

RENT.COM.AU QUARTERLY ACTIVITIES REPORT FOR Q4 FY19

Rent.com.au Limited (ASX: **RNT**) ("**RENT**" or "**the Company**"), Australia's Number 1 website dedicated to rental property, presents its quarterly activities report for the three months ending 30th June 2019.

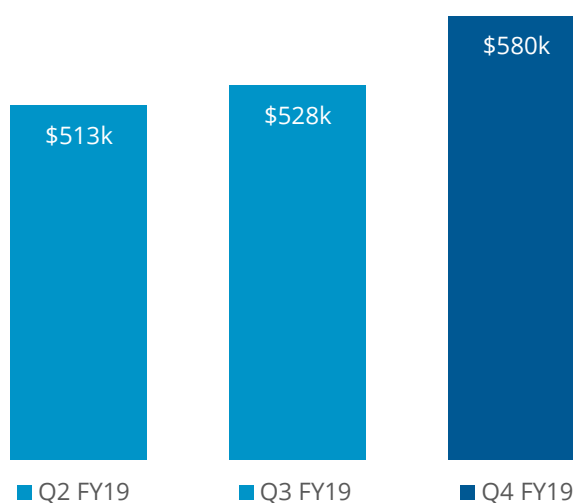
Key Points:

- › 10% Revenue improvement over previous quarter to \$580k
- › 27% EBITDA improvement over previous quarter
- › Renter Products and Advertising Revenue both improving
- › Growing awareness amongst renters sees organic traffic climb to 59% of all visits to app/web
- › \$2 million (before costs) raised via Placement and Rights Issue

Operating Overview

"While we had a difficult couple of quarters in the first half of the year, I am pleased that we've been able to turn that around and put together successive quarters of growth, posting one of our best ever EBITDA quarters," said RENT Chief Executive Officer Greg Bader.

Quarterly Revenue

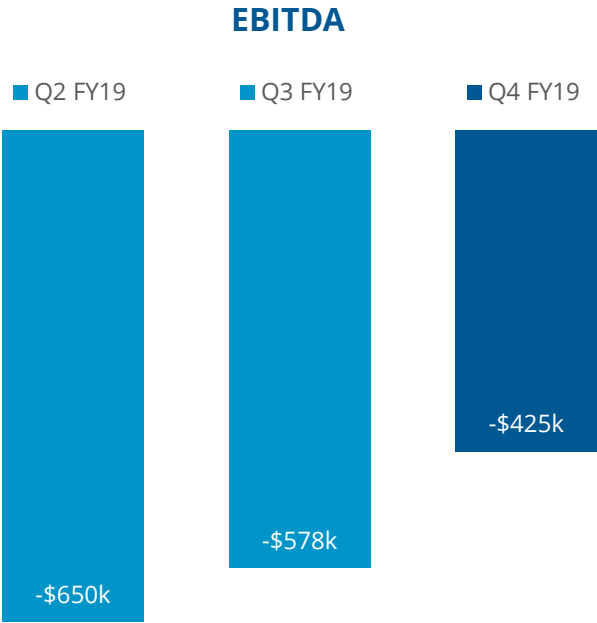


Revenue was up 10% to \$580k, driven by growth across both of RENT's core revenue streams being Renter Products and Advertising Products.

"It's a great result, especially coming off Q3 (Jan-Mar) which is typically the busiest quarter for movers. While all products contributed, the key driver was our refreshed RentBond product. We had identified the need to expand this beyond purely being a bond finance solution and we are now able to offer higher loan amounts, broader borrowing purposes and longer duration loans than before by changing finance providers to Fair Go Finance (announced 29 May 2019). This allows renters to incorporate other moving related costs (upfront rental payment, furniture etc.) into the financed amount and to better match the loan to their lease term. Since introduction we have seen an approximately 25% increase in average loan size, which results in increased revenue for RENT," said Mr Bader.

“Advertising Product sales has been a challenge, not only for our business but right across the industry as advertisers reduced their budgets amid economic uncertainty – none more so than in the property developer sector.

“For us, at our stage of development, this still contributes a significant proportion of revenue but the changes we made in late Q2 are starting to bear fruit and while we’ve got more to do, sales of premium advertising options have improved to deliver an 18% quarter on quarter improvement in Advertising Products revenue”.



“Our focus on efficiency has also served us well. Our marketing effectiveness is constantly under review and we have been able to achieve significant cost savings without sacrificing users. Compared with the same quarter in 2018, we spent 28% less on marketing but increased overall users by almost 20%. Along with continued overhead cost management this drove an improvement in our operating loss (EBITDA) of 27% compared with Q3.

“Being able to reduce our costs but at the same time improve our visibility to customers is particularly pleasing. Thanks to our investment in SEO and in unique and useful features on both our website and apps, we’re gaining further traction amongst the renting community”.

