



The Manager
Company Announcements
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By E-Lodgement

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Disruptive Investment Group (ASX: DVI)

Quarterly Update: 30 September 2015

KEY HIGHLIGHTS

Disruptive Investment Group Limited (**DVI**) is pleased to report a strong quarter in which both of its portfolio investment companies performed well. These portfolio companies comprise: Find Solutions Australia Pty Ltd (**FSA**), owner of **iBuyNew**; and Professional Performance Systems Pty Ltd (**PPS**), owner of **BYOjet**, (together, the **Portfolio Companies**).

Find Solutions Australia (iBuyNew)

- Record Total Transaction Value (**TTV**) for the first quarter of FY 16 (**1Q16**) of \$33.5m, an increase of 281% over the corresponding quarter in FY15 (**1Q15**);
- 68 properties sold during the quarter, compared to 21 sold in 1Q15, an increase of 224%; and
- DVI's equity interest in FSA increased during the quarter to 50%.

Professional Performance Systems (BYOjet)

- TTV in 1Q16 of \$24.1m, an increase of 6% from the corresponding quarter 1Q15;
- Bookings in 1Q16 increased by 86% over corresponding quarter 1Q15;
- JETMAX awarded two Australian Business Awards in the Best Technology Product and Technology categories;
- Launched industry first interest-free payment plan with Flexigroup; and
- Compass Hospitality Group to add portfolio of 45 hotels directly to the platform.

DVI Ownership Overview

	Current equity interest	Potential equity interest	Comments
FSA (iBuyNew)	50%	100%	DVI currently holds an option to acquire the remaining 50% of FSA between 1 July 2019 and 30 October 2019. Exercise price is based on the future financial performance of FSA.
PPS (BYOjet)	38.73%	54.69%	DVI currently holds a \$1.5 million convertible note in PPS which upon conversion will result in a 54.69% equity interest.

Overview of First Quarter (1Q16) Operations

1Q16 marks the first full quarter in which DVI held a 50% interest in FSA and, with the option of moving to 100% in future, will now be consolidated into DVI's Appendix 4C quarterly reports.

During the quarter, DVI continued to work closely with management of both its Portfolio Companies. TTV results for the Portfolio Companies are summarised as follows:

TTV	1Q16	1Q15	% change
FSA (iBuyNew)	\$33.54m	\$8.81m	281%
PPS (BYOjet)	\$24.13m	\$22.69m	6%

* On an unaudited basis.

In 1Q16, the Portfolio Companies achieving a combined TTV of \$57.57m. Jointly this represents an increase of 83% on the prior corresponding quarter 1Q15.

DVI Chairman Dr Adir Shiffman said "The growth in TTV across the group is consistent with DVI's strategy of investing in and assisting high growth, high potential technology companies.

"As a Company we now hold a significant stake in two disruptive technology businesses and DVI Directors are committed to helping both continue to achieve their considerable potential.

"Both portfolio companies are built on a strong technology platform, and have consistently negotiated strategic partnerships to drive sales and value. We expect to see more of these partnerships over the next 3 quarters and beyond."

iBuyNew Update

	1Q16	1Q15	% Change
TTV	\$33.5m	\$8.8m	281%
Commissions Receivable¹	\$1.73m	\$359k	383%
Properties Sold	68	21	224%

** On an unaudited basis.*

Note that FSA cash flow is consolidated into DVI's current quarterly Appendix 4C report²

During the quarter, iBuyNew achieved a record sales volume of 68 properties, generating commissions receivable in excess of \$1.73m. This performance reinforces DVI Directors' belief that iBuyNew is a high-potential business leading the disruption of a large industry and run by highly capable management.

1Q16 also saw iBuyNew take some tangible steps towards scaling its wholesale platform, with the addition of several new partners. We would expect the wholesale platform to begin delivering sales in the next quarter, initially small in number but growing.

Ongoing initiatives for 2Q16 include:

- expanding the internal sales team nationally;
- finalising a major sponsorship with an Australian mortgage aggregation business;
- continuing to develop the wholesale distribution channel;
- pursuing exclusive arrangements with developers; and
- driving further repeat purchases from existing clients.

PPS update

	1Q16	1Q15	% Change
TTV	\$24.1m	\$22.6m	6%
Direct hotel relationships	2491	2415	3%

** On an unaudited basis.*

Note that PPS cash flow is not consolidated into DVI's current quarterly Appendix 4c report³

BYOjet achieved a quarterly TTV of \$24.1m, representing a 6% increase from the corresponding period in 1Q15. This was achieved despite subdued market conditions during the quarter.

¹ Commissions receivable 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) which usually occurs in a future period.

² DVI owns 50% of the equity in FSA.

³ DVI owns 38.73% of the equity in PPS and a \$1.5 million convertible note in PPS which if converted results in a 54.69% equity interest.

BYOjet successfully launched several initiatives during the quarter, including:

- a roll out of industry first partnership with Flexigroup, offering nine months' interest-free terms on qualifying flight and package bookings;
- the signing of a direct relationship with the 45 hotel Compass Hospitality Group, spanning a portfolio across Thailand, Malaysia and the United Kingdom;
- successfully rebranding and relaunching the Cheapotels.com.au website; and
- the relaunch of package deals (hotels and flights).

JETMAX was also named a winner in the Australian Business Awards in two categories - Technology, and Best Technology Product. JETMAX now has 37 live sites, with a further 4 sites currently being commissioned and another 45 in contractual negotiations.

Appendix 4C

The Appendix 4C for September 2015 quarter was released today and some further commentary is outlined below:

- 50% of FSA's cash flow has been consolidated into DVI's 1Q16 Appendix 4C quarterly report; and
- DVI's exercise of its first option over FSA of \$750k was settled in July 2015 which resulted in DVI increasing its equity interest in FSA from 25% to 50%.

DVI currently holds a 38.73% equity interest in PPS and, as such, does not consolidate PPS into DVI's cash flow statement.

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About Disruptive Investment Group Limited (ASX:DVI)

Disruptive Investment Group Limited is a technology investment company listed on the Australian Securities Exchange (ASX: DVI). It focuses on niche markets with attractive growth prospects and has partnered with high quality, established businesses in order to maximise shareholder value.

DVI's business strategy involves taking material stakes in profitable businesses, operating in large markets with a differentiated business model.

DVI 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.

Currently, DVI is a significant shareholder in two growing Australian technology companies:

- Find Solutions Australia (**FSA**), owner and operator of iBuyNew.com.au (**iBuyNew**). iBuyNew is an online, off-the-plan property platform operating in Australia's eastern states. DVI currently holds 50% of FSA and has the option to increase its holding. FSA has been profitable since inception and has delivered consistent growth during the last five years.
- Professional Performance Systems (**PPS**), owner and operator of BYOjet. BYOjet is an Australian owned and operated online travel agency and technology platform encompassing a number of travel websites offering travel and accommodation booking and services. BYOjet operates in the B2C market via its Australia, New Zealand and Singapore flagship websites and it services the B2B market through its JETMAX white label offering

DVI is focused on further growth using its existing acquisition protocols to drive synergies within retail, franchise and e-commerce sectors as well as other markets.