

ASX Announcement

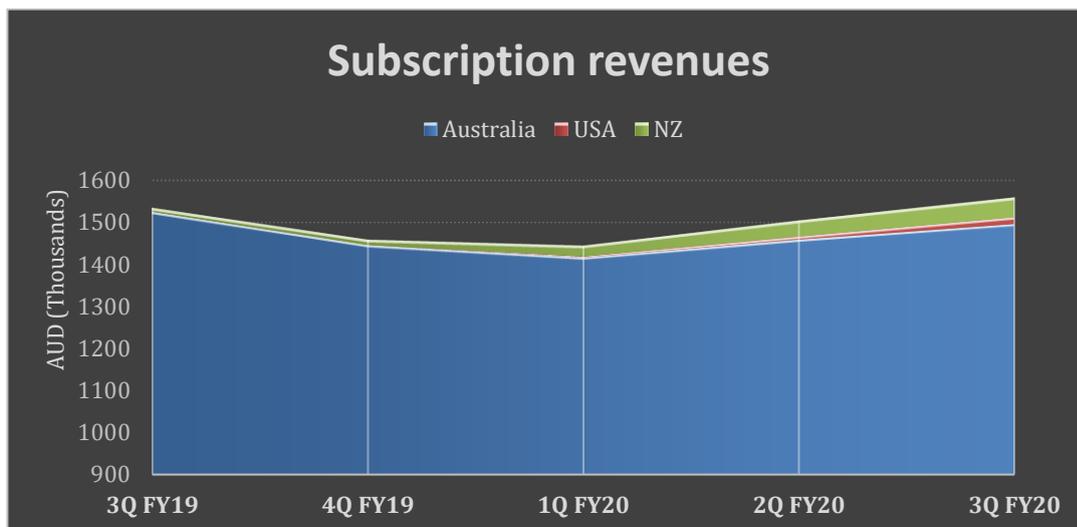
30 April 2020

Quarterly business update and Appendix 4C

- **Offshore growth:** Active subscription sales commenced in the US in March with encouraging results
- **Covid-19:** some impact on Australian sales, but subscription model protecting revenue base. Operating costs being assessed in all areas
- **Cash flows:** Net operating cash outflow of \$2.07m, an improvement of \$474k on previous quarter
- **Cash position:** Cash balance of \$5.74m as at 31 March 2020

In our half-year report, we communicated that revenues had been impacted by the real estate downturn in Australia in 2019. However, we predicted that in the current year, revenues in New Zealand and the US would grow strongly on the back of promotional activity and that Australian revenue would grow as a result of more attractive product offerings to agents, including our syndication with Domain.

These results flowed through with quarterly subscription revenues up 9% from 1Q 2020 and 4% up on 2Q FY20 mostly driven by subscription revenues in Australia and New Zealand. Active sales in the US commenced in late March 2020 and, despite the current economic environment, US revenue growth is starting to build momentum.

