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IBUY GROUP LIMITED ACN 165 522 887
PROSPECTUS

FOR THE FULLY UNDERWRITTEN INITIAL PUBLIC OFFERING
OF 115,625,000 SHARES IN IBUY GROUP LIMITED AT AN OFFER PRICE
OF \$0.32 (32 CENTS) PER SHARE TO RAISE \$37 MILLION.



UNDERWRITER AND LEAD MANAGER



CO-MANAGER



1.1 OFFER

The Offer contained in this Prospectus is an invitation to acquire fully paid ordinary shares in iBuy Group Limited (**iBuy** or **Company**).

This Prospectus is also issued in order to provide disclosure in connection with the Shares to be issued on conversion of the Convertible Notes. See Section 9.4.4 for further details.

1.2 REFERENCES TO iBUY INCLUDE BUY TOGETHER, DEALGURU AND DEALMATES

iBuy is currently 100% owned by Catcha Group. In connection with the Offer, iBuy has entered into conditional share purchase agreements to acquire, subject to Completion of the Offer, all of the issued share capital in each of Buy Together, Dealguru and Dealmates (the entities which own the Websites). Catcha Group, a related party of iBuy, is a part-owner of Dealmates.

Unless otherwise specified, certain parts of this Prospectus are prepared as if the Purchase Agreements have completed. For example, the Pro Forma Historical Consolidated Financial Information in Section 4 describes iBuy after completion of the Purchase Agreements and the Pro Forma Historical Consolidated Financial Information in Section 4 represents the combined business operations of iBuy and Buy Together, Dealguru and Dealmates.

1.3 LODGEMENT AND LISTING

This replacement prospectus is dated 5 December 2013 and was lodged with ASIC on that date. This replacement prospectus replaces a prospectus dated and lodged with ASIC on 25 November 2013 (**Original Prospectus**).

For the purposes of this document, this replacement prospectus will be referred to as the "Prospectus". Neither ASIC nor the ASX nor their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. iBuy applied to ASX for listing and quotation of the Shares on the ASX on 29 November 2013.

1.4 NOTE TO APPLICANTS

The Offer contained in this Prospectus does not take into account the investment objectives, financial position and particular needs of individual investors.

It is important that you read this Prospectus carefully and in full before deciding to invest in iBuy. In particular, in considering the prospects of iBuy, you should consider the risk factors that could affect the financial performance of iBuy in light of your personal circumstances and seek advice from your accountant, tax adviser, stockbroker, lawyer or other professional adviser before deciding to invest.

No person named in this Prospectus, nor any other person, guarantees the performance of iBuy, the repayment of capital or the payment of a return on the Shares.

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by iBuy or the Directors.

1.5 NO OFFERING WHERE OFFERING WOULD BE ILLEGAL

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit a public offering of Shares, in any jurisdiction outside Australia. The distribution of this Prospectus outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

1.6 ELECTRONIC PROSPECTUS

This Prospectus is available to any Broker Firm Applicant in Australia via www.ibuy-group.com. The Offer constituted by this Prospectus in electronic form is available only to Broker Firm Applicants receiving this Prospectus in electronic form within Australia. Broker Firm Applicants having received a copy of this Prospectus in its electronic form may, during the Broker Firm Offer period, obtain a paper copy of the Prospectus (free of charge) by telephoning the iBuy Share Offer Information Line. Applications for Shares may only be made on the Application Form attached to or accompanying this Prospectus and submitted to your Syndicate Broker.

1.7 EXPOSURE PERIOD

In accordance with the Corporations Act, the Original Prospectus was subject to an Exposure Period of 7 days from the date of lodgement of the Original Prospectus with ASIC. The Exposure Period was extended by ASIC on 2 December 2013 and ends on Monday 9 December 2013.

1.8 DISCLAIMER

As set out in Section 7, it is expected that the Shares will be quoted on ASX initially on a deferred settlement basis. iBuy, the Share Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who trade Shares before receiving their holding statements.

1.9 PHOTOGRAPHS AND DIAGRAMS

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by iBuy. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

1.10 DO NOT RELY ON FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements which are identified by words such as “may”, “could”, “believes”, “estimates”, “expects”, “intends”, “anticipates” and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, at the date of this Prospectus, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of iBuy. iBuy cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Forward looking statements should be read in conjunction with the risk factors set out in Section 5, the assumptions contained in the financial information set out in Section 4 and the other information in this Prospectus.

1.11 FORECAST FINANCIAL INFORMATION

Given the fact that the Company is in an early stage of development, there are significant uncertainties associated with forecasting the future revenues and expenses of iBuy. On this basis the Directors believe that there is no reasonable basis for the inclusion of financial forecasts in this Prospectus.

1.12 STATEMENT OF PAST PERFORMANCE

This Prospectus includes information regarding the past performance of iBuy which has been compiled on a pro forma basis on the assumption that iBuy owned Buy Together, Dealguru and Dealmates. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

1.13 FINANCIAL AMOUNTS

Money as expressed in this Prospectus is in Australian dollars unless otherwise indicated.

1.14 EXCHANGE RATE

When converting United States dollar amounts into Australian dollars, an exchange rate of 0.9315:1 has been used for the purposes of this Prospectus.

1.15 GLOSSARY

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary in Section 10.

1.16 PRIVACY

By filling out the Application Form to apply for Shares, you are providing personal information to iBuy through iBuy's service provider, the Share Registry, which is contracted by iBuy to manage Applications. iBuy, and the Share Registry on its behalf, may collect, hold and use that personal information in order to process your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration.

If you do not provide the information requested in the Application Form, iBuy and the Share Registry may not be able to process or accept your Application. Your personal information may also be used from time to time to inform you about other products and services offered by iBuy, which it considers may be of interest to you.

Your personal information may also be provided to iBuy's members, agents and service providers on the basis that they deal with such information appropriately. The members, agents and service providers of iBuy may be located outside Australia, where your personal information may not receive the same level of protection as that afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the Shareholder register;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing the Shareholder base and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising on, the Shares and for associated actions.

If an Applicant becomes a Shareholder, the Corporations Act requires iBuy to include information about the Shareholder (including name, address and details of the Shares held) in its public register of members. If you do not provide all the information requested, your Application Form may not be able to be processed.

The information contained in iBuy's register of members must remain there even if that person ceases to be a Shareholder. Information contained in iBuy's register of members is also used to facilitate corporate communications (including iBuy's financial results, annual reports and other information that iBuy may wish to communicate to its Shareholders) and compliance by iBuy with legal and regulatory requirements.

You may request access to your personal information held by or on behalf of iBuy. A fee may be charged for access. You can request access to your personal information by writing or telephoning the Share Registry, details of which are disclosed in the Corporate Directory.

1.17 OFFER WEBSITE

Any document included on the Company's website, www.ibuy-group.com (and any reference to them) is provided for convenience only, and none of the documents or other information on the website is incorporated by reference into this Prospectus.

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KEY OFFER INFORMATION

KEY DATES	
Prospectus lodgement date	Thursday, 5 December 2013
Broker Firm Offer opens	Friday, 6 December 2013
Broker Firm Offer closes	Thursday, 12 December 2013
Settlement of the Offer	Wednesday, 18 December 2013
Completion of the Purchase Agreements ¹ and Completion of the Offer	Thursday, 19 December 2013
Expected commencement of trading of Shares on ASX (on a deferred settlement basis)	Friday, 20 December 2013
Expected despatch of holding statements and any refund payments	Monday, 23 December 2013
Expected commencement of trading on ASX on a normal settlement basis	Tuesday, 24 December 2013

This timetable is indicative only and Applicants are encouraged to submit their Applications as early as possible. iBuy, in consultation with the Lead Manager, has the right to close the Offer early or extend the Offer, to accept late Applications, or vary any other date without prior notice.

KEY OFFER STATISTICS	
Offer Price	\$0.32 per Share
Number of Shares offered under the Offer	115,625,000 Shares
Number of Shares held by Catcha Group on Listing	88,924,936 Shares
Number of Shares issued to Convertible Note holders	29,166,666 Shares
Number of Shares issued under the Purchase Agreements ²	120,370,370 Shares
Total number of Shares on issue on Listing ²	354,086,972 Shares
Total cash proceeds from the Offer	\$37,000,000
Proceeds from the conversion of the Convertible Notes	\$7,000,000
Indicative market capitalisation at the Offer Price ³	\$113,307,831
Pro forma net cash (as at 30 June 2013) ³	\$11,169,382

¹ The Dealguru Purchase Agreement will complete on the business day immediately prior to Completion of the Offer.

² Assumes a USD:AUD exchange rate of 0.9315:1 for the purposes of the Shares to be issued under the Purchase Agreements.

³ Based on the Offer Price and the total number of Shares on issue on Listing.

Dear Investor,

On behalf of the Directors of iBuy Group Limited, it brings me great pleasure to invite you to become a Shareholder in the Company.

iBuy has entered into the Purchase Agreements, by which it will acquire a leading portfolio of e-Commerce websites, specialising in Flash Sales, in Hong Kong, Singapore and Malaysia (*the Core Markets*).

The Purchase Agreements will complete on or before Completion of the Offer.

The Websites are:

- BeeCrazy.hk, which operates in Hong Kong;
- Deal.com.sg, which operates in Singapore;
- Mydeal.com.my, which operates in Malaysia; and
- Dealmates.com, which operates in Malaysia and is currently part-owned by Catcha Group, a related party of iBuy.

The Websites are focused on:

- Flash Sales of products and services to buyers in the Core Markets;
- the sale of retail products and services through online marketplaces; and
- connecting product suppliers holding excess, remnant, obsolete or out of season inventory to online buyers seeking discounted products.

The Company's goal is to become the leading operator of Flash Sales websites in its Core Markets.

e-Commerce sales are growing strongly in the Core Markets: the Independent Market Expert has estimated that the total value of 'business to consumer' e-Commerce sales in Asia grew by almost 33% in 2012. According to the Independent Market Expert, the Asian region is forecast to be the fastest growing region for business to consumer e-Commerce sales over the period from 2011 to 2016 with an expected compound annual growth rate of 24%.

The Offer is being conducted to raise funds to pay amounts outstanding under the Purchase Agreements, fund advertising and marketing programs to increase the size of the buyer databases of iBuy's websites, retain a cash balance to fund anticipated future acquisitions, pay the costs of the Offer and provide working capital.

The Offer will raise \$37 million by the offer of 115,625,000 Shares at the Offer Price of \$0.32 (32 cents) per Share. The Offer is fully underwritten by the Underwriter.

An investment in iBuy is subject to risks, including system and content integrity issues, a decline in retail spend and e-Commerce in the Core Markets, a decline in the growth of internet penetration and online migration, deteriorating supplier relationships, increased competition. On Listing, Catcha Group, a related party of iBuy which is controlled by Patrick Grove and Lucas Elliott, will own approximately 25.1% of iBuy and will be in a position to exert significant influence over all matters that require Shareholder approval. Section 5 contains detailed information about these risks and I encourage you to read it carefully.

The Directors are confident that the businesses iBuy will acquire, the growth profile of the Core Markets and its Board and Chief Executive Officer, who have extensive experience in Asia and in the online and retail industries, provide a strong platform for the future growth of the Company.

On behalf of the Board, I invite you to become a Shareholder and to be a part of this exciting investment opportunity.

A handwritten signature in black ink, appearing to read "Patrick Grove", written over a circular stamp or seal.

PATRICK GROVE
Chairman

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SECTION 1
INVESTMENT
OVERVIEW

1.1 INTRODUCTION

TOPIC	SUMMARY	WHERE TO FIND MORE INFORMATION																										
What is iBuy?	<p>On completion of the Purchase Agreements, iBuy will acquire:</p> <ul style="list-style-type: none"> • the Buy Together business, which operates in Hong Kong through the BeeCrazy.hk website; • the Dealguru business, which operates in Singapore through the Deal.com.sg website and in Malaysia through the Mydeal.com.my website; and • the Dealmates business, which operates in Malaysia through the Dealmates.com website. <p>The acquisitions of these businesses will complete on the same date as Completion of the Offer save for the Dealguru Purchase Agreement, which will complete on the business day immediately prior to Completion of the Offer.</p> <p>The Company's operating subsidiaries will be held through a wholly-owned Singaporean subsidiary, iBuy Group Pte Ltd.</p>	Section 3.1																										
What services will the Websites provide?	<p>iBuy will own Websites which are focused on:</p> <ul style="list-style-type: none"> • Flash Sales of products and services to buyers in the Core Markets, comprising Hong Kong, Singapore and Malaysia; • the sale of retail products and services through online marketplaces; and • connecting product suppliers holding excess, remnant, obsolete or out of season inventory to online buyers seeking discounted products and services. 	Section 3.1																										
What is the purpose of the Offer?	<p>The proceeds from the issue of new Shares under the Offer and the proceeds of the issue of the Convertible Notes (which will convert into Shares) will be used by iBuy primarily to make payments due under the Purchase Agreements, fund advertising and marketing programs, fund future acquisition opportunities, pay the costs of the Offer and costs related to the Purchase Agreements and to provide working capital.</p> <p>The Directors are of the opinion that the Company will have sufficient working capital to carry out its stated objectives.</p> <table border="1"> <thead> <tr> <th></th> <th>A\$</th> </tr> </thead> <tbody> <tr> <td colspan="2">Sources of funds</td> </tr> <tr> <td>Issue of new Shares</td> <td>\$37,000,000</td> </tr> <tr> <td>Issue of new Shares via Convertible Notes</td> <td>\$7,000,000</td> </tr> <tr> <td>Total Proceeds</td> <td>\$44,000,000</td> </tr> <tr> <td colspan="2">Uses of funds</td> </tr> <tr> <td>Payments due under the Purchase Agreements*</td> <td>\$31,561,997</td> </tr> <tr> <td>Advertising and marketing programs</td> <td>\$2,000,000</td> </tr> <tr> <td>Anticipated future acquisition opportunities</td> <td>\$2,000,000</td> </tr> <tr> <td>Costs of the Offer</td> <td>\$3,400,000</td> </tr> <tr> <td>Cost of acquisitions</td> <td>\$300,000</td> </tr> <tr> <td>Provide working capital</td> <td>\$4,738,003</td> </tr> <tr> <td>Total use of funds</td> <td>\$44,000,000</td> </tr> </tbody> </table> <p>* USD\$1 million of this amount will be remitted directly to Dealguru in satisfaction of a liability of this amount which will become owing by the Dealguru Sellers to Dealguru. Please see Section 9.4 for details.</p>		A\$	Sources of funds		Issue of new Shares	\$37,000,000	Issue of new Shares via Convertible Notes	\$7,000,000	Total Proceeds	\$44,000,000	Uses of funds		Payments due under the Purchase Agreements*	\$31,561,997	Advertising and marketing programs	\$2,000,000	Anticipated future acquisition opportunities	\$2,000,000	Costs of the Offer	\$3,400,000	Cost of acquisitions	\$300,000	Provide working capital	\$4,738,003	Total use of funds	\$44,000,000	Section 7.2
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1.2 KEY FEATURES OF iBUY'S BUSINESS MODEL

TOPIC	SUMMARY	WHERE TO FIND MORE INFORMATION
How will iBuy generate revenue?	<p>iBuy expects to generate revenue through the sale of products and services through the Websites. iBuy will earn a sales margin on the sale of products, and a commission on the services it sells, on the Websites.</p> <p>iBuy will acquire the Websites on completion of the Purchase Agreements.</p>	Sections 3.1 & 3.2
How will the iBuy business model work?	<p>In respect of products, iBuy will agree with product suppliers to sell excess, remnant, obsolete or out of season inventory through a website. iBuy will then sell the product, often through a Flash Sale, and remit the agreed supplier price to the product supplier. iBuy receives the margin between the agreed supplier price and the price it can realise selling the product on the website. iBuy is generally under no obligation to acquire the product from the supplier in the event that it is not sold on its website, however iBuy is typically responsible for bearing the cost of product returns.</p> <p>In respect of services, iBuy will agree with a service provider to sell a service through a website. iBuy will then sell the service, often through a Flash Sale, and remit the sale value to the service provider once the service has been provided to the buyer, less iBuy's agreed commission. In the event that a service is sold and not utilised prior to its expiry, iBuy may be entitled to retain the total value of the sale.</p>	Section 3.2
What are Flash Sales?	Flash Sales are a type of e-Commerce transaction that involves the sale of goods and services to website users at discounted prices for a limited period of time.	Section 2
What are iBuy's key business strategies?	<p>iBuy will focus on combining the Buy Together, Dealguru and Dealmates businesses to create a leading Asian e-Commerce group focused on Flash Sales.</p> <p>On completion of the Purchase Agreements, iBuy's key business strategies are to:</p> <ul style="list-style-type: none"> • use its aggregated buyer database and distribution capability to negotiate better commercial deals with its existing suppliers; • obtain access to new suppliers and greater product volume, range and quality by virtue of its enhanced buyer database; • use the purchasing and visitation history of its buyer database to personalise product and service offers to increase sales; • drive operational efficiencies in areas such as product sourcing, finance and technology development, and obtain more favorable trading terms from its technology service providers such as payment gateways and email service providers; • organically grow its buyer database through online and social media marketing programs; • provide outstanding customer service; and • pursue growth opportunities in the Asian e-Commerce sector through strategic acquisitions. 	Section 3.3

1.3 PAYMENTS UNDER THE PURCHASE AGREEMENTS AND iBUY'S CAPITAL STRUCTURE

TOPIC	SUMMARY	WHERE TO FIND MORE INFORMATION															
<p>What will be the capital structure of the Company on Listing?</p>	<p>On Listing the Company will have approximately 354.1 million Shares on issue. This includes the Shares issued:</p> <ul style="list-style-type: none"> • under the Offer; • as consideration under the Purchase Agreements; and • on conversion of the Convertible Notes, <p>but does not include Shares which may be issued as part of the variable consideration component of the Dealguru Purchase Agreement.</p> <p>The Convertible Notes are described in further detail at Section 9.4.4.</p>	<p>Sections 7 & 9.4</p>															
<p>What payments are required under the Purchase Agreements?</p>	<p>The following payments are required under the Purchase Agreements. All payments are denominated in United States dollars (USD\$).</p> <p>Where payment is required to be satisfied by the issue of Shares (which are denominated in Australian dollars), the USD\$ amount will be converted into Australian dollars at an agreed benchmark exchange rate.</p> <p>For the purposes of this Prospectus, a USD:AUD exchange rate of 0.9315:1 has been assumed.</p> <table border="1"> <thead> <tr> <th>PURCHASE AGREEMENT</th> <th>AMOUNT</th> <th>VENDOR</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Buy Together</td> <td>USD\$8.4 million payable in cash</td> <td rowspan="2">Buy Together Seller</td> </tr> <tr> <td>USD\$12.6 million payable in Shares at the Offer Price</td> </tr> <tr> <td rowspan="3">Dealguru</td> <td>USD\$11 million payable in cash</td> <td rowspan="3">Dealguru Sellers</td> </tr> <tr> <td>USD\$23.28 million, payable in Shares at the Offer Price</td> </tr> <tr> <td>An amount expected to be approximately USD\$400,000, payable in Shares at the Offer Price on the basis that the valuation of iBuy on Completion of the Offer (but excluding the Shares to be issued under the Offer) is expected to exceed USD\$70 million</td> </tr> <tr> <td>Dealmates</td> <td>USD\$10 million payable in cash</td> <td>Dealmates Sellers⁴</td> </tr> </tbody> </table>	PURCHASE AGREEMENT	AMOUNT	VENDOR	Buy Together	USD\$8.4 million payable in cash	Buy Together Seller	USD\$12.6 million payable in Shares at the Offer Price	Dealguru	USD\$11 million payable in cash	Dealguru Sellers	USD\$23.28 million, payable in Shares at the Offer Price	An amount expected to be approximately USD\$400,000, payable in Shares at the Offer Price on the basis that the valuation of iBuy on Completion of the Offer (but excluding the Shares to be issued under the Offer) is expected to exceed USD\$70 million	Dealmates	USD\$10 million payable in cash	Dealmates Sellers ⁴	<p>Section 9.4</p>
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Dealmates	USD\$10 million payable in cash	Dealmates Sellers ⁴															
<p>What are the total amounts payable under the Purchase Agreements?</p>	<p>The total fixed amounts payable under the Purchase Agreements are:</p> <ul style="list-style-type: none"> • USD\$29,400,000 in cash; and • USD\$35,880,000 in Shares (at the Offer Price), equating to approximately 120,370,370 Shares. <p>A variable payment of an amount expected to be approximately USD\$400,000, payable in Shares at the Offer Price, is anticipated to be payable to the Dealguru Sellers on the basis that the valuation of iBuy on Completion of the Offer (but excluding the Shares to be issued under the Offer) is expected to exceed \$USD70 million.</p>	<p>Section 9.4</p>															

⁴ The Dealmates Sellers include Catcha Group, a related party of iBuy. Please see Section 9.4 for further details.

