

ASX Announcement

27 November 2015

CHAIRMAN'S ADDRESS TO RENT.COM.AU AGM

2015 has been a pivotal year in the life of Rent.com.au. After seven years of solid focus and hard work by the management team led by Founder and CEO Mark Woschnak, RENT achieved an important milestone on the 23rd June 2015, when it listed on the Australian Stock Exchange.

In raising \$5m as part of the listing, funds were generated to allow RENT to enter the next phase of our strategy; namely to create the complete rental marketplace. The capital raised has enabled us to expand our talented team, launch key partnerships and as a result achieve strategic targets well ahead of schedule.



The national property landscape is rapidly changing and with it, the traditional stereotypes surrounding renters are making way for a major systemic shift, whereby renting is recognised as an accepted and respected lifestyle choice. With over 7 million renters in Australia, it is a large and fast moving sector, and is on the rise reflecting global trends. As a company, we continue to address and respond to the changing nature of a young and fast growing audience, who want something different to the great Australian dream of previous generations.

Prior to listing, RENT shareholders had contributed \$10.3m to allow for the development of a critical mass of content, a robust and scalable technology platform and an initial range of products which collectively forms an important base for the further development and expansion of the company. This technology and infrastructure has been designed to allow RENT to achieve our growth targets, as well as providing a high level of competitive advantage and security for our customers.

There has been sustained growth since listing, with significant milestones reached. This momentum has allowed us to successfully complete an oversubscribed placement of shares on 18th November, raising a total of \$3,687,565 at \$0.28 per share. This strengthens our position for a successful launch into the next phase of growth and commercialisation in 2016. The additional capital will enable the expansion of marketing activities, additional product development and national sales capability.

RENT's success has been built on the strengths of a very loyal and talented team of professionals backed by a dedicated and diligent board. The ASX listing has resulted in a significant growth in the number of talented staff working in the business and we take this opportunity to welcome them to the fold.

I would also like to acknowledge my fellow directors John Wood, Sam McDonagh and Phil Warren and thank them for their tireless work and commitment to the business, not only in 2015, but over the past five years.

Finally, I would like to welcome our extended Rent.com.au shareholder community to the business, at what is an exciting and dynamic phase in the company's evolution. My sincere thanks to you, and to the many shareholders who have been with us from the start. It is indeed pleasing to be able to share with you our recent successes and we look forward to sharing many more as we continue to unlock RENT's full potential over the coming years. I am confident we have the team, infrastructure and capital in place to do so.

Thank you.

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CEO'S ADDRESS TO RENT.COM.AU AGM

Driven by a strong belief that the large and fast growing rental market in Australia was significantly under-served, we set out to create and build a content rich service that satisfied the needs of renters in what still is a frustrating renting process.

Over seven years later, I am very pleased to say that we have built a robust and scalable technology platform, a strong critical mass of national content, and an excellent first range of services, which is a leader in its field.



We have now shifted our focus from a systematic development phase towards a commercialisation phase to create a household consumer brand that services the needs of all participants in the rental property process; being renters, agents and landlords.

We are now well funded and will look to leverage our first to market mover advantage as the only dedicated national rental property website, and accelerate our plans to become the Home for Renters in Australia.

We have focused on Core Objectives and Key Results

Upon listing on the ASX in June 2015, we set three core business objectives for the first 12 months. These included:

- Increasing the volume of renter traffic to 500,000 unique visitors (UV's) per month;
- Increasing levels of rental property listings from non-agent landlords; and
- Increasing content from, and sales to, property agents.

We have experienced fast and positive growth in our first few months of operations and have achieved some major milestones well ahead of schedule.

We have achieved Record Traffic Numbers, well ahead of plan

Post listing, we concentrated on establishing key digital and marketing referral partnerships, utilising best practice expertise to assist in our core online marketing objectives and, in particular, driving highly targeted and low cost renter traffic to the site.

- In October, we attained a record of 549,513 UV's to the site, exceeding our target of 500,000 within 12 months, more than 6 months ahead of plan
- This traffic figure is more than double the number of UV's to the site compared with before the ASX listing
- Although we doubled unique visitor numbers, we have demonstrated a 3x increase in the volume of enquiries to property agents and landlords since ASX listing

These results are proving the effectiveness of the site and are testimony to our many years of product knowledge, site design and marketing know-how. We are very pleased to see these strong markers of user acceptance and confidence in our service.

Not only does this reflect an active and engaged audience, but this growth in audience size has delivered more than 15 million advertising impressions to the site, capturing the attention of some of the biggest advertisers in the country interested in targeting our high-demand audience demographic of the 18-35 year old market.

These factors now place us in a very good position to commence monetising our product suite.

We have harnessed excellent talent

As we have grown over the years, we have well identified our human resource needs to facilitate the overall vision for the business.

We have assembled a strong team, with the recruitment of approximately 25 more staff, including senior executives and other staff, mainly in marketing and sales.

