



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

31 October 2016

DVI Set to Bolster B2B Distribution with Settlement of Nyko Property Acquisition

iBuyNew Group Limited, formerly known as Disruptive Investment Group Limited, ("**Company**"), which operates leading Australian new property marketplace iBuyNew.com.au, is pleased to announce that settlement for the Nyko Property completed today.

The Company is pleased to provide an update for the quarter ended 30 September 2016 ("**Q1 FY17**"), including these milestones:

- iBuyNew ("**IBN**" or "**iBuyNew**") delivered 31 New property sales generating \$18.1m in total transaction value ("**TTV**");
- \$933k Commissions Generated¹ and \$540k Total Revenue from Exchange and Settlements² received;
- As at 30 September 2016, future commissions receivable (subject to settlement) increased to \$3m, a \$417k (16%) increase from 30 June 2016; and
- Successful completion of convertible note placement raised \$1.35m (before costs).

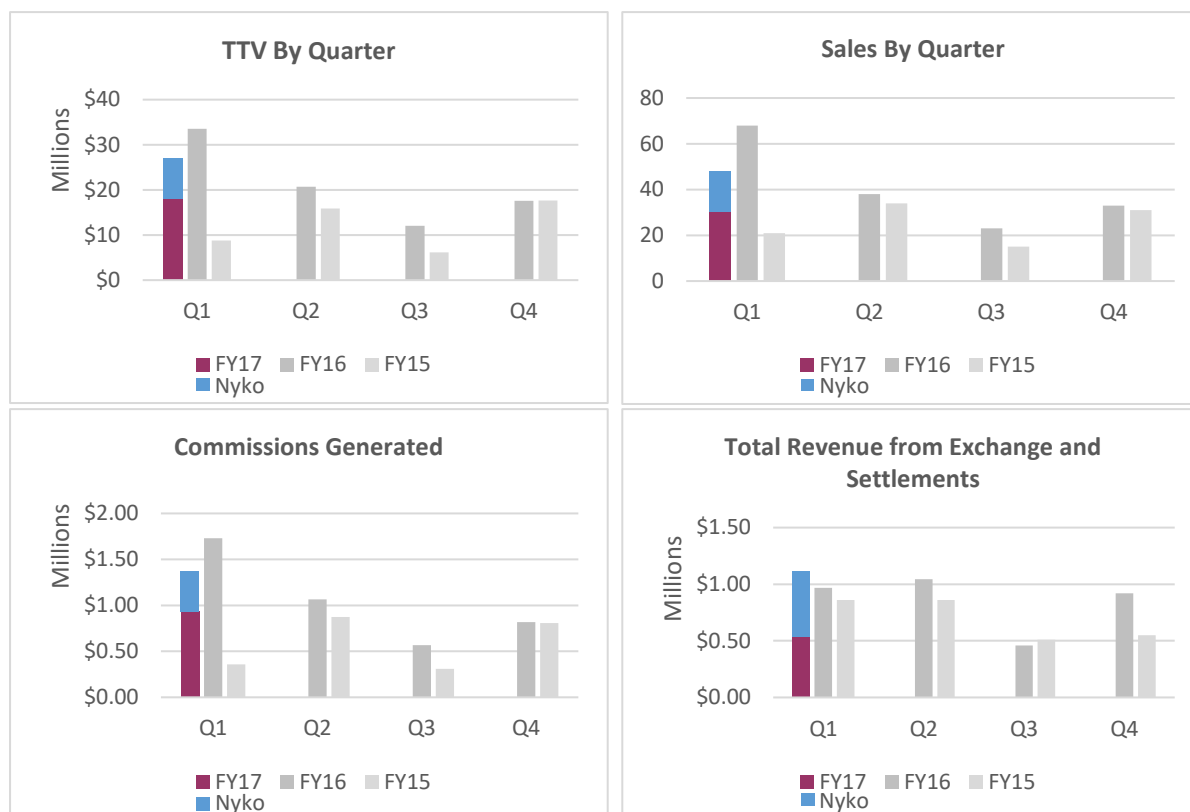
On an unaudited pro-forma basis, in Q1 FY17 iBuyNew and Nyko Property ("**Nyko**") generated:

- 47 property sales;
- \$27.8m in TTV;
- \$1.48m in Commissions Generated¹;
- \$1.1m Total Revenue from Exchange and Settlements² received; and
- Value of combined total future commissions receivable is \$3.4m (subject to settlement).

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 "**Total 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.

