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RMA Global Limited
ABN 69 169 102 523
Level 1, 120 Balmain Street
Cremorne VIC 3121

ASX Announcement

29 January 2021

Quarterly business update and Appendix 4C

Highlights

- **Headline revenues**: Recurring revenue of $4.75m in 1H FY21, up 26% HoH and 37% YoY.
- **Cashflow:** Net receipts from customers in 2Q FY21 of $3.02m, reflecting improvement of 13% QoQ and 54% YoY.
- **US:** pipeline metrics continue to grow with 102,000 agents on the platform and 84,600 reviews. Reviews 2Q FY21 vs 2Q FY20 up 560%.
- **Australian and New Zealand revenues:** Continued growth in all existing product streams.
- **COVID-19**: No material impact to business to date.

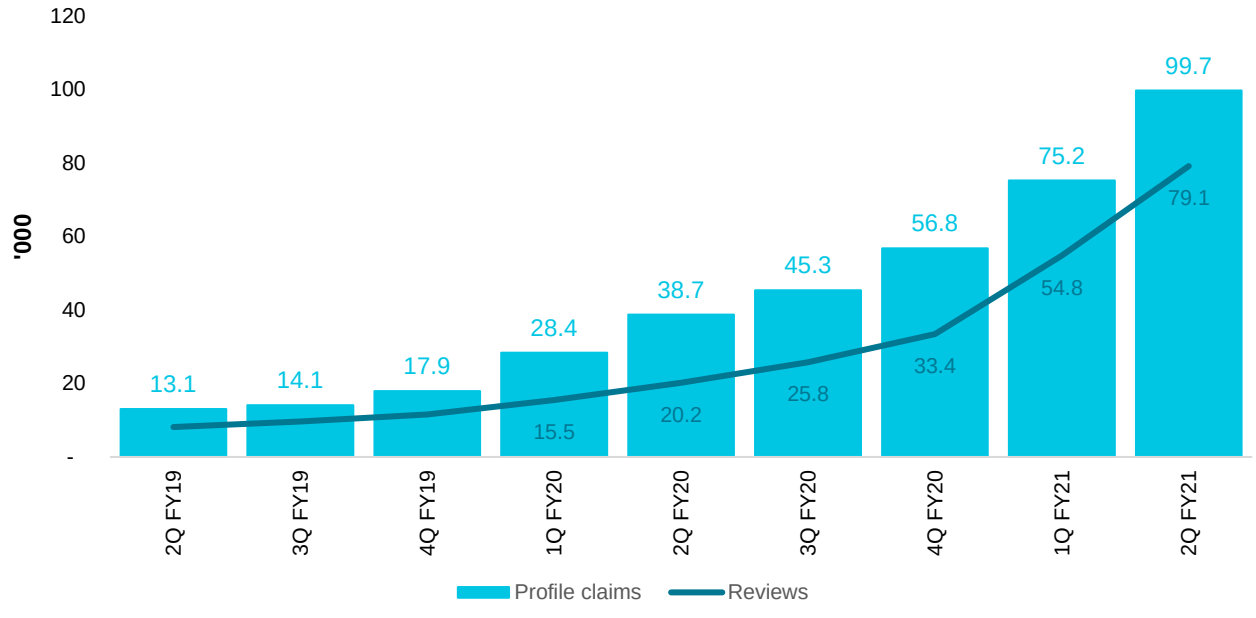
USA

Profile claims and reviews

The US focus is to drive agent profile claims and reviews and we have now reached a milestone of having over 100,000 agents join the platform. As of 26 January, there were 102,000 agents on the US platform who have collected a total of 84,600 reviews.

