

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

17 April 2020

RESA GROUP LIMITED RELEASED FIRST HALF ACCOUNTS

RESA Group Limited (ASX:RE1) (Formerly iBuyNew Group Limited (ASX: IBN)) is pleased to provide audited results for the half-year ending 31 December 2019 (H1 FY20)

Highlights:

- Total comprehensive loss for the half-year reduces by 60% from the Prior Comparable Period (PCP) in H1 FY19 from -\$3,299,633 to -\$1,329,785;
- Net loss from discontinued operations decreased by 72% from the PCP as a result of cost reduction review and subsequently disposing of the iBuyNew and Nyko Property business assets. Discontinued operational costs reduced from -\$2,597,690 to -\$728,402 for the half-year;
- Further improvement to the health of the Group's balance sheet. \$400k of the asset sale proceeds have been used to repay the Group's secured loan facility (the facility currently stands at c.\$1.485m). The goodwill associated with these assets had been written off by the Group in previous periods;
- Continued settlement and collection of the Group's future receivables commission book from the previous property sales. The Group's future receivables commission book is captured in the groups balance sheet under current other and non-current assets. The collection of commissions effectively reduces asset balance and is not booked as income. The gross balance at the end of H1 FY20 was at \$1,982,435;
- Group 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; and
- Completion of tranche 1 of the Group's placement shares. At the FY19 AGM the Group 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 Group's existing debts (Cash Placement); and
 2. Up to \$1m in placement shares to be issued to settle some of the Group's existing debts, debt-to-equity (D2E).

Group Placement Shares	Cash Placement	D2E	Notes
Tranche 1	\$800,000	\$86,676	Complete, shares issued.
Tranche 2	\$700,000	\$694,459	Incomplete, indicative based off remaining capacity.
Related Parties		\$218,865	Subject to further shareholder approval
Total Placement (if maximum capacity is reached)	\$1,500,000	\$1,000,000	Maximum Placement Capacity of 125,000,000 fully paid ordinary shares, each issued at \$0.02 per share

The approval received for the Cash Placement and the D2E is currently the subject of an application for extension to the Australian Securities Exchange (ASX) as the due date for the issue was 13 March 2020. The extension application is expected to be considered on 22 April 2020. On the basis that the extension is granted, the Company will proceed with the issue of the shares.

At the end of H1 FY20 the Group held \$900,000 of other liabilities on its balance sheet relating to placement funds received but where shares had not been issued yet. The \$900,000 comprises of two placements where:

1. The Group exhausted its placement capacity to raise \$100,000 in the form of a loan. The issuance of these shares is subject to several conditions relating to the Group reaching certain milestones relating to the cash and debt-to-equity placements; and
2. Tranche 1 of the placement shares which were approved at the FY19 AGM. During H1 FY20 \$800,000 in cash (before costs) was received and \$86,767 of debt-to-equity swap was agreed on by existing trade creditors. The Group did not receive any funds under the debt-to-equity swap.

RE1's shares remain suspended as at 31 December 2019 and as at the date of this report is pending the outcome of a broad-based strategic review. In-light of the review, the Company has significantly reduced its monthly operating costs and has released itself from all its material commercial lease commitments, non core subscriptions and only hold necessary subscriptions/services required to operate the collection of the settlements business.

The Board remains focused on improving the overall health and balance sheet of RE1 as the Company continues to explore potential acquisitions and the collection and realisation of the commissions receivable book. The Company will update the market as soon as any material outcomes arise.

Authorised for release by the board

Ends



Bill Nikolouzakis

CEO and executive Director

RESA Group Limited (Formerly iBuyNew Group Limited)

P: 1300 851 017