Key Financial Metrics Q1 FY17



Considering IBN and Nyko as a combined entity on a pro-forma basis, the entity generated 47 sales, \$27.8m in TTV and \$1.48m in commissions over the first quarter. The combined future commissions receivable book value is now at approximately \$3.4m (subject to settlements).

iBuyNew & Nyko Q1 FY17 Pro-Forma Results	IBN	NYKO	Pro-Forma
TTV	\$18.1m	\$9.7m	\$27.8m
Sales (number of properties)	31	16	47
Commissions generated¹	\$933k	\$545k	\$1.48m
Total revenue from exchange and settlements²	\$540k	\$544k	\$1.1m

iBuyNew Results	Q1 FY16	Q4 FY16	Q1 FY17	% vs Q1 FY16	% vs Q4 FY16
TTV	\$33.5m	\$16.1m	\$18.1m	(46%)	12%
Sales (number of properties)	68	33	31	(54%)	(6%)
Commissions generated¹	\$2.4m	\$819k	\$933k	(62%)	13%
Total revenue from exchange and settlements²	\$3.3m	\$921k	\$540k	(84%)	(41%)

On a stand-alone basis, IBN generated 31 sales amid continuing softer market conditions. These sales delivered \$933k in commissions and generated \$18.1m in TTV, up a pleasing 13% and 12% respectively compared to the prior quarter in Q4 FY16. Commissions and TTV were down (62%) and (46%) respectively compared to Q1 FY16, which in management’s view may have marked the industry’s short-term peak market conditions.

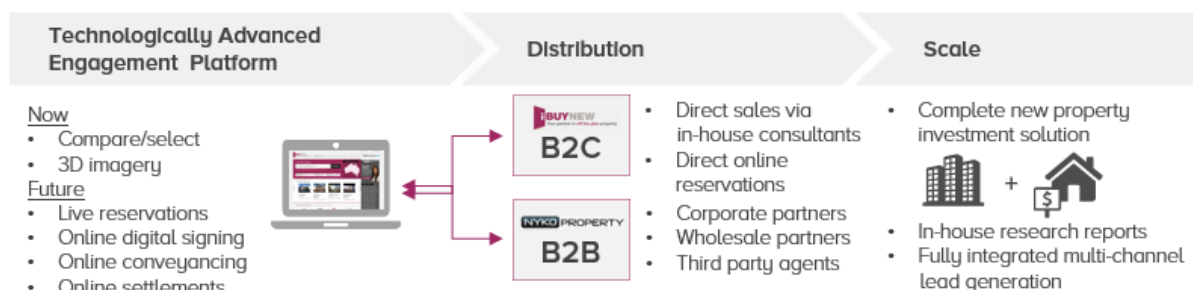
Total Revenue from Exchange and Settlements in Q1 FY17 generated \$540k, reflecting an abnormal period of lower settlement income due to fewer projects scheduled for completion. There is no change to IBN’s view that future commissions receivable will flow in future quarters as developments complete.

All financial results are on an unaudited basis and, in the case of Nyko, are based on Nyko’s management accounts.

Investors should also note that iBuyNew’s cash flow is 50% consolidated into the Company’s current Appendix 4C

Nyko integration already commenced

Following the recent announcement to acquire Nyko, IBN has already commenced integrating Nyko’s business with its own in order to scale its B2B/corporate partner distribution. It is anticipated that Nyko’s network of proven referral partners, research reports and processes will be used to accelerate and grow IBN’s B2B distribution following the early success of IBN’s pilot program in FY16. Strategically, combining IBN’s large selection of new property with Nyko’s research and distribution will provide a complete investment solution for both B2B partners and B2C property investors.



General Business Update

From a corporate perspective, the Company announced the successful completion of a capital raising, raising a total of \$1.35m (before costs) via the issuance of 75,000,005 convertible notes at an issue price of \$0.018 per note to new and existing institutional and sophisticated investors. Proceeds will be used to fund the expansion of IBN (including the cash component of the acquisition of Nyko), further enhance the sales and marketing team, continue to develop IBN’s technology platform, and general working capital.

Quotes from Senior Management

iBuyNew CEO Mark Mendel said:

“There is no doubt the market for new apartment sales is well below its peak from FY16. However, to date we have still not seen any rise in buyer defaults which leads us to believe that the negative sentiment is mostly perception rather than reality at present.

“Whilst we believe the negative media reporting about the sector has likely contributed significantly to reduced sales, it is our assessment that buyers are mostly taking a wait-and-see approach until the uncertainty passes rather than leaving the market altogether – the fundamentals of Australian demographics has not changed in the last 9 months.

“IBN is realistic about the current market dynamics and has adapted. Our focus is ensuring we have a robust business that continues delivering sales, and is well positioned to take advantage when the negative perception passes and stronger demand returns to the market.