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TOPIC	SUMMARY	WHERE TO FIND MORE INFORMATION
<p>What are the Convertible Notes?</p>	<p>On 19 November 2013, the Company, Catcha Group, Patrick Grove and Lucas Elliott entered into Convertible Note Agreements with certain Institutional Investors by which:</p> <ul style="list-style-type: none"> • iBuy agreed to issue \$7 million worth of zero coupon, unsecured convertible notes to the Institutional Investors (including Sam Weiss, a Director⁵), in order to fund certain expenses associated with the Offer; and • Catcha Group, Patrick Grove and Lucas Elliott agreed to guarantee repayment of the Convertible Notes. <p>The Convertible Notes convert into 29,166,666 Shares on the same date as Completion of the Offer at an effective conversion price of \$0.24 per Share, equivalent to a 25% discount to the Offer Price.</p> <p>The Company also granted certain Convertible Note holders the right to acquire Shares (at the Offer Price) under the Offer up to a value equivalent to the face value of the Convertible Notes they hold.</p>	<p>Section 9.4.4</p>
<p>Will the Company be adequately funded after Completion of the Offer?</p>	<p>The Directors are of the opinion that the Company will have sufficient working capital to carry out its stated objectives.</p>	<p>Section 7.4</p>
<p>How does iBuy expect to fund its operations?</p>	<p>On completion of the Purchase Agreements, iBuy expects to fund its operations from the revenues generated from its business activities in conjunction with the proceeds of the Offer.</p>	<p>Sections 3 & 7</p>
<p>When will dividends be paid on Shares?</p>	<p>The Directors have no current intention to declare and pay a dividend. It is the Directors' current intention to utilise the Offer proceeds received by the Company and to reinvest future available cash flows in the further development of the Company's businesses.</p>	<p>Section 7</p>

⁵ Convertible Notes were issued to Director Sam Weiss, a related party of the Company, on identical terms to those issued to unrelated third parties.

1.4 KEY RISKS

TOPIC	SUMMARY	WHERE TO FIND MORE INFORMATION
System and content integrity	The performance of the Websites will be vitally important to the reputation of the Company's businesses, its ability to attract buyers and its ability to make sales of products and services. Any system failure that causes an interruption to the Websites could materially affect iBuy's business and financial performance. System failures, if prolonged, could reduce the attractiveness of the Websites to visitors and hinder iBuy's ability to make sales to buyers, and would damage its business reputation and brand name.	Section 5.1.1
Decline in retail and e-Commerce sectors	The retail and e-Commerce sectors in the Core Markets are subject to factors outside the control of iBuy. These factors include the general market outlook for economic growth and interest rates. If growth in these markets slows down, or if these markets contract, iBuy may be unable to meet its objectives.	Section 5.1.2
Decline in growth rate of internet penetration in the Core Markets	Growth in e-Commerce is underpinned by a range of factors including migration from more traditional forms of retail sales. While increased internet penetration and a migration of retail sales to digital platforms has occurred over recent years there can be no guarantee that the rate of penetration and migration will continue in the future, which may have an adverse effect on the expected growth of iBuy.	Section 5.1.3
Relationships with suppliers	On completion of the Purchase Agreements, iBuy will generate revenue through the sale of products and services sourced from suppliers. Contracts between the Company and its suppliers will be generally short term. There can be no guarantee that suppliers will continue to supply products and services to the Company. Should a significant number of suppliers cease to continue to supply to the Company, this will have an adverse effect on the growth prospects and financial performance of iBuy.	Section 5.1.4
Increased competition	Internet businesses have low barriers to entry. Current or new competitors may adopt certain aspects of iBuy's business model without great financial expense, thereby reducing iBuy's ability to differentiate its services. Competition may arise from a number of sources. Any significant competition may adversely affect iBuy's ability to meet its objectives.	Section 5.1.5
Sale of counterfeit goods	The inadvertent sale of counterfeit goods through iBuy's websites may have a material adverse effect on iBuy's operations and financial position, and could damage its business reputation and brand name.	Section 5.1.6
Concentration of Shareholding	Catcha Group, which is controlled by Patrick Grove and Lucas Elliott, will own approximately 25.1% of iBuy on Listing. Catcha Group will have significant influence over all matters that require approval by Shareholders, including the election and removal of directors and approval of significant corporate transactions (unless prevented from voting under the Corporations Act or the Listing Rules). This concentration of ownership will limit the ability of other Shareholders to influence corporate matters, and as a result, actions may be taken that some Shareholders may not view as beneficial.	Section 5.1.7

TOPIC	SUMMARY	WHERE TO FIND MORE INFORMATION
Foreign currency risk	iBuy will have costs, expenses and investments denominated in multiple currencies. iBuy's Share price is denominated in Australian dollars. iBuy will also report its financial results in Australian dollars. Accordingly, iBuy's reported financial performance will be influenced by fluctuations in exchange rates between the Australian dollar and other currencies in which it may earn income or accrue expenses, primarily the Hong Kong dollar, Singapore dollar and Malaysian ringgit.	Section 5.1.8

1.5 KEY STRENGTHS

TOPIC	SUMMARY	WHERE TO FIND MORE INFORMATION
Strong market positions	<p>On completion of the Purchase Agreements, iBuy will have strong market positions in each of its Core Markets.</p> <ul style="list-style-type: none"> • BeeCrazy.hk had over 1,000,000 subscribers and 750,000 unique visitors in August 2013 and has received orders for a total of 459,112 products and services in Q1, Q2 and Q3 of 2013; • Deal.com.sg had over 720,000 subscribers and 925,000 unique visitors in August 2013 and has received orders for a total of 392,173 products and services in Q1, Q2 and Q3 of 2013; • Mydeal.com.my had over 1,000,000 subscribers and 2,480,000 unique visitors in August 2013 and has received orders for a total of 242,607 products and services in Q1, Q2 and Q3 of 2013; and • Dealmates.com had over 400,000 subscribers and 285,000 unique visitors in August 2013 and has received orders for a total of 136,743 products and services in Q1, Q2 and Q3 of 2013. <p>Unique visitor numbers are sourced from internal management data using Google Analytics.</p>	Section 3.9.1
Businesses that generate Gross Turnover	<p>In FY2012, the businesses to be acquired on completion of the Purchase Agreements generated the following Gross Turnover amounts:</p> <ul style="list-style-type: none"> • Buy Together generated \$37,099,594 of Gross Turnover; • Dealguru generated \$32,475,377 of Gross Turnover; and • Dealmates generated \$3,107,770 of Gross Turnover. <p>Gross Turnover is defined as the total amounts (in dollars) collected from customers for products and services sold through the websites to be acquired by iBuy. It is not revenue. Please refer to Section 3.9.2 for a reconciliation of Gross Turnover and revenue.</p>	Section 3.9.2

TOPIC	SUMMARY	WHERE TO FIND MORE INFORMATION																				
Consistent growth of the Websites	<table border="1"> <thead> <tr> <th>GROUP-WIDE METRIC</th> <th>2010</th> <th>2011</th> <th>2012</th> <th>Q1, Q2 & Q3 2013</th> </tr> </thead> <tbody> <tr> <td>Total number of orders</td> <td>67,911</td> <td>1,169,957</td> <td>1,461,142</td> <td>1,230,635</td> </tr> <tr> <td>Total number of new customers</td> <td>37,526</td> <td>395,640</td> <td>370,318</td> <td>250,579</td> </tr> <tr> <td>Total number of repeat customers</td> <td>13,662</td> <td>215,214</td> <td>340,319</td> <td>333,562</td> </tr> </tbody> </table>	GROUP-WIDE METRIC	2010	2011	2012	Q1, Q2 & Q3 2013	Total number of orders	67,911	1,169,957	1,461,142	1,230,635	Total number of new customers	37,526	395,640	370,318	250,579	Total number of repeat customers	13,662	215,214	340,319	333,562	Section 3.9.3
	GROUP-WIDE METRIC	2010	2011	2012	Q1, Q2 & Q3 2013																	
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Total number of repeat customers	13,662	215,214	340,319	333,562																		
<p>All of the Websites were launched in 2010, except Dealmates.com which was launched in January 2011.</p>																						
<p>New customers are buyers who purchase a product or service from a Website for the first time.</p>																						
<p>Repeat customers are buyers who purchase a product or service from a Website on more than one occasion in a calendar year.</p>																						
Active in growth markets	<p>According to the Independent Market Expert, there has been significant growth in per capita GDP in iBuy's Core Markets since 2000.</p>	Sections 2 & 3.9.4																				
Active in a growth sector	<p>The Independent Market Expert estimates that 'business to consumer' e-Commerce sales in the Asia Pacific region are estimated to have grown by almost 33% in 2012.</p> <p>The Independent Market Expert forecasts that the Asia Pacific region will be the fastest growing region for business to consumer e-Commerce sales over the period 2011 to 2016, with an estimated compound annual growth rate of 24%.</p>	Sections 2 & 3.9.5																				
Growth in internet and smartphone penetration in the Core Markets	<p>The continued increase in faster and more reliable internet access in the Core Markets, through fixed and mobile connections, in particular smartphones, stimulates the take-up of e-Commerce. In 2012, internet penetration was estimated by the Independent Market Expert to be approximately:</p> <ul style="list-style-type: none"> • 72.8% in Hong Kong; • 74.2% in Singapore; and • 65.8% in Malaysia. <p>The Independent Market Expert estimates that around 40% of smartphone users in the Core Markets are using their smartphones for business to consumer e-Commerce transactions.</p>	Sections 2 & 3.9.6																				

TOPIC	SUMMARY	WHERE TO FIND MORE INFORMATION
Existing supplier relationships	The businesses to be acquired by iBuy have collectively sourced from approximately 7,000 product and service suppliers in 2013 (to Q3). These relationships will provide iBuy with a supplier base from which to generate future growth. iBuy's large supplier base will be important as the Company works towards achieving the 'Virtuous Cycle': more suppliers and greater product volume, range and quality is expected to lead to increased numbers of buyers and value of spend per buyer, which in turn is expected to increase the Company's sales thus further increasing the Company's supplier base as suppliers are attracted to the Company's ability to sell products and services.	Section 3.9.7
Proven Board and management	iBuy's Board and Chief Executive Officer have significant experience in the internet, e-Commerce and retail sectors in Asia and globally.	Section 3.9.8

1.6 DIRECTORS AND KEY MANAGEMENT

TOPIC	SUMMARY	WHERE TO FIND MORE INFORMATION
Who are the Directors?	<p>The Directors are Patrick Grove (non-independent, non-executive Director and Chairman), Lucas Elliott (non-independent, non-executive Director), Sam Weiss (independent, non-executive Director), Erman Akinci (non-independent, non-executive Director) and Nick Geddes (independent, non-executive Director and Company Secretary).</p> <p>Under the terms of the Dealguru Purchase Agreement, the Dealguru Sellers are permitted to nominate a Director within 12 months of completion of the Dealguru Purchase Agreement.</p> <p>The Dealguru Sellers are Patrick Linden (who will be appointed CEO of iBuy on Listing), Jan Peter Croeni (a founder of the Dealguru business who is no longer involved in its operations) and Rebate Networks GmbH (a company incorporated in Germany which invests in e-commerce companies).</p>	Sections 6.1 & 9.4
Who are iBuy's key managers?	<p>iBuy's Chief Executive Officer will be Patrick Linden, who was previously chief executive officer of Dealguru.</p> <p>The Company's Chief Financial Officer is Andrew Bursill, whose services are provided under a consultancy agreement with Franks & Associates Pty Limited.</p>	Section 6.2

1.7 SIGNIFICANT INTERESTS OF KEY PEOPLE AND RELATED PARTY TRANSACTIONS

TOPIC	SUMMARY	WHERE TO FIND MORE INFORMATION																							
Who are the Company's key Shareholders?	<p>The Company expects that its key Shareholders will own the following approximate Shareholdings on Listing.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th rowspan="2" style="background-color: #008080; color: white;">KEY SHAREHOLDER</th> <th colspan="2" style="background-color: #008080; color: white;">SHAREHOLDING ON COMPLETION OF THE OFFER</th> </tr> <tr> <th style="background-color: #008080; color: white;">NO. OF SHARES</th> <th style="background-color: #008080; color: white;">% SHAREHOLDING</th> </tr> </thead> <tbody> <tr> <td>Catcha Group</td> <td style="text-align: right;">88,924,936</td> <td style="text-align: right;">25.1%</td> </tr> <tr> <td>Buy Together Seller</td> <td style="text-align: right;">42,270,531</td> <td style="text-align: right;">11.9%</td> </tr> <tr> <td>Dealguru Sellers</td> <td style="text-align: right;">78,099,839</td> <td style="text-align: right;">22.1%</td> </tr> <tr> <td>Convertible Note holders</td> <td style="text-align: right;">29,166,666</td> <td style="text-align: right;">8.2%</td> </tr> <tr> <td>New Shareholders</td> <td style="text-align: right;">115,625,000</td> <td style="text-align: right;">32.7%</td> </tr> <tr> <td>TOTAL</td> <td style="text-align: right;">354,086,972</td> <td style="text-align: right;">100%</td> </tr> </tbody> </table>	KEY SHAREHOLDER	SHAREHOLDING ON COMPLETION OF THE OFFER		NO. OF SHARES	% SHAREHOLDING	Catcha Group	88,924,936	25.1%	Buy Together Seller	42,270,531	11.9%	Dealguru Sellers	78,099,839	22.1%	Convertible Note holders	29,166,666	8.2%	New Shareholders	115,625,000	32.7%	TOTAL	354,086,972	100%	Section 7.5
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TOTAL	354,086,972	100%																							
Who is Catcha Group and will it control the Company at Listing?	<p>Catcha Group is the founding Shareholder of iBuy. The directors and shareholders of Catcha Group are Patrick Grove and Lucas Elliott.</p> <p>Catcha Group will own approximately 25.1% of iBuy on Listing.</p> <p>Accordingly, whilst the Directors do not consider that Catcha Group will control iBuy, the Company anticipates that Catcha Group will have significant influence over all matters that require approval by Shareholders.</p>	Section 7.7																							
What are the material related party transactions iBuy has entered into?	<p>iBuy has entered into the following material related party transactions:</p> <ul style="list-style-type: none"> • the Dealmates Purchase Agreement, by which iBuy agreed to buy Dealmates from the Dealmates Sellers, which include Catcha Group; and • an agreement with Sam Weiss, a Director, by which the Company issued Convertible Notes to Mr Weiss which convert into Shares on the same date as Completion of the Offer at an effective conversion price of \$0.24 per Share, a 25% discount to the Offer Price. <p>The consideration payable to Catcha Group under the Dealmates Purchase Agreement is on no more favourable commercial terms than the consideration payable to the other non-related Dealmates Sellers.</p> <p>The independent Directors believe the consideration payable under the Dealmates Purchase Agreement is appropriate having regard to the market value of like businesses and the business performance of Dealmates.</p> <p>The terms of the Convertible Notes issued to Sam Weiss are no more favourable to Mr Weiss than the terms of the Convertible Notes issued to Convertible Note holders who are not related parties of iBuy.</p>	Section 9.4																							

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TOPIC	SUMMARY	WHERE TO FIND MORE INFORMATION																					
<p>What are the Directors' and Chief Executive Officer's Shareholdings?</p>	<p>The Directors are expected to hold the following approximate Shareholdings at Listing.</p> <table border="1" data-bbox="432 645 1161 1153"> <thead> <tr> <th></th> <th>NO. OF SHARES</th> <th>% SHAREHOLDING</th> </tr> </thead> <tbody> <tr> <td>Patrick Grove (Director)</td> <td>No direct holding</td> <td>20% effective Shareholding, held indirectly through Catcha Group</td> </tr> <tr> <td>Lucas Elliott (Director)</td> <td>No direct holding</td> <td>5% effective Shareholding, held indirectly through Catcha Group</td> </tr> <tr> <td>Sam Weiss** (Director)</td> <td>1,041,667</td> <td>0.29%</td> </tr> <tr> <td>Erman Akinci (Director)</td> <td>93,750</td> <td>0.026%</td> </tr> <tr> <td>Nick Geddes (Director)</td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td>Patrick Linden* (Chief Executive Officer)</td> <td>13,206,683</td> <td>3.73%</td> </tr> </tbody> </table> <p>*It is anticipated that Patrick Linden may be issued a further approximately 226,919 Shares under the variable consideration component of the Dealguru Purchase Agreement. **While Sam Weiss holds Convertible Notes entitling him to acquire Shares at the Offer Price, he will not acquire Shares under the Offer.</p>		NO. OF SHARES	% SHAREHOLDING	Patrick Grove (Director)	No direct holding	20% effective Shareholding, held indirectly through Catcha Group	Lucas Elliott (Director)	No direct holding	5% effective Shareholding, held indirectly through Catcha Group	Sam Weiss** (Director)	1,041,667	0.29%	Erman Akinci (Director)	93,750	0.026%	Nick Geddes (Director)	Nil	Nil	Patrick Linden* (Chief Executive Officer)	13,206,683	3.73%	<p>Section 7.6</p>
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Patrick Linden* (Chief Executive Officer)	13,206,683	3.73%																					
<p>What escrow restrictions apply to the key Shareholders' and Directors' Shares?</p>	<p>The Shares held by Catcha Group and Sam Weiss will be escrowed for a period of 24 months from Listing.</p> <p>The Shares held by the Buy Together Seller and Dealguru Sellers will be escrowed for a period of 12 months from the date of their issue.</p> <p>A percentage of the Shares issued on conversion of the Convertible Notes (other than those issued to Sam Weiss) will be escrowed for a period of 12 months from the date of their issue.</p>	<p>Section 9.6</p>																					
<p>What significant benefits and interests are payable to Directors and other persons connected with iBuy or the Offer?</p>	<p>All Directors will receive directors' fees.</p> <p>Patrick Linden, the Chief Executive Officer, will receive remuneration.</p> <p>Nick Geddes (Company Secretary) has an interest in a consultancy agreement between iBuy and Australian Company Secretaries Pty Ltd, under which Mr Geddes' services as Company Secretary are provided.</p> <p>Advisers and other service providers are entitled to fees for services.</p>	<p>Section 6</p>																					

1.8 KEY TERMS AND CONDITIONS OF THE OFFER

TOPIC	SUMMARY	WHERE TO FIND MORE INFORMATION
Who is the issuer of the Prospectus?	iBuy Group Limited, a company incorporated in Victoria, Australia.	Section 9.1
What is the Offer?	The Offer is an initial public offering of 115,625,000 Shares, at an Offer Price of \$0.32 per Share.	Section 7.1
Will the Shares be listed?	An application was made to the ASX on 29 November 2013 for the Company to be admitted to the official list of the ASX and for quotation of the Shares on ASX.	Section 7.8.6
Is the Offer underwritten?	Yes, the Offer is fully underwritten by the Lead Manager and Underwriter.	Sections 7.11 & 9.5
How is the Offer structured / who is eligible to participate in the Offer?	The Offer comprises: <ul style="list-style-type: none"> • The Broker Firm Offer consisting of an invitation by a Syndicate Broker to investors in Australia to acquire Shares; and • The Institutional Offer which consisted of an offer of Shares to Institutional Investors in Australia and certain overseas jurisdictions. 	Section 7.1
How can I apply?	Broker Firm Applicants may apply for Shares by completing a valid Application Form attached to or accompanying this Prospectus and lodging it with the Syndicate Broker who invited them to participate in the Offer. The Offer is not open to the general public.	Section 7.1
Where can I find more information about this Prospectus or the Offer?	The Company expects to announce the final allocation policy under the Broker Firm Offer on or about 19 December 2013. For more information, call the iBuy Share Offer Information Line on 1300 295 246 or (03) 9415 4104 from 8:30am to 5:00pm (AEDST) Monday to Friday during the Broker Firm Offer period. If you are unclear or uncertain as to whether iBuy is a suitable investment for you, you should seek professional guidance from your solicitor, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest.	Section 7.10

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TOPIC	SUMMARY	WHERE TO FIND MORE INFORMATION
<p>Can the Offer be withdrawn?</p>	<p>iBuy reserves the right not to proceed with the Offer at any time before the settlement of the Offer. If the Offer does not proceed, Application Monies will be refunded. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offer.</p>	<p>Section 7.13</p>
<p>What is the allocation policy?</p>	<p>The allocation of Shares between the Broker Firm Offer and the Institutional Offer has been determined by the Company and Lead Manager.</p> <p>The Company and the Lead Manager will determine the allocation of Shares among Institutional Investors.</p> <p>For Broker Firm Applicants, Syndicate Brokers will determine how they allocate Shares among their clients.</p>	<p>Section 7.1</p>

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SECTION 2
INDEPENDENT
MARKET REPORT





"We Accelerate Growth"

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Sydney, NSW 2000
Tel: 02 8247 8900 Fax: 02 9252 8066
www.frost.com

The Directors
iBuy Group Limited
Level 3, 70 Pitt Street,
SYDNEY NSW 2001
AUSTRALIA

November 13, 2013

Dear Directors,

Independent Market Report on the B2C e-Commerce and Online Flash Sales Markets

Introduction

We understand that iBuy Group Limited ("iBuy") is planning to acquire businesses in Hong Kong, Malaysia and Singapore that operate websites selling products and services to consumers, primarily via a "flash sales" business model. These businesses therefore operate within the broader business-to-consumer ("B2C") e-Commerce market in their respective countries.

We understand that iBuy is planning to raise funds via an Initial Public Offering (IPO) on the Australian Securities Exchange (ASX), and iBuy has commissioned an Independent Market Report (IMR) from Frost & Sullivan for the purposes of inclusion in the prospectus relating to the IPO. Frost & Sullivan is an independent market research and consulting firm operating in over 30 countries globally. Founded in New York in 1961, Frost & Sullivan now employs over 1,800 staff. We have undertaken a number of market studies in the e-Commerce and related sectors on behalf of market participants and financial institutions, as well as producing a number of multi-client reports on the e-Commerce industry.

In undertaking this assessment, Frost & Sullivan has relied on information derived from recognised public sources. The research was undertaken in the months of October and November 2013. All effort has been made by Frost & Sullivan to ensure that information in this report is accurate and appropriate at the time of writing. Conclusions, and assumptions attached to those conclusions, are based on Frost & Sullivan's investigations and analyses of the facts as they are known as at November 2013 and Frost & Sullivan is of the opinion that the conclusions and underlying assumptions are reasonable.

