

**20 January 2021**  
**ASX and Media Release**

## **FY21 Second Quarter Cash Flow and Trading Update**

Online household goods marketplace, MyDeal.com.au Limited (**ASX: MYD**, 'MyDeal' or the 'Company') is pleased to provide an update on its activities for the quarter ended 31 December 2020. This is the first Appendix 4C Report following MyDeal's listing on ASX on 22 October 2020, after raising A\$40m<sup>1</sup>.

### **H1 Highlights:**

- **H1 FY21 Gross Sales<sup>2</sup> increased 217% YoY to \$126.7m**
- **Active Customers<sup>3</sup> grew 205% YoY to a record 813,764 as at 31 December 2020**
- **Strong cash balance as at 31 December 2020 of \$48.1m**
- **H1 FY21 results to be announced on 23 February 2021**

### **Q2 Highlights:**

- **Q2 FY21 Gross Sales increased 165% YoY to ~\$70.1m (up 23.7% on Q1 FY21)**
- **Private label Gross Sales up 103% on Q1 FY21 to \$2.8m**
- **52.7% of all transactions from returning customers, up from 38.5% in Q2 FY20**
- **Lachlan Freeman appointed CFO and commenced January 2021**

Commenting on the performance for the quarter, MyDeal's CEO, Sean Senvirtne, said: "We are extremely pleased with the results. The strength in cash receipts during the quarter reflects the continued growth of the business, driven by an increase in active customers to a record 813,764, and transactions from returning customers representing 52.7% of total transaction (up from 49.7% in Q1).

Since listing, we have been executing on our growth strategy by continuing to invest in our technology, marketing, and private label. Our mobile apps for iOS and Android remain on track for launch in H2 FY21, and we expect this to be a key driver of growth in the future. Our private label product range continues to grow and is expected to more than double in H2 FY21. We have also started to expand our executive leadership team with the appointment of Lachlan Freeman as CFO and multiple new roles commencing in Q3 FY21 to support continued growth".

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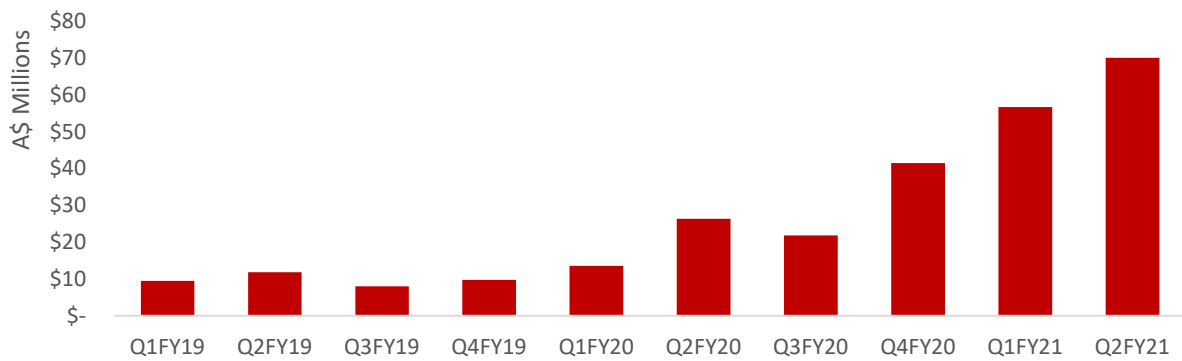
<sup>1</sup> The \$40m IPO raised \$35 million for the Company through the issue of 35.0m new shares and \$5 million for certain existing shareholders through the sale of 5.0m shares at \$1.0.

<sup>2</sup> "Gross Sales" or "Gross Transaction Value ("GTV") is a non-IFRS metric that represents the total value (unaudited) of transactions processed by MyDeal, on a cash basis, before deducting refunds, chargebacks, discounts and coupons, but after deducting GST.

