



Rent.com.au Limited  
GPO Box 2543  
Perth WA 6001  
[www.rent.com.au](http://www.rent.com.au)

## ASX Announcement

26 October 2021

# RENT.COM.AU QUARTERLY ACTIVITIES REPORT FOR Q1 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 30<sup>th</sup> September 2021.

### Key Points:

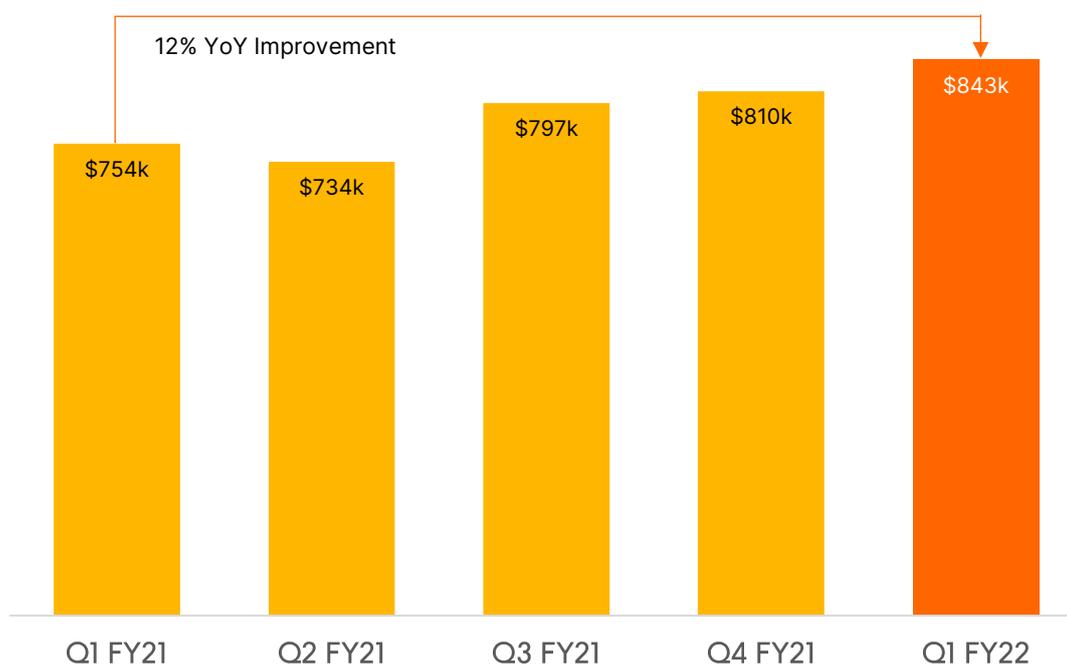
- › Record revenue of \$843k, 12% improvement on the same quarter last year.
- › Core rent.com.au EBITDA growth of 29% over previous quarter (5<sup>th</sup> consecutive positive quarter).
- › RentPay optimisation well progressed, and marketing being expanded.
- › \$1.8m cash on hand at end of quarter.

### Overview

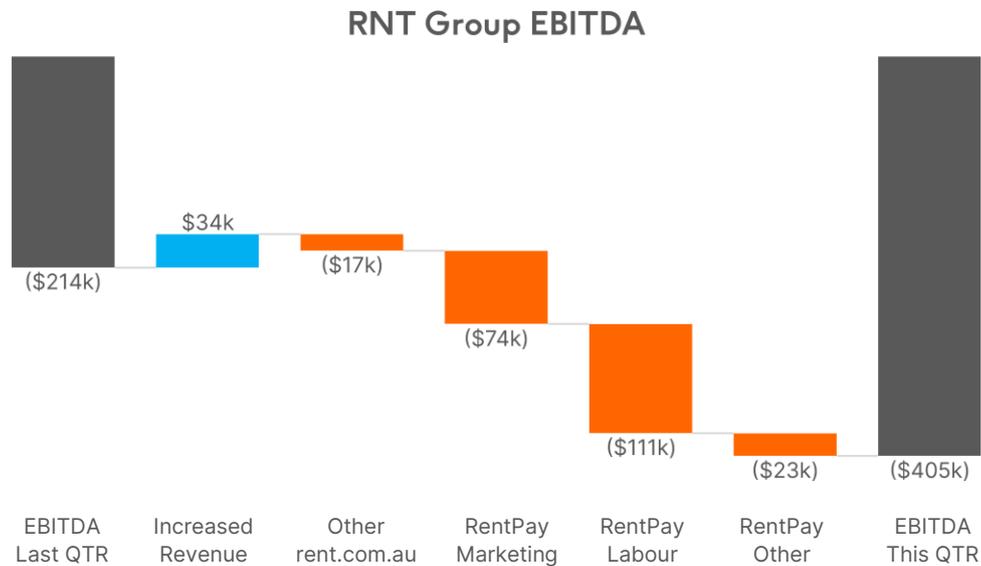
"Posting yet another record revenue result is all the more pleasing when you consider that, with lockdowns in our 2 largest cities for much of the quarter fewer renters moved home, impacting demand for our renter products," said Rent.com.au CEO, Greg Bader.

