



The Manager
Company Announcements
Australian Securities Exchange
Level 5, 20 Bridge Street
SYDNEY NSW 2000
By E-Lodgement

31 July 2018

IBN Group Limited Update

iBuyNew Group Limited (ASX: IBN) (“Company”) is pleased to announce an update for the fourth quarter (“Q4 FY18”). The Company continues to operate iBuyNew.com.au, a leading Australian online new property marketplace, (“iBuyNew”) and Nyko Property, a property research and advisory services firm (“Nyko”) in conjunction with the assets of Indo-Pacific Property Group (“IPG”).

FY18 Key Highlights

- \$5.11m in Gross Revenue from Exchange and Settlements¹ an 40.38% increase from \$3.64m in FY17. This has allowed the Company to reduce its debt position and fund future growth strategies;
- \$4.77m in Commissions Generated¹, a 10.41% increase from \$4.32m in FY17;
- Average commissions generated across the group increased by 41.62% against FY17 to \$37.53k per sale in comparison to \$26.50k;
- Average total transactional value (“TTV”) generated across the group increased by 24.21% against FY17 to \$640k per sale in comparison to \$515k;
- \$81.32m generated in TTV a 3.21% decrease from \$84.02m in FY17;
- 127 new property sales, a decrease of 22.08% from 163 sales in FY17; and
- The Company’s future gross commissions receivable book is now valued at \$6.01m at 30 June 2018 (subject to settlement).

Company Results *	FY18	FY17	% Difference
TTV	\$81.32M	\$84.02M	(3.21%)
Average TTV per Sale	\$640.30K	\$515.46K	24.21%
Sales	127	163	(22.08%)
Commissions Generated ¹	\$4.77M	\$4.32M	10.41%
Average Commissions Generated per Sale	\$37.53K	\$26.50K	41.62%
Gross Revenue from Exchange and Settlements ²	\$5.11M	\$3.64M	40.38%

¹ “Commissions Generated” refers to the commissions payable on properties sold during the period and includes an amount paid immediately upon contract exchange (“exchange income”) and an amount expected to be payable in the future when the property is completed, and the contract is settled (“settlement income”).

² “Gross Revenue from Exchange and Settlements” comprises both upfront exchange income plus settlement income from past property sales. It does not include any future settlement income commissions owed but not yet paid.

Q4 Financial Metrics

Company Results *	Q4 FY18	Q4 FY17	% Difference
TTV	\$20.11M	\$30.48M	(34.02%)
Average TTV per Sale	\$693.61K	\$575.08K	20.61%
Sales	29	53	(45.28%)
Commissions Generated¹	\$1.06M	\$1.69M	(37.27%)
Average Commissions Generated	\$36.67K	\$31.93K	14.84%
Gross Revenue from Exchange and Settlements²	\$1.01M	\$0.99M	2.02%

*Results are on an unaudited basis

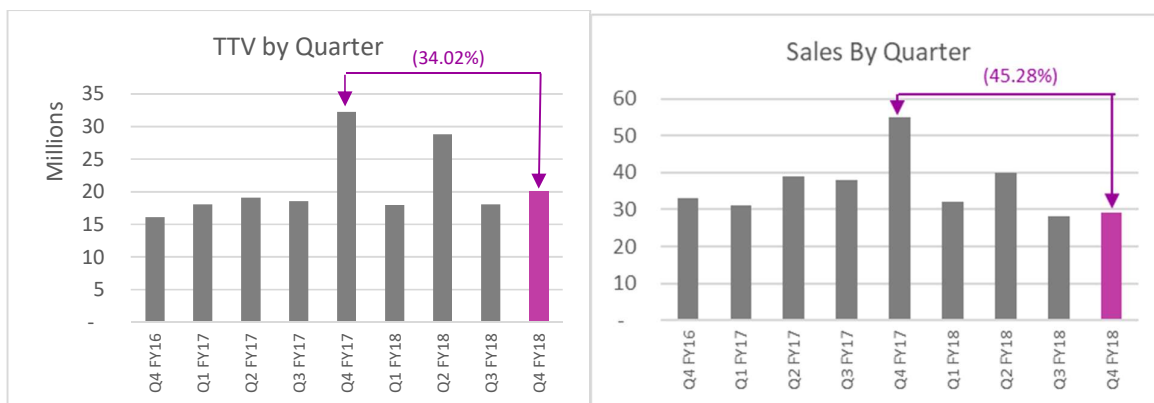
Q4 FY17 was an abnormally strong quarter following the change to legislation increasing stamp duty effective 1 July 2017. The market as a result was incentivised to complete transactions before 30 June 2017 resulting in one of the strongest quarters for the Company.

