

18 October 2021

## ASX and Media Release

### Q1 FY22 Activities Report and Appendix 4C<sup>1</sup>

## MYDEAL ACHIEVES ANOTHER RECORD QUARTER

### Q1 FY22 Highlights:

- **Record Gross Sales<sup>2</sup> of \$69.5 million, up 49.0% QoQ and up 22.6% on pcp**
- **Record Active Customers<sup>3</sup> up 38.8% on pcp to 929,461**
- **Continued growth in transactions from returning customers, accounting for nearly 60% of all transactions (Q1 FY21: 49.7%)**
- **Our In-stock (Private Label and Third Party brands) Gross Sales growing strongly to \$6.0 million up 323% on pcp (Q1 FY21: \$1.4 million)**
- **Positive operating cashflow of \$5.5m with strong cash balance of \$47.2 million as at 30 September 2021, with no debt**

Leading online retail marketplace for home and lifestyle products, MyDeal.com.au Limited (**ASX: MYD**, '**MyDeal**' or the '**Company**'), is pleased to provide an update on its activities for the quarter ended 30 September 2021 ('**Q1 FY22**').

Commenting on the results, MyDeal CEO, Sean Senvirtne said:

"I'm very pleased to announce another record quarter despite cycling a period of unprecedented growth. Our strong upwards trajectory continues with MyDeal generating \$69.5 million in Gross Sales, with active customers reaching an all-time record of circa 930,000, as more and more Australian shoppers discover the benefits of MyDeal. Putting the customer at the centre of everything has translated to increased customer retention, with returning customers accounting for almost 60% of all transactions, compared to 49.7% this time last year.

Through relentless focus on our key strategic initiatives, doing it 'right not rushed' and executing to plan we have been able to grow faster than the industry average. Operating in a growing and underpenetrated online household goods market within Australia, MyDeal continues to acquire more market share and will continue to thrive in the years to come.

One key initiative was the launch of our mobile app which has proven to be a driver of acquisition and loyalty, with more than 10% of all sales now coming through this channel. We also recently launched our In-stock brand strategy which has experienced strong demand, generating circa \$1 million in sales in September alone, which compliments the growth of our private label brands which generated almost \$5 million in sales for the quarter. With customer at our core, we have worked to ensure our sellers and products meet a high standard, offering market leading value coupled with a great overall experience. It's amazing to see the team's initiatives come to life".

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<sup>1</sup> All numbers quoted are unaudited

<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 (including marketplace and private label), 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.

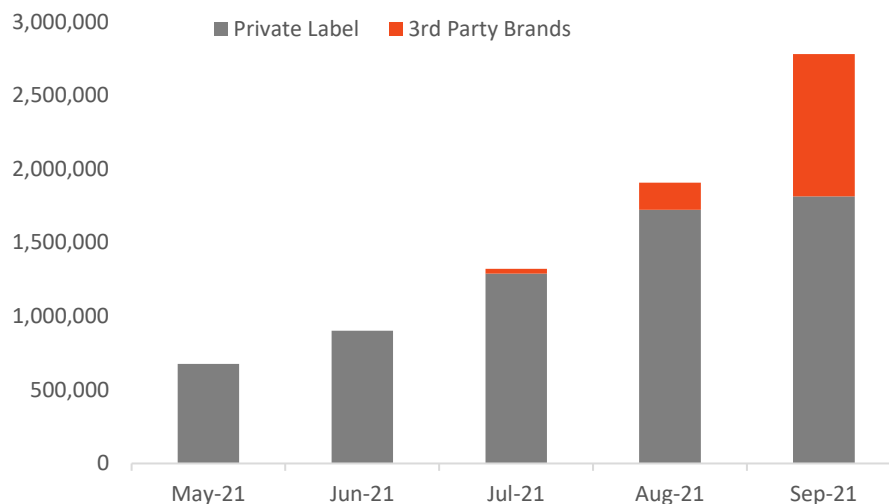
### Third party brands launch; strong early results

Adhering to our strategic objective to grow customer trust and loyalty, MyDeal launched its third-party brands strategy to complement its marketplace and private label ranges. By allowing our customers to buy the brands they know and love we are able to foster a deeper and more frequent relationship with our customers.

Initially expanding on branded ranging across the manchester, kitchenware, appliances, tech and homewares categories, the strategy opens up the 'shopping occasions' we present customers, allows us to demonstrate savings across 'key value indicators' and build positive brand salience through association with trusted, credible and famous brands.

In-stock third party brand sales were ~\$1.0 million in September 2021, which was a very pleasing result and we're excited about its potential as we continue to invest and expand the range.

#### *3<sup>rd</sup> Party Brands Contribution to In-stock Gross Sales*



### Brand strategy refresh and rollout

After an intense period of brand strategy, August saw the commencement of the brand refresh across MyDeal channels. A step towards making MyDeal famous and becoming the place where Australian's start their shopping journey.