The following exchange rates have been used in this report:

<i>Auckland</i>	<i>Bangalore</i>	<i>Bangkok</i>	<i>Beijing</i>	<i>Bogota</i>	<i>Buenos Aires</i>	<i>Cape Town</i>	<i>Chennai</i>	<i>Delhi</i>	<i>Dubai</i>
<i>Frankfurt</i>	<i>Kolkatta</i>	<i>Kuala Lumpur</i>	<i>London</i>	<i>Manhattan</i>	<i>Melbourne</i>	<i>Mexico City</i>	<i>Mumbai</i>	<i>New York</i>	<i>Oxford</i>
<i>Palo Alto</i>	<i>Paris</i>	<i>San Antonio</i>	<i>Sao Paulo</i>	<i>Seoul</i>	<i>Shanghai</i>	<i>Singapore</i>	<i>Sydney</i>	<i>Tokyo</i>	<i>Toronto</i>

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A\$1 = US\$0.94	A\$1 = HK\$7.28	A\$1 = RM3.00	A\$1 = S\$1.17
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Definitions

e-Commerce is defined by the Organisation of Economic Co-operation and Development (OECD) as the sale or purchase of goods or services, conducted over computer networks by methods specifically designed for the purpose of receiving or placing orders. The goods or services are ordered by those methods, but the payment and the ultimate delivery of the goods or services do not have to be conducted online.¹ However, inconsistent definitions of e-Commerce are often used by national statistical organisations, making comparisons of the level of e-Commerce between different countries difficult (for example, some organisations include orders received by e-mail within their definition). e-Commerce transactions can be between a business and a consumer (generally called Business-to-Consumer or B2C), a business and a business (B2B) or a consumer and a consumer (C2C). B2B e-Commerce transactions generally account for the majority of e-Commerce activity, primarily because this includes Electronic Data Interchange (EDI) transactions that are not conducted over the public internet.

Online flash sales are a type of e-Commerce transaction, mainly used in B2C e-Commerce. They involve the sale of products and / or services via a website for a temporary period, at prices that are generally discounted from the usual selling price of the product or service. Access to the flash sale is generally restricted to members of the website who receive invitations to participate in the sale, hence flash sales are sometimes also referred to as private sales. A range of products and services can be sold via the flash sales approach. Flash sales often involve the sale of branded products (such as clothing) at prices that are discounted from the normal selling price. Hence, flash sales are an approach sometimes used by brand owners to dispose of excess product inventory that cannot be sold at full price through normal online or offline channels. However, flash sales are also used to sell services (such as travel & accommodation, dining, etc) where the service supplier has excess capacity. For merchandise sales, flash sales are therefore an online version of off-price retailing.

Off-price retailing involves selling items at lower prices than those typically charged by retail businesses. Off-price stores typically purchase overstocked goods or goods that are at the low end of a demand cycle, such as seasonal goods, in order to reduce their costs, enabling them to offer lower average prices to consumers. Off-price retailing can be undertaken in physical stores (often located where rents and other operating costs are lower) or via the internet, including through flash sales.

Retail sales are a measure of the aggregate value of sales made by retailers in a specific country over a period of time. As well as sales made through physical (bricks & mortar) stores, the measure includes sales made by retailers online, through catalogues and through other channels.

¹ Source: <http://stats.oecd.org/glossary/detail.asp?ID=4721>, accessed October 2013

Retail Sales by Country

B2C e-Commerce includes the sale of physical items such as clothing & footwear, books & magazines and household items, although the majority of these physical items are still sold through physical (bricks & mortar) stores as part of the retail ecosystem in each country.² Comparisons between countries on the total value of retail sales are difficult, due to differing definitions and measurement approaches, however in general the retail industry is a significant contributor to the national economy in each country. Summary data on the retail sector in each country is given below in Table 1. Data given is the latest available published by the relevant national statistical office:

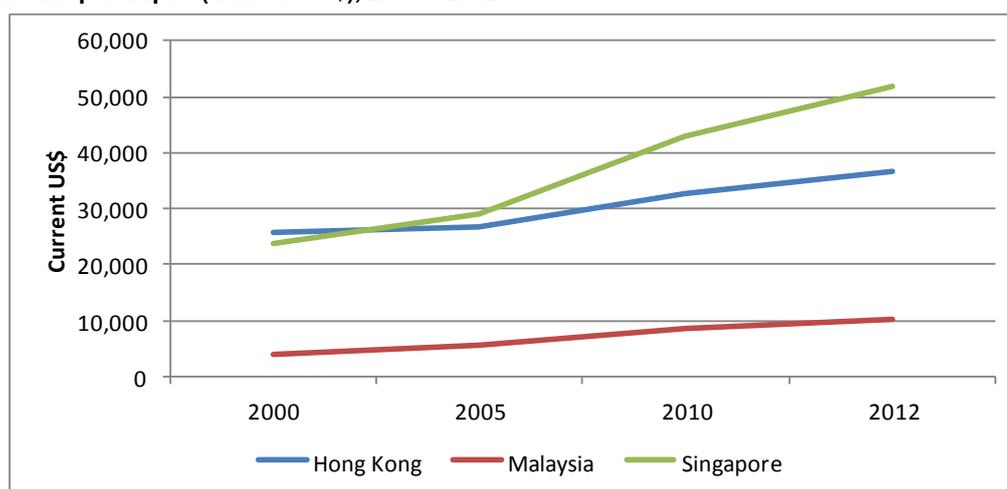
Table 1: Retail Industry by Country

	Total Retail Sales (US\$ billion)	Retail Sales Growth on Prior Year	Total Employees
Hong Kong (2011) ³	59.9	29%	240,800
Malaysia (2012) ⁴	88.0	5%	939,000
Singapore (2011) ⁵	31.9	7%	N/A

Source: National statistical offices

In each country, retail sales have therefore grown at relatively strong rates for the periods set out in Table 1. This is generally a result of factors such as rising populations, increasing household wealth and growing consumer confidence. Since 2000, GDP per capita (in current US\$) has increased by 159% in Malaysia, 117% in Singapore and 43% in Hong Kong (see Figure 1).

Figure 1: GDP per Capita (Current US\$), 2000 – 2012



Source: World Bank Indicators, accessed October 2013

² Services (such as restaurants, accommodation, etc) are generally sold through non-retail channels and are usually not included within the definition of retail sales

³ Source: Census & Statistics Department HK, Key Statistics on Business Performance and Operating Characteristics of the Import/Export, Wholesale and Retail Trades, and Accommodation and Food Services Sectors in 2011

⁴ Source: Department of Statistics Malaysia, Performance of Distributive Trade Sector Fourth Quarter 2012

⁵ Source: Singapore Department of Statistics, Retail Trade 2011

Off-Price Retail

Overview

There are a number of approaches used by manufacturers to sell excess inventory of merchandise, including the use of both physical channels, such as bricks & mortar stores, and online channels such as flash sales. The main offline approaches are the use of factory outlet stores or sales through third-party off-price retailers. Factory outlet stores are manufacturer-owned stores selling that firm's closeouts, discontinued merchandise, irregular stock, cancelled orders, and, sometimes, in-season, first-quality merchandise. Factory outlets are often clustered together in outlet shopping centres (OSCs), which are multi-tenant venues containing outlet stores from a range of suppliers. Over recent years the number of OSCs has grown significantly particularly in the USA and Europe. Between 1987 and 2010 the number of OSCs in the USA is estimated to have increased from 108 to 179, and gross lettable area (GLA) occupied by OSCs in Europe has increased at 20-25% per annum. Australia has also experienced significant growth in OSCs to an estimated 20 centres.⁶

Off-price retailers differ to factory outlets in offering a range of merchandise from different suppliers at significant discounts to the prices charged by mainstream retail outlets such as department stores and specialty stores. This is achieved by operating stores at lower operating costs than non-off price retailers, and by arranging clearance deals with vendors for inventory that has been over-produced. Off-price retailers aim to sell products at prices between 20% and 60% less than those normally charged by department stores and specialty stores. The main products sold by off-price retailers are clothing and footwear, but home furnishings, accessories, fragrances and jewellery as well as other product types are often stocked.

In the US market the largest off-price retailer groups are TJ Maxx and Ross Stores:

TJ Maxx claims to be the leading off-price retailer of apparel and home fashions in the USA and worldwide, operating retail brands including TJ Maxx, Marshalls and HomeSense in North America and Europe. The company had US\$26 billion (A\$27.7 billion) in revenue in 2012, with more than 3,000 stores in six countries.⁷

Ross Stores operates 1,131 Ross Dress for Less stores and 122 dd's Discounts stores in the USA. Ross Stores achieved group sales of US\$9.7 billion (A\$10.3 billion) in 2012. Over the past five years sales have increased at a compound annual growth rate (CAGR) of 10.5%.⁸

Market Size

Off-price retail is mainly a North American and European business model, with limited activity in Asia Pacific outside the developed markets of Australia and New Zealand. Although there are no official published statistics on the value of retail sales through this format, off-price retail is estimated to account for around US\$60 billion of retail sales in

⁶ Source: Colonial First State, Outlet shopping centres are making their mark across the globe, December 2011

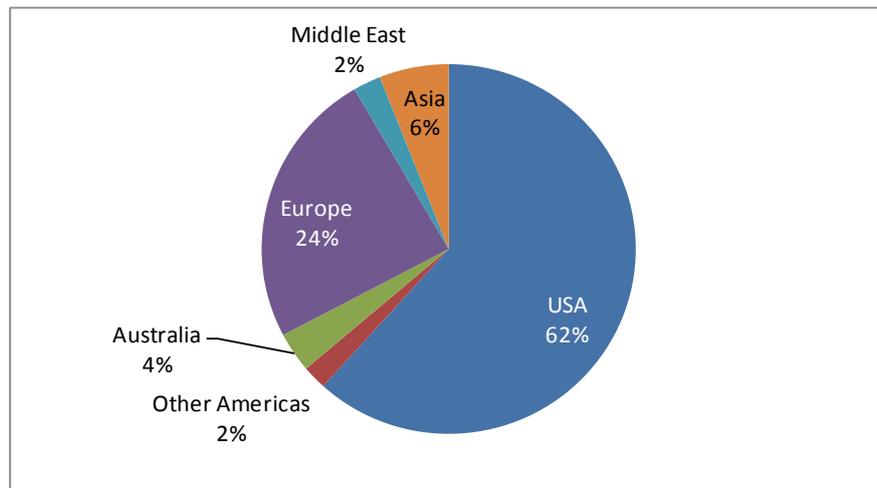
⁷ Source: TJ Maxx website, accessed October 2013

⁸ Source: Ross Stores Investor Briefing, August 2013

the USA, or around 1.4% of total retail sales. Conversely, off-price retail in China is estimated at only 0.4% of total retail sales in 2011.⁹

The factory outlet business model is also relatively nascent in Asia Pacific (outside Australia and New Zealand). In mid-2011 Asia was estimated to account for only around 6% of total OSC gross lettable area worldwide (see Figure 2).¹⁰

Figure 2: Outlet Shopping Centre Gross Lettable Area by Region, 2011



Source: Colonial First State¹¹

The B2C e-Commerce Market

Overview

The B2C e-Commerce market developed from the mid 1990s onwards as the public internet became more widely used and as tools such as web browsers were introduced. The first web browser to display images in line with the document's text was introduced in 1993, and this greatly stimulated access to internet content by non-technical users. Since the end of 1995, the number of global internet users has increased from an estimated 16 million in December 1995 to 2.7 billion by mid-2013, with 39% of the world's population now using the internet.¹²

B2C e-Commerce has largely developed in line with the adoption of the public internet, with the two largest global B2C e-Commerce companies, Amazon and eBay, starting operations in 1995. Since 1995 Amazon has grown to achieve revenue of US\$61 billion (A\$64.9 billion) by 2012, of which 43% is generated from outside North America.¹³ eBay achieved revenue of US\$14.1 billion (A\$15 billion) in 2012 and estimated that it had enabled more than US\$175 billion (A\$186 billion) of total commerce volume.¹⁴

⁹ Source: Vipshop Holdings Ltd, Investor Presentation, August 2013

¹⁰ Source: Colonial First State, Outlet shopping centres are making their mark across the globe, December 2011

¹¹ Source: Colonial First State, Outlet shopping centres are making their mark across the globe, December 2011

¹² Source: Internet World Statistics and International Telecommunications Union, ICT Facts & Figures, 2013

¹³ Source: Amazon annual report, 2012

¹⁴ Source: eBay annual report, 2012

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An estimated 900 million consumers worldwide bought products or services online in 2012. Although North America and Western Europe were the two regions where B2C e-Commerce first developed, the fastest growth is now coming from the Asia Pacific region which accounted for an estimated 43% of global B2C e-Commerce users in 2012. China now has the largest number of B2C e-Commerce users globally at an estimated 220 million in 2012, but other countries in the Asia Pacific region are also experiencing very high growth rates in B2C e-Commerce.¹⁵ Frost & Sullivan estimates that both developed countries (such as Singapore and Hong Kong) and developing countries (such as Malaysia) in the Asia Pacific region are experiencing very strong growth rates in B2C e-Commerce.

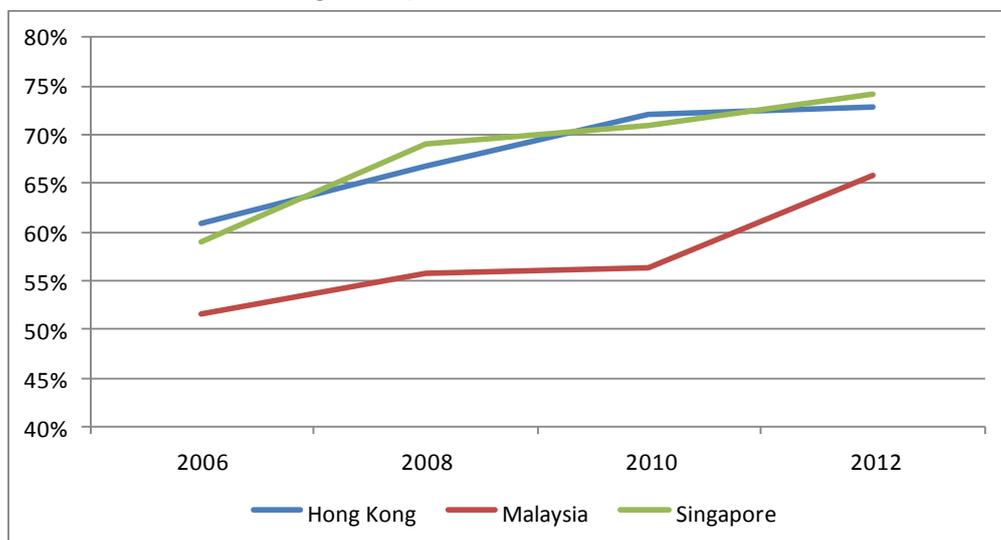
Market Drivers for e-Commerce

Growth in B2C e-Commerce in markets in Asia Pacific is being stimulated by a number of factors which are described in more detail below:

Increased Numbers of Internet Users

Across all countries, take-up of B2C e-Commerce is being stimulated by the increasing number of individuals who have access to the internet. Over recent years, the percentage of the population who use the internet has continued to grow, and now exceeds 70% in Hong Kong and Singapore and 65% in Malaysia (see Figure 3):

Figure 3: Internet Users as Percentage of Population, 2006 - 2012



Source: World Bank, *Internet Users* (accessed October 2013)

¹⁵ Source: <http://www.emarketer.com/Article/Ecommerce-Sales-Topped-1-Trillion-First-Time-2012/1009649>, accessed October 2013

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The total number of internet users across these three countries is therefore approximately 29 million in 2012 (see Table 2):

Table 2: Population and Internet Users by Country, 2012

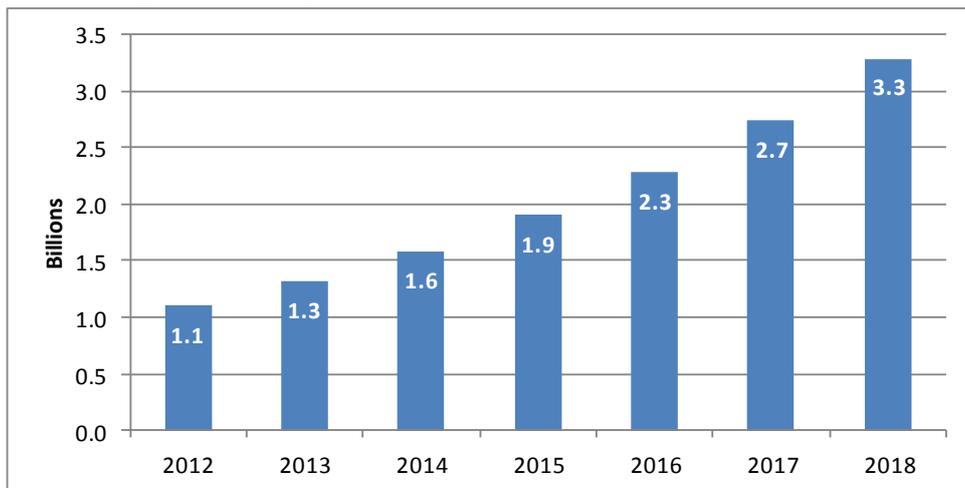
	Hong Kong	Malaysia	Singapore
Population	7.18 million	29.63 million	5.46 million
Internet Penetration	72.8%	65.8%	74.2%
Internet Users	5.22 million	19.50 million	4.05 million

Sources: World Bank Indicators (accessed October 2013) and CIA World Fact Book (accessed October 2013)

Rapidly Increasing Adoption of Mobile Internet

Usage of the internet is being stimulated by the rapid increase in adoption of mobile internet access, primarily enabled by the rapid growth in smartphone usage. Smartphones enable users to access the internet from any location with a mobile phone signal or WiFi connection, rather than being tied to a fixed internet connection. The total number of global smartphone subscriptions is estimated at 1.1 billion in 2012, and is forecast to increase at a CAGR of 20% to reach 3.3 billion by 2018 (see Figure 4):¹⁶

Figure 4: Global Smartphone Subscriptions, 2012 – 2018

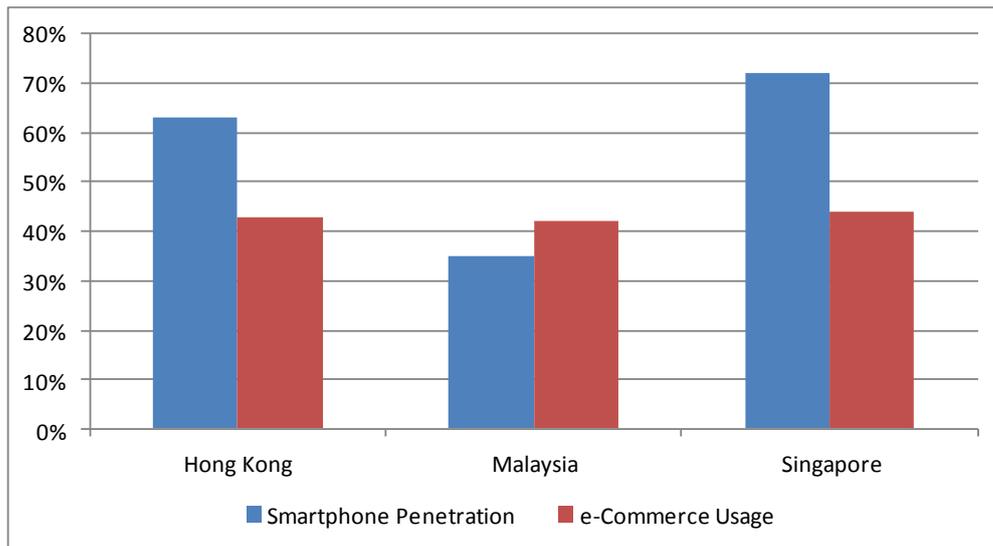


Source: Ericsson, Mobility Report, November 2012

Consumers are therefore accessing the internet and undertaking internet activities such as B2C e-Commerce in a wider range of locations. Smartphone penetration has grown rapidly over recent years, and now exceeds 60% of the population in countries such as Singapore and Hong Kong. A significant number of smartphone users (around 40%) are using their smartphones for B2C e-Commerce transactions (see Figure 5):

¹⁶ Source: Ericsson, Mobility Report, 2012

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Figure 5: Smartphone Penetration and Percentage of Smartphone users who Undertake e-Commerce, 2012


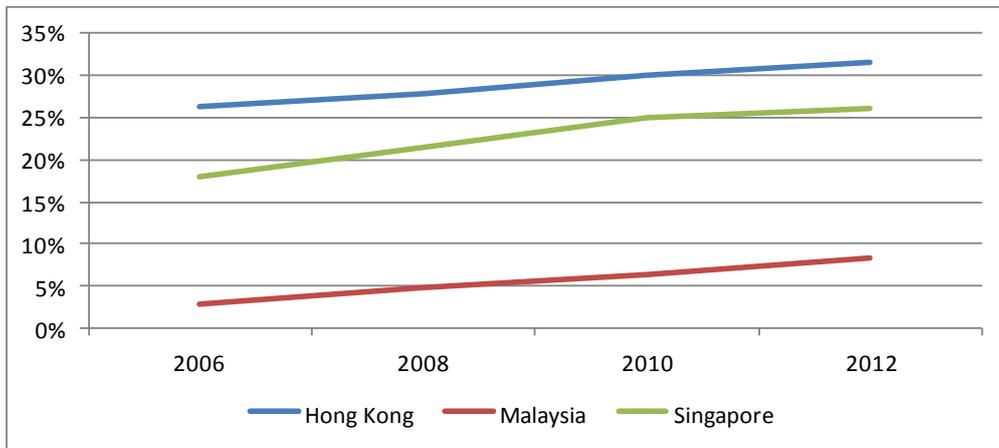
Source: Google, *Our Mobile Planet reports*, 2013

Faster and More Reliable Internet Connectivity

Along with the increase in access to the internet in both fixed and mobile locations, internet users are also benefitting from access to faster and more reliable broadband connections.¹⁷ Faster and more reliable internet connectivity encourages e-Commerce by offering an improved user experience to consumers with lower incidence of issues during an e-Commerce transaction, such as connection drop-outs, and faster responses from websites. Over recent years, access to broadband connections delivered by both fixed and mobile technologies has increased (see Figures 6 and 7), stimulated both by Government initiatives and infrastructure roll-outs by telecommunications companies. Access to fixed broadband connections now exceeds 25% of the population in developed countries such as Singapore and Hong Kong, and is increasing significantly in Malaysia (see Figure 6). Greater access to mobile broadband connections is also stimulating access to broadband in these countries (see Figure 7).