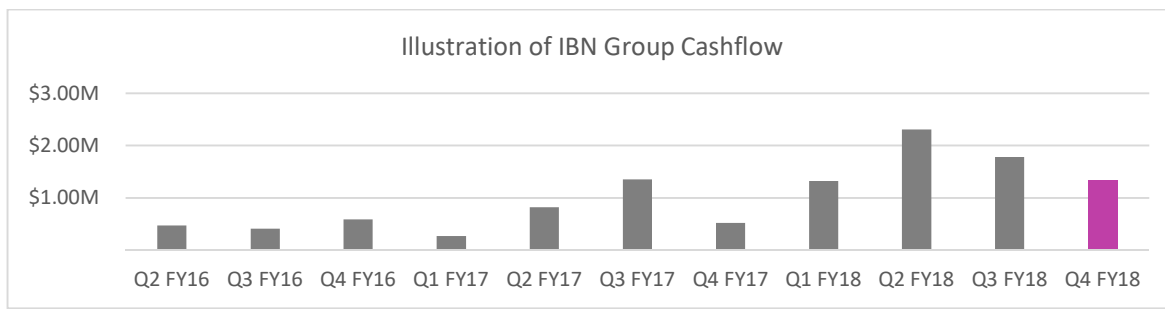
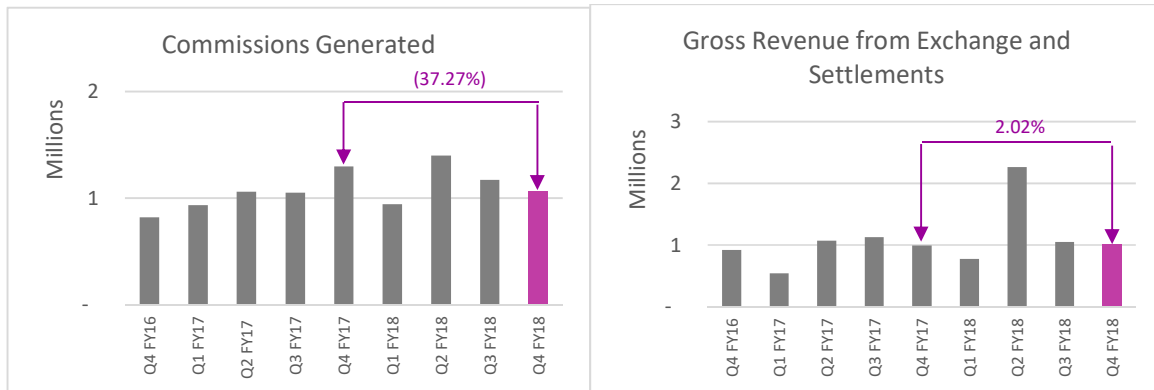
Pleasingly, the Company was still able to produce improvements against key metrics Q4 FY17 prior comparable period (“PCP”) largely the result of focusing on quality developments and negotiating higher commissions with developers in an increasingly competitive market.

Average TTV per sale increased by 20.61% and average commissions generated per sale increased by 14.84% against the PCP. Gross revenue from exchange and settlements improved by 2.02%.

The Company was also pleased to report a solid cashflow quarter with strong settlements as projects continue to settle with minimal delays to developer advised construction timelines.

At the end of the quarter the Company recorded a gross future commissions receivable book valued at \$6.01m (subject to settlement).





Operational Update

Management’s focus during the quarter remained on increasing commissions, improving average TTV growth and bringing income to the table faster from the sale of completed properties. The Company has restructured all business divisions fully leveraging synergies and resources between both iBuyNew and Nyko. We have appointed an additional 10 commission-based staff to improve the overall margin on each sale and address the increasingly challenging market conditions.

In addition, we have appointed a brand strategy company that are focusing on our social media platforms targeting Facebook, Instagram and LinkedIn which will improve engagement, lead generation and seminar participation.