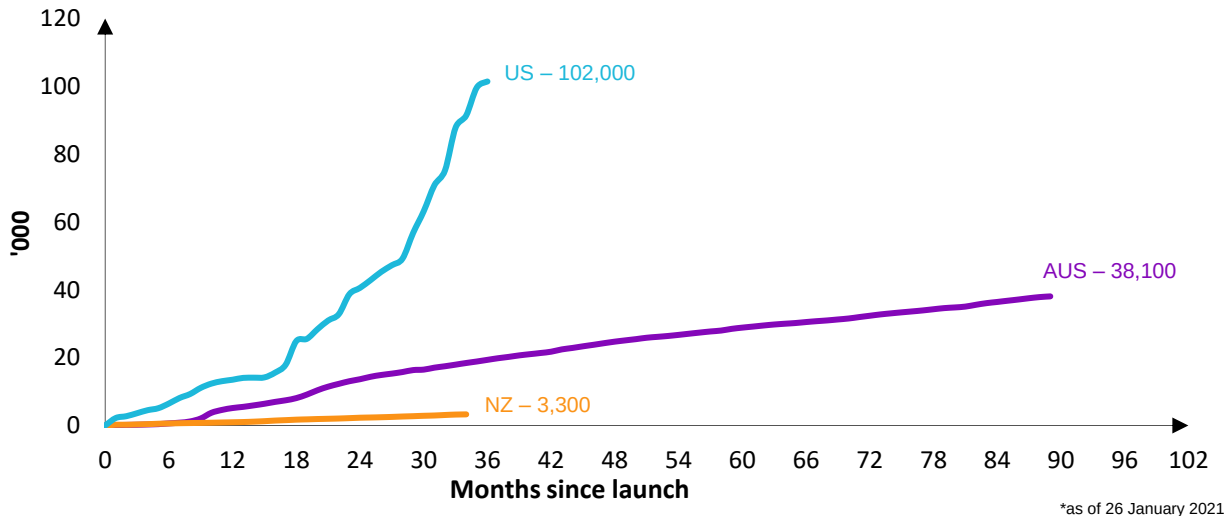
Agent uptake and engagement continues to grow with total profile claims and reviews at the end of 2020 increasing 158% and 292% YoY respectively. We expect both to grow with review growth at a faster rate as agents engage with the platform.

USA - Profile claims vs reviews (cumulative)



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Agent claimed profiles on the RMA platform



*as of 26 January 2021

The Company expects growth to continue in 2021. To assist agents who have reviews on other platforms, RMA now allows and facilitates cross-platform integration, creating a universal review profile. Review aggregation was launched in November 2020 and facilitates the importing of reviews from other platforms, links them to the underlying property transaction and creates a unique review webpage that can then be used in all of our digital marketing tools.

US growth will also be stimulated by the inaugural US Agent of the Year Awards, to be held late January 2021. Awards are a way for agents to differentiate themselves from other agents. This is a key feature for agents to be able to promote themselves as the best agent in their area and to create unique marketing campaigns using the RMA Promoter product to showcase their Award.

While the US focus is on increasing agents on the platform and their reviews, subscription revenues are growing, with 193% higher revenues generated in 1H FY21 compared to 2H FY20, albeit off a low base. Revenues are expected to increase in 2H FY21 as we put more resources into monetising the agent base.

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Australia and New Zealand

Profile claims and reviews

In Australia 38,100 agents have claimed their profiles as of 26 January 2021 (31 Dec 2020: 37,900) and collected 933,000 reviews (31 Dec 2020: 920,500). Circa 195,000 reviews were collected in 2020, which is 29,000 (18%) higher than in 2019.

In New Zealand 3,300 agents have claimed their profiles and collected 20,800 reviews.

The Australian and New Zealand experience of multiple reviews per agent is what we ultimately expect to see in the US.

