

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

By E-Lodgement

**29 January 2020**

### **RESA Group Limited Update**

RESA Group Limited (ASX:RE1) (“Company”) formerly iBuyNew Group Limited (ASX:IBN) provides an update for the quarter ending 31 December 2019 (**Q2 FY20**). The Company continues to operate the future receivables commission book from the previous property sales generated under the iBuyNew, Nyko Property and Indo-Pacific Property brands.

During the Q2 FY20 quarter the Company announced a strategic restructure which included a series of initiatives to improve the position of the Company. The Company is pleased to provide an update with several of the initiatives complete during Q2 FY20 and several completing subsequent to the quarter:

- Company name change from iBuyNew Group Limited to RESA Group Limited with a change in ASX ticker code to RE1;
- Appointment of CEO Bill Nikolouzakis as executive director of RESA Group Limited;
- Disposal of iBuyNew and Nyko property brands, the proposal was well received and approved by way of shareholder vote at the FY19 AGM. Further to this, on the 16<sup>th</sup> of January 2020 the Company announced the completion of the asset sale where all conditions precedent to the transaction have been satisfied, waived or become conditions subsequent;
- Continued settlement and collection of the Company’s future receivables commission book from the previous property sales, over \$230,000 collected during Q2 FY20;
- Reduction in fixed operating expenses as a result of the disposal of assets, services and subscriptions relating to the operations of the iBuyNew and Nyko Property which have either been assigned to the vendors or removed;
- Improvement to the health of Company’s balance sheet. \$400,000 of the asset sale proceeds have been used to repay the Company’s secured loan facility in January 2020 (The facility currently stands at \$1.485m). A further \$31,000 from the asset sale proceeds was used to repay service providers of the Company;
- Restructure of the Company’s secured loan facility where 66% of gross commissions received from property settlements are to be repaid towards interest and principal of the facility;
- Completion of tranche 1 of the Company’s placement shares. At the FY19 AGM the Company received approval to issue up to a maximum of 125,000,000 fully paid ordinary shares, each issued at \$0.02 per share in two components.
  1. Up to \$1.5m as cash to fund working capital and address the Company’s existing debts; and
  2. Up to \$1m in placement shares to be issued to settle some of the Company’s existing debts.

Tranche 1 successfully raised a total of \$800,000 in cash before costs and \$86k of placement shares to creditors.

The Board remains focused on improving the overall health of the balance sheet and continue to explore potential acquisitions. The Company will update the market as soon as any material outcomes arise.

Ends

**Authorised for release by the Board**

Bill Nikolouzakis

CEO and executive Director

RESA Group Limited (Formerly iBuyNew Group Limited)

P: 1300 123 463

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

**Name of entity**

RESA Group Limited

**ABN**

20 108 958 274

**Quarter ended ("current quarter")**

31 December 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	236	574
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs and/or direct costs	(40)	(61)
(c) advertising and marketing	(17)	(17)
(d) leased assets	-	-
(e) staff costs *	Wages (123) Consultant Fees (20) Directors Fees (0)	Wages (262) Consultant Fees (77) Directors Fees (0)
(f) administration and corporate costs **	(357)	(748)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(30)	(89)
1.6 Income taxes paid / refunded	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(351)</b>	<b>(680)</b>

\* staff costs include termination payments

\*\*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 (6 months) \$A'000
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(7)	(6)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets (bank guarantee)	-	-
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) *	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(7)</b>	<b>(6)</b>

\* Trust account Movement for the Quarter.

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	900	900
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	(68)	(68)
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)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>832</b>	<b>832</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	(50)	278
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(351)	(680)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(7)	(6)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	832	832
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter*</b>	<b>424</b>	<b>424</b>

\* The cash balance includes \$42,780 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	424	-
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	(50)
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>424</b>	<b>(50)</b>

**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

-

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

**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**

*Add notes as necessary for an understanding of the position*

	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	1,885	1,885
8.2 General Other Creditor	-	-
8.3 Convertible notes	-	-

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):**

- (a) The Secured Facility will be drawn over two tranches:
  - Tranche 1: Drawn \$1,950,000 made up of a combination of new lenders and \$600,000 of the Company's current convertible bond holders rolling into the Secured Facility; and
  - Tranche 2: Undrawn \$500,000 commitment on arms' length terms with entities associated with non-executive director Stephen Quantrill, namely McRae Investments Pty Ltd. Tranche 2 of the facility will be drawn down at the election of IBN against settlement income payable to McRae in relation to past Indo Pacific property sales
- (b) The Secured Facility attracts an interest rate of 18 percent per annum accruing on a daily basis;
- (c) Term: 12 months;
- (d) Minimum Interest: 6 months; and
- (e) The Secured Facility is a first ranking secured loan facility against the Company, it's settlement book and its rent rolls.

**During Q4 FY 2019**, the Loan Facility was reduced from \$1,950,000 to \$1,885,000 as a result of the sale of WA Rent Roll for \$65,000 in June 2019. The proceeds from the sale were used to repay a portion of the loan to the lenders.

<b>9.</b>	<b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1	Research and development	-
9.2	Product manufacturing and operating costs and / or direct costs*	99
9.3	Advertising and marketing	-
9.4	Leased assets	-
9.5	Staff costs **	111
9.6	Administration and corporate costs	128
	<b>Sub Total</b>	<b>338</b>
9.7	Interest expense	80
	Tax payments	47
<b>9.8</b>	<b>Total estimated cash outflows</b>	<b>466</b>

The Group expects c. \$515k in settlement commission during Q3 FY20. These commissions are based on construction timelines provided by Developers and are contingent on actual settlements.

\*Direct costs include commissions paid to sales agents and external referral fees based on forecast exchanges and settlements during Q3 FY20. These payments are contingent on actual exchanges & settlements.

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

<b>10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	<b>Acquisitions</b>	<b>Disposals</b>
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: .....  
Director

Date: 29/01/2020

Print name: Bill Nikolouzakis

### 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.