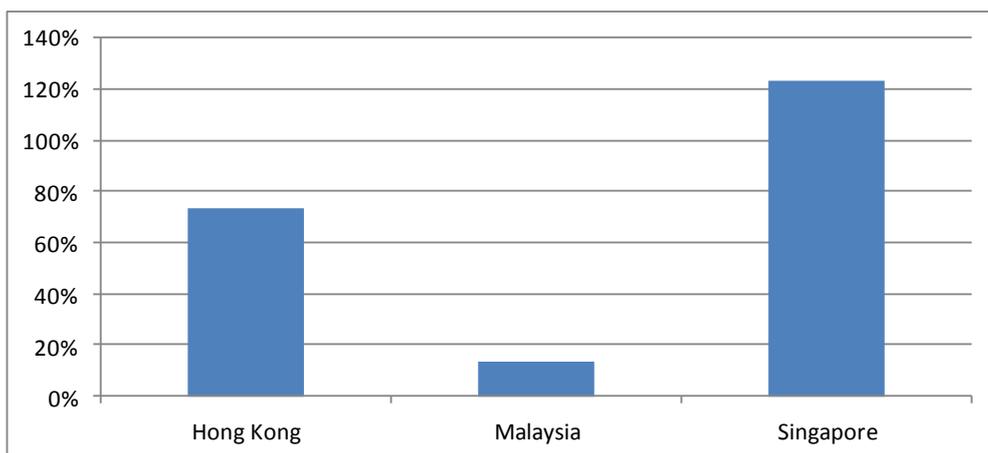
¹⁷ There is no universally agreed definition of broadband, however the OECD defines broadband as internet connections with download speed of more than 256 Kbps

Figure 6: Fixed Broadband Penetration, 2006 – 2012



Source: ITU World Telecommunication/ICT Indicators database, accessed October 2013

Figure 7: Mobile Broadband Penetration, 2012



Source: ITU World Telecommunication/ICT Indicators database, accessed October 2013

Greater Consumer Confidence in e-Commerce

Increased access to the internet, and especially to broadband, has been mirrored by greater consumer confidence in e-Commerce, and an increased willingness by consumers to transact online. Improvements in areas such as credit card security and delivery fulfillment have encouraged greater use of the online channel by consumers. For example, in Australia, 68% of internet users purchased goods or services over the internet in 2010-11, an increase from 49% in 2004-05.¹⁸

Activity by Retailers

Take-up of e-Commerce by consumers has also been stimulated by activity by retailers, including both specialist online retailers (sometimes known as “e-tailers”) and traditional “bricks & mortar” retailers who have established online offerings. Over recent years many new online retailers have emerged with innovative product ranges and business models, and this has been supplemented by bricks & mortar retailers who have invested in establishing and improving their online channel. In many cases, these retailers are combining the online channel with traditional

¹⁸ Source: Australian Bureau of Statistics, Household use of Information Technology, 2011-12

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physical stores to offer multi-channel retailing to their customers. This can facilitate the use of multiple channels by consumers for a single transaction – for example the click & collect service whereby a customer orders a product online but then collects it in-store.

B2C e-Commerce Market Size

Measurement of the value and growth of B2C e-Commerce transactions is hampered by the lack of official statistics in many countries, and by inconsistencies in the definition of e-Commerce transactions. The United States Census Bureau has been measuring e-Commerce sales since 1999, and estimates that B2C e-Commerce sales in the USA (that is, sales of goods and services where an order is placed by the buyer and terms of sale are negotiated over an internet, extranet, Electronic Data Interchange (EDI) network, electronic mail, or other online system) reached US\$243 billion (A\$259 billion) in the twelve months ended June 30th 2013, which represents 5.8% of total retail sales by the second quarter of 2013. Average annual growth in B2C e-Commerce sales since 2000 has been 19%.¹⁹

In the UK, the Office of National Statistics records internet retail sales and estimates that online sales (that is, online sales through retailers across all store types in Great Britain) now approach 10% of all retail sales.²⁰ Similar data for Australia is not currently collected by the Australian Bureau of Statistics, however an estimate by the Productivity Commission placed the total value of B2C e-Commerce at approximately A\$12.6 billion in 2010, or around 6% of total retail sales.²¹

Outside these countries, official statistics on the total value of B2C e-Commerce transactions are extremely limited. Estimates produced by market analysts suggest that the total value of global e-Commerce sales exceeded US\$1 trillion (A\$1,064 million) in 2012, with the Asia Pacific region accounting for around 30% of the global value of transactions. B2C e-Commerce sales in Asia Pacific are estimated to have grown by almost 33% in 2012.²²

The Asia Pacific region is forecast to be the fastest growing region for B2C e-Commerce sales over the period 2011 – 2016 with a CAGR of 24%, compared with 12% for North America and Western Europe and 21% for the Rest of the World (see Figure 8).²³

¹⁹ Source: http://www.census.gov/retail/mrts/www/data/pdf/ec_current.pdf, accessed October 2013. E-commerce sales are sales of goods and services where an order is placed by the buyer and terms of sale are negotiated over an internet, extranet, Electronic Data Interchange (EDI) network, electronic mail, or other online system. Payment may or may not be made online

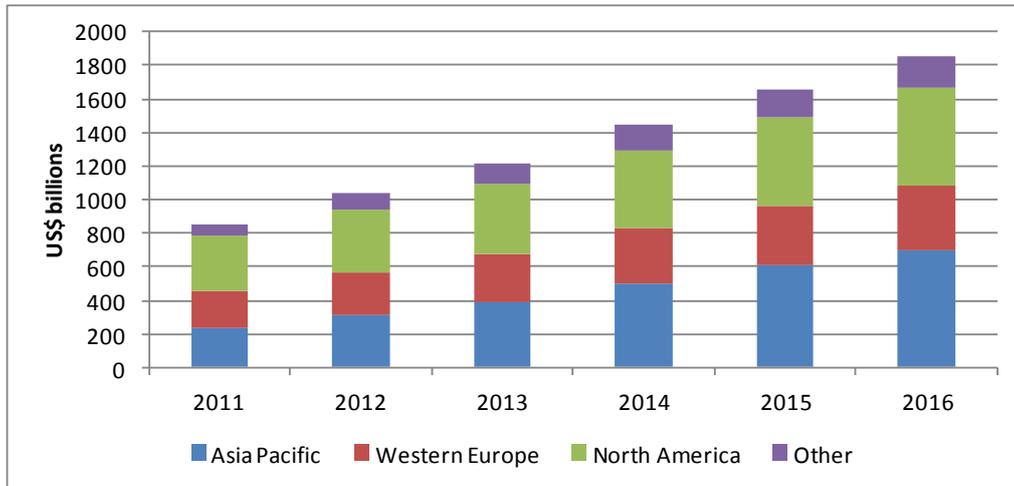
²⁰ Source: <http://www.ons.gov.uk/ons/rel/rsi/retail-sales/august-2013/stb-rsi-august-2013.html#tab-Internet-Sales>, accessed October 2013. Internet sales estimate how much was spent online through retailers across all store types in Great Britain

²¹ Source: Productivity Commission, Economic Structure and Performance of the Australian Retail Industry, November 2011

²² Source: <http://www.emarketer.com/Article/B2C-Ecommerce-Climbs-Worldwide-Emerging-Markets-Drive-Sales-Higher/1010004>, accessed October 2013

²³ Source: <http://www.emarketer.com/Article/B2C-Ecommerce-Climbs-Worldwide-Emerging-Markets-Drive-Sales-Higher/1010004>, accessed October 2013

Figure 8: Global B2C e-Commerce Sales, 2011 - 2016



Source: eMarketer (<http://www.emarketer.com/Article/B2C-Ecommerce-Climbs-Worldwide-Emerging-Markets-Drive-Sales-Higher/1010004>), accessed October 2013

There are no official statistics on the value of B2C e-Commerce transactions in Hong Kong, Malaysia or Singapore. Frost & Sullivan estimates that the value of online retail sales (excluding services) in each country is between 2% and 3% of total retail sales, reflecting that take-up of B2C e-Commerce in these countries has been slower than in Europe or North America. The value of B2C e-Commerce sales is estimated at US\$1.8 billion (A\$1.91 billion) in Hong Kong, US\$1.76 billion (A\$1.87 billion) in Malaysia, and US\$0.96 billion (A\$1.02 billion) in Singapore. However, take-up of e-Commerce by consumers in these countries is likely to grow significantly, stimulated by the factors mentioned above. The estimated value of B2C e-Commerce sales in each country is given below in Table 3:

Table 3: Estimated Value of B2C e-Commerce Sales (Excluding Services) by Country

	Hong Kong (2011)	Malaysia (2012)	Singapore (2010)
Total Retail Sales	US\$59.9 billion	US\$88.0 billion	US\$31.9 billion
B2C e-Commerce Sales as Percentage of Total Retail Sales	3%	2%	3%
B2C e-Commerce Sales	US\$1.8 billion	US\$1.76 billion	US\$0.96 billion

Sources: National Statistical Offices (see Table 1), Frost & Sullivan estimates

Flash Sales Markets

Overview

Online flash sales are an online variant of off-price retail. The online flash sales business model involves the sale of goods and/or services to website members at discounted prices for a temporary period of time. The business model instills a sense of exclusivity amongst members, as well as a sense of urgency to make a purchase, given the limited period of time over which the sale is available. The online flash sales industry received a significant boost during the Global Financial Crisis (GFC) of 2007-09, when a rapid downturn in customer demand, especially for higher-priced products and services, left many brand owners with significant amounts of excess inventory, and

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stimulated the interest of consumers in obtaining discounts. Flash sales businesses were therefore able to access a significantly enhanced range of products and services, and offer attractive prices to their members, which combined with greater consumer interest in discounted purchases, provided a significant impetus to the flash sales industry.

Flash sales websites generally have four main characteristics:

- **Members only;** access to flash sales is restricted to members of the website, giving a perceived degree of exclusivity to consumers. Membership is generally free-of-charge;
- **Branded merchandise;** flash sales generally involve branded merchandise where consumers can recognise that they are obtaining a clear discount to the normal retail price;
- **Discounts;** merchandise is typically sold at a 20% to 60% discount to normal prices; and
- **Selling events;** specific merchandise is available for only a specific time-period until it is sold out or until the time limit is reached.

A range of products and services are sold through flash sales, but the largest category is branded fashion items where access to well-known brands at discounted prices is attractive to consumers. These items may include end-of-season stock or excess inventory that the brand owner is unable to sell at full price through normal channels.

Main Market Participants

The online flash sales business model began to develop in the mid-2000s and was stimulated by the emergence of several companies specialising in this business model:

Vipshop is a Chinese-based online flash sales operator that was established in 2008, and which listed on the New York Stock Exchange in 2012. By the end of 2012 the company had attracted 26.8 million registered members and over 4.9 million cumulative customers, and had promoted and sold products for over 5,800 domestic and international brands. Total revenue for 2012 was US\$692 million (A\$736 million).²⁴ Sales for the second quarter of 2013 were reported at US\$351 million, a 160% increase from the prior year period, with the number of active customers for the second quarter of 2013 increasing by 138.7% to 3.5 million from approximately 1.5 million in the prior year period. The number of total orders for the second quarter of 2013 increased by 136.3% to 11.0 million, up from 4.7 million in the prior year period.²⁵ The company offers new sales events daily with a curated selection of popular branded products at deeply discounted prices in limited quantities during limited time periods.

Vente-Privee was founded in France in 2001 with the model of selling end-of-season and overstocked inventory through limited-time sales on the internet. Sales are available only to registered members of the website and generally run for 3-5 days only. By 2012, Vente-Privee claimed 18 million members in eight European countries, with total sales of US\$1.5 billion (A\$1.6 billion).²⁶ In 2011, Vente-Privee established a US operation in partnership with American Express.

²⁴ Source: Vipshop prospectus, 2012

²⁵ Source: <http://ir.vipshop.com/phoenix.zhtml?c=250900&p=irol-newsArticle&ID=1847673&highlight=>, accessed October 2013

²⁶ Source: Company website, accessed October 2013.

Gilt Groupe was founded in the USA in 2007 and operates a similar business model to Vente-Privee, offering access to discounted sales of fashion items. By 2012, Gilt Groupe had an estimated 6 million members and generated revenue estimated by analysts at around US\$600 million (A\$638 million).²⁷

HauteLook is a US-based flash sales business, established in 2007 and acquired by US retailer Nordstrom in 2011. HauteLook offers daily sales of women's and men's fashion and accessories, beauty, kids' apparel and toys, and home decor at up to 75% off usual prices, and has around 14 million members.²⁸

Rue La La was established in 2008 and specialises in 48-hour themed sales of items. The company has an estimated 7.5 million members with revenue of US\$400 million (A\$426 million).²⁹

Market Size

The total value of transactions undertaken through the flash sales model is difficult to quantify due to lack of governmental statistics and inconsistencies in market definitions. The US online flash sales market is estimated by one analyst at around US\$2 billion (A\$2.13 billion), which would equate to about 1% of the total US B2C e-Commerce market.³⁰ However, the value of transactions made through flash sales sites is growing significantly faster than overall B2C e-Commerce sales, with the main flash sales sites reporting annual revenue growth of up to 50%.³¹

In Hong Kong, Malaysia and Singapore the value of transactions through online flash sales sites is likely to be very limited currently, as this business model is only emerging in these countries.

Disclosure

This is an independent report prepared by Frost & Sullivan. Save for the preparation of this report and services rendered in connection with this report for which normal professional fees will be received, Frost & Sullivan has no interest in iBuy Group Limited and no interest in the outcome of the IPO. Payment of these fees to Frost & Sullivan is not contingent on the outcome of the IPO. Frost & Sullivan has not and will not receive any other benefits (including any commissions) and there are no factors which may reasonably be assumed to have influenced the

²⁷ Source: <http://www.privco.com/featured-private-company-of-the-week-gilt-groupe-inc-amidst-recent-layoffs-gilt-looks-to-double-down-on-core-flash-sales-business-gilt-ipo-planned-for-early-2013-ch-robinson-acquires-phoenix-international-freight-services-for-635m>, accessed October 2013

²⁸ <http://www.stockhouse.com/News/Press-Releases/2013/10/03/Nordstrom-Owned-HauteLook-Announces-Leadership-Change>, accessed October 2013

²⁹ <http://www.forbes.com/sites/barbarathau/2012/12/05/rue-la-la-ceo-discusses-atypical-holiday-strategy-why-amazons-fashion-push-poses-no-real-threat/#>, accessed October 2013

³⁰ Source: <http://www.reuters.com/article/2013/01/09/flash-sales-holiday-idUSL1E9C8H2R20130109>, accessed October 2013

³¹ <http://www.reuters.com/article/2013/01/09/flash-sales-holiday-idUSL1E9C8H2R20130109>, accessed October 2013

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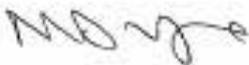
Conclusion

Business-to-consumer (B2C) e-Commerce has grown extremely rapidly since the mid-1990s, with an estimated 900 million online buyers worldwide (out of 2.7 billion internet users) in 2012. Although North America and Europe have been the largest global markets for B2C e-Commerce, Asia Pacific is now the fastest growing region. This growth is being stimulated by a number of factors including increased access to the internet, faster and more reliable internet connections, rapidly increasing take-up of devices such as smartphones enabling mobile internet access and greater consumer confidence in the e-Commerce process. Although penetration of e-Commerce as a percentage of total retail sales in Hong Kong, Malaysia and Singapore is behind countries such as Australia, USA and the UK, these markets are likely to catch up as the factors described above stimulate consumer adoption of e-Commerce.

Online flash sales are a relatively new segment of the B2C e-Commerce market. The concept was first introduced in the early 2000s, but received a significant boost with the onset of the Global Financial Crisis. As with B2C e-Commerce in general, the online flash sales business model first took hold in Europe and North America, where companies such as Vente-Privee have achieved substantial revenue growth. However, the online flash sales concept is also developing in Asia Pacific, as indicated by the revenue growth achieved by China's leading online flash sales business, Vipshop.

In markets such as Hong Kong, Malaysia and Singapore there are limited offline channels offering discounted merchandise to consumers. In these countries, the bricks & mortar factory outlet and off-price retail business models do not exist to the same extent as in North America and Europe. For consumers seeking discounted items, or for manufacturers seeking sales channels for excess inventory, there are therefore limited alternatives to online sales. For these reasons Frost & Sullivan expects that the online flash sales business model is likely to grow significantly in these countries.

Yours Sincerely



Mark Dougan
Managing Director, Australia & New Zealand

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SECTION 3
COMPANY
OVERVIEW



3.1 WHAT IS iBUY?

iBuy is currently 100% owned by Catcha Group. In connection with the Offer, iBuy has entered into conditional share purchase agreements to acquire, subject to Completion of the Offer, all of the issued share capital in each of Buy Together, Dealguru and Dealmates (the entities which own the Websites). Catcha Group, a related party of iBuy, is a part-owner of Dealmates.

Unless otherwise specified, certain parts of this Prospectus are prepared as if the Purchase Agreements have completed. For example, the Pro Forma Historical Consolidated Financial Information in Section 4 describes iBuy after completion of the Purchase Agreements and the Pro Forma Historical Consolidated Financial Information represents the combined business operations of iBuy and Buy Together, Dealguru and Dealmates.

Please see Section 9.4 for summaries of the key terms of the Purchase Agreements.

3.1.1 BACKGROUND AND CORPORATE STRUCTURE

iBuy Group Limited was incorporated as an Australian public company on 28 August 2013. iBuy was formed by Catcha Group, a Singaporean company specialising in online investments and operations in Asia.

On 23 September 2013, iBuy incorporated a wholly owned Singaporean subsidiary, iBuy Group Pte Ltd, to hold its operating subsidiaries.

On Completion of the Offer, iBuy will acquire businesses that own leading e-Commerce websites specialising in Flash Sales in the Core Markets. The Company's corporate structure will be as described at Section 9.3.

3.1.2 THE WEBSITES

The Websites to be acquired under the Purchase Agreements comprise:

- BeeCrazy.hk;
- Deal.com.sg;
- Mydeal.com.my; and
- Dealmates.com

Certain other non-material websites will be acquired under the Purchase Agreements.

The Websites are focused on:

- Flash Sales of products and services to buyers in the Core Markets;
- the sale of retail products and services through online marketplaces; and
- connecting product suppliers holding excess, remnant, obsolete or out of season inventory to online buyers seeking discounted products and services.

3.1.3 THE PERFORMANCE OF THE WEBSITES

The monthly average of the key user metrics of the Websites, calculated over June, July and August 2013, are as follows.

SITE	SUBSCRIBERS	UNIQUE VISITORS*
BeeCrazy.hk	989,060	690,396
Deal.com.sg	698,230	1,023,955
Mydeal.com.my	860,494	2,889,583
Dealmates.com	410,695	318,565
TOTAL	2,958,479	4,922,499

* Source: Internal management data sourced from Google Analytics.

3.1.4 HOW WILL iBUY EARN REVENUE?

iBuy expects to generate revenue through the sale of products and services through the Websites. iBuy will earn a sales margin on the sale of products on the Websites, and a commission on the services it sells on the Websites.

3.1.5 WHAT ARE iBUY'S CORE MARKETS?

iBuy is focused on the e-Commerce sector, specialising in Flash Sales, in Hong Kong, Singapore and Malaysia.

3.2 E-COMMERCE AND FLASH SALES

3.2.1 WHAT IS E-COMMERCE?

e-Commerce is the sale or purchase of goods or services conducted over computer networks by methods specifically designed for the purpose of receiving or placing orders. e-Commerce transactions can be between a business and a consumer (known as 'B2C', or 'business to consumer'), a business and another business ('B2B', or 'business to business') or a consumer and another consumer ('C2C', or 'consumer to consumer').

3.2.2 WHAT IS THE FLASH SALES BUSINESS?

Flash Sales are a type of e-Commerce transaction that involves the sale of products and services via a website for a temporary period at prices which are generally discounted to the usual selling price.

3.2.3 HOW DOES iBUY'S BUSINESS MODEL WORK?

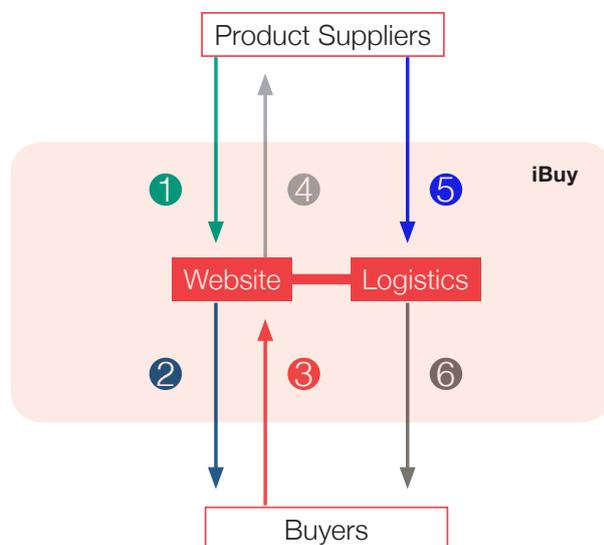
For products, the businesses iBuy will acquire will typically agree with a supplier to sell excess, remnant, obsolete or out of season products through the Websites (step 1 in the diagram below). The business will then sell the product (step 2), often through a Flash Sale, and the buyer will pay for the product (step 3).

