



The Manager
Company Announcements
Australian Securities Exchange
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SYDNEY NSW 2000
By E-Lodgement

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IBN Group Limited Half Year Results 2019

iBuyNew Group Limited (**ASX: IBN**) ("**Company**") on the 7th of March 2019 reported first half results for the six-month period ending 31 December 2019.

The first half demonstrated that IBN continued to deliver sales in an extremely tough marketplace and settlement income flowed through unabated with all iBuyNew and Nyko Property clients completing on their obligations to settle.

H1 FY19 Notes include:

- Group revenue of \$1.75m based on recently adopted revenue recognition/accounting standards;
- Net operating (loss) of \$1.45m (based on the new accounting standards and before one off costs);
- Statutory net (loss) from continuing operations (loss) \$3.46m consisting of \$1.71m in one-off goodwill impairment expense, \$169k loss on investments and \$131k other one-off costs;
- Net cash used in operating activities of (loss) \$672k;
- Repayment of \$250k of Class A Convertible Bonds;
- The Company settlement book assets (IBN & Nyko) are now recorded on the balance sheet as part of "Other Assets", settlement book assets recorded \$3.33m at 31 Dec 2018. This excludes the Indo-Pacific Property book of gross \$1.92m. (All subject to settlement);
- Commencement of annualised \$900k cost cutting measures and discontinuation of non-core unprofitable business units;
- Anticipated Q4 FY19 settlements of gross \$1m, net \$500k (subject to settlement);
- Undrawn \$500k loan facility at the election of IBN against settlement income payable to McRae in relation to future collection of historical Indo-Pacific property sales; and
- Investment in IBN's front end platform and website to provide a better user experience and increase organic non-paid leads.

IBN Chief Executive Officer Bill Nikolouzakakis said "We continue our plan to build a sustainable business despite the challenging market. IBN is committed to aligning costs with the overall market conditions and working towards the first phase of our strategic plan announced in October 2018 – reaching profitability as soon as possible."



“The business remains stable with all iBuyNew and Nyko clients securing finance to meet settlement obligations in the first half of FY19. With a settlement book exceeding of gross \$5 million the business holds a strong defence mechanism until the market conditions improve.”

“While tighter credit conditions have impacted our investor clients and new property sales, we have already seen an improvement in client sentiment since the release of the neutral Royal Commission findings and remain optimistic lending conditions will ease throughout the year.”

ENDS

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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 7,900 new property listings, including 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.