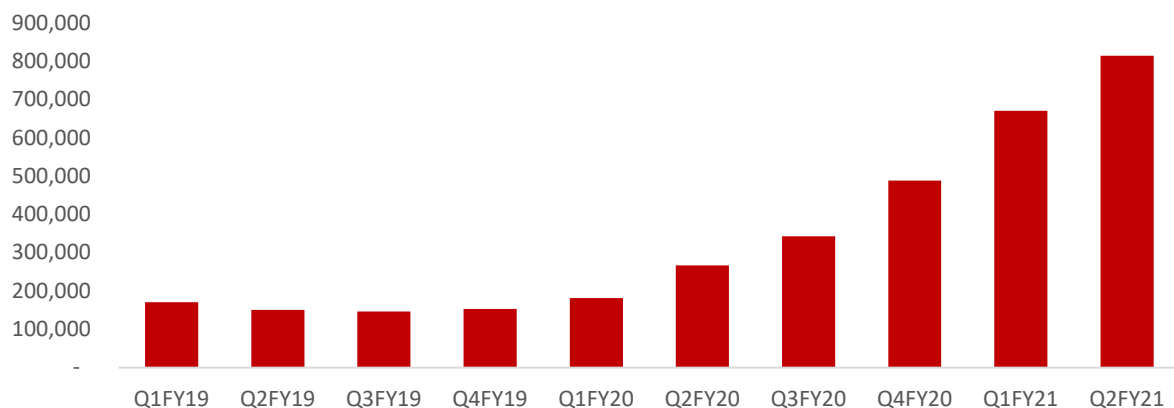
<sup>3</sup> "Active Customers" are customers who have bought products through the MyDeal platform during the last 12 months.

### Second Quarter Performance

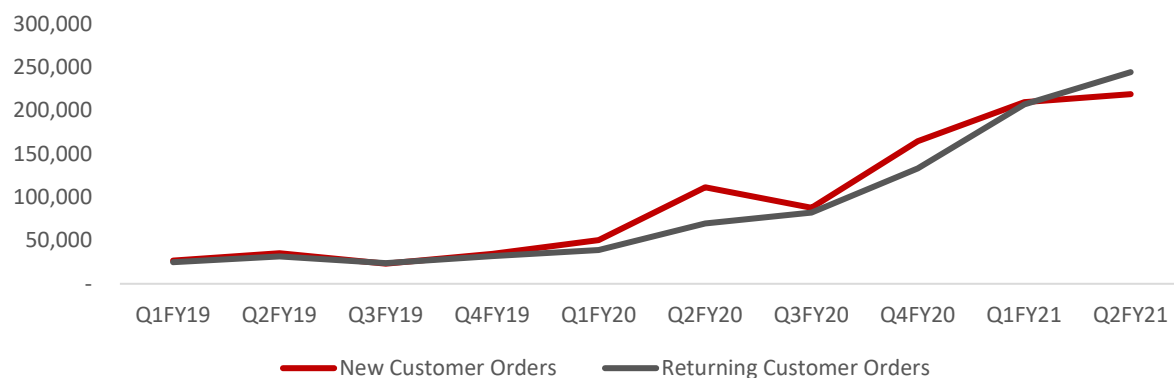
MyDeal experienced strong growth in Q2 FY21 with Gross Sales totalling approximately \$70.1m. This is another record for the Company and represents growth of 165% YoY and 23.7% compared to the previous quarter.



Active Customers grew to 813,764 as at 31 December 2020 from 266,570 as at 31 December 2019.



MyDeal also experienced strong growth in the number of orders from returning customers in Q2 FY21 with 52.7% of all transactions from repeat customers, up from 49.7% in the prior quarter and from 38.5% in Q2 FY20.



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Customer cash receipts totalled \$71.5m for the quarter (\$130.0m for the half), an increase of 22.4% on the previous quarter of \$58.5m which reflects continued growth in Gross Sales. MyDeal's Private Label business, which was launched in 2020, generated Gross Sales of \$2.8m in Q2, up from \$1.4m in the prior quarter.