RENT’s iOS App is one of the highest rated property sector apps and the percentage of visitors coming from organic (not paid for) sources has grown to 59% of all visits.

“We are driving towards profitability and will continue to optimise in coming months. We have reduced the number of project initiatives in our development pipeline, prioritising projects that have a clearly defined path to revenue growth.”

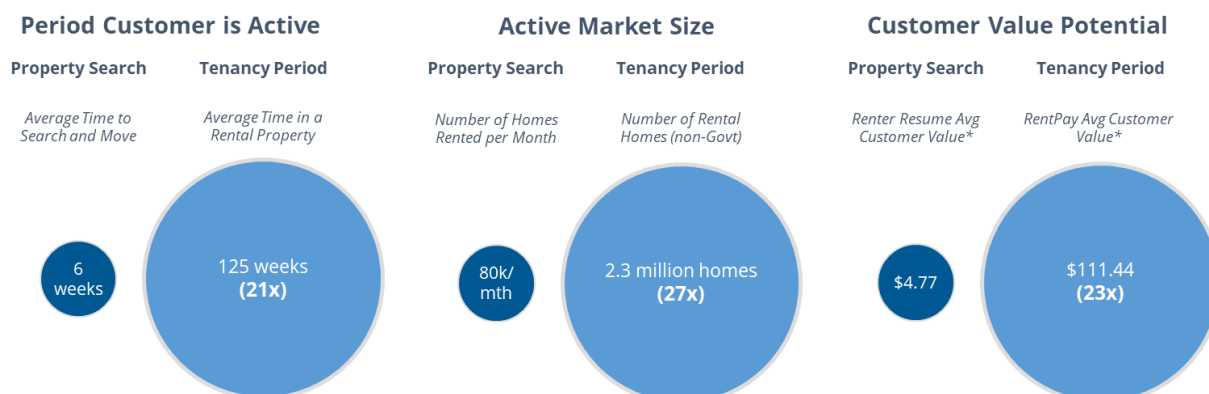
Rent.com.au
Rental Properties
Find your house or apart...
 4.9 ★★★★★

realestate.com.au
- Property
The #1 place for property
 4.7 ★★★★★

Domain Real
Estate & Property
Buy, rent or sell property
 4.6 ★★★★★

RentPay

"An area where we are continuing to invest in is RentPay, which is a critical component of our strategy. The size of opportunity throughout the tenancy period is significant and our past development has laid the groundwork for our evolution into a fully-fledged renting solution for renters, landlords and agents," said Mr Bader.



"At the start of the quarter we launched RentPay into the RENT App as a beta (test) so that the 5,500 tenants who are registered for (and currently using) RentPay can see their payment history, get reminders and manage their rent payments directly from their phone.

"A really interesting by-product of the test was that over 1,000 new renters registered (tried to onboard themselves) for the service. At the moment, RentPay is an "Agent Led" product in that it requires an Agent to be using RentPay before a Renter can use the service. So unfortunately, most of these customers could not use RentPay and we have since somewhat hidden RentPay within the App to avoid confusion. The takeout though that there is real interest from our customers and reconfirms our plans to turn RentPay into a renter focussed product (i.e. one that offers functionality/services that a customer can use irrespective of the backend payment platform that an agent uses).

"This level of interest is also supported by a survey we conducted of our renter base, asking them about the sort of features they would like in the new RentPay service. The results overwhelmingly demonstrating the need for a solution in the market which delivers benefits to renters in the form of convenience, functionality and choice. We are confident we can achieve all of this while retaining all the time saving advantages agents get."

Outlook

"During the quarter we announced a capital raising of \$2 million (before costs) comprising: a Placement of 13,157,894 shares to raise \$500,000 (before costs) which was completed in May 2019; and a fully underwritten Rights Issue of 41,582,878 shares to raise \$1.5 million (before costs) which closed after the quarter's end. With our capital raising now largely completed, and our return to revenue growth, we are in a good position to reach our goal of profitability in the near term. In parallel, we are focussed on expanding our RentPay proposition, which is a logical extension to our efforts in creating the leading renter-oriented site in the country and will see us become an integral part of our customers' journey from search through to the tenancy period. The scale of opportunity in the tenancy period is staggering, not only in terms of new/existing product growth but in the opportunity to become the default platform for the millions of renters through our country," concluded Mr Bader.




ENDS

All statistics quoted are from RENT research, calculated using both internal and external/third party data. * Customer value calculated as: RR = monthly Renter Products Revenue / Renter Resume created, RentPay = RentPay revenue / RentPay customers x average tenancy duration




About rent.com.au

rent.com.au (ASX: RNT) is Australia's #1 website dedicated to rental property. Our rental only positioning allows RNT to legitimately advocate for renting and renters.