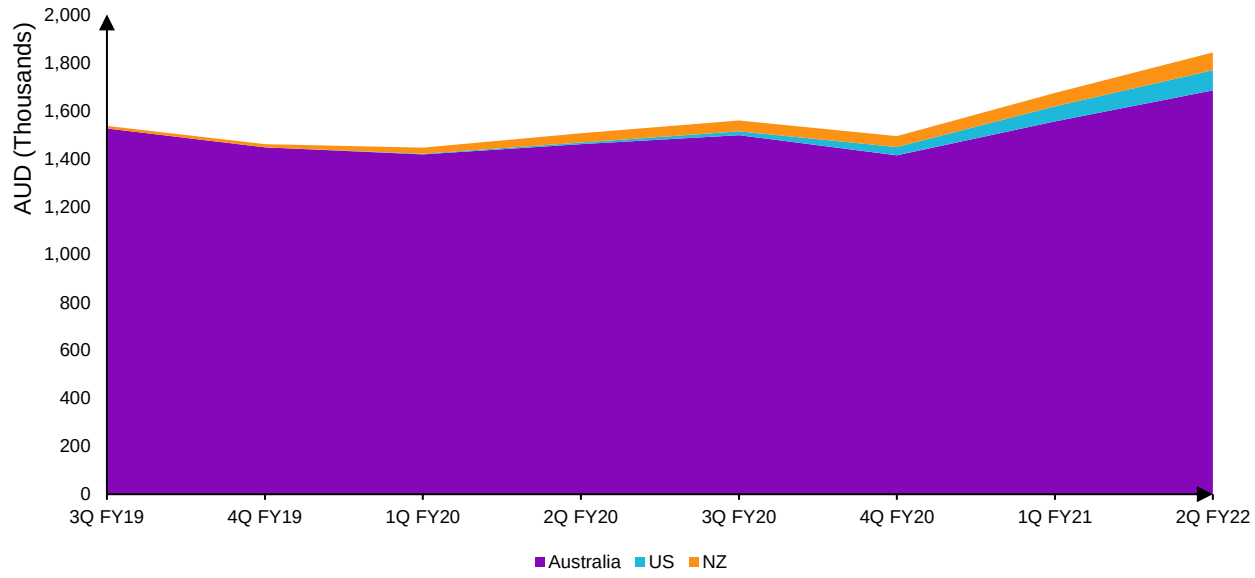
Subscriptions

Subscriptions protected the revenue base during the initial stages of COVID-19, in the last quarter of FY20, but revenues bounced back in the first half of the current financial year, driven largely by the Company's growth initiatives and wider product offering.

Australian subscriptions in 2Q FY21 increased c.8% QoQ and c.15% YoY. Annual subscriptions, prepaid in advance, continue to be the more popular choice for new subscribers.

New Zealand subscriptions in 2Q FY21 increased c.34% QoQ and 93% YoY, boosted by increased permanent in-country sales resources.

Subscription revenues



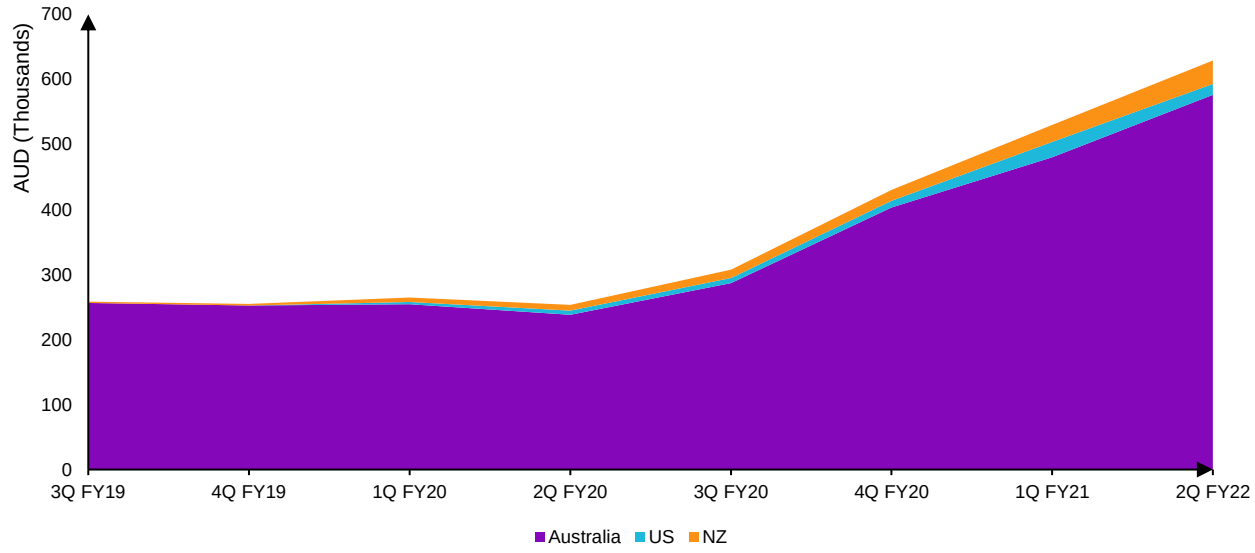
Promoter

Australian Promoter revenues in 2Q FY21 increased c.20% quarter-on-quarter, reflecting a c.142% YoY increase driven by an improved product offering, increased underlying subscriptions and a higher focus by real estate agents on building their online profile.