Once the sale has completed, iBuy will aggregate all purchases made by the product buyers, place an order with the product supplier for the volume of products that have been sold and pay for the products (step 4) using the proceeds received from buyers. The businesses to be acquired by iBuy typically do not purchase products from suppliers unless they have been pre-sold and therefore do not generally take any inventory risk.

The product supplier will generally then ship the order directly to iBuy (step 5). iBuy will then sort the order, re-package it, and ship the item to the individual buyers (step 6).

iBuy will receive the margin between the agreed supplier price and the price it can realise selling the product on its websites. iBuy will generally be under no obligation to acquire the product from the supplier in the event that it is not sold on its website. iBuy will generally be responsible for bearing the cost and liability of product returns.

For services, iBuy will typically agree with a service provider to sell a service through a website. iBuy will then sell the service, often through a Flash Sale, and will remit the agreed portion of the sale value to the service provider once the service has been provided or redeemed by the buyer. In the event that a service is sold and not utilised prior to the expiry of its utilisation period, iBuy may be entitled to retain the total value of the sale.



3.2.4 HOW WILL iBUY SOURCE PRODUCTS AND SERVICES?

Each of the businesses has a dedicated sales and sourcing team, which is responsible for identifying and negotiating product and service sales opportunities.

3.2.5 WHAT ARE THE ADVANTAGES OF THE FLASH SALES BUSINESS MODEL?

The key benefits of the Flash Sales business model to iBuy are:

- **Reduced inventory risk**

iBuy will only generally order products once payment has been received from buyers. Product suppliers will generally agree to reserve a certain volume of products and put them on hold for the duration of the sale period so that iBuy is able to meet the buyers' orders.

- **Reduced warehousing costs**

iBuy will not be required to hold large volumes of inventory in warehouses, significantly reducing the fixed costs associated with holding inventory.

- **Reduced property costs**

iBuy's businesses will not typically require 'bricks and mortar' shop fronts to generate sales, eliminating a significant cost of 'traditional' retail businesses.

- **Efficiency and speed**

The short duration of Flash Sales, combined with the significant buyer database of the businesses that iBuy will acquire, is expected to enable the Company to clear large volumes of products quickly and efficiently. This will typically result in a quicker inventory to cash conversion for the product supplier than traditional off-price retail shopfronts, which increases the appeal of online Flash Sales to product suppliers.

There are also risks involved in the Flash Sales business model. For information on these risks please refer to Section 5.

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3.3 iBUY’S VISION AND STRATEGY

iBuy will focus on combining the Buy Together, Dealguru and Dealmates businesses to create a leading Asian e-commerce group focused on Flash Sales. On completion of the Purchase Agreements, iBuy’s key business strategies are to:

- use its aggregated buyer database and distribution capability to negotiate better commercial deals with its existing suppliers;
- obtain access to new suppliers and greater product volume, range and quality by virtue of its enhanced buyer database;
- use the purchasing and visitation history of its buyer database to personalise product and service offers to increase sales;
- drive operational efficiencies in areas such as product sourcing, finance and technology development, and obtain more favourable trading terms from its technology service providers such as payment gateways and email service providers;
- organically grow its buyer database through online and social media marketing programs;
- provide outstanding customer service; and
- pursue growth opportunities in the Asian e-Commerce sector through strategic acquisitions.

3.4 THE GOAL – THE ‘VIRTUOUS CYCLE’

iBuy’s key business strategies are designed to create a ‘virtuous cycle’ – an increased number of buyers, who transact more frequently and spend more money per transaction, generates a greater sales volume which leads to access to better products at more favourable prices. This in turn should lead to a further increase in the number and value of buyers, which is expected to drive the growth of the businesses iBuy will acquire as the ‘virtuous cycle’ continues.



3.5 BEECRAZY.HK



3.5.1 DESCRIPTION OF THE BUSINESS

BeeCrazy.hk is a leading Hong Kong e-Commerce website specialising in Flash Sales. Launched in 2010, BeeCrazy.hk focuses on the Flash Sale of products across the categories of:

- fashion;
- luxury;
- beauty;
- home;
- digital; and
- charity.

BeeCrazy also offers Flash Sales of services in the categories of:

- food;
- health & beauty;
- travel; and
- fun.

The monthly averages of the key user metrics of BeeCrazy.hk, calculated over June, July and August 2013, are as follows.

	SUBSCRIBERS	UNIQUE VISITORS*
BeeCrazy.hk	989,060	690,396

* Source: Internal management data sourced from Google Analytics

Since commencing business, BeeCrazy.hk has offered for sale products and services from numerous well-known brands including Gucci, Prada, Estee Lauder, Fujitsu, Logitech, Sony, 3M, Samsung and Philips.

3.5.2 ACQUISITION OF THE BUSINESS BY iBUY

The BeeCrazy.hk website is owned by a Hong Kong company, Buy Together Hong Kong Limited. On 21 October 2013, iBuy entered into the Buy Together Purchase Agreement, which will complete on the same date as Completion of the Offer.

A summary of the Buy Together Purchase Agreement is contained in Section 9.4.1.

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3.6 DEAL.COM.SG



3.6.1 DESCRIPTION OF THE BUSINESS

Deal.com.sg is a leading Singaporean e-Commerce website specialising in Flash Sales. Launched in May 2010, Deal.com.sg focuses on the Flash Sale of products across the categories of:

- fashion;
- health & beauty;
- home and living; and
- electronics.

Deal.com.sg also offers Flash Sales of services in the categories of:

- travel;
- restaurants;
- beauty;
- wellness and spa;
- recreational activities; and
- educational programs.

The monthly averages of the key user metrics of Deal.com.sg, calculated over June, July and August 2013, are as follows.

	SUBSCRIBERS	UNIQUE VISITORS*
Deal.com.sg	698,230	1,023,955

* Source: Internal management data sourced from Google Analytics

Since commencing business, Deal.com.sg has offered for sale products and services from numerous well-known brands including Samsung, Clinique, Ferrero Rocher, SK-II and Burger King.

3.6.2 ACQUISITION OF THE BUSINESS BY iBUY

The Deal.com.sg website is owned by a Singaporean company, Dealguru Holdings Pte Ltd. On 18 November 2013, iBuy entered into the Dealguru Purchase Agreement, which will complete on the business day immediately prior to the date of Completion of the Offer.

A summary of the Dealguru Purchase Agreement is contained in Section 9.4.2.

3.7 MYDEAL.COM.MY



3.7.1 DESCRIPTION OF THE BUSINESS

Mydeal.com.my is a leading Malaysian e-Commerce website specialising in Flash Sales. Launched in May 2010, Mydeal.com.my focuses on the Flash Sale of products across the categories of:

- fashion;
- health & beauty;
- home and living; and
- electronics.

Mydeal.com.my also offers Flash Sales of services in the categories of:

- travel;
- restaurants;
- beauty services;
- wellness and spa services;
- professional services;
- activities; and
- classes.

The monthly averages of the key user metrics of Mydeal.com.my, calculated over June, July and August 2013, are as follows.

	SUBSCRIBERS	UNIQUE VISITORS*
Mydeal.com.my	860,494	2,889,583

* Source: Internal management data sourced from Google Analytics

Since commencing business, Mydeal.com.my has offered for sale products and services from numerous well-known brands including Coach, DKNY, Burberry, Seiko, Philips, Legoland, Universal Studios and Burger King.

3.7.2 ACQUISITION OF THE BUSINESS BY iBUY

The Mydeal.com.my website is owned by a Singaporean company, Dealguru Holdings Pte Ltd. On 18 November 2013, iBuy entered into the Dealguru Purchase Agreement.

A summary of the Dealguru Purchase Agreement is contained in Section 9.4.2.

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3.8 DEALMATES.COM



3.8.1 DESCRIPTION OF THE BUSINESS

Dealmates.com is a leading Malaysian e-Commerce website specialising in Flash Sales. Launched in January 2011, Dealmates.com focuses on the Flash Sale of products across the categories of:

- women;
- men;
- babies & kids;
- home;
- gadgets; and
- lifestyle.

The monthly averages of the key user metrics of Dealmates.com, calculated over June, July and August 2013, are as follows.

	SUBSCRIBERS	UNIQUE VISITORS*
Dealmates.com	410,695	318,565

* Source: Internal management data sourced from Google Analytics

Since commencing business, Dealmates.com has offered for sale products and services from numerous well-known brands including Longchamp, Prada, Coach, Burberry, Fendi, Fossil, YSL, Toywatch and Casio.

3.8.2 ACQUISITION OF THE BUSINESSES BY iBUY

The Dealmates.com website is owned by a Malaysian company, Dealmates Sdn. Bhd. On 1 November 2013, iBuy entered into the Dealmates Purchase Agreement, which will complete on the same date as Completion of the Offer. Catcha Group, a related party of iBuy, is a Dealmates Seller under the Dealmates Purchase Agreement.

A summary of the Dealmates Purchase Agreement is contained in Section 9.4.3.

3.9 KEY STRENGTHS OF iBUY'S BUSINESSES

3.9.1 THE WEBSITES HAVE STRONG MARKET POSITIONS

On completion of the Purchase Agreements, iBuy will have strong market positions in each of its Core Markets.

- BeeCrazy.hk had over 1,000,000 subscribers and 750,000 unique visitors in August 2013 and has received orders for a total of 459,112 products and services in Q1, Q2 and Q3 of 2013;
- Deal.com.sg had over 720,000 subscribers and 925,000 unique visitors in August 2013 and has received orders for a total of 392,173 products and services in Q1, Q2 and Q3 of 2013;

- Mydeal.com.my had over 1,000,000 subscribers and 2,480,000 unique visitors in August 2013 and has received orders for a total of 242,607 products and services in Q1, Q2 and Q3 of 2013; and
- Dealmates.com had over 400,000 subscribers and 285,000 unique visitors in August 2013 and has received orders for a total of 136,743 products and services in Q1, Q2 and Q3 of 2013.

Unique visitor numbers are sourced from internal management data using Google Analytics.

3.9.2 iBUY WILL ACQUIRE BUSINESSES THAT GENERATE GROSS TURNOVER

A\$	YEAR ENDED 31 DEC 2011 \$	YEAR ENDED 31 DEC 2012 \$	HALF YEAR ENDED 30 JUNE 2013 \$
Buy Together Gross Turnover	22,507,158	37,099,594	15,928,997
Dealguru Gross Turnover	25,579,190	32,475,377	16,105,192
Dealmates Gross Turnover	900,018	3,107,770	3,775,650
Total Gross Turnover	48,986,366	72,682,741	35,809,839
Less total payments to agent related suppliers	(28,153,614)	(30,958,902)	(13,431,928)
Revenue¹	20,832,752	41,723,839	22,377,911

¹ Revenue per the Pro forma historical consolidated profit and loss statements.

3.9.3 CONSISTENT GROWTH OF THE WEBSITES

GROUP-WIDE METRIC	2010	2011	2012	Q1, Q2 & Q3 2013
Total number of orders	67,911	1,169,957	1,461,142	1,230,635
Total number of new customers	37,526	395,640	370,318	250,579
Total number of repeat customers	13,662	215,214	340,319	333,562

All of the Websites were launched in 2010, except Dealmates.com which was launched in January 2011.

New customers are buyers who purchase a product or service from a Website for the first time.

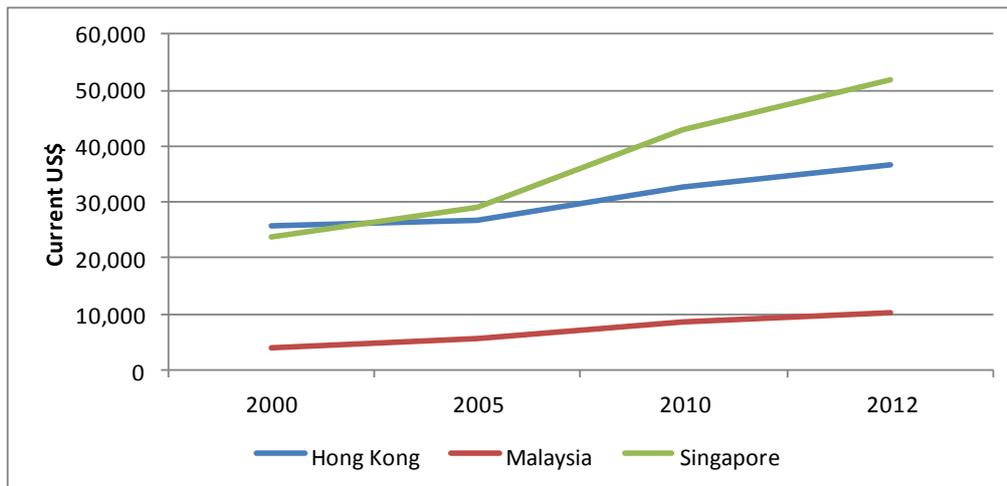
Repeat customers are buyers who purchase a product or service from a Website on more than one occasion in a calendar year.

3.9.4 iBUY WILL BE ACTIVE IN GROWTH MARKETS

The Websites operate in Hong Kong, Singapore and Malaysia. According to the Independent Market Expert, each of these countries have experienced significant growth in per-capita GDP since 2000: 43% in Hong Kong, 117% in Singapore and 159% in Malaysia.

Retail sales in the Core Markets have recently grown at relatively strong rates, due to factors such as rising populations, increased household wealth and growing consumer confidence.

GDP per Capita (Current US\$), 2000 – 2012

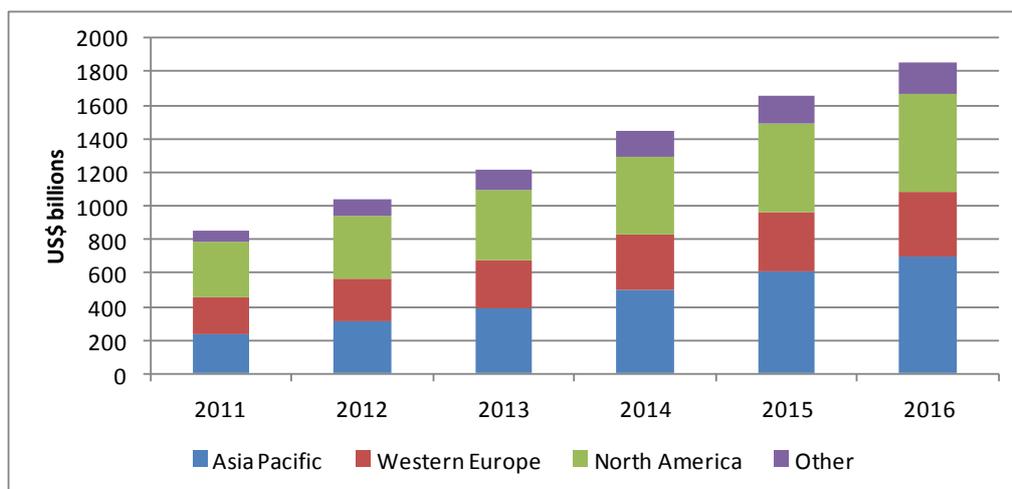


Source: World Bank indicators, accessed October 2013.

3.9.5 iBUY WILL BE ACTIVE IN A FAST-GROWING REGION FOR E-COMMERCE

The Independent Market Expert predicts that the Asia Pacific region is likely to be the fastest growing region for business to consumer e-Commerce sales over the period 2011 to 2016, with an estimated CAGR of 24%.

Global B2C e-Commerce Sales, 2011 – 2016



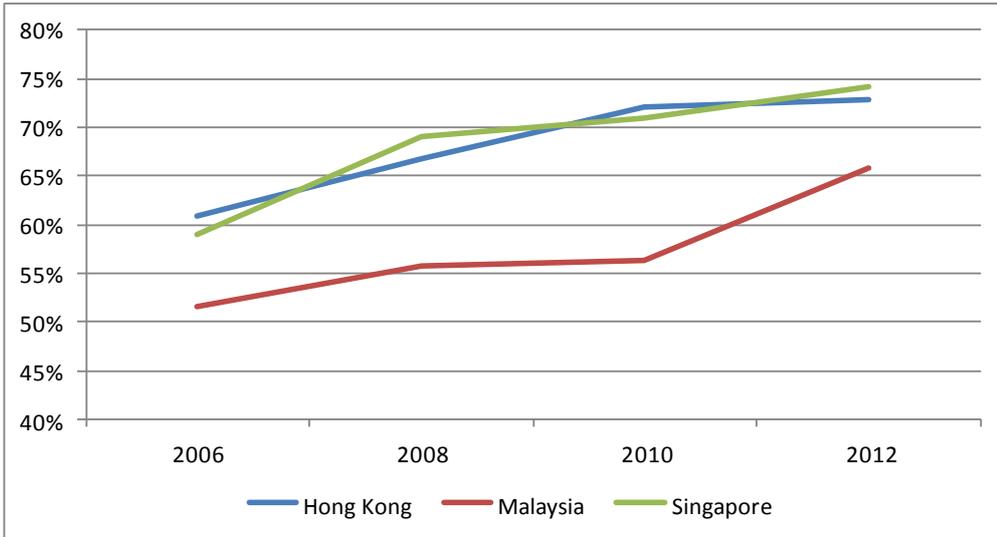
Source: eMarketer (<http://www.emarketer.com/Article/B2C-Ecommerce-Climbs-Worldwide-Emerging-Markets-Drive-Sales-Higher/1010004>), accessed October 2013.

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3.9.6 INTERNET AND SMARTPHONE PENETRATION IS INCREASING IN THE CORE MARKETS

Across all countries, take up of e-Commerce is being stimulated by the increasing number of individuals who have access to the internet. According to the Independent Market Expert, the percentage of the population who use the internet has continued to grow in the Core Markets.

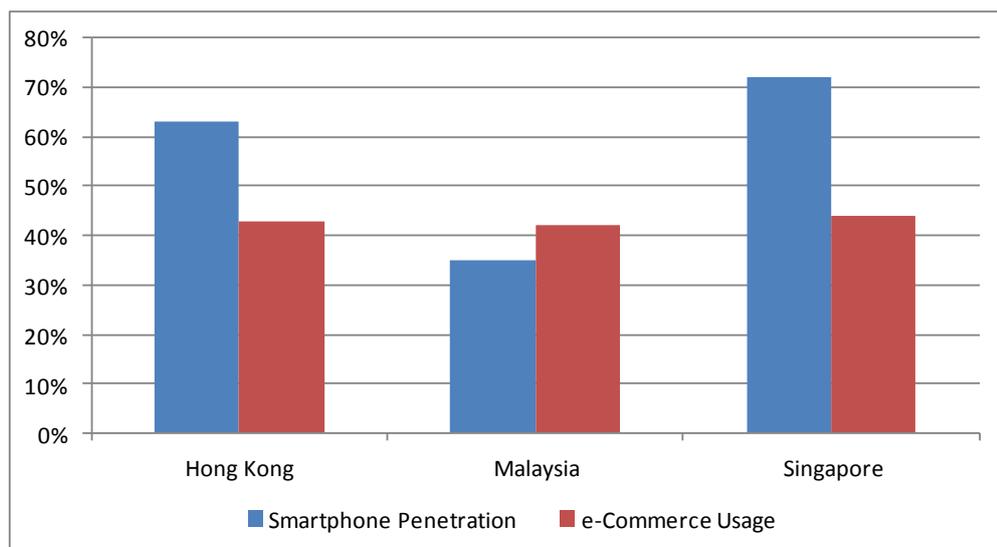
Internet Users as Percentage of Population, 2006 – 2012



Source: World Bank Indicators (accessed October 2013)

A significant number of smartphone users in the Core Markets are using their smartphones for business to consumer e-Commerce transactions.

Smartphone Penetration and Percentage of Smartphone users who Undertake e-Commerce, 2012



Source: Google, Our Mobile Planet reports, 2013

Faster and more reliable internet connectivity in the Core markets is also encouraging e-Commerce.

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3.9.7 THE BUSINESSES HAVE EXISTING SUPPLIER RELATIONSHIPS

The businesses to be acquired by iBuy will collectively source from a large number of product and service suppliers. These relationships will provide iBuy with a supplier base from which to help promote future growth. This large supplier base is important as the Company works towards achieving the ‘Virtuous Cycle’: more suppliers and greater product volume, range and quality should lead to increased numbers of buyers and value of spend per buyer, which in turn should increase the Company’s sales, thus further increasing the Company’s supplier base.

3.9.8 iBUY HAS A PROVEN BOARD AND MANAGEMENT

iBuy’s Board and Chief Executive Officer have significant experience in the internet, e-Commerce and retail sectors in Asia and globally.

3.9.9 THERE ARE LIMITED ALTERNATIVE CHANNELS FOR OFF-PRICE RETAIL IN THE CORE MARKETS

According to the Independent Market Expert, there are limited offline channels offering discounted merchandise to consumers in the Core Markets. In these markets, the ‘bricks and mortar’ factory outlet and off-price retail business models do not exist to the same extent as in North America and Europe. For consumers seeking discounted items, or, for merchants seeking sales channels for excess, remnant, obsolete or out of season inventory, there are therefore limited alternatives to online sales.

3.9.10 iBUY WILL HAVE AN EXISTING LOGISTICS CAPABILITY

The businesses to be acquired by iBuy have a demonstrated ability to manage the logistics associated with Flash Sales websites. While anticipated increases in sales are expected to present challenges to these logistics systems, it is iBuy’s belief that the current logistics systems of the businesses retain capacity, room for efficiency and scalability.