Our Rules

	Renters in Suits	Our renters will always be presented in such a fashion as to maximise their chances of getting the home they want
	Properties on Pedestals	We present our properties with additional and relevant information
	Flick the Forms	Let's automate where we can. We can't remove the need for you to eyeball the property before signing (yet!), but we can remove most of the paperwork

Our Products

	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
	A convenience product that helps renters bridge the gap from one rental to another by financing their bond online.	Learn More
	A free and easy to use utility connection service to make moving hassle free – ensuring the lights are on and the water is hot when a renter moves into their new place.	Learn More

Renter (and Pet) Resume

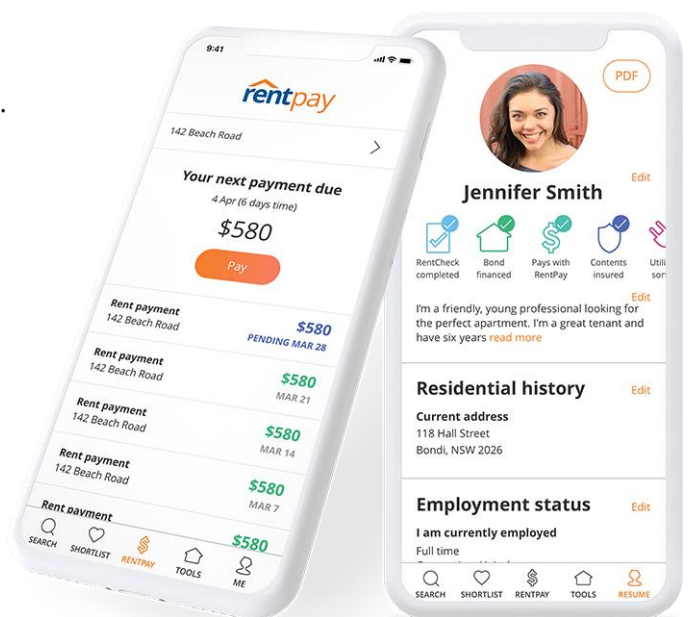
Streamline your rental search with Renter Resume. Create it once and use it to apply for as many properties as you like.

[Learn More](#)

RentPay

Your rental payments in the palm of your hand. Make payments, track payments, view your rental history, and set-up reminders.

[Learn More](#)



Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

RENT.COM.AU LIMITED

ABN

25 062 063 692

Quarter ended ("current quarter")

30 JUNE 2019

Consolidated statement of cash flows	Current quarter	Year to date
	\$A'000	(12 months)
		\$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	628	2,436
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(284)	(806)
(c) advertising and marketing	(163)	(951)
(d) leased assets	(54)	(136)
(e) staff costs	(548)	(2,026)
(f) administration and corporate costs	(64)	(509)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	10
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	345
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(485)	(1,637)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(5)	(37)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter	Year to date
	\$A'000	(12 months)
		\$A'000
(d) intellectual property	-	-
(e) other non-current assets	(202)	(869)
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (Disposal of Assets)	-	2
2.6 Net cash from / (used in) investing activities	(207)	(904)
3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	500	500
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(97)	(99)
3.5 Proceeds from borrowings	-	26
3.6 Repayment of borrowings	(2)	(24)
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	401	403
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	443	2,290
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(485)	(1,637)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(207)	(904)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	401	403

Consolidated statement of cash flows		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	152	152

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	82	341
5.2	Call deposits	70	102
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)	152	443

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

Current quarter
\$A'000
67
-

- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

The amount includes director fees paid to each of the directors, and also office rental and outgoings paid to an entity related to Dr. Garry Garside.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

Current quarter
\$A'000
-
-

- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	200	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Loan facility was provided by the underwriter of the Company's fully underwritten, non-renounceable pro-rata issue (Rights Issue). It was drawn down after quarter end and has since been repaid from proceeds of the Rights Issue.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	(101)
9.3 Advertising and marketing	(127)
9.4 Leased assets	(48)
9.5 Staff costs	(521)
9.6 Administration and corporate costs	(92)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	(889)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

Compliance statement

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

Sign here: [lodged electronically without signature]
.....
Company Secretary

Date: 30 July 2019
.....

Print name: Jan Ferreira
.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.

Further Disclosure Required by ASX in respect of Performance Shares

The Company confirms the following in respect of Performance Shares on issue as of the date of this notice:

Class	Date Granted	Expiry Date	Number
C	17 June 2015	14 days after the release of the audited financial reports for period ended 31 December 2019	8,160,771

The vesting conditions of the performance shares on issue are outlined below:

- Class C – each Performance Share will convert into 1 ordinary share on achievement of greater than \$3,000,000 EBITDA by the Group in any 12 month period on or before 31 December 2019.