"Much of our focus during the quarter was on the continued optimisation of RentPay. We've made improvements to our onboarding process flow, with additional security measures implemented, and have also released a web version of RentPay enabling renters to sign up rapidly and get started seamlessly on whichever device they prefer. With these changes implemented, we commenced marketing out to our database with early results being encouraging."

### QUARTERLY REVENUE - GROUP



“Compared to the previous quarter, we’ve increased our spend in relation to 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. While this investment is reflected in our current EBITDA results, the future benefits are obvious”.



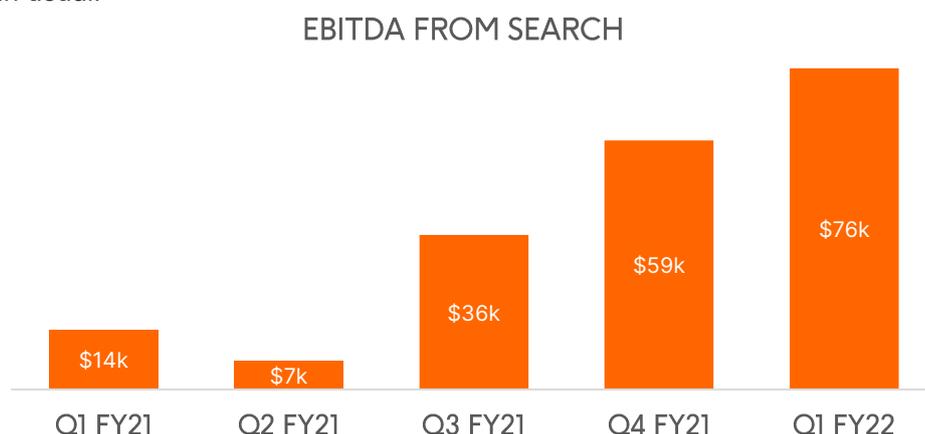
### Rent.com.au Update

“Renter product sales were affected by fewer renters moving. Completed sales of both our RentConnect utility product (offered in partnership with AGL), and our RentBond product were down on the previous quarter, although we maintained our share of our partner’s portfolios as both AGL and Fair Go Finance reported subdued demand across the market.

“Sales of our RentCheck product remained strong. While there may have been less people moving, the rental market is still tight, and that means renters look to gain an advantage when applying. RentCheck helps renters’ applications stand out because it shows that they are prepared, fully ID-verified and checked against the National Tenancy Database.

“Advertising revenue continued its strong growth, driving the overall group result and rewards us for the work we’ve previously put in to developing long term advertising partner relationships. A new quarterly record of \$430k (82% up on the same quarter in FY21), is pleasing but we know there is more growth that can be unlocked as we continue to prioritise longer term, sustainable revenue flows. Over the coming quarters we will focus additional resources in growing this revenue stream”.

“Our record revenue result has driven an increase in profitability of our core rent.com.au business, with EBITDA increasing to \$76k, marking five successive quarters of positive EBITDA. We’re currently building out our product roadmap to renew and add to our Renter Products with the aim of being ready to capitalise on the expected surge in demand during Q3 FY22 which is traditionally a strong quarter but with lockdowns being lifted and some expected relaxing of international borders, we expect that it will be stronger than usual.”



## RentPay Update

- › 1,350 active customers transacting payments, 90% increase since previous quarterly
- › \$3.8m in rent has been paid into RentPay to date (daily trust account balance >\$300k)
- › Improvements made in onboarding flow and security
- › Targeted marketing commencing

“Much of our efforts on RentPay over the past quarter centred on two broad areas of focus – optimising the customer onboarding experience and building out partnerships to add features/revenue streams and accelerate growth,” explained Mr Bader.