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SECTION 4
FINANCIAL
INFORMATION

4.1 CAPITAL STRUCTURE OF iBUY

iBuy was incorporated on 28 August 2013 as an Australian public company limited by shares. iBuy's financial year will end on 31 December of each year.

Prior to this Prospectus, iBuy has 88,924,936 issued Shares. This Prospectus is for the issuance of a further 115,625,000 Shares which represents 32.7% of the total issued Shares in iBuy on Listing.

On Completion of the Offer and each Purchase Agreement, the iBuy capital structure will be as follows:

Shares on issue as at the date of this Prospectus	88,924,936
New shares issued via Convertible Notes (excluding Shares issued to Directors)	28,124,999
New Shares issued to Directors via Convertible Notes	1,041,667
New Shares issued as part of the Offer	115,625,000
New Shares issued to settle acquisitions	120,370,370
Total shares on issue	354,086,972

A variable payment of an amount expected to be approximately USD\$400,000, payable in Shares at the Offer Price is anticipated to be payable to the Dealguru Sellers on the basis that the valuation of iBuy on Completion of the Offer (but excluding the Shares to be issued under the Offer) is expected to exceed \$USD70,000,000.

For a full reconciliation of the share capital of iBuy refer to Section 4.6.

As detailed in Section 9.4, iBuy has entered into a number of Purchase Agreements which on Completion of the Offer will result in iBuy controlling the following:

COMPANY	COUNTRY OF OPERATIONS	WEBSITES	ACQUISITION	HISTORICAL CONSOLIDATED FINANCIAL INFORMATION?
Buy Together	Hong Kong	BeeCrazy.hk	100% of Shares	Yes. Refer Section 4.3
Dealmates	Malaysia	Dealmates.com.my	100% of Shares	Yes. Refer Section 4.3
Dealguru	Singapore / Malaysia	Deal.com.sg / Mydeal.com	100% of Shares	Yes. Refer Section 4.3

Consideration for the acquisitions is a combination of cash and Shares. Refer to Section 4.6.2 for further details.

4.2 INTRODUCTION TO FINANCIAL INFORMATION

Sections 4.4, 4.5 and 4.6 contain a summary of:

- the Pro forma historical consolidated profit and loss statements for the years ended 31 December 2011 and 31 December 2012 and half year ended 30 June 2013;
- the Pro forma historical consolidated balance sheet as at 30 June 2013; and
- the Pro forma historical consolidated cash flow statement for the years ended 31 December 2011 and 31 December 2012 and half year ended 30 June 2013,

collectively the **Pro forma historical consolidated financial information**.

The Pro forma historical consolidated financial information has been presented on the basis that Buy Together, Dealmates and Dealguru, which were not historically controlled by iBuy but will form part of the combined group, had been owned and operated by iBuy since 31 December 2010. Therefore, the Pro forma historical consolidated financial information reflects the following:

- the intended structure of iBuy following the Offer;
- the consolidation of Buy Together, Dealmates and Dealguru which were not historically controlled by iBuy but will form part of the combined group, as if they had been owned and operated by iBuy since 31 December 2010;
- the issue of new Shares and payment of cash to fund the acquisition of the businesses at 30 June 2013 assumes a AUD:USD exchange rate of 0.9315;

- the raising of new capital as a part of the Offer at 30 June 2013;
- the recognition of a provisional intangible asset arising on the acquisitions of the businesses; and
- the anticipated transaction costs associated with the Offer and acquisition of the businesses.

These sections should be read in conjunction with the following:

- the summary of significant accounting policies in Section 4.7.1;
- the summary of the Purchase Agreements in Section 9.4;
- the Investigating Accountant's Report as set out in Section 8; and
- the risk factors set out in Section 5.

4.3 BASIS OF PREPARATION OF THE PRO FORMA HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

The Pro forma historical consolidated financial statements of iBuy have been derived from the individual financial statements of Buy Together, Dealmates and Dealguru. The individual financial statements of Buy Together and Dealmates for 31 December 2011 and 31 December 2012 and of Dealguru at 30 June 2012 were prepared in accordance with International Accounting Standards and have been audited by local audit firms in the respective countries. The 30 June 2013 financial information is based on unaudited management accounts. The consolidation of the iBuy Group has been reviewed but is unaudited. The Pro forma historical consolidated financial statements have been prepared under the measurement and recognition requirements (but not all the disclosure requirements) of Australian Accounting Standards.

A copy of the Investigating Accountant's Report is included in Section 8.

iBuy's functional currency is Australian Dollars. The functional currency of the iBuy subsidiaries in Malaysia is the Malaysian Ringgit (MYR), Hong Kong is the Hong Kong Dollar (HKD) and Singapore is the Singapore Dollar (SGD). For the purposes of the Pro forma historical consolidated financial statements of iBuy, the results and financial position of each entity is expressed in Australian Dollars, which is the presentation currency for the Pro forma historical consolidated financial statements.

	MYR / AUD		HKD / AUD		SGD / AUD	
	Average rate*	Spot rate#	Average rate*	Spot rate#	Average rate*	Spot rate#
31 December 2011	0.3155		0.1267		0.7591	
31 December 2012	0.3163		0.1255		0.7719	
30 June 2013	0.3308	0.3397	0.1315	0.1389	0.8246	0.8617

* Average rates have been calculated for the years ended 31 December 2011 and 31 December 2012 and the half year ended 30 June 2013.

Spot rate has been applied to the Pro forma historical consolidated balance sheet.

4.3.1 ACQUISITION ACCOUNTING

With respect to the acquisition of Buy Together, Dealmates and Dealguru, iBuy is the accounting acquirer and has performed a provisional assessment of the fair value of the assets, liabilities and contingent liabilities as at the date of acquisition. For the purposes of the Pro forma historical consolidated balance sheet, the assets and liabilities have been recorded at their provisional fair values and the excess of the consideration paid over the provisional fair values has been allocated to a provisional intangible asset. Under Australian Accounting Standards, iBuy has up to 12 months from the date of acquisition to complete its initial acquisition accounting. Any adjustment to the fair values, including associated tax adjustments, will have an equal and opposite impact on the provisional intangible asset recorded on acquisition. Accordingly, any such adjustments will have no impact on the aggregate of the net assets or iBuy's net profit after tax with the exception of amortisation charges.

A description of the nature of potential intangible assets which may be identified and the acquisition accounting process is set out below.

In accordance with AASB 3 Business Combinations, all of the subsidiaries' identifiable assets, liabilities and contingent liabilities, including intangible assets, must be identified and valued. The purchase price is then allocated across the fair value of these assets, liabilities and contingent liabilities with any residual allocated to goodwill.

The valuation of intangible assets is a complex process that may require specialist skills and detailed information about the business, which are currently not available to iBuy. In addition, each of the identified intangibles acquired may have a limited life and must be amortised over that life in contrast to goodwill, which is subject to annual impairment review. Indefinite life intangibles are not amortised and are reviewed for impairment annually. A detailed identification and valuation process will therefore be undertaken after the acquisitions are completed.

The examples provided below are not intended to be an exhaustive list of items acquired in a business combination that meet the definition of an intangible asset. However, they provide some indication of the types of intangibles that may be acquired as part of these acquisitions:

- customer lists / membership;
- internet domain names;
- computer software; and
- goodwill.

In addition, there are specific rules regarding the calculation of the fair values of assets, liabilities and contingent liabilities acquired. These rules may significantly vary the historical costs of the assets and liabilities acquired and significantly impact the profitability of the business going forward.

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4.4 PRO FORMA HISTORICAL CONSOLIDATED PROFIT AND LOSS STATEMENTS

4.4.1 PRO FORMA HISTORICAL CONSOLIDATED PROFIT AND LOSS STATEMENTS

The Pro forma historical consolidated profit and loss statement presents the consolidated historical financial performance of iBuy on the assumption it acquired Buy Together, Dealmates and Dealguru on 31 December 2010.

No adjustment has been made in the Pro forma historical consolidated profit and loss statements for corporate costs associated with iBuy operating as a listed company. However, the directors estimate the additional corporate costs as a listed company to be approximately \$1,000,000 per annum.

The table below sets out the Pro forma historical consolidated profit and loss statements:

ACCOUNT	PRO FORMA HISTORICAL CONSOLIDATED YEAR ENDED 31 DEC 2011 \$	PRO FORMA HISTORICAL CONSOLIDATED YEAR ENDED 31 DEC 2012 \$	PRO FORMA HISTORICAL CONSOLIDATED HALF YEAR ENDED 30 JUN 2013 \$
Revenue	20,832,752	41,723,839	22,377,910
COGS	(13,661,070)	(29,038,130)	(15,176,330)
Gross profit	7,171,682	12,685,709	7,201,580
Other income	190,298	32,980	9,780
Expenses			
Salary related expenses	(5,198,370)	(8,260,355)	(4,816,101)
Rental expenses	(287,348)	(471,737)	(326,869)
Marketing expenses	(4,404,222)	(2,529,639)	(997,897)
Depreciation and amortisation ¹	(42,236)	(207,142)	(97,169)
IT Expenses	(380,680)	(691,896)	(415,798)
Courier/Transport/Postage	(35,241)	(95,148)	(192,060)
Other expenses ^{2,3}	(965,223)	(1,891,551)	(406,819)
Total expenses	(11,313,320)	(14,147,468)	(7,252,713)
Profit/(loss) before tax	(3,951,340)	(1,428,779)	(41,353)
Income tax expense	-	-	(12,479)
Profit/(loss) after tax	(3,951,340)	(1,428,779)	(53,832)

¹ Only provisional amounts have been recognised for the fair values of acquired assets and liabilities in accordance with AASB 3 Business Combinations. Accordingly, the Pro forma historical consolidated financial information does not necessarily contain all of the adjustments to the reported amounts of assets and liabilities that will be required to reflect their final fair values and in particular does not necessarily recognise the final fair value of identifiable intangible assets separately recognised to goodwill. Consequently, the Pro forma historical consolidated profit and loss statements does not necessarily reflect the Pro forma depreciation and amortisation charges that would be required had the final fair value amounts been recognised.

² Estimated costs associated with the acquisition of the businesses of \$300,000 have not been included in the Pro forma historical consolidated profit and loss statements on the basis they are one off costs.

³ A share based payment expense of \$83,333 arising from the discount on 1,041,667 Shares acquired by Directors at a discount of 25% (or 8 cents per Share) to the Offer Price has not been included in the Pro forma historical profit and loss statement, on the basis it is a one-off expense associated with the Offer.

4.5 PRO FORMA HISTORICAL CONSOLIDATED BALANCE SHEET

4.5.1 PRO FORMA HISTORICAL CONSOLIDATED BALANCE SHEET

The Pro forma historical consolidated balance sheet of iBuy is based on the financial statements of Buy Together, Dealmates and Dealguru and incorporates the Pro forma transactions described in Section 4.2, as if they occurred on 30 June 2013.

The table below sets out the Pro forma historical consolidated balance sheet as at 30 June 2013:

ACCOUNT	NOTES	PRO FORMA HISTORICAL CONSOLIDATED 30 JUN 2013 \$
Current assets		
Cash at bank ¹		11,169,382
Inventories		392,884
Trade receivables		3,256,773
Prepayments and other receivables		1,401,671
Other current investments		589,638
Total current assets		16,810,348
Non-current assets		
Property, plant and equipment		461,457
Intangible assets ²	4.7.4.4	70,447,827
Related party receivables ³		1,790,139
Total non-current assets		72,699,423
Total assets		89,509,771
Current liabilities		
Receipts in advance		188,933
Trade and other payables		10,471,100
Total current liabilities		10,660,033
Non-current liabilities		
		-
Total non-current liabilities		-
Total liabilities		10,660,033
Net assets/(liabilities)		78,849,738
Equity		
Share capital ⁴		79,201,853
Other reserves		41,425
Foreign currency translation reserve ⁵		(10,207)
Accumulated losses ⁶		(383,333)
Total equity		78,849,738

¹ Reflects the cash received from the issuance of new Shares net of cash payments for the acquisition of Buy Together, Dealmates and Dealguru, and an estimated payment of \$3,400,000 of costs associated with the Offer. Note, an estimated payment of \$300,000 of costs associated with the acquisition of the businesses has been expensed. Refer to section 4.4.1.

² Includes the recognition of a provisional intangible asset arising from the acquisitions of Buy Together, Dealmates and Dealguru. Only provisional amounts have been recognised for the fair values of acquired assets and liabilities in accordance with AASB 3 Business Combinations. Accordingly, the Pro forma historical consolidated financial information does not necessarily contain all of the adjustments to the reported amounts of assets and liabilities that will be required to reflect their final fair values. Refer 4.7.4.4 for further details.

³ A \$1,790,139 related party receivable with the vendor of Buy Together will be held by iBuy on a 2 year loan arrangement.

⁴ Represents the share capital associated with the issuance of new Shares in relation to the Offer less the estimated \$3,400,000 of costs associated with the Offer. In addition, new Shares issued via Convertible Notes which will convert to equity on listing have been presented as Share capital in the Pro forma historical consolidated balance sheet.

⁵ Represents the foreign exchange difference arising from the translation into AUD.

⁶ Accumulated losses at 30 June 2013 reflect share based payments and share acquisition costs which have not been included in the Pro forma historical consolidated profit and loss statement on the basis that they are one-off expenses associated with the Offer.

4.6 PRO FORMA HISTORICAL CONSOLIDATED STATEMENT OF CASH FLOWS

4.6.1 PRO FORMA HISTORICAL CONSOLIDATED STATEMENT OF CASH FLOWS

The Pro forma historical consolidated statement of cash flows presents the historical consolidated cash flows of iBuy on the assumption it acquired Buy Together, Dealmates and Dealguru on 31 December 2010. The Pro forma historical consolidated statement of cash flow for the half year ended 30 June 2013 assumes that acquisition and capital raising occurs on 30 June 2013.

The table below sets out the Pro forma historical consolidated statement of cash flows:

	PRO FORMA HISTORICAL CONSOLIDATED YEAR ENDED 31 DEC 2011 \$	PRO FORMA HISTORICAL CONSOLIDATED YEAR ENDED 31 DEC 2012 \$	PRO FORMA HISTORICAL CONSOLIDATED HALF YEAR ENDED 30 JUN 2013 \$
Cash flow from operating activities			
Pro forma historical consolidated Profit / (loss) before tax	(3,951,340)	(1,428,779)	(41,353)
Addback: Depreciation and Amortisation	42,236	207,142	97,169
Addback: Write-off of inventories	-	-	96,986
Addback: Waiver of shareholders' loans	(126,279)	-	-
Addback: Impairment loss on trade receivables	-	30,419	109,359
Acquisition costs expensed ¹	-	-	(300,000)
Other non cash items	(106,261)	(109,658)	233,723
Operating cash flows before working capital changes	(4,141,644)	(1,300,876)	195,884
(Increase)/decrease in inventories	(48,540)	(420,339)	(58,769)
(Increase)/decrease in trade and other receivables	(2,510,630)	(1,487,038)	(289,127)
Increase/(decrease) in trade and other payables	6,662,498	2,419,413	495,477
Interest received	-	-	1,033
Income tax paid	-	-	-
Net cash (used in)/generated from operating activities	(38,316)	(788,840)	344,498
Investing activities			
Payments to acquire a subsidiary	-	(482,768)	-
Payments to acquire intangible assets	-	(1,707)	(261,335)
Payments to acquire property, plant and equipment	(423,117)	(119,909)	(116,611)
Proceeds from disposal of property, plant and equipment	-	(156,390)	-
Redemption / (purchase) of other investment	(1,053,102)	473,228	33,526
Proceeds from issuance of ordinary shares	4,394,842	486,835	-
Proceeds from New Shares issued as part of the offer ²	-	-	37,000,000
Proceeds from New Shares issued via Convertible Notes ³	-	-	7,000,000
Share issuance costs ⁴	-	-	(3,400,000)
Cash consideration paid ⁵	-	-	(30,488,459)
Net cash used in investing activities	2,918,624	199,290	9,767,121
Financing activities			
(Increase)/decrease in related party balances	(915,872)	(668,090)	(105,454)
Net Cash from Financing Activities	(915,872)	(668,090)	(105,454)
Net (decrease) / increase in cash and cash equivalent	1,964,436	(1,257,641)	10,006,165

¹ Represents estimated costs associated with the acquisition of the businesses. This expense has been adjusted out of the Pro forma historical consolidated profit and loss statements presented at 4.4.1.

² Adjusted for the \$37,000,000 raised as a part of the Offer (115,625,000 Shares at \$0.32 per Share).

³ Adjusted for \$7,000,000 raised from investors via Convertible Notes which will convert to equity on listing, including \$250,000 received from Director Share purchases.

⁴ Represents the estimated costs associated with issuing new Shares associated with the Offer.

⁵ Represents the cash paid for the acquisition of Buy Together, Dealmates and Dealguru.

4.6.2. PURCHASE CONSIDERATION SUMMARY

The table below is provided to summarise the cash paid and shares issued for the acquisitions of Buy Together, Dealmates and Dealguru by iBuy:

	\$
Consideration to be paid comprises:	
Cash to be paid on Listing ¹	31,561,997
Consideration Shares to be issued on Listing	38,518,519
Total consideration on Listing	70,080,516

¹ \$1,073,538 (USD\$1 million) of the amount will be remitted directly to Dealguru in satisfaction of a debt of this amount which will become owing by the Dealguru Sellers to Dealguru.

4.6.3 CONTRIBUTED EQUITY

	NUMBER OF SHARES	\$
Shares on incorporation	1	1
Share split of incorporation Share	88,924,935	-
New Shares on issue via Convertible Notes	28,124,999	6,750,000
New Shares issued to Directors via Convertible Notes	1,041,667	250,000
Share based payment	-	83,333
New Shares issued as part of the Offer	115,625,000	37,000,000
Less Share issuance costs	-	(3,400,000)
Total at date of Listing (pre-settlement of acquisitions)	233,716,602	40,683,334
New Shares to be issued on the date of Listing	120,370,370	38,518,519
Total at date of Listing (post-settlement of acquisitions)	354,086,972	79,201,853

4.7 NOTES TO THE PRO FORMA HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

4.7.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.7.1.1 BASIS OF ACCOUNTING

The Pro forma historical consolidated financial information has been prepared in accordance with the measurement and recognition requirements (but not all the disclosure requirements) of Australian Accounting Standards.

The Pro forma historical consolidated financial information has been prepared on the basis of historical cost and on a going concern basis.

4.7.1.2 PRINCIPLES OF CONSOLIDATION

The Pro forma historical consolidated financial information comprises the Pro forma historical financial information of iBuy and its subsidiaries (*iBuy Combined Group*).

Information from subsidiaries is included from the date the parent obtains control until such time as control ceases. Subsidiary acquisitions are accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets, liabilities and contingent liabilities assumed at the date of acquisition. In preparing the consolidated financial information, all inter-company balances and transactions, income and expenses and profit and losses resulting from intra-group transactions, have been eliminated in full. The financial information of subsidiaries is prepared for the same reporting period as the parent using consistent accounting policies.

iBuy's functional currency is Australian dollars. The functional currency of the iBuy subsidiaries in Malaysia is the MYR, Hong Kong is the HKD and Singapore is SGD. For the purposes of the Pro forma historical consolidated financial statements of iBuy, the results and financial position of each entity is expressed in Australian Dollars, which is the presentation currency for the consolidated financial statements.

On consolidation, the assets and liabilities of the iBuy Combined Group's foreign operations are translated into Australian dollars at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the iBuy Combined Group's foreign currency translation reserve. Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed.

Exchange rates used in translating the Pro forma historical consolidated financial statements have been provided at 4.3.

4.7.1.3 CASH AND CASH EQUIVALENTS

Cash and short-term deposits in the Pro forma historical consolidated balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the Pro forma historical consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined in the paragraph above, net of outstanding bank overdrafts.

4.7.1.4 TRADE AND OTHER RECEIVABLES

Trade and other receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when there is objective evidence that collection of the full amount is no longer probable. Bad debts are written off when identified.

4.7.1.5 INVENTORY

Inventories, consisting of products available for sale, are primarily accounted for using the FIFO method, and are valued at the lower of cost or market value. This valuation requires the Company to make judgments, based on currently-available information, about the likely method of disposition and expected recoverable values of each disposition category.

Where third party sellers use our websites to transact directly with customers, the third party sellers maintain ownership of their inventory, and therefore these products are not included in our revenues.

4.7.1.6 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the Pro forma historical consolidated profit and loss statements in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Pro forma historical consolidated profit and

loss statements in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Pro forma historical consolidated profit and loss statements when the asset is derecognised.

4.7.1.7 GOODWILL

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the iBuy Combined Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

4.7.1.8 CONTRIBUTED EQUITY

Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

Any transaction costs arising on the issue of ordinary Shares are recognised directly in equity as a reduction of the share proceeds received. This is reflected in the Pro forma historical consolidated financial information.

4.7.1.9 REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable. The iBuy Combined Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and the specific criteria have been met as described below.

The iBuy Combined Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. We evaluate whether it is appropriate to record the gross amount of product sales and related costs or the net amount earned as commissions. When we are primarily obligated in a transaction, are subject to inventory risk, have latitude in establishing prices and selecting suppliers, or have several but not all of these indicators, revenue is recorded at the gross sales price. We record the net amounts as commissions earned if we are not primarily obligated and do not have latitude in establishing prices.

Product revenue represents revenue from the sale of products where we are primarily obligated in a transaction. Product sales, net of return allowances, are recorded when the products are purchased and the significant risks and rewards of ownership of the goods are transferred to the buyer.

Services revenue represent third-party seller fees earned (including commissions), and non-retail activities such as advertising services. Services revenue, net of return allowances, is recognised when services have been rendered.

Return allowances, which reduce revenue, are estimated using historical experience. Revenue from product sales and services rendered is recorded net of sales and consumption taxes.