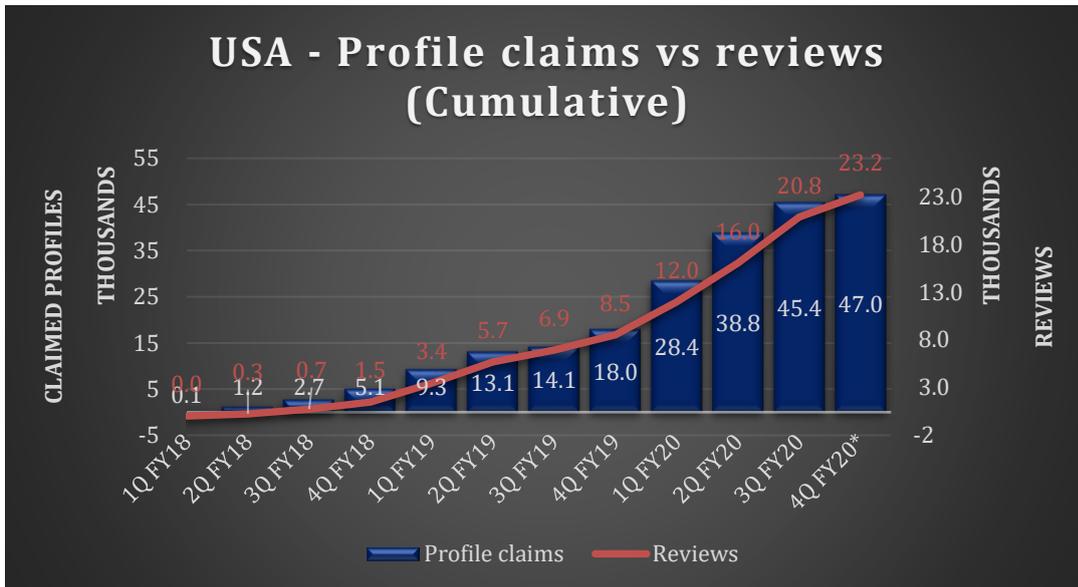


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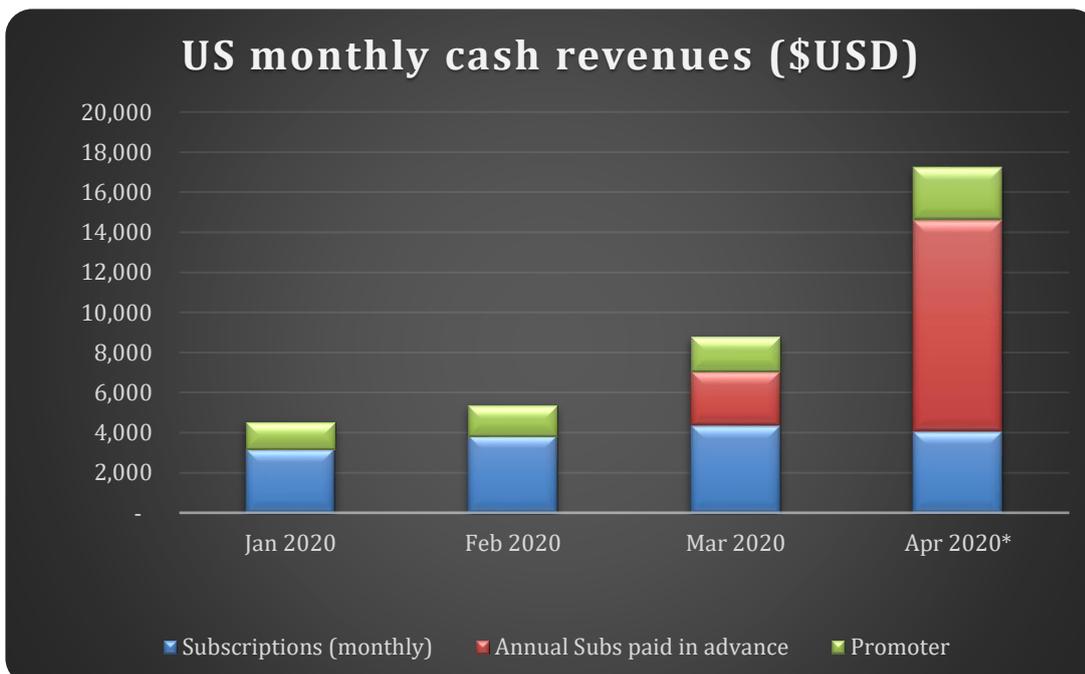
New claimed profile growth in Australia remains relatively consistent at circa 950 new claimed profiles per quarter. As at 27 April, the RMA Australia platform has 35,200 claimed profiles and agents have collected 770,000 reviews.

In New Zealand circa 2,300 agents have claimed their profiles and received 9,700 reviews.

In the US, claimed profiles on the RateMyAgent.com platform continue to grow and now exceed 47,000 profiles. US real estate agents have also accumulated circa 23,000 reviews on our platform.