The Company is continuing to develop its technology platform and in conjunction with our brand strategy we look to launch a website during FY19 which incorporates features such as the automation of property uploads by developers direct, leading to reduced administration costs.

The Company is also conducting a seminar 6:00pm on 2 August 2018 at the Hilton Hotel Sydney with leading economist Dr Andrew Wilson to educate consumers on the strong property owner-occupier market in Melbourne in conjunction with Blue Earth Group and Three Sixty Property Group.

Alex Caraco, CEO said “the quarter’s results reflect the ongoing tough market environment, however I am confident the initiatives we have implemented will result in improved performance in FY19.”



Corporate update

The Company remains committed to executing its strategy of investing into technology and remains focused on being an owner, developer and operator of retail, franchise or e-commerce brands and during the quarter has made additional investment into its technology platform to retain its leading edge in online property and services.

The Company commenced a capital raising program in Q3 FY18 and this successfully raised \$1.12m (after transaction costs) with completion in Q4 FY18. \$255k was received in March with the balance \$955k received in April and reflected in the Appendix 4C below.

On 1 April 2018, the Company retired debt with part payment of the second deferred cash consideration for the acquisition of Find Solutions Australia (the entity which owns the iBuyNew business). The loan has been reduced from \$500k to \$250k with the balance payable no later than 31 December 2018. Interest payable on the first repayment was \$36k.

The first tranche of the Convertible Note valued at \$250k will be paid at the next quarter, further reducing the debt position of the Company.

As previously announced in its Q3 FY18 update, the Company has explored and undertaken due diligence on potential complimentary technology acquisitions. The due diligence has now been completed with the board of the Company making a prudent decision not to proceed with further investment at present due to prevailing market conditions combined with the high level of debt that would be acquired as part of the potential transaction.

The Company will continue to pursue opportunities as they arise as part of the long-term strategy of creating a leading global platform for new property distribution.

ENDS

Further enquiries:

Alex Caraco

iBuyNew Executive Director and CEO

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About IBN

iBuyNew Group Limited operates iBuyNew.com.au and Nyko Property. iBuyNew and Nyko operate a leading Australian online marketplace and a research and advisory firm that helps buyers find, compare and buy new property.

iBuyNew.com.au is where Australians go to buy new property. The platform allows prospective buyers to compare, reserve and buy from more than 7,990 listings across 310 developments. Nyko focuses on new property distribution to B2B/corporate partners through research reports and its advisory services. Together, the businesses distribute new property sales across B2C and B2B channels across Australia.

The Company has a highly experienced board and management team that has a history in technology, corporate finance and sales, which it applies to increase the growth and profitability of its investments. The board is committed to providing management with the assistance and contacts required, in order to take their businesses to the next level.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Name of entity

iBuyNew Group Limited

ABN

20 108 958 274

Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,339	6,754
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs and/or direct costs	(647)	(2,641)
(c) advertising and marketing	(212)	(806)
(d) leased assets	(1)	(7)
(e) staff costs	Wages (387) Consultant Fees (127) Directors Fees (24)	Wages (1,645) Consultant Fees (331) Directors Fees (60)
(f) administration and corporate costs*	(461)	(1,752)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	13
1.5 Interest and other costs of finance paid	(63)	(171)
1.6 Income taxes paid / refunded	-	12
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(582)	(634)

*administration and corporate costs' relate to all other operating costs except for those listed from (a) to (e)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(11)	(34)
(b) businesses (see item 10)	-	-
(c) investments	-	(113)
(d) intellectual property	-	-
(e) other non-current assets (bank guarantee)	-	45
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) 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) *	(72)	(326)
2.6 Net cash from / (used in) investing activities	(83)	(428)

* Trust account Movement for the Quarter.

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	955	1,210
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(88)	(88)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(250)	(250)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material) *	-	(89)
3.10 Net cash from / (used in) financing activities	617	783

* Transaction costs associated with the IPG Transaction

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	1,223	1,454
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(582)	(634)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(83)	(428)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	617	783
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of quarter*	1,175	1,175

* The cash balance includes \$113,000 restricted cash held on trust.