Operating cash outflows of \$2.3m included:

- \$0.5m in IPO-related costs not recognised through equity
- \$2.4m investment in private label inventory, which is to support expansion of the higher margin private label business.

As at 31 December 2020 the Company had a cash balance of \$48.1m.

There were no other substantive business activities during the quarter.

Under Listing Rule 4.7C, the Use of Funds update from the IPO is as follows:

Use of Funds as per prospectus	Estimated expenditure (\$m)	Actual expenditure (\$m)	Comment
Payment to Selling Shareholders	5.0	5.0	Completed
Investment in Personnel	7.0	0.03	On Track
Advertising and branding expenditure	11.5	0.9	On Track
Inventory investment	11.25	2.4	On Track
Working capital	2.25	Nil	On Track
Costs of the Offer	3.0	3.2 <sup>4</sup>	Completed
<b>Total</b>	<b>40.0</b>	<b>11.53</b>	

In reference to payments to related parties (Section 6 of the attached Appendix 4C report), Item 1 comprises payments for directors and their associates during the second quarter that amounted to \$614,991 which includes director fees of \$69,667, salaries of \$149,323 and a

<sup>4</sup> "Costs of the Offer" include IPO related costs that were both deducted from equity or recorded as an expense in accordance with AASB 132 since July 2020.

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non-recurring advisory fee of \$396,000 paid to Henslow who acted as Corporate Advisor in relation of the IPO and as outlined in the Prospectus.

Authorised for release by the Board of MyDeal.com.au Limited.

-- ENDS --

**For further information, please contact:**

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**About MyDeal**

MyDeal is an online retail marketplace focused on household goods such as furniture and homewares. MyDeal currently has more than 1,700 sellers (of which close to 900 are considered Active Sellers<sup>5</sup> as at 31 December 2020) on its platform with over 5 million product SKUs listed across over 2,000 categories (with the number of SKUs available for sale at any time determined by the sellers).

<sup>5</sup> "Active Sellers" are sellers that have sold products through the platform within the last three months.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

MYDEAL.COM.AU LIMITED

**ABN**

60 640 108 130

**Quarter ended ("current quarter")**

31 December 2020

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (.....months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	71,523	129,970
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(62,437)	(111,967)
(c) advertising and marketing	(7,543)	(13,275)
(d) leased assets	(1)	(42)
(e) staff costs	(855)	(1,605)
(f) administration and corporate costs	(577)	(643)
1.3 Dividends received (see note 3)		
1.4 Interest received	3	6
1.5 Interest and other costs of finance paid	(15)	(15)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (increase in balance of inventory)	(2,382)	(2,535)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(2,283)</b>	<b>(105)</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	(18)	(55)
(d) investments		
(e) intellectual property	(539)	(978)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
2.2	(f) other non-current assets 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>(557)</b>	<b>(1,033)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	35,000	35,000
3.2	Proceeds from issue of convertible debt securities		300
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(2,299)	(2,731)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)	(39)	(77)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>32,662</b>	<b>32,491</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	18,328	16,796
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,283)	(105)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(557)	(1,033)

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	32,662	32,491
4.5	Effect of movement in exchange rates on cash held		
4.6	<b>Cash and cash equivalents at end of period</b>	<b>48,149</b>	<b>48,149</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	7,153	5,723
5.2	Call deposits	2,065	11,364
5.3	Bank overdrafts	4	(15)
5.4	Other (provide details)	38,928	1,256
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>48,149</b>	<b>18,328</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(615)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

*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.*

7. <b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (credit card)	30	0
7.4 <b>Total financing facilities</b>	<b>30</b>	<b>0</b>
7.5 <b>Unused financing facilities available at quarter end</b>		30
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.		

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(2,283)
8.2 Cash and cash equivalents at quarter end (item 4.6)	48,149
8.3 Unused finance facilities available at quarter end (item 7.5)	30
8.4 Total available funding (item 8.2 + item 8.3)	48,179
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	21.1
<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.

Date: .....20/1/21.....

Authorised by: .....By the board.....  
(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.

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