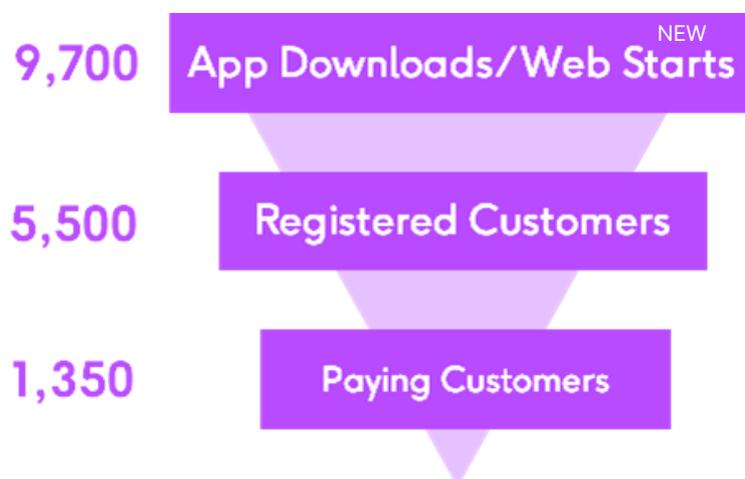
### Optimisation

“With regards to the onboarding experience, we have made significant improvements which mean we are getting a higher proportion of customers all the way through to paying their rent. There is more to do to get a really smooth process, but we are confident that marketing can start, and in fact have expanded our efforts in that regard from September onwards.

Key improvements made include:

- Security Improvements: new market leading Credit Card and Direct Debit secure onboarding. By implementing these features, we were able to relax some of the manual controls we had in place since launch, meaning customers are now able to complete set up straight away without having to wait for manual checks on the back end. Along with these changes, we also tightened our customer identity verification (KYC) systems.
- Web App: a fully functional web version of RentPay has been released so that customers who prefer not to use an app can have alternate (big screen) access to RentPay. This is particularly important for many tenants who are referred by real estate agents – research indicates that they would prefer to “try” the web version first before committing to downloading the App.
- Pricing Models: We have implemented changes that allow us to waive fees easily so we can better test price sensitivity which is always important when launching a completely new product. Our current marketing includes waiving establishment fees and allows customers to try the first month free.

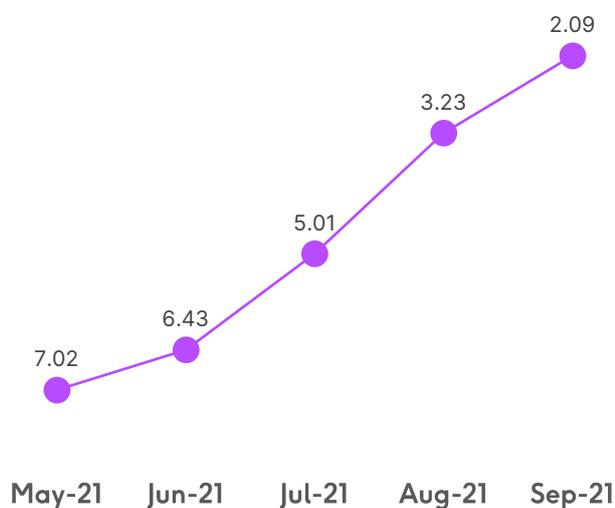
“The onboarding changes have seen significant improvement in the completion rate (paying customers as percentage of downloads) compared to the first couple of months post launch. The web app and pricing changes are recent, and we’ve not yet been able to quantify the impact of those changes, however we expect them to be positive”.



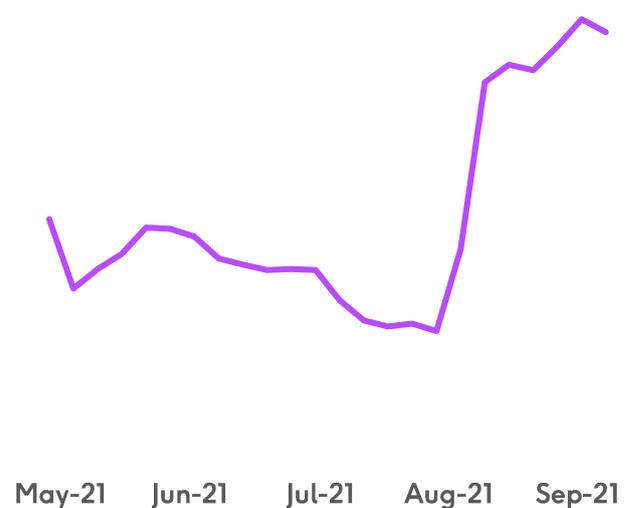
“Marketing has been expanded, but at this stage of the RentPay lifecycle, much of it is about building awareness for RentPay in a cost effective and sustainable fashion. There is a significant education component needed because with RentPay an entirely new segment is being created. Renters need to see our ads several times and remember them for them to consider using the product. To this end, our focus has been on developing relevant content (video, web and social media) and using this to reach as many renters as possible to raise awareness, primarily via social media. We’ve previously seen the benefits of this approach with rent.com.au where most users now come to the site organically, saving us \$100,000’s per month.