In New Zealand, Promoter revenues in 2Q FY21 increased 39% QoQ and 312% YoY. Yearly growth rates are off a low base.

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Promoter revenues



Mortgage Broking

Mortgage broking was launched in late FY2020 and since then just under 500 mortgage brokers have taken out a basic RMA subscription. Additional mortgage broking products are being launched in 3Q FY21. Cash revenues from Mortgage broking is small but expected to increase as our marketing steps up.

COVID-19 Impact

Chief Executive Officer, Mr. Michael Davey said, “We have only been marginally impacted by COVID-19. Our customer base has quickly adapted to a new business model, requiring increased investment in developing and maintaining an online profile, as well as marketing themselves online. In this context, RMA’s product line is highly relevant, with record levels of customer engagement achieved in 2020. This is reflected in the record number of reviews and increasing revenues.”

Cash flow and net cash position

- **Operating cash outflow** for the quarter was $1.52m, a year-on-year improvement of $1.02m (40%), primarily driven by increased receipts from:
    - Subscriptions, mostly in Australia, with a significant portion of new subscriptions being prepaid annual subs;
    - Promoter revenues; and
    - Mortgage broking subscriptions

  The increase in operating cash outflows from the prior quarter is due to increased investment in product development and additional AU/NZ and US sales resources. New products and staff are expected to start generating additional revenues in 2H FY21.
- **Cash on hand** as of 31 December 2020 was $13.85m.

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Authorised for release by the Company Secretary, Scott Farndell

Further information:

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Appendix 4C

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

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Name of entity	
RMA Global Pty Ltd	
ABN	**Quarter ended ("current quarter")**
69 169 102 523	31 December 2020

Consolidated statement of cash flows		**Current quarter A$'000**	**Year to date (6 months) A$'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	3,019	5,684
1.2	Payments for		
	(a) research and development	(484)	(903)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	(574)	(1,081)
	(d) leased assets	(95)	(189)
	(e) staff costs	(2,849)	(5,414)
	(f) administration and corporate costs	(544)	(1,095)
1.3	Dividends received (see note 3)		
1.4	Interest received	1	6
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	12	100
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(1,521)**	**(2,892)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(13)	(20)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	(17)	(17)

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Consolidated statement of cash flows		Current quarter A$'000	Year to date (6 months) A$'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)	-	-
2.6	**Net cash from / (used in) investing activities**	**(30)**	**(37)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,500	13,500
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	(208)	(695)
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)	-	-
3.10	**Net cash from / (used in) financing activities**	**3,292**	**12,805**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	12,122	3,996
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,521)	(2,892)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(30)	(37)

Consolidated statement of cash flows		Current quarter A$'000	Year to date (6 months) A$'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,292	12,805
4.5	Effect of movement in exchange rates on cash held	(17)	(26)
4.6	**Cash and cash equivalents at end of period**	**13,846**	**13,846**

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	13,846	12,122
5.2	Call deposits	-	-
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)**	**13,846**	**12,122**

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	(183)
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

6.1 Directors' salaries.

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7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	N/A	N/A
7.2	Credit standby arrangements	N/A	N/A
7.3	Other (please specify)	N/A	N/A
7.4	**Total financing facilities**	N/A	N/A

7.5	**Unused financing facilities available at quarter end**	N/A

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.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(1,521)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	13,846
8.3	Unused finance facilities available at quarter end (Item 7.5)	0
8.4	Total available funding (Item 8.2 + Item 8.3)	13,846
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	**9.1**

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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

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

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

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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: .....29/01/2021.....

Authorised 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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