



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

10 October 2019

Strategic Restructure – Disposal of iBuyNew and Nyko Property Platform and Brands and Appointment of a new Director

The Directors of iBuyNew Group Limited (**ASX: IBN**) (**iBuyNew Group or Company**) are pleased to update shareholders on the following restructure initiatives subject to shareholder approvals, formal documentation and regulatory signoff:

- Appointment of iBuyNew Group CEO Bill Nikolouzakis as Executive Director, effective 08 October 2019
- IBN to dispose of selected assets of the iBuyNew and Nyko Property platforms for a cash consideration of \$500,000; excluding the future receivables commission books from previous property sales generated by the Company (**Transaction**)
- The Company to retain the future receivables commission books of gross c.\$3.47m, c.\$1.94m net of commissions payable (commission book valued as at October 10 2019) from previous property sales generated by the Company subject to settlement;
- Company to renegotiate existing secured loan facility terms to facilitate adequate cash and funding to service the collection of the future receivables commission books
- ASX has confirmed the Transaction is a disposal of a main undertaking and requires shareholder approval pursuant to listing rule 11.2. Company to proceed with calling the necessary shareholder meeting to seek approval for the proposed Transaction pursuant to ASX listing rule 11.2
- On-going negotiations with potential acquisition targets in a non-competitive industry to iBuildNew
- The Company will likely remain suspended pending re-compliance with the ASX listing rules.

Proposed Disposal of iBuyNew and Nyko Property Platform and Brands

The market conditions for consistent sales of new properties has impacted on the Company's ability to achieve the intended cash flow from the platforms. Given this, and subject to shareholder approval, the Company proposes to dispose of certain assets within the iBuyNew and Nyko Property Platform as per the proposed Transaction set out below.

The Company has entered into an asset sale agreement with iBuildNew Agency Sales Pty Ltd (**IBU**), the investment sales division of the iBuildNew group, which also owns and operates a leading new property aggregation platform www.ibuildnew.com.au, to acquire selected assets from the iBuyNew and Nyko Property platforms. IBU is not related to the Company in any way, does not have any relationships with existing or past directors, nor is it a shareholder of IBN.

Subject to necessary shareholder approvals, including approval pursuant to ASX listing rule 11.2, formal documentation and regulatory sign offs, the Company will dispose of its interest in the iBuyNew and Nyko property platforms and brands in exchange for a cash consideration of \$500,000 on a debt free basis (IBN will retain all debts associated with the assets) at completion. The key terms of the asset sale are:

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P: 1300 123 463 **W:** iBuyNew.com.au **ACN:** 108 958 274



1. Sale of selected assets from the iBuyNew and Nyko property business including the websites, domains, branding, databases and channel relationship contacts;
2. The Company to retain the future receivables commission books of gross c.\$3.47m, c.\$1.94m net of commissions payable (commission book valued as at October 10 2019) from previous property sales generated by the Company subject to settlement. The future receivables commissions book does not form part of the asset sale agreement to IBU and will remain an asset of the Company. The value of the commission book is subject to change dependant on the timing of settlements from previous property sales. As and from 10 October 2019, the Company will not generate new sales to be added to the commission book. Based on timelines provided by developers we expect c.80% of the commission book to be collected within the next 12 months with the remaining 20% collected between October 2020 and August 2022;
3. The proposed acquisition of assets will be subject to several conditions precedent and subsequent including but not limited to satisfactory transaction documents, regulatory approvals and assignment of intellectual property and agreements; and
4. Relevant ASX or shareholder approvals (as applicable);

The \$500k received from the asset sale will be used in the following manner:

1. \$400k will be applied to the repayment of the secured loan facility held by the Company; and
2. \$100k to be used for working capital and to explore potential acquisitions;

The Board continue to progress key initiatives designed to strengthen the company's balance sheet and to preserve and create value for the Company's shareholders and improve the Company's current position.

ENDS

Further inquiries:

Bill Nikolouzakis

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 6,250 listings across 249 developments, as well as a range of new house and land packages. 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.