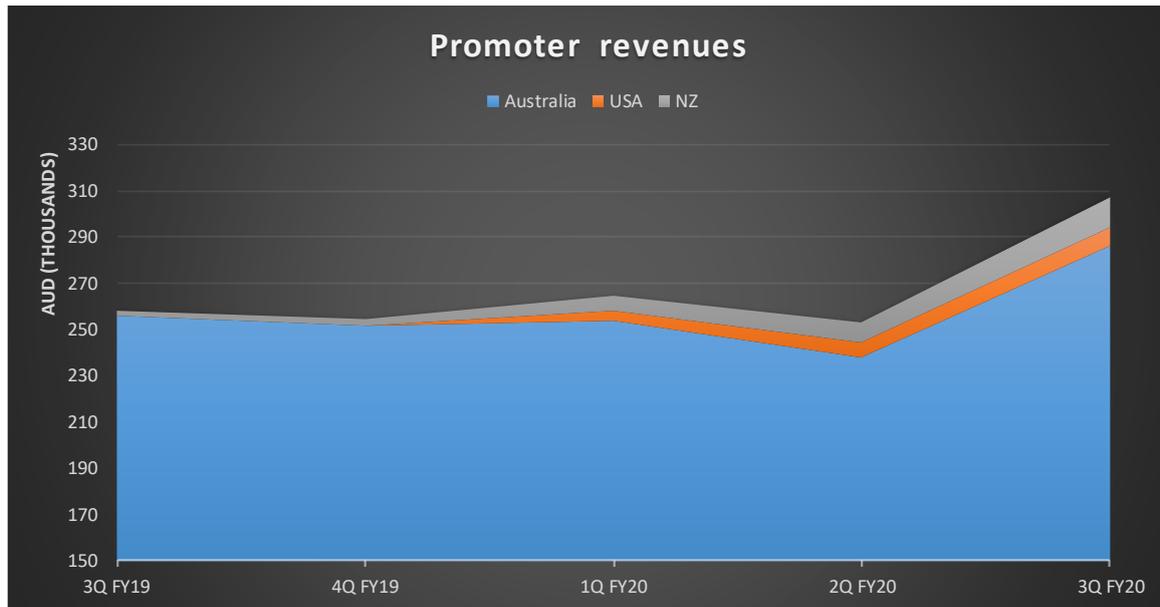


We commenced the active promotion of subscriptions in the US in March, targeting Agent subscriptions. The bulk of the new US business is prepaid subscriptions and cash subscription revenues have grown circa 60% month-on-month since February. Active sales for teams, offices and brokerage subscriptions will commence in the next 3 months and is expected to accelerate this growth and also the numbers of claimed agents.



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Promoter revenues grew c.20% in 3Q FY20 on the back of the annual RMA Awards in February, which are currently awarded to Australian and New Zealand agents and agencies.



Since March, Government initiatives to flatten the curve of Covid-19 infections has had a dramatic impact on the real estate industry, particularly in how real estate agents engage with vendors and buyers. The initial reaction to the newly imposed restrictions included a spike in the churn of agents in our Australian business at the end of March. However, as agents have worked with the new business landscape and increasingly focused on digital marketing, churn rates have reduced to pre-Covid levels.

The net impact on subscription revenues in Australia for April is a circa 8% - 10% decline in monthly revenue. However, the Company expects to be able to maintain monthly subscriptions at 80% - 90% of pre-Covid levels in the near term.

Australian Promoter revenues in April reduced by circa 10%, which indicated that agents recognise the value of digital promotion in the current environment.

In New Zealand revenue growth rates for April are broadly in line with March and are expected to continue to grow, albeit at a low rate.

As part of the Company's response to Covid-19, all travel and in-person marketing events have been cancelled. Staff costs have also been reduced through the rationalization of headcount in Australia aligned to the transfer of certain US-related operations offshore. The net result is a substantially lower cost base for 4Q FY20 compared to 3Q FY20

Cash flow and net cash position

The net effect of subscription and Promoter revenue growth in the quarter, combined with non-recurring annual Awards revenue of \$150k, resulted in cash receipts for the quarter ending 30 March 2020 of \$2.27m. This increase reflects a net increase in cash receipts from customers of 20% from \$1.89m in 1Q FY20.

Operating costs reduced 4% quarter-on-quarter, primarily due to reduced travel and advertising spend.

Cash operating costs include research and development expenditure of \$326k, advertising and marketing costs of \$614k, leased assets payments of \$90k, staff costs of \$2.47m and administration and corporate costs of \$854k.

Payments to related parties of \$180k as per section 6.1 of the Appendix 4C are for Director salaries, fees and superannuation contributions.