“The Nyko acquisition marks another strategic milestone for iBuyNew and builds our distribution capabilities further on the back of a proven business and manager.

“We believe we have paid an attractive price for Nyko, a business that delivered 56 sales in FY16. Nyko should now allow us to materially accelerate the build out of a comprehensive network of proven corporate referral partners. Nyko’s founder, Mr Bill Nikolouzakis, has commenced as IBN’s new Head of Corporate Partnerships.

“We have already begun integrating Bill, his team, and the Nyko systems into our business, and are another step closer to providing a complete marketplace experience for every buyer looking to acquire new residential property.”

ENDS

Further inquiries:

Mark Mendel – iBuyNew CEO

M: 0400 263 463

About iBuyNew Group Limited

iBuyNew Group Limited, formerly known as Disruptive Investment Group Limited, formerly known as Disruptive Investment Group Limited, operates iBuyNew.com.au, and upon settlement 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, review and buy more than 4,700 listings across 190+ 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.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Name of entity

iBuyNew Group Limited, formerly known as Disruptive Investment Group Limited

ABN

20 108 958 274

Quarter ended ("current quarter")

30 September 2016

NOTE: Only 50% of FSA's cash flow have been consolidated into DVI's 1Q FY17 quarterly Appendix 4C report.

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	270	270
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing	(52)	(52)
(d) leased assets		
(e) staff costs	Wages (323) Consultant Fees (23) Directors Fees (0)	Wages (323) Consultant Fees (23) Directors Fees (0)
(f) administration and corporate costs*	(241)	(241)
1.3 Dividends received (see note 3)		
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid	(68)	(68)
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(435)	(435)

* 'administration and corporate costs' relate to all other operating costs except for the ones listed from (a) to (e) and movement of restricted cash held on trust.

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(7)	(7)
(b) businesses (see item 10)		
(c) investments	(154)	(154)
(d) intellectual property		
(e) other non-current assets	(2)	(2)
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)		
2.6 Net cash from / (used in) investing activities	(163)	(163)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes	1,350*	1,350*
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options		
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)		
3.10 Net cash from / (used in) financing activities	1,350	1,350

* As announced on 16 September 2016, the Company received proceeds of \$1.35m (before costs) via the issuance of 75,000,005 convertible notes at an issue price of \$0.018 per note (“**Convertible Notes**”). Proceeds from the Convertible Notes will be used to fund the upfront cash consideration for the acquisition of Nyko Property Pty Ltd (“**NYKO**”), general working capital and other growth initiatives in relation to iBuyNew (“**IBN**”) and Nyko.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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	1,253	1,253
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(435)	(435)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(163)	(163)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,350	1,350
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	2,005*	2,005*

* The cash balance includes \$72,481 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	2,005	1,253
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)	2,005	1,253

6. Payments to directors of the entity and their associates

- 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

Current quarter \$A'000
22

\$22,000 for accounting & tax services rendered by entities partially controlled by John Kolenda and Calvin Ng.

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		
8.2	Credit standby arrangements		
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 Convertible Notes:

- 75,000,005 Convertible Notes were issued at \$0.018 per note.
- 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 DVI 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.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	
9.2 Product manufacturing and operating costs	
9.3 Advertising and marketing	(120)
9.4 Leased assets	
9.5 Staff costs*	(493)
9.6 Administration and corporate costs**	(338)
Sub Total	(951)
9.7 Other	
(a) Part payment for remaining 50% of FSA (as per Share Purchase Agreement - "SPA")	(500)
(b) 100% acquisition of NYKO (as per SPA)	(350)
(c) Other – one-off costs in relation capital raising, due diligence and legal expenditure	(180)
Sub Total	(1030)
9.8 Total estimated cash outflows ***	(1,981)

* Staff costs include settlement commissions paid to sales agents and are estimated to be materially higher due to higher anticipated settlement income from project completions in Q2 FY17.

** Administration and corporate costs includes Nyko corporate partner referral fees for the quarter.

***Total estimated cash outflows in Q2 FY17 will reflect 100% of FSA and 100% of NYKO for a period of 2 months November and December 2016 whereas prior periods only recorded 50% of FSA.


The Company's Q1 FY17 Appendix 4C reflects 50% of FSA cash flows and closing bank balance.

% of Cash flows recorded Q2 FY17		
Month	IBN	Nyko
Oct-16	50%	0%
Nov-16	100%	100%
Dec-16	100%	100%

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:  Date: **31 October 2016**

(Director/Company secretary)

Print name: **Anand Sundaraj**

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.