4.7.1.10 INCOME TAX

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Pro forma historical consolidated profit and loss statements. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the

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extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or in profit or loss.

4.7.1.11 LEASES

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Finance leases that transfer to the iBuy Combined Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of

the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Pro forma historical consolidated profit and loss statements.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the iBuy Combined Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in the Pro forma historical consolidated profit and loss statements on a straight line basis over the lease term.

4.7.2 INCOME TAX

The entities within the iBuy Combined Group (with the exception of Buy Together) are all currently in an accumulated loss position. Deferred tax will be assessed post the completion of the acquisition of the businesses and upon listing.

4.7.3 EXPENDITURE COMMITMENTS

4.7.3.1 OPERATING LEASE COMMITMENTS

	PRO FORMA HISTORICAL CONSOLIDATED
	30 JUN 2013 \$
Within one year	681,849
After one year but not more than five years	387,132

The decrease in operating lease commitments after one year is due to the fact that most of these commitments cease soon after the end of the first year. The operating lease commitments are based on the rental contracts of each of the Subsidiaries.

4.7.4 BUSINESS COMBINATIONS

4.7.4.1 ACQUISITION OF BUY TOGETHER

On 21 October 2013, iBuy entered into an agreement to acquire 100% of the total Shares of Buy Together, which owns a Hong Kong retail website, for a combination of cash and Shares.

4.7.4.2 ACQUISITION OF DEALGURU

On 18 November 2013, iBuy entered into an agreement to acquire 100% of the total Shares of Dealguru, which owns Singapore and Malaysian retail websites, for a combination of cash and Shares.

4.7.4.3 ACQUISITION OF DEALMATES

On 1 November 2013, iBuy entered into an agreement to acquire 100% of the total Shares of Dealmates, which owns a Malaysian retail website, for cash.

4.7.4.4 ASSETS ASSUMED ON ACQUISITION

An analysis of the consideration paid for the acquisitions and the preliminary assessment of intangible assets acquired is set out below.

	DEALMATES \$	BUY TOGETHER \$	DEALGURU \$	TOTAL \$
Consideration				
Consideration in cash ¹	10,735,373	9,017,713	10,735,373	30,488,459
Consideration in new Shares at issue price	-	13,526,570	24,991,948	38,518,518
Total Consideration	10,735,373	22,544,283	35,727,321	69,006,977
Preliminary Intangible assets				
Preliminary Intangible assets	11,100,886	22,458,701	36,888,240	70,447,827
Total intangibles acquired	11,100,886	22,458,701	36,888,240	70,447,827

¹The cash consideration payable under the Dealguru Purchase Agreement of USD\$11 million includes USD\$1 million (\$1,073,538) which will be remitted directly to Dealguru in satisfaction of a liability of that amount which will become owing by the Dealguru Sellers to Dealguru. For the purposes of this Section 4, this USD\$1 million payment has been netted off, and accordingly net cash consideration of USD\$10 million is shown.

iBuy has performed a provisional assessment of the fair value of the assets, liabilities and contingent liabilities as at the date of acquisition. For the purposes of the Pro forma historical consolidated balance sheet, the assets and liabilities have been recorded at their provisional fair values. Under Australian Accounting Standards, iBuy has 12 months from the date of acquisition to complete its initial acquisition accounting. Any adjustment to the fair values, including associated tax adjustments, will have an equal and opposite impact on the provisional intangible asset recorded on acquisition. Accordingly, any such adjustments will have no impact on the aggregate of the net assets or iBuy's net profit after tax with the exception of any amortisation charges.

4.7.5 SUBSEQUENT EVENTS

Apart from the matters dealt with in this Prospectus there have been no material transactions or events outside of the ordinary business of iBuy that have come to the Company's attention that would require comment on, or adjustment to, the information referred to in Section 4 of this Prospectus.

4.8 RELATED PARTY DISCLOSURES

Director related entities include:

- Catcha Group

Catcha Group related balances include:

- Catcha Group has paid some Listing owed on behalf iBuy, these will be reimbursed by the Company to Catcha on Completion of the Offer.
- Balances outstanding to Catcha Group owed by Dealmates amounting to \$86,672 will be settled on Completion of the Offer.
- Catcha Group has advanced USD500,000 to Buy Together for working capital purposes. This advance will be reimbursed on Completion of the Offer.

No other loans exist between Director related entities and iBuy.

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SECTION 5
RISK
FACTORS



5 RISK FACTORS

The e-Commerce sector, including Flash Sales, is subject to numerous risk factors both of a general nature and risks which are specific to iBuy's business activities. The potential effect of these risk factors either individually, or in combination, may have an adverse effect on the future financial and operating performance of the Company, its financial position, its prospects and/or the value of the Shares.

This Section 5 describes what the Company considers to be the key risks associated with investing in iBuy assuming completion of the Purchase Agreements. You should carefully consider these factors in light of your personal circumstances and seek professional advice from your stockbroker, accountant, lawyer or other professional adviser before deciding whether to invest.

This Section 5 should not be considered to be an exhaustive list of every possible risk associated with an investment in the Company. The types of risks the Company is exposed to can change over time and vary with changes in economic, technological, environmental and regulatory conditions both generally within the retail industry and within the e-Commerce and Flash Sales sector specifically.

Before making any decision to invest in the Company, potential investors should read the entire Prospectus. In particular potential investors should be aware that there is no certainty that the Company will achieve its stated objectives or that any forward-looking statements will occur. Any investment in the Company should only be considered in light of these risks, as the occurrence of any of the risks set out in this Section 5 either individually or in combination could have a material adverse impact on the Company's operating performance and profits.

An investment in iBuy should also be considered in light of the:

- the retail and e-Commerce sectors in the Core Markets where iBuy currently operates and the markets where iBuy may operate in the future;
- relationship of iBuy's businesses to the economic cycle in the Core Markets where iBuy currently operates and the markets where iBuy may operate in the future; and
- reliance of iBuy on income denominated in foreign currencies, which may depreciate in value against the Australian dollar (which iBuy will report in).

5.1 RISKS SPECIFIC TO AN INVESTMENT IN IBUY

5.1.1 SYSTEM AND CONTENT INTEGRITY

The performance of the Websites will be vitally important to the reputation of the Company's businesses, its ability to attract buyers and its ability to make sales of products and services. iBuy will rely on telecommunications operators, data centres and other third parties for key aspects of the process of maintaining the Websites and selling its products and services to buyers. iBuy's influence over these third parties is limited. Any system failure that causes an interruption to the Websites

could materially affect its business and financial performance. System failures, if prolonged, could reduce the attractiveness of the Websites to visitors and hinder iBuy's ability to make sales to buyers, and would damage its business reputation and brand name.

Although iBuy's systems have been designed around industry-standard architectures, they remain vulnerable to damage or interruption from earthquakes, floods, fires, power loss, telecommunication failures, terrorist attacks, computer viruses or similar events. iBuy's disaster recovery planning cannot account for all eventualities. The Websites have experienced system failures in the past and may do so in the future. If frequent or persistent significant system failures are experienced on the Websites, iBuy may need to take steps to increase the reliability of its systems and invest in further or improved back-up systems. This could be expensive, reduce operating margins and may not be successful in reducing the frequency or duration of unscheduled downtime. It would also negatively impact iBuy's financial performance, business reputation and brand name.

5.1.2 DECLINE IN RETAIL AND E-COMMERCE SALES IN THE CORE MARKETS

The retail and e-Commerce sectors in the Core Markets are subject to factors outside the control of iBuy. These factors include the general market outlook for economic growth and interest rates. If growth in these markets slows down, or if these markets contract, iBuy may be unable to meet its business objectives.

5.1.3 DECLINE IN THE GROWTH OF INTERNET PENETRATION AND RATE OF MIGRATION ONLINE

Internet penetration in the Core Markets has been growing. However, there can be no guarantee that this growth will continue in the future. In addition, growth in e-Commerce is underpinned by a range of factors including migration from more traditional forms of retail sales. While increased internet penetration and a migration of retail sales to digital platforms has occurred over recent years there can be no guarantee that the rate of penetration and migration will continue in the future, which may have an adverse effect on the expected growth of iBuy.

5.1.4 RELATIONSHIPS WITH SUPPLIERS

iBuy will generate revenue through the sale of products and services sourced from suppliers. Contracts between the Company and its suppliers will generally be short term in nature. There can be no guarantee that suppliers will supply products and services to the Company. Should a significant number of suppliers cease to supply to the Company this will have an adverse effect on the growth prospects and financial performance of iBuy.

5.1.5 INCREASED COMPETITION

Internet businesses have low barriers to entry. Current or new competitors may adopt certain aspects of iBuy's business model without great financial expense, thereby reducing iBuy's ability to differentiate its services. Competition may arise from a number of sources. It may include companies from the traditional retail industry that may have greater capital resources and closer supplier relationships than iBuy. Competition may also arise from global e-Commerce companies with developed processes, systems, and technology. Suppliers may also choose to establish their own online sales sites rather than utilising iBuy to sell their products and services online. Any significant competition may adversely affect iBuy's ability to meet its business objectives.

5.1.6 INADVERTENT SALE OF COUNTERFEIT GOODS

Whilst iBuy will take precautions, both legal and practical, to ensure that branded goods sold on its websites are genuine, there can be no guarantee that suppliers will not attempt to pass off counterfeit goods as genuine or legitimate. The inadvertent sale of counterfeit goods through its websites may have a material adverse effect on iBuy's operations and financial position, and could damage its business reputation and brand name.

5.1.7 CONCENTRATION OF SHAREHOLDING

Catcha Group, a company owned by Directors Patrick Grove and Lucas Elliott, will own a significant proportion of the Shares on Listing. Consequently, Catcha Group will have significant influence over all matters that require approval by Shareholders, including the election and removal of Directors and approval of significant corporate transactions (unless prevented from voting under the Corporations Act or Listing Rules). This concentration of ownership will limit other Shareholders' ability to influence corporate matters, and as a result, actions may be taken that some Shareholders may not view as beneficial.

5.1.8 FOREIGN CURRENCY RISK

iBuy will have costs, expenses and investments denominated in multiple currencies. iBuy's Share price is denominated in Australian dollars. iBuy will also report its financial results in Australian dollars. Accordingly, iBuy's reported financial performance will be influenced by fluctuations in exchange rates between the Australian dollar and other currencies in which it may earn income or accrue expenses, primarily the Hong Kong dollar, Singapore dollar and Malaysian ringgit.

5.1.9 CORRUPTION OF THE COMPANY'S DATABASES

The databases to be acquired by iBuy are a valuable asset. They are subject to risks associated with computer viruses, physical or electronic break-ins, loss of data from physical damage or from failures in third party service providers or operating systems and similar disruptions, as well as to damage from the inadvertent introduction onto its systems of incorrect

programming language by its employees. An irrecoverable loss of any of the databases would be expensive to remedy, would have a material adverse effect on iBuy's operations and financial position, and would damage its business reputation and brand name.

5.1.10 SALE OF INVENTORY PRIOR TO POSSESSION

iBuy will sell products to its users before taking the products into its possession. As a result, iBuy has no guarantee that the products received by iBuy or delivered to a buyer will be identical to the product's representation on its websites at the time of sale, or will match the buyer's expectations of the product. Further, iBuy will have no ability to physically check each individual product before it is sent to the buyer and has limited ability to influence the quality control procedures of its suppliers. If iBuy delivers products that are faulty, damaged, incomplete or not to the purchaser's satisfaction, iBuy's business reputation and brand name may be damaged and its financial performance will be negatively impacted.

5.1.11 MANAGING RAPID GROWTH

iBuy aims to experience rapid growth in the scope of its operating activities, which may include operating in new markets. This growth is anticipated to result in an increased level of responsibility for both existing and new management personnel. If iBuy is unable to manage its expected growth successfully, including through the recruitment, training, integration and management of the staff required to support this expected growth, it may not be able to take advantage of market opportunities, satisfy customer requirements, execute its business plan or respond to competitive pressure.

5.1.12 PURCHASE AGREEMENTS

As at the date of this Prospectus, the Purchase Agreements have not completed. The Purchase Agreements will complete on or before Completion of the Offer (and must complete prior to Listing).

The Company may suffer loss as a result of a breach or breaches of a Purchase Agreement which it cannot recover, for example if the basis of a claim does not fall within any of the warranties provided in the agreements, if a vendor does not have funds to satisfy a claim which has been made by the Company or if a vendor's liability for a claim is limited according to the terms of the relevant Purchase Agreement.

5.1.13 NEW TECHNOLOGY

If iBuy is significantly slower than its competitors to adapt to technological change, it could lead to a reduction in visits to the Websites. This could have an adverse effect on iBuy's ability to attract new buyers and retain its existing customer base.

5.1.14 HACKING AND VANDALISM

The businesses to be acquired by iBuy may be adversely affected by malicious third party applications that interfere with, or exploit, security flaws in the Websites. Viruses, worms and other malicious software programs could, among other things, jeopardise the security of information stored in a user's computer or in iBuy's computer systems or attempt to change the internet experience of users by interfering with iBuy's ability to connect with its users. If iBuy's efforts to combat these malicious applications are unsuccessful, or if the Websites have actual or perceived vulnerabilities, iBuy's business reputation and brand name may be harmed and user traffic could decline, which may result in a material adverse effect on iBuy's operations and financial position.

5.1.15 DEPENDENCE ON INTERNET INFRASTRUCTURE

iBuy's online businesses will be dependent on the ongoing maintenance of the global, regional and local internet infrastructure to provide the necessary data speed, capacity and security to allow it to offer viable services. The internet has experienced significant growth in the number of users and amount of traffic, in particular in Asia. To the extent that the internet continues to experience increased numbers of users, there can be no assurance that the internet infrastructure will continue to be able to support the demands placed on it by continued growth.

Viruses, worms and similar programs, as well as problems with providers of telecommunications infrastructure supporting the network and power cuts, may also harm the performance of the internet. Any ongoing or serious disruptions to the performance of the internet in the Core Markets will adversely affect its operations and growth plans and would damage its business reputation and brand name.

5.1.16 DISPLAY OF INAPPROPRIATE CONTENT

iBuy will have processes that allow it to monitor and remove inappropriate content placed on the Websites, whether deliberately or inadvertently. However, iBuy will not have the ability to guarantee that all content displayed on the Websites is appropriate at all times. This includes but is not limited to the presentation of photographs accepted by iBuy in good faith and under the terms of its supplier contracts. iBuy cannot guarantee that such material is not obscene, offensive or otherwise damaging to its business reputation and brand name, or the reputation of any third party.

5.1.17 RELIANCE ON THIRD PARTY PAYMENT AND LOGISTICS PROVIDERS

To complete sales on the Websites, iBuy will rely on third party banking, payment and logistics providers. iBuy's influence over these third parties will be limited. Any system or service failure that causes an interruption to iBuy's ability to receive payments or deliver purchased goods to its buyers and effect payment transactions could materially affect its business and financial performance. System or service failures, if prolonged,

could reduce the attractiveness of iBuy's services to visitors to the Websites and hinder its ability to make sales to buyers, and would damage its business reputation and brand name.

5.1.18 UNAUTHORISED USE OF INTELLECTUAL PROPERTY OR INDEPENDENT DEVELOPMENT OF TECHNOLOGY

iBuy regards substantial elements of the Websites, software tools, applications, buyer databases and underlying technology as proprietary. Despite precautionary measures, third parties may copy or otherwise obtain and use iBuy's proprietary information without authorisation or may develop similar technology independently. In addition, competitors may be able to design around iBuy's technology or develop competing technologies substantially similar to those of iBuy without any infringement of iBuy's proprietary rights. Any legal action that iBuy may bring to protect its proprietary information could be unsuccessful and expensive and would divert management's attention from its business operations.

5.1.19 NEW COMPANY WITH NO TRADING HISTORY

iBuy has a short history and has never operated as a consolidated entity. Accordingly, to date the Company has never developed, managed or operated an e-Commerce or Flash Sales business.

The Board and Chief Executive Officer have substantial experience in operating online, e-Commerce businesses in Asia, however there can be no assurance that iBuy will experience results similar to those achieved by other companies or projects in which the Directors and management have been involved in the past.

The Shares have not been previously listed. Consequently, there is no trading history in the Shares and therefore no indicator of how the Shares will trade in the secondary market or the liquidity of the market.

5.1.20 KEY EMPLOYEES

iBuy's success will be dependent on the retention of key employees. Competition for qualified employees in the industry could increase and the loss of a substantial number of qualified employees, or an inability to attract, retain and motivate additional highly-skilled employees required for the anticipated expansion of iBuy's activities, could adversely affect its growth plans and financial position.

5.1.21 NEW ACQUISITIONS

iBuy may make acquisitions in circumstances where the Directors believe that those acquisitions support iBuy's growth strategy. However, there can be no assurances that iBuy will be able to identify, complete and integrate suitable acquisitions successfully. Acquiring new businesses can place significant strain on management, employees, systems and resources. Acquired business may not perform in line with expectations and it may not prove possible to achieve the desired synergies on the integration of new businesses.

5.1.22 PRODUCT RETURNS

While iBuy will generally be under no obligation to acquire products from suppliers in the event that the product is not sold, iBuy will generally be responsible for the cost and liability of any product returns.

5.2 GENERAL RISKS

5.2.1 EXTREME WEATHER EVENTS

iBuy will conduct business in countries that have, in the past, been exposed to extreme weather events such as tsunamis, floods, earthquakes, landslides and typhoons, which may cause significant disruptions to the Company's operations.

5.2.2 SHARE MARKET CONDITIONS

The Shares may trade on ASX following Listing at a price higher or lower than the Offer Price. The price at which the Shares trade following Listing will be affected by the financial performance of iBuy and by external factors unrelated to the operating performance of iBuy, including movements on international share markets, the level of interest rates and exchange rates, general domestic and international economic conditions and government policies relating to taxation and other matters.

5.2.3 GENERAL ECONOMIC CONDITIONS AND OUTLOOK

iBuy will be dependent on the general conditions and outlook of the economies in the Core Markets. These economies may in turn be affected by levels of business spending, inflation, interest rates, exchange rates, access to debt and capital markets, and government fiscal, monetary and regulatory policies. A prolonged and significant downturn in general economic conditions may have a material adverse impact upon iBuy's trading and financial performance.

5.2.4 GOVERNMENT REGULATIONS

iBuy will be subject to local laws and regulations in each of the jurisdictions in which it operates (including taxation legislation). Future laws or regulations may be introduced concerning various aspects of the internet, including online content, e-Commerce, foreign ownership of internet and media or retail companies, liability for third party activities and user privacy, all of which may impact iBuy's operations.

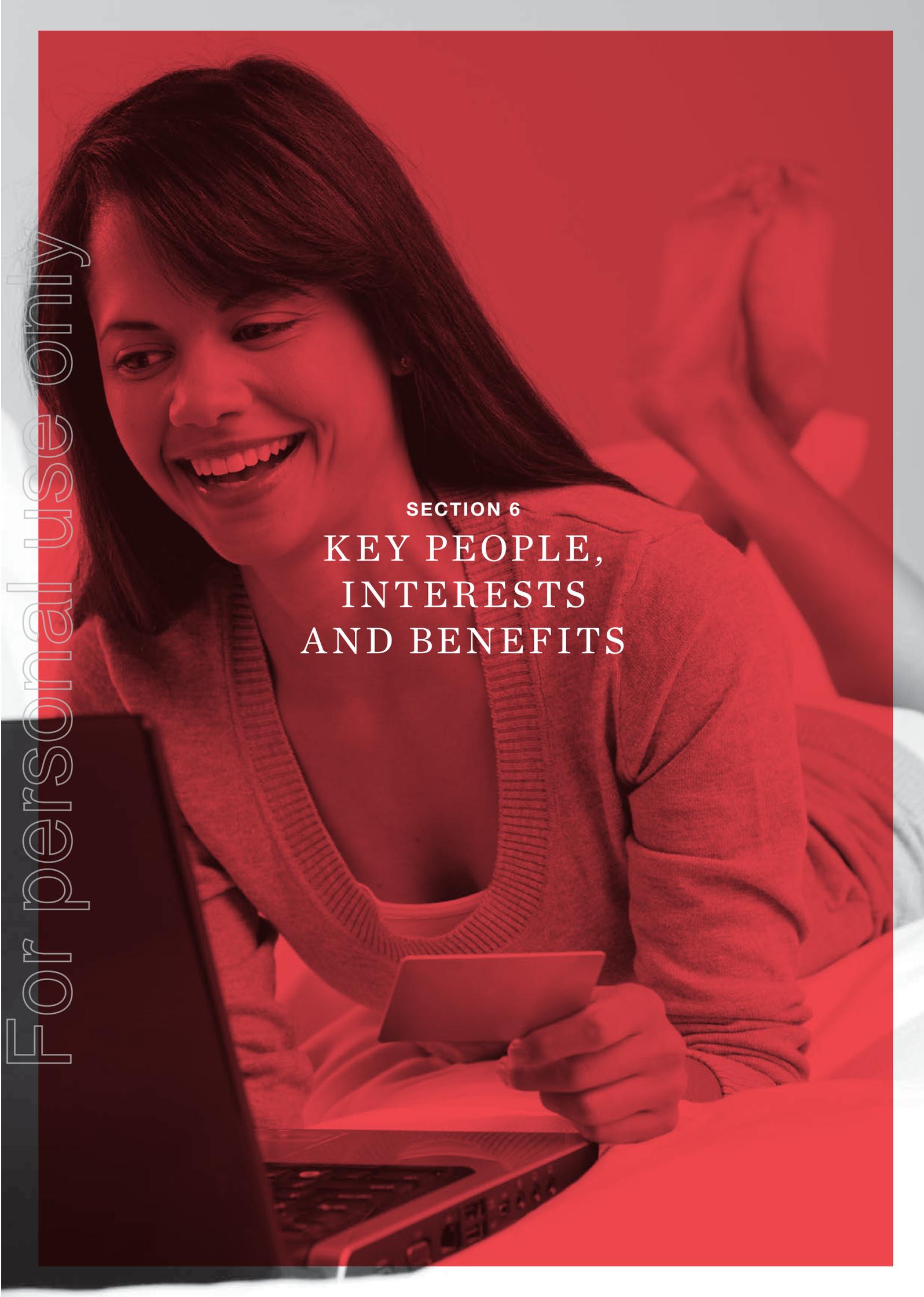
Changes in or extensions of laws and regulations affecting either the retail industry or internet business operations in the countries in which iBuy operates and the rules of industry organisations could restrict or complicate iBuy's activities and significantly increase its compliance costs.