The net cash used in operating activities for the quarter totalled \$2.07m, \$474k (19%) lower than in 2Q FY2020 and \$760k (26%) lower than 1Q FY20.

The Company had a closing cash balance at 31 March 2020 of \$5.74m, consisting of \$4.50m in term deposits and \$1.24m of cash at bank.

Mr. Mark Armstrong, the CEO, said, “We continue to be delighted with our progress in the US, particularly as we continue to grow despite the global economic headwinds brought on by Covid-19. The foundations we have set over the last year will help us accelerate growth as the effects of COVID 19 restrictions are relaxed across the markets we operate in.”

The Chairman of RMA, David Williams, said, “We have turned on US subscription revenues and the early results off a nil base are encouraging. Our MLS relationships have helped drive our claimed agents to over 47,000. In all, we are hoping for exciting US growth in FY21. In Australia refinements in our product offering, along with some new products, are planned to increase claimed agent profiles and revenue.”

Authorised for release by the Company Secretary, Scott Farndell

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About RMA Global Limited

RMA is an online digital marketing business providing extensive data on for-sale and sold residential property, sale results for individual residential real estate agents and agencies, as well as reviews of agent performance from vendors and buyers of residential real estate. This data can be used by agents to build their profile to market themselves, or by vendors to compare agents and find an agent or agency to sell their property.

RMA currently operates in Australia, New Zealand and the USA.

About RateMyAgent

RateMyAgent is an Australia-based review platform now expanding rapidly in the United States. In Australia, RateMyAgent is used by agents who sell 80% of property across Australia and get reviews for 1 in 3 homes sold nationally.

RateMyAgent launched in the United States in 2018 and has partnerships with MLS's from Florida to California, including CRMLS, the country's largest MLS. RateMyAgent is the first review platform to be included and endorsed by the National Association of Realtors® 2019 NAR's REACH Accelerator Program.

More information about RateMyAgent can be found at www.RateMyAgent.com

Forward looking statements

This announcement contains certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as 'may,' 'should,' 'expect,' 'anticipate,' 'estimate,' 'scheduled' or 'continue' or the negative version of them or comparable terminology.

Any forecasts or other forward-looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material.

The Company does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward-looking statements.

Appendix 4C

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

Name of entity

RMA Global Pty Ltd

ABN

69 169 102 523

Quarter ended ("current quarter")

31 March 2020

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|------------------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 2,269 | 6,119 |
| 1.2 Payments for | | |
| (a) research and development | (326) | (981) |
| (b) product manufacturing and operating costs | - | - |
| (c) advertising and marketing | (614) | (2,207) |
| (d) leased assets | (90) | (300) |
| (e) staff costs | (2,470) | (7,190) |
| (f) administration and corporate costs | (854) | (2,907) |
| 1.3 Dividends received (see note 3) | | |
| 1.4 Interest received | 21 | 35 |
| 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) | (5) | (10) |
| 1.9 Net cash from / (used in) operating activities | (2,069) | (7,441) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) entities | - | - |
| (b) businesses | - | - |
| (c) property, plant and equipment | (38) | (82) |
| (d) investments | - | - |
| (e) intellectual property | (4) | (23) |
| (f) other non-current assets | - | - |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 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 | (42) | (105) |
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | 10,000 |
| 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 | - | (421) |
| 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 | - | 9,579 |
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 7,831 | 3,694 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (2,069) | (7,441) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (42) | (105) |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|--------------------------------------|--|----------------------------|---------------------------------------|
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | - | 9,579 |
| 4.5 | Effect of movement in exchange rates on cash held | 24 | 17 |
| 4.6 | Cash and cash equivalents at end of period | 5,744 | 5,744 |

| 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 | 1,244 | 1,331 |
| 5.2 | Call deposits | 4,500 | 6,500 |
| 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) | 5,744 | 7,831 |

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter
\$A'000

(180)

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) | 2,069 |
| 8.2 Cash and cash equivalents at quarter end (Item 4.6) | 5,744 |
| 8.3 Unused finance facilities available at quarter end (Item 7.5) | 0 |
| 8.4 Total available funding (Item 8.2 + Item 8.3) | 5,744 |
| 8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1) | 2.8 |

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:

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:

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:

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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:30/04/2020.....

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.