The brand identity includes an updated logo, typography, colour palette and tone of voice which forms the "MyDeal feel" and embraces the positive emotion of shopping. We know that no matter what customers want or need, they can MyDeal It!

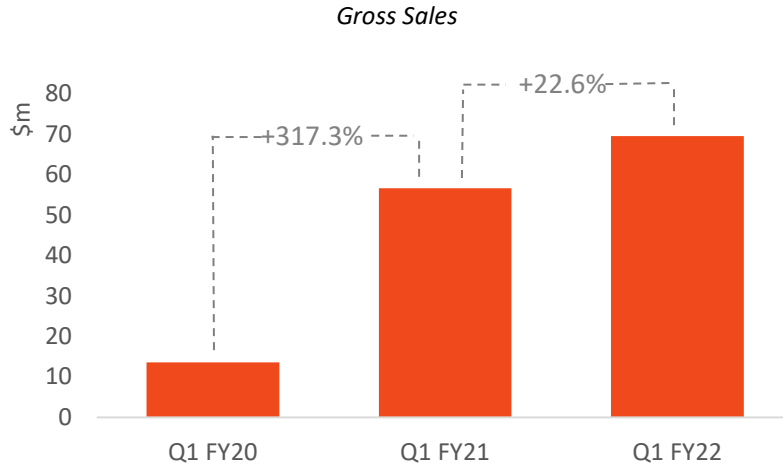
Phase one of the brand strategy rollout is a key part of the MyDeal flywheel execution. It includes an extensive multi-channel brand campaign through TV, radio, BVOD<sup>4</sup>, digital broadcast channels, out-of-home, and sporting events. It is designed to dramatically increase awareness and to build on the Company's current ~930,000+ active customer base, create greater marketing efficiencies and reduce long-term customer acquisition costs.

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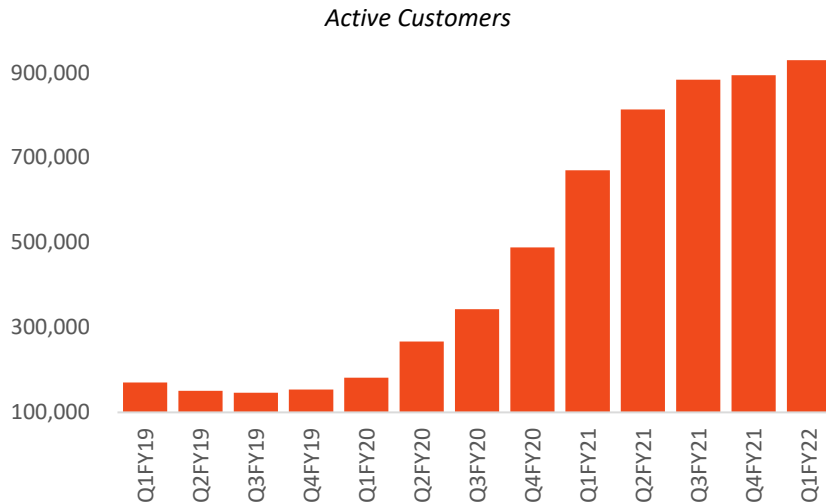
<sup>4</sup> Broadcast video on demand

**Q1 FY22 Performance: continued growth in all key metrics**

MyDeal achieved Gross Sales of \$69.5 million for Q1 FY22, delivering 22.6% growth on Q1 FY21 and 49.0% growth over Q4 FY21



Active customers reached a new record level of 929,461 as at 30 September 2021, up from 669,897 as at 30 September 2020 and 894,225 as at June 2021, reflecting strong customer acquisition and retention.

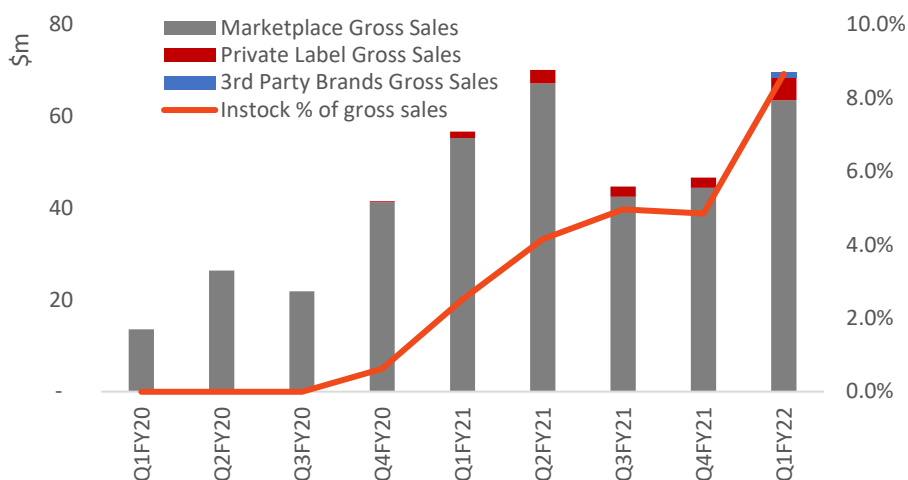


The positive trend in customer loyalty and repeat business continued during the quarter with 59.5% of all transactions coming from returning customers in Q1 FY22, up materially from 49.7% in Q1 FY21.