“We measure the early success of this activity by looking at how easy our product is to find via search results / Google rankings and how effectively we can reach renters. Over time, a wide reach drives search and consistently high rankings on google search results will translate into visitor numbers and paying customers. A bit like an efficient onboarding flow, this is a prerequisite for launching a much broader marketing campaign, so the significant improvement is very encouraging,” explained Mr Bader.

RentPay's Average Ranking Among Top 10 Relevant Google Keywords



Non-Paid Traffic to RentPay



## Partnerships

“Partners will form an important part of the RentPay platform as we deliver new products and features to renters. The key goal of RentPay is to make the renting experience easier and more rewarding. We want a customer’s renting journey to contribute to their overall standing – whether that’s putting them in a better position to find their next rental, simply making their rent money work for them, or even helping them transition into home ownership.

“Our partnering strategy is to work with a single partner in each category to deliver the best possible value – another example from our rent.com.au experience is how we’ve worked with AGL to deliver an offer where our renters get \$100 PLUS AGL’s best market offer. Replicating similar models across RentPay will drive much of the growth we see from the platform. Discussions are ongoing with several organisations across utilities, insurance and finance.

“Another partnership element we have been exploring concerns real estate agents. Agents can benefit from their tenants using RentPay through time saving trust account reconciliations and lower arrears and customer follow up thanks to SafetyNet and the rental buffer. The key aspect though is that by virtue of our focus on a product that works for consumers, there is an inherent advantage to agents.

“We have implemented new content on the website specially designed for real estate agents, new data format options to allow easy reconciliation and improved processes for customer communications/migration and have now had strong interest from several agencies which we are pursuing”.

## Outlook

“Our core Rent business continues to grow and has a number of improvements underway. We operate one of the top portals in the country and our single-minded focus on renting and the renter gives us a unique opportunity to engage and be steered by our customers. Our apps are the highest rated for the real estate segment in both App Stores, we’re delivering more than 10% of AGL’s new connections and the RentBond product is now the largest in the country. RentPay is new and is relevant to a renter at a different stage of their journey but shares the same values and purpose.

“Development of the strategy and content for a large-scale marketing campaign for RentPay continues, but there are a few areas we want to make sure are right first (so we get our best bang for buck) and much of that work is either complete or in progress. In the meantime, we have other opportunities to communicate with and grow our RentPay customer base. We launched RentPay with a view to create a new segment, solve a problem and give control to the Renter. It has not been without its challenges and the product today is superior to the one we launched a few months ago and I have no doubt the next versions will be better again.

“Q2 is normally a quieter quarter for RNT, with the real estate sector typically shutting down for a Christmas break before we experience seasonal highs in Q3. This year we’re encouraged by the ending of major lockdowns and the likelihood of increased mobility not just intra-state but also the possibility of international mobility. This bodes well for an extremely busy Q3 FY22,” concluded Mr Bader.

### ***Disclosures required under ASX Listing Rules:***

*Payments to related parties of the entity during the quarter totalled \$115k, 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")**