I am excited by the level of expertise and passion in the business, and am pleased with the way in which we have come together in a short space of time. An entrepreneurial spirit exists, and it is backed by a strong, engaged and well versed team of people to execute on the plan ahead as we move into the next phase of commercialisation and growth.

We are continuing to build our Agent content and are making great headway in driving Non-agent Landlords online

Solid gains have been made in our national rental property listings content, which has seen about 400 new real estate agencies listing their content in the last few months. With more than 6,500 agencies nationally, we provide over 58,000 national listings at any one time, representing over 80% of national property content from the real estate agent industry.

Our industry business development has also commenced, with representation at industry trade shows, conferences and franchise group development events. We will continue to work with property managers and Agents to provide the services they need, and it is great to see that our message is resonating across the industry with an invigorated wave of enthusiasm and support for our vision. We have had strong endorsements from national property franchise heads, industry leaders, real estate institutes, trainers, commentators, media and the broader property sector. This supports our core objective of increasing content from, and sales to, property agents.

As a means to rapidly gaining market share of the vast amount of non-agent landlord listings that are still predominantly placed in print media, we recently waived our standard advertising fee for non-agent landlords. Over the past four months, we have seen more than a ten-fold increase (over 1,100%) in non-agent landlord listings on site. Whilst it is still early days, and from a low starting base, these are exciting results. Great momentum is building as we focus our efforts to transition the offline print market online to rent.com.au, beginning one of the last major shifts from print to online.

Strategically, landlords are now able to list their rental property online, on a nationally branded, highly reputable site that is used by the vast majority of real estate agents. They understand that our rental property listing proposition is as simple as listing your car on Carsales, or placing your employment ad on Seek.

We are building strong alliance partnerships

The building of strategic partnerships has been central to providing quality and unique services to renters. As we leverage our market position in delivering products and services to streamline the rental process, key alliance partners will help us by locking in the reliability of our brand to renters and others.

We recently signed a five year exclusive extension to our agreement with Certegy (a division of ASX-200 member FlexiGroup) for the enhanced roll-out of our RentBond product. This highlights the strong potential for the RentBond product, which offers renters a fast and easy way to have their rental bond paid upfront, and then repaying this over 3 to 6 months with no deposit and no interest payable. Our continued work with Certegy to make this more widely accepted, now includes EFT payments direct to property agents' trust accounts.

In addition to our current suite of products, there are a wide range of services that we are looking to offer either directly, or via alliance partners, to our key audience of renters, landlords and property managers to make the entire rental process simpler and more efficient for everyone involved.

We are in a growth market

The rental industry in Australia is under-serviced relative to the property for sale environment. This alone provides a great opportunity for improvement, but we believe that the most significant growth in rentals will come from the sheer volume of renters, currently 30% of the population (7 million Australians) that rents, increases further, as already evident in national statistics and overseas trends.

Many commentators suggest that Australian capital cities are likely to follow the trend of most other major capital cities in the world, whereby 50% or more of the population rent, and that we could reach these figures within a decade.

In Australia, whilst the average is about 30% across the nation, this trend is already evidenced in certain capital cities such as Sydney at 35% and Brisbane at 34% of the population renting. We see this the other capital cities following suit over time.

This growth is not just due to housing affordability issues, but also because renting is becoming a conscious lifestyle and investment choice for many as work trends are changing. We see this in the results from our surveys, which show that there is an increasing percentage of renters who have no desire to own a property.

Our task is to become the household brand name for a service that renters can trust and rely upon, to help them find their next rental property as smoothly as possible.

Our future looks good

When we set the vision for Rent.com.au, more than seven years ago, a huge task lay ahead in the opportunity to create the national site representing renters and all key parties in the renting process.

Back then, we commenced with a plan, just one property management software service provider, (compared to over 60 we currently have), a few hundred listings and site traffic of 1,000 visitors.

I am grateful for a loyal and hardworking team of key staff who joined along the way, who believed in the vision and who have been willing to face the challenges. Today, we have a clear set of business objectives, a robust and scalable site, a range of quality service offerings and a talented new team who are set to pursue a proven model for success.

We look forward to this next phase, bringing the many years of hard work to life, through creating a national household brand name site to deliver a much needed service to our customer audience of 7 million renters. With 550,000 renters using our site in October, we are on our way to achieving this ambition.

I would also like to reiterate our Chairman's comments, to acknowledge and thank the Board for its support along the way, and give thanks to all of our shareholders and other stakeholders, including our advisors and broker community, whether they have been long term supporters or have recently joined on this exciting journey.

Our vision remains to create the complete marketplace of products and services needed in the renting process by renters, property managers and non-agent landlords. A long term view of expanding this vision into Asia and utilising our other assets like lease.com.au remains.

Our shorter term focus will be consolidating our strong traffic growth by improving the ability to monetise that traffic and to further develop our consumer branding and range of services. We have achieved significant milestones in a short space of time, and look forward to continuing our journey in creating rent.com.au as the long term home for renters in Australia.

Thank you.