In-stock momentum continues to build, generating \$4.8 million of Private Label Gross Sales in Q1 FY22 (Q1 FY21: \$1.4 million, full year FY21: \$8.8 million) and circa \$1.0m of Third Party Branded Gross Sales in September 2021. This business represents a major growth opportunity for MYD to grow sales and margins, and the Company will continue to expand its product range opportunistically.

*Instock Gross Sales*



#### Q1 FY22 Cashflow commentary

Customer receipts were \$74.1 million for the quarter up 49.4% on pcp.

Positive operating cash of \$5.5 million for the quarter primarily reflected strong QoQ growth in Gross Sales and the positive cashflow dynamic of the marketplace.

The Company remains well capitalised, with \$47.2 million cash at bank as at 30 September 2021. This strong balance sheet position provides MyDeal with the flexibility to pursue its growth strategy, which is focused on customer acquisition, customer loyalty and investment in the private label business.

Use of funds update from the IPO, under Listing Rule 4.7C, is as follows.

Use of Funds as per prospectus	Estimated expenditure (\$m)	Actual expenditure (\$m)	Comment
Payment to Selling Shareholders	5.00	5.00	Completed
Investment in Personnel	7.00	1.96	On Track
Advertising and branding expenditure	11.50	1.47	On Track
Inventory investment	11.25	6.57	On Track
Working capital	2.25	0.00	On Track
Costs of the Offer	3.00	3.33	Completed
<b>Total</b>	<b>40.00</b>	<b>18.33</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 Q1 FY22 that amounted to \$285,314.00, which includes director fees of \$75,699.00 and salaries of \$209,615.00.

### Outlook

“All the strategy work, all the planning and rock-solid execution has culminated in MyDeal starting FY22 in a strong position, and we’ve only just begun. The brand work is coming to life, with an extensive ‘through the line’ marketing campaign due to launch in October and we now offer our customers more and more of the brands they know and love through our growing In-stock business. We are focussed on curating our sellers and products and growing our private-label offering to ensure the best experience for our customers. We will continue to improve our mobile app to deliver increased conversion and engagement, and as we design and build our loyalty program and focus on being truly customer obsessed, we are confident that we are in a strong position to grow all key metrics.

“We are looking forward to what we predict will be a highly successful 2022 for the company, as we position ourselves to capitalise on the increased demand for online shopping and grow MyDeal into Australia’s leading online marketplace for home and lifestyle products, with a growing and healthy cash balance of \$47.2 million and over six million products available to our growing customer base of almost one million Australians.”

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 home and lifestyle goods. MyDeal currently has more than 1,800 sellers (of which close to 1,151 are considered Active Sellers<sup>5</sup> as at 30 June 2021) on its platform with over 6 million product SKUs listed across over 2,000 categories (with the number of SKUs available for sale at any time determined by sellers).

<https://investors.mydeal.com.au/site/content/>

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<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")**

30 September 2021

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	74,061	74,061
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(58,881)	(58,881)
(c) advertising and marketing	(4,963)	(4,963)
(d) leased assets	(27)	(27)
(e) staff costs	(2,161)	(2,161)
(f) administration and corporate costs	(767)	(767)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	13	13
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (increase in balance of inventory)	(1,776)	(1,776)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>5,499</b>	<b>5,499</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	(324)	(324)
(d) investments	-	-
(e) intellectual property	(583)	(583)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(g) entities	-	-
(h) businesses	-	-
(i) property, plant and equipment	-	-
(j) investments	-	-
(k) intellectual property	-	-
(l) 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 Net cash from / (used in) investing activities</b>	<b>(907)</b>	<b>(907)</b>
<b>3. 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	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	(35)	(35)
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(35)</b>	<b>(35)</b>
<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	42,675	42,675
4.2 Net cash from / (used in) operating activities (item 1.9 above)	5,499	5,499
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(907)	(907)

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(35)	(35)
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>47,232</b>	<b>47,232</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> 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 \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	45,258	40,701
5.2	Call deposits	45	45
5.3	Bank overdrafts	-	-
5.4	Other (term deposits)	1,929	1,929
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>47,232</b>	<b>42,675</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	285
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.*



<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>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 (credit card)	30	9
<b>7.4 Total financing facilities</b>	<b>30</b>	<b>9</b>
<b>7.5 Unused financing facilities available at quarter end</b>		21
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.		

<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)	5,499
8.2 Cash and cash equivalents at quarter end (item 4.6)	47,232
8.3 Unused finance facilities available at quarter end (item 7.5)	21
8.4 Total available funding (item 8.2 + item 8.3)	47,253
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	N/A
<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

*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.*

### 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: 18 October 2021

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.