortisation expense		(204,737)	(238,478)
Employee benefit expenses		(1,281,807)	(2,294,746)
Finance costs		(2,093)	(3,777)
Information technology costs		(184,892)	(188,850)
Share based payment expenses		(132,331)	(2,023,893)
Sales and marketing expenses		(620,589)	(1,247,101)
Other cost of sales		(172,048)	(88,431)
Loss before income tax expense		(1,672,497)	(5,794,317)
Income tax expense		-	-
Loss after income tax expense for the half-year		(1,672,497)	(5,794,317)
Other comprehensive income		-	-
Total comprehensive loss for the half-year is attributable to the owners of Rent.com.au Limited		(1,672,497)	(5,794,317)
Earnings Per Share		Cents	Cents
Basic and diluted earnings per share		(0.84)	(3.61)

Rent.com.au Limited
Statement of Financial Position
As at 31 December 2017

	Note	Consolidated	
Assets		31-Dec-17	30-Jun-17
		\$	\$
Current assets			
Cash and cash equivalents		1,371,147	3,254,381
Trade and other receivables		316,034	246,048
Total current assets		1,687,181	3,500,429
Non-current assets			
Plant and equipment		47,534	72,028
Intangible assets		916,604	993,186
Total non-current assets		964,138	1,065,214
Total assets		2,651,319	4,565,643
Liabilities			
Current liabilities			
Trade and other payables		348,041	675,685
Borrowings		39,877	48,226
Employee benefits		207,992	227,548
Total current liabilities		595,910	951,459
Non-current liabilities			
Borrowings		6,291	21,606
Total non-current liabilities		6,291	21,606
Total liabilities		602,201	973,065
Net Assets		2,049,118	3,592,578
Equity			
Issued capital	4	32,247,551	32,239,412
Reserves		6,371,677	6,250,779
Accumulated losses		(36,570,110)	(34,897,613)
Total equity		2,049,118	3,592,578

Rent.com.au Limited
Statement of Changes in Equity
For the half-year ended 31 December 2017

	Issued capital	Share based payment reserves	Accumulated loss	Total equity
Consolidated	\$	\$	\$	\$
Balance at 1 July 2017	32,239,412	6,250,779	(34,897,613)	3,592,578
Loss after income tax expense for the half-year	-	-	(1,672,497)	(1,672,497)
Total comprehensive loss for the half-year	-	-	(1,672,497)	(1,672,497)
<i>Transactions with owners in their capacity as owners:</i>				
Share issue costs	(3,294)	-	-	(3,294)
Share based payments	11,433	120,898	-	132,331
Balance at 31 December 2017	32,247,551	6,371,677	(36,570,110)	2,049,118

	Issued capital	Share based payment reserves	Accumulated loss	Total equity
Consolidated	\$	\$	\$	\$
Balance at 1 July 2016	26,777,938	4,823,253	(26,383,982)	5,217,209
Loss after income tax expense for the half-year	-	-	(5,794,317)	(5,794,317)
Total comprehensive loss for the half-year	-	-	(5,794,317)	(5,794,317)
<i>Transactions with owners in their capacity as owners:</i>				
Share issues	5,676,502	-	-	5,676,502
Share issue costs	(364,053)	-	-	(364,053)
Share based payments	-	1,367,145	-	1,367,145
Balance at 31 December 2016	32,090,387	6,190,398	(32,178,299)	6,102,486

Rent.com.au Limited
Statement of Cashflows
For the half-year ended 31 December 2017

	Note	Consolidated	
		31-Dec-17	31-Dec-16
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,045,752	692,090
Payments to suppliers and employees (inclusive of GST)		(2,932,664)	(5,274,935)
		(1,886,912)	(4,582,845)
Other income		124,361	12,914
Interest received		8,636	-
Interest and other finance costs paid		(2,093)	(3,778)
Net cash used in operating activities		(1,756,008)	(4,573,709)
Cash flows from investing activities			
Payments for plant and equipment		(11,600)	(18,406)
Payments for intangible assets (net)		(92,061)	(387,844)
Proceeds from disposal of investment		100	-
Net cash used in investing activities		(103,561)	(406,250)
Cash flows from financing activities			
Proceeds from issue of share capital (net)		-	4,655,702
Proceeds from borrowings		-	39,688
Repayment of borrowings		(23,664)	(25,042)
Net cash provided by financing activities		(23,664)	4,670,348
Net decrease in cash and cash equivalents		(1,883,233)	(309,611)
Cash and cash equivalents at the beginning of the financial half-year		3,254,380	6,080,209
Cash and cash equivalents at the end of the financial half-year		1,371,147	5,770,598

Note 1. Significant Accounting Policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2017 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2017 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2. Operating segments

Identification of reportable operating segments

The Group operates as a single operating segment with different revenue streams. The Board (the Chief Operating Decision Makers ('CODM') of the business) reviews performance of the Group as a whole.

The Board reviews EBITDA (earnings before interest, tax, depreciation and amortisation and excluding non-cash share-based payments). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Note 3. Revenue

	Consolidated	
	31-Dec-17	31-Dec-16
	\$	\$
Fees from Agents and Landlords	119,750	238,598
Renter Products Revenue	467,349	172,174
Advertising Sales	454,956	331,814
Other Revenue	10,000	-
	1,052,055	742,586

Note 4. Issued Capital

<i>Movements in ordinary share capital</i>	31 December 2017		30 June 2017	
	No. of shares	\$	No. of shares	\$
Ordinary Shares				
At the beginning of the reporting period:	199,783,430	32,239,412	145,506,427	26,777,938
Add shares issued during the period:				
- Capital raising	-	-	50,197,542	5,019,754
- Conversion of Performance rights and shares to ordinary shares:				
- Tranche 1	-	-	3,283,741	656,748
- Tranche 4	66,667	11,433	795,720	159,144
Transaction costs relating to share issues:	-	(3,294)	-	(374,172)
At the end of the reporting period	199,850,097	32,247,551	199,783,430	32,239,412

Note 5. Contingent liabilities and assets

There has been no change in contingent liabilities or contingent assets since the last annual reporting date.

Note 6. Events after the end of the reporting period

No other matter or circumstance has arisen since 31 December 2017 that has significantly affected, or may be significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

Note 7. Dividends

There have been no dividends declared or recommended and no distributions made to shareholders or other persons during the period.

Note 8. Related party transactions

	31-Dec-17	31-Dec-16
Transactions:	\$	\$
Outgoings and electricity – Watersun Property Pty Ltd ^[1]	24,414	Nil
Office Cleaning Services – Servco Pty Ltd ^[1]	1,949	Nil

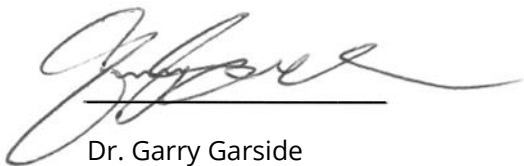
(1) The Group's non-executive chairman Dr. Garry Garside is a director and shareholder of both Watersun Property Pty Ltd & Servco Pty Ltd. As at 31 December 2017, there was an outstanding balance of \$4,353 owing to these companies arising in the ordinary course of business.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'Garry Garside', written over a horizontal line.

Dr. Garry Garside
Non-executive Chairman
Perth, 26 February 2018

RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +618 9261 9100

F +618 9261 9111

www.rsm.com.au

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
RENT.COM.AU LIMITED**

We have reviewed the accompanying half-year financial report of Rent.com.au Limited which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Rent.com.au Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Rent.com.au Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

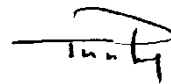
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Rent.com.au Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 26 February 2018