30 SEPTEMBER 2021

| <b>Consolidated statement of cash flows</b>               | <b>Current quarter<br/>\$A'000</b> | <b>Year to date (3<br/>months)<br/>\$A'000</b> |
|---|------------------------------------|--|
| <b>1. Cash flows from operating activities</b>            |                                    |  |
| 1.1 Receipts from customers                               | 876                                | 876  |
| 1.2 Payments for  |                                    |  |
| (a) research and development                              | -                                  | -  |
| (b) product manufacturing and operating costs             | (412)                              | (412)  |
| (c) advertising and marketing                             | (185)                              | (185)  |
| (d) leased assets   | (51)                               | (51)   |
| (e) staff costs   | (504)                              | (504)  |
| (f) administration and corporate costs                    | (315)                              | (315)  |
| 1.3 Dividends received (see note 3)                       | -                                  | -  |
| 1.4 Interest received                                     | -                                  | -  |
| 1.5 Interest and other costs of finance paid              | -                                  | -  |
| 1.6 Income taxes paid                                     | -                                  | -  |
| 1.7 Government grants and tax incentives                  | -                                  | -  |
| 1.8 Other (provide details if material)                   | -                                  | -  |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(591)</b>                       | <b>(591)</b>                                   |
| <b>2. Cash flows from investing activities</b>            |                                    |  |
| 2.1 Payments to acquire or for:                           |                                    |  |
| (a) entities  |                                    |  |
| (b) businesses  |                                    |  |
| (c) property, plant and equipment                         | (2)                                | (2)  |
| (d) investments   |                                    |  |
| (e) intellectual property                                 |                                    |  |
| (f) other non-current assets                              | (493)                              | (493)  |

| Consolidated statement of cash flows |   | Current quarter<br>\$A'000 | Year to date (3<br>months)<br>\$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)                   | -                          | -                                     |
| <b>2.6</b>                           | <b>Net cash from / (used in) investing activities</b> | <b>(495)</b>               | <b>(495)</b>                          |

|             |   |             |             |
|-------------|---|-------------|-------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>   |             |             |
| 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   | (26)        | (26)        |
| 3.7         | Transaction costs related to loans and borrowings                                       | -           | -           |
| 3.8         | Dividends paid  | -           | -           |
| 3.9         | Other (provide details if material)   | -           | -           |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>                                   | <b>(26)</b> | <b>(26)</b> |

|           |  |       |       |
|-----------|--|-------|-------|
| <b>4.</b> | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |       |       |
| 4.1       | Cash and cash equivalents at beginning of period                             | 2,918 | 2,918 |
| 4.2       | Net cash from / (used in) operating activities (item 1.9 above)              | (591) | (591) |
| 4.3       | Net cash from / (used in) investing activities (item 2.6 above)              | (495) | (495) |

Appendix 4C  
Quarterly cash flow report for entities subject to Listing Rule 4.7B

| <b>Consolidated statement of cash flows</b> |  | <b>Current quarter<br/>\$A'000</b> | <b>Year to date (3<br/>months)<br/>\$A'000</b> |
|---|--|------------------------------------|--|
| 4.4   | Net cash from / (used in) financing activities (item 3.10 above) | (26)                               | (26)   |
| 4.5   | Effect of movement in exchange rates on cash held                | -                                  | -  |
| <b>4.6</b>                                  | <b>Cash and cash equivalents at end of period</b>                | <b>1,806</b>                       | <b>1,806</b>                                   |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|------------|---|------------------------------------|-------------------------------------|
| 5.1        | Bank balances   | 1,736                              | 2,848                               |
| 5.2        | Call deposits   | 70                                 | 70                                  |
| 5.3        | Bank overdrafts   | -                                  | -                                   |
| 5.4        | Other (provide details)   | -                                  | -                                   |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>  | <b>1,806</b>                       | <b>2,918</b>                        |

| <b>6.</b>   | <b>Payments to related parties of the entity and their associates</b>                   | <b>Current quarter<br/>\$A'000</b> |
|---|---|------------------------------------|
| 6.1   | Aggregate amount of payments to related parties and their associates included in item 1 | 115                                |
| 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><b>NB:</b> 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

| <b>7. Financing facilities</b>  | <b>Total facility<br/>amount at quarter<br/>end<br/>\$A'000</b> | <b>Amount drawn at<br/>quarter end<br/>\$A'000</b> |
|---|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.<br/>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 <b>Total financing facilities</b>   | -   | -  |
| 7.5 <b>Unused financing facilities available at quarter end</b>   |   | 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   |   |  |

| <b>8. Estimated cash available for future operating activities</b>   | <b>\$A'000</b> |
|--|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9)  | (591)          |
| 8.2 Cash and cash equivalents at quarter end (item 4.6)  | 1,806          |
| 8.3 Unused finance facilities available at quarter end (item 7.5)  | -              |
| 8.4 Total available funding (item 8.2 + item 8.3)  | 1,806          |
| 8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>  | 3.06           |
| <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.

26 October 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 – 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.