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	1,175	1,223
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)	1,175	1,223

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	83
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

\$23,000 for directorship & taxation services to entities partially controlled by Calvin Ng
 \$10,000 for consulting & directorship services to entities controlled by Warren McCarthy
 \$15,000 for consulting & directorship services to Andrew Jensen
 \$10,804 for directorship services to an associated entity of Stephen Quantrill
 \$24,000 for property management and premises for an associated entity of Stephen Quantrill

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	250	250
8.2	General Other Creditor	-	-
8.3	Convertible notes	1,350	1,350
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Key terms of the Loan Facility (8.1):

- **Lenders:** FSA vendors (i.e. Mr Mark Mendel and Marshe Nominees Pty Ltd) (**FSA Vendors**).
- **Borrowers:** FSA.
- **Loan Facility:** An aggregate amount of up to \$1,000,000, consisting of two equal payments, the first deferred cash payment and second deferred cash payment.
- **Drawdown:** Available in two \$500,000 tranches on 31 December 2016 and 1 May 2017 equivalent to the first deferred cash payment and the second deferred cash payment, respectively.
- **Repayment:** On or before the final maturity date, 31 December 2017 (unless extended by mutual agreement in writing between the parties), FSA must repay all outstanding amounts and pay all interests, fees and other money payable to the FSA Vendors under or in connection with the facility agreement and the specific security deed.
- **Interest:** 8% per annum calculated daily until repaid.
- **Guarantee:** Provided by the Company and is unconditional.
- **Representations and warranties:** The facility agreement is subject to a range of standard form representations and warranties provided by the Company and FSA.

During Q4 FY 2017, the Loan Facility was reduced from \$1,000,000 to \$500,000 as a result of the FSA Vendors taking up \$500,000 of new shares under the Company's Rights Issue (\$500,000 owed under the Loan Facility was set off against the subscription amount for new shares under the Rights Issue).

During Q4 FY 2018, the Loan Facility was reduced from \$500,000 to \$250,000 as a result of the payment of \$250,000 on 1 April 2018 as part of the second deferred cash payment for the acquisition of Find Solutions Australia.

The final deferred cash payment (of \$250,000) is now payable on 31 December 2018.

Key terms of the Convertible Notes (8.3):

- 75,000,005 convertible notes were issued at \$0.018 per note (**Convertible Notes**).
- Interest rate is 10% per annum, accrued daily and paid monthly in arrears.
- The Convertible Notes are repayable at a maturity date of 24 months from the date of issue.
- Each Convertible Note may be redeemed or converted to the Company's shares at any time prior to the maturity date at an initial conversion price of \$0.018 per Share, subject to further adjustments in certain circumstances as described in the "*Convertible Note Deed Poll*".
- The Convertible Notes will be unsecured and will constitute direct, unsubordinated and unconditional obligations of the Company.
- The holders of Convertible Notes will have no rights to vote on any matter except for matters affecting the rights under the Convertible Notes.
- The holders of Convertible Notes have no rights to participate in any dividend declared or other distribution by the Company.

During Q2 FY 2018, the Convertible Notes were restructured with noteholders holding 61,111,115 Convertible Notes agreeing to vary the terms as follows.

- The Convertible Notes were extended for an additional 12 months with a new maturity date of 36 months from the date of issue, being 30 September 2019 unless redeemed or converted earlier.
- Each Convertible Note may be redeemed or converted to the Company's shares at any time prior to the maturity date at an initial conversion price of \$0.009 per Share, subject to further adjustments in certain circumstances as described in the "*Convertible Note Deed Poll*".

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs and / or direct costs*	820
9.3 Advertising and marketing	200
9.4 Leased assets	5
9.5 Staff costs **	410
9.6 Administration and corporate costs	450
Sub Total	1,885
9.7 Interest expense	40
Tax payments	90
Convertible Note Repayment	250
9.8 Total estimated cash outflows	2,265

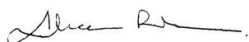
* Direct costs include exchange & settlement commissions paid to sales agents and external referral fees based on forecast exchanges and settlements during Q1 FY19. These payments are contingent on actual exchanges & settlements.

** Staff Costs includes direct salary and wages and director fees.

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

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.



Sign here:
Company Secretary

Date: 31/07/2018

Print name: Aliceson Rourke

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.