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SECTION 6
KEY PEOPLE,
INTERESTS
AND BENEFITS



6.1 BOARD OF DIRECTORS

PATRICK GROVE CA, B. COMM

(Non-independent, non-executive Director and Chairman)

Board member and Chairman since November 2013. Mr Grove is a co-founder of iBuy. Mr Grove's experience and expertise include mergers and acquisitions and extraction of investment value in high growth, media and technology environments.

Mr Grove has built a number of significant media and internet businesses across Asia and has taken four businesses from start up to initial public offer. He has been independently recognised with numerous international awards, including as a Global Leader of Tomorrow by the World Economic Forum (2001), a New Asian Leader by the World Economic Forum (2003), the Australian Chamber of Commerce, Singapore, Young Entrepreneur of the Year (2004) and Business Week's Best Young Asian Entrepreneurs (2008). Mr Grove is also the Chief Executive Officer of Malaysia-listed Catcha Media Berhad, as well as Chief Executive Officer, Chairman and major shareholder of Catcha Group, one of South East Asia's most dynamic investment groups. Mr Grove is also the Chairman of iProperty Group Ltd and iCar Asia Ltd, both ASX-listed companies.

Mr Grove has a Bachelor of Commerce degree with a major in Accounting and Finance from the University of Sydney.

LUCAS ELLIOTT B. COMM

(Non-independent, non-executive Director)

Board member since August 2013. Mr Elliott is a co-founder of iBuy. He has over 14 years of Asian online experience, with a focus on developing fast moving online business models and monetising online assets. Mr Elliott is also a co-founder of Catcha Group, where he is responsible for all aspects of Catcha Group's corporate finance activities, including mergers and acquisitions, capital raisings and public listings. Mr Elliott is also a director of iProperty Group Ltd and iCar Asia Ltd, both ASX-listed companies, and Malaysia-listed Catcha Media Berhad.

Mr Elliott has a Bachelor of Commerce degree with a major in Finance from the University of Sydney.

SAM WEISS

(Independent, non-executive Director)

Board member since November 2013. Mr Weiss is currently a director of Oroton Group Ltd, Breville Group Ltd and the Chairman of Altium Ltd, whilst he previously served as the COO of Nike Europe and Vice-President of Gateway Computers, Asia Pacific. Mr Weiss is also the Chairman of Open Universities Australia, and is a director of the Sydney Festival and the Benevolent Society.

Mr Weiss is a graduate of Harvard University and the Columbia University School of Business Administration.

ERMAN AKINCI B. SC

(Non-independent, non-executive Director)

Board member since November 2013. Mr Akinci specialises in the sourcing and development of new business opportunities in the online space in Asia. Mr Akinci is a founder of Dealmates and the Director of Business Development for Catcha Group, where he is responsible for deal origination and integration.

Mr Akinci has a Bachelor of Science in Electrical Engineering from Pennsylvania State University, USA.

NICK GEDDES FCA, FCIS

(Independent, non-executive Director and Company Secretary)

Nick Geddes was appointed Director and Company Secretary in August 2013. Mr Geddes is the principal of Australian Company Secretaries Pty Ltd, a company secretarial practice that he formed in 1993. Mr Geddes is a past President of Chartered Secretaries Australia and a former Chairman of the NSW Council of that Institute. His previous experience, as a Chartered Accountant and Company Secretary, includes investment banking and development and venture capital in Europe, Africa, the Middle East and Asia.

Mr Geddes' services as Company Secretary are provided under a consultancy agreement described at Section 6.2.3.

Mr Geddes acts as company secretary for a number of ASX-listed companies.

6.2 MANAGEMENT

6.2.1 PROFILES

PATRICK LINDEN

(Chief Executive Officer)

Chief Executive Officer commencing on Listing. Mr Linden is responsible for the day-to-day operations of iBuy. Prior to joining iBuy, Mr Linden founded Dealguru in 2010 and has been CEO of Dealguru since inception of the company. Before founding Dealguru, Mr Linden founded iHipo.com, a destination for students, graduates and young professionals seeking international career development, which he subsequently sold. Mr Linden has also worked for Siemens and Daimler in India, Germany and Singapore.

Mr Linden holds an MBA from ESB Reutlingen University, Germany.

ANDREW BURSILL

(Chief Financial Officer)

The Company's Chief Financial Officer is Andrew Bursill, a principal of Franks & Associates Pty Ltd. Andrew's services are provided under a consultancy agreement described at Section 6.2.3.

6.2.2 CHIEF EXECUTIVE OFFICER'S EXECUTIVE EMPLOYMENT AGREEMENT

Mr Linden will be employed as Chief Executive Officer of the iBuy group of companies under an executive services agreement entered into in November 2013. The contract is for a term of approximately 3 years commencing on Listing.

Mr Linden's employment may be terminated without cause by either party by giving 6 months' notice. The Company may terminate Mr Linden's employment without notice if he engages in serious negligence or misconduct, persistently breaches his employment agreement, commits an act that brings the Company into disrepute or is convicted of an offence punishable by imprisonment. Mr Linden is restrained from undertaking certain actions for a period of 12 months after his employment with the Company ends.

Mr Linden will be based in Singapore.

Mr Linden is entitled to a base salary of \$240,000 Singapore dollars per annum (this is equivalent to approximately AUD\$208,800 as at 2 December 2013). The Company will also pay the costs of Mr Linden's medical insurance.

Mr Linden may also be paid:

- a short term incentive of up to AUD\$150,000 per year, payable in cash or a mix of cash and Shares. Payment of the short term incentive is at the discretion of the Company, other than in respect of the first year of Mr Linden's employment contract for which the Company has agreed to pay a short term incentive of at least AUD\$75,000; and
- a long term incentive of up to AUD\$150,000 per year, payable in Shares. Payment of the long term incentive is at the discretion of the Company.

6.2.3 CONSULTANCY AGREEMENTS

Company Secretary

Nick Geddes has been engaged as the Company Secretary of iBuy through a consultancy agreement between the Company and Australian Company Secretaries Pty Ltd, of which Mr Geddes is principal.

Australian Company Secretaries Pty Ltd charges iBuy approximately \$5,000 per month for the provision of Mr Geddes' services. Further amounts may be charged by Australian Company Secretaries Pty Ltd on an hourly basis for work undertaken outside the specified scope of the Company Secretary role.

The consultancy agreement can be terminated by either party at any time by giving 2 months' notice.

Chief Financial Officer

Andrew Bursill will act as the Company's Chief Financial Officer until a full-time chief financial officer has been recruited to fill the position.

Mr Bursill's services are provided through a consultancy agreement between iBuy and Franks & Associates Pty Ltd, of which Mr Bursill is a principal. Under the agreement, Franks & Associates charges the Company for time spent performing the Chief Financial Officer's function at an hourly rate.

The agreement is for a minimum term of 12 months after which it can be terminated by either party at any time by giving a minimum of 1 month's notice.

6.3 INTERESTS AND BENEFITS

This Section 6.3 sets out the nature and extent of the interests and fees of certain persons involved in the Offer. Other than as set out below or elsewhere in this Prospectus, no:

- Director or proposed Director;
- person named in this Prospectus and who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of iBuy; or
- an underwriter to the Offer,

holds at the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

- the formation or promotion of iBuy;
- property acquired or proposed to be acquired by iBuy in connection with its formation or promotion, or in connection with the Offer; or
- the Offer,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given to any such persons for services in connection with the formation or promotion of iBuy or the Offer or to any Director or proposed Director to induce them to become, or qualify as, a Director.

6.3.1 INTERESTS OF ADVISERS

iBuy has engaged the following professional advisers:

- Canaccord Genuity (Australia) Limited has acted as Underwriter and Lead Manager to the Offer. iBuy has paid, or agreed to pay, the Underwriter the fees described in Section 9.5 for these services;
- Morgans Financial Limited has acted as Co-Manager to the Offer. It will receive a fee of 4% of the total Offer Price of the Shares allocated to it to sell. All amounts payable to the Co-Manager are payable by the Lead Manager out of the fees payable to it by the Company;
- Herbert Smith Freehills has acted as Australian legal advisor to the Company in connection with the Offer (excluding in relation to taxation), has advised the Company in relation to the Purchase Agreements and its admission to the official list of ASX and has performed work in relation to Australian legal due diligence enquiries. The Company has paid or agreed to pay approximately \$700,000 (plus GST) for these services to the date of this Prospectus. Further amounts may be paid to Herbert Smith Freehills in accordance with its agreed fee arrangements;
- PricewaterhouseCoopers Securities Limited has prepared the Investigating Accountant's Report on the Pro Forma Historical Consolidated Financial Information. The Investigating Accountant has also performed due diligence enquiries in relation to the Pro Forma Historical

Consolidated Financial Information. iBuy has paid, or agreed to pay, approximately \$400,000 (plus GST) for these services to the date of this Prospectus. Further amounts may be paid to the Investigating Accountant in accordance with its normal time-based charge-out rates; and

- Frost & Sullivan (Australia) Pty Limited has prepared the Independent Market Report for inclusion in the Prospectus. iBuy has paid, or agreed to pay, approximately \$16,000 (plus GST) to the Independent Market Expert for the provision of this report.

PricewaterhouseCoopers has been appointed as the auditor of iBuy.

6.3.2 DIRECTORS' INTERESTS AND REMUNERATION

Director remuneration

Under the Constitution, the Directors decide the total amount paid to all Directors as remuneration for their services as a Director. However, under the Listing Rules, the total amount paid to all Directors for their services must not exceed in aggregate in any financial year the amount fixed by iBuy's general meeting. This amount has been fixed by iBuy at \$650,000. For the remainder of the financial year ending 31 December 2013, it is expected that the fees payable to the current Directors will not exceed \$35,000 in aggregate. Annual Directors' fees currently agreed to be paid by iBuy are \$90,000 to the Chairman, \$70,000 for non-executive Directors and \$80,000 to Sam Weiss due to his role as chairman of the Board committees (see Section 6.4.4). The remuneration of Directors must not include a commission on, or a percentage of, profits or operating revenue. Statutory superannuation on these amounts will also be paid.

Deeds of access, indemnity and insurance for Directors

iBuy has entered into deeds of access, indemnity and insurance with each Director.

Access

The deeds confirm each Director's right of access to certain books and records of iBuy for a period of seven years after the Director ceases to hold office. This seven year period can be extended where certain proceedings or investigations commence before the seven years expires.

Indemnification

Pursuant to the Constitution, iBuy is required to indemnify all Directors and employees, past and present, against all liabilities allowed under law. iBuy has entered into an agreement with each Director to indemnify those parties against all liabilities to another person that may arise from their position as Director or other officer of iBuy or its subsidiaries to the extent permitted by law. The deed stipulates that iBuy will meet the full amount of any such liabilities, including reasonable legal costs and expenses.

Insurance

Pursuant to the Constitution, iBuy may arrange and maintain directors' and officers' insurance for its Directors and its officers to the extent permitted by law. iBuy has entered into an agreement with each Director to obtain such insurance during each Director's period of office and for a period of seven years after a Director ceases to hold office. This seven year period can be extended where certain proceedings or investigations commence before the seven years expires.

Other information

Directors may also be reimbursed for travel and other expenses incurred in attending to iBuy's affairs.

Non-executive Directors may be paid such additional or special remuneration as the Directors decide is appropriate where a Director performs extra work or services which are not in the capacity as Director of iBuy or a Subsidiary.

There are no retirement benefit schemes for Directors, other than statutory superannuation contributions.

Directors' Shareholdings

Directors are not required under the Constitution to hold any Shares in iBuy. The Directors (and their associates) are entitled to apply for Shares in the Offer. Directors currently hold Shares as described below.

Summary of interests

The following table summarises the interests of the Directors.

DIRECTOR	DIRECTORS REMUNERATION	OTHER REMUNERATION	SHARE-HOLDING
Patrick Grove	Yes	No	Yes* (indirect)
Lucas Elliott	Yes	No	Yes* (indirect)
Sam Weiss	Yes	No	Yes
Erman Akinci	Yes	No	Yes
Nick Geddes	Yes	Yes	No

*Patrick and Lucas control all of the issued shares in Catcha Group, which will own approximately 25.1% of iBuy on Listing.

A detailed description of the Directors' Shareholdings in iBuy and its key shareholder, Catcha Group, is set out in Section 7.6.

6.4 CORPORATE GOVERNANCE

This Section 6.4 explains how the Board will manage iBuy's business. The Board is responsible for the overall corporate governance of iBuy. The Board monitors the operational and financial position and performance of iBuy and oversees its business strategy including approving the strategic goals of iBuy. The Board is committed to maximising performance, generating appropriate levels of Shareholder value and financial return, and sustaining the growth and success of iBuy. In conducting business with these objectives, the Board is concerned to ensure that iBuy is properly managed to protect and enhance Shareholder interests, and that iBuy, its Directors, officers and employees operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing iBuy including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for iBuy's business and which are designed to promote the responsible management and conduct of iBuy.

The main policies and practices adopted by iBuy are summarised below. In addition, many governance elements are contained in the Constitution. The iBuy Code of Conduct

outlines how iBuy expects Directors and employees to behave and conduct business in a range of circumstances. Details of iBuy's key policies and practices and the charters for the Board and each of its committees are available at www.ibuy-group.com.

The ASX Corporate Governance Council has developed and released corporate governance recommendations for Australian listed entities (ASX Recommendations) in order to promote investor confidence and to assist companies to meet stakeholder expectations. The recommendations are not prescriptions, but guidelines. However, under the Listing Rules, iBuy will be required to provide a statement in its annual report disclosing the extent to which it has followed the ASX Recommendations in the reporting period. Where iBuy does not follow a recommendation, it must identify the recommendation that has not been followed and give reasons for not doing so.

iBuy will depart from the ASX Recommendations as the Chairman of iBuy will not be independent (see Section 6.4.1 for further explanation) and there will not be a majority of independent Directors on the Board.

Other than these instances, the Board does not anticipate that it will depart from the ASX Recommendations. Although iBuy may depart from other recommendations in future if the Board considers that such a departure would be reasonable, it is intended that as the company develops it will move towards full compliance with the ASX Recommendations.

6.4.1 BOARD COMPOSITION

The Board is comprised of five non-executive Directors, including the Chairman. The Board consists of:

- Patrick Grove;
- Lucas Elliott;
- Sam Weiss;
- Erman Akinci; and
- Nick Geddes.

Under the terms of the Dealguru Purchase Agreement, the Dealguru Sellers are permitted to nominate a Director for appointment to the Board within 12 months of completion of the Dealguru Purchase Agreement.

Detailed biographies of the Directors are provided above in Section 6.1.

Each Director has confirmed to iBuy that they anticipate being available to perform their duties as a non-executive Director without constraint from other commitments.

The Board considers an independent Director to be a non-executive Director who is not a member of iBuy's management and who is free of any business or other relationship that could materially interfere with or reasonably be perceived to interfere with the independent exercise of their judgement. The Board will consider the materiality of any given relationship on a case-by-case basis and has adopted guidelines to assist it in this regard. The Board reviews the independence of each Director in light of interests disclosed to the Board from time to time. The iBuy Board Charter sets out guidelines and thresholds of materiality for the purposes

of determining the independence of Directors in accordance with the ASX Recommendations, and has adopted a definition of independence that is based on that set out in the ASX Recommendations, as follows:

- the Board will determine the appropriate base to apply (eg revenue, equity or expenses), in the context of each situation;
- in general, the Board will consider an affiliation with a business which accounts for less than 5% of the relevant base to be immaterial for the purposes of determining independence.

However, where this threshold is exceeded, the materiality of the particular circumstance with respect to the independence of the particular Director should be reviewed by the Board. Specifically, the Board will consider whether there are any factors or considerations which may mean that the Director's interest, business or relationship could, or could be reasonably perceived to, materially interfere with the Director's ability to act in the best interests of iBuy.

The Board considers that Sam Weiss and Nick Geddes are free from any business or any other relationship that could materially interfere with, or reasonably be perceived to interfere with the independent exercise of their judgment and are able to fulfil the role of independent Director for the purposes of the ASX Recommendations.

Patrick Grove and Lucas Elliott are currently considered by the Board to not be independent on the basis of Patrick and Lucas' shareholdings in Catcha Group, which will own approximately 25.1% of iBuy on Listing.

Erman Akinci is currently considered by the Board to not be independent on the basis of his executive role at Catcha Group, which will own approximately 25.1% of iBuy on Listing.

Accordingly, the Board does not consist of a majority of independent directors. The Board acknowledges the ASX recommendation that a majority of the Board should be independent, non-executive directors. The Board believes that each of the non-executive Directors brings objective and independent judgement to the Board's deliberations, and that each of the non-executive Directors makes invaluable contributions to the Company.

6.4.2 BOARD CHARTER

The Board has adopted a written Charter to provide a framework for the effective operation of the Board, which sets out:

- the Board's composition;
- the Board's role and responsibilities;
- the relationship and interaction between the Board and management; and
- the authority delegated by the Board to management and Board committees.

The Board's role is to:

- represent and serve the interests of Shareholders by overseeing and appraising iBuy's strategies, policies and performance;
- protect and optimise iBuy's performance and build sustainable value for Shareholders;
- set, review and ensure compliance with iBuy's values and governance framework; and
- ensure Shareholders are kept informed of iBuy's performance and major developments.

Matters which are specifically reserved for the Board or its committees include:

- appointment of a chair;
- appointment and removal of the Chief Executive Officer;
- appointment of Directors to fill a vacancy or as an additional Director;
- establishment of Board committees, their membership and delegated authorities;
- approval of dividends;
- approval of major capital expenditure, acquisitions and divestitures in excess of authority levels delegated to management;
- calling of meetings of Shareholders; and
- any other specific matters nominated by the Board from time to time.

The management function is conducted by, or under the supervision of the Chief Executive Officer as directed by the Board (and by officers to whom the management function is properly delegated by the Chief Executive Officer). Management must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively.

Directors are entitled to request additional information at any time they consider it appropriate. The Board collectively, and individual Directors, may seek independent professional advice at iBuy's expense, subject to the approval of the Chairman or the Board as a whole.

6.4.3 PERFORMANCE EVALUATION

iBuy has adopted a performance evaluation process in relation to the Board and its committees. Each year, the Directors will provide written feedback in relation to the performance of the Board and its Committees against a set of agreed criteria. Each Committee of the Board will also be required to provide feedback in terms of a review of its own performance.

Feedback will be collected by the chair of the Board, or an external facilitator, and discussed by the Board, with consideration being given as to whether any steps should be taken to improve performance of the Board or its Committees. The Chief Executive Officer will also provide feedback from senior management in connection with any issues that may be relevant in the context of the Board performance review. Where appropriate to facilitate the review process, assistance may be obtained from third party advisers.

Given that iBuy has not yet become listed on the ASX, a performance evaluation of the Board, its Committees and the senior executives has not yet taken place in accordance with this process.

6.4.4 BOARD COMMITTEES

The Board may from time to time establish appropriate committees to assist in the discharge of its responsibilities. The Board has established the Audit, Business Risk & Compliance Committee, and the Remuneration and Nomination Committee.

Other committees may be established by the Board as and when required. Membership of Board committees will be based on the needs of iBuy, relevant legislative and other requirements and the skills and experience of individual Directors.

Under the Board's Charter, Board committee performance evaluations will occur annually.

Audit, Business Risk & Compliance Committee

Under its Charter, this Committee must have at least three members, all of whom must be non-executive Directors, a majority of independent directors and an independent chair who is not chair of the Board. Lucas Elliott and Nick Geddes will act as members of this Committee, and independent director Sam Weiss will act as chairman. In accordance with its Charter, it is intended that all members of the Committee should be financially literate and have familiarity with financial management, and at least one member should have relevant qualifications and experience.

The Committee will meet 4 times per year.

The primary role of this Committee includes:

- overseeing iBuy's relationship with the external auditor and the external audit function generally and the internal audit and the internal audit function generally (if any);
- overseeing the preparation of the financial statements and reports and assisting the Board in relation to the reporting of financial information;
- overseeing iBuy's financial controls and systems; and
- managing the process of identification and management of financial risk.

The Committee has the responsibility for the selection and appointment of the external auditor, as well as evaluating its effectiveness and independence. Under the Committee Charter, it is the policy of iBuy that its external auditing firm must be independent of iBuy itself. The Committee will review and assess the independence of the external auditor on an annual basis.

The Board considers that a majority of the members of the Audit, Business Risk and Compliance Committee are independent Directors.

Remuneration and Nomination Committee

Under its Charter, the Remuneration and Nomination Committee must have at least two members, all of whom must be non-executive Directors, a majority of independent directors and the chairman of the committee must be independent. Lucas Elliott and Nick Geddes will act as members of this Committee, and independent director Sam Weiss will act as chairman.

With respect to nomination, the responsibilities of the Committee are to:

- as requested by the Board from time to time, review and recommend to the Board the size and composition of the Board, including review of Board succession plans and the succession of the Chairman and Chief Executive Officer, having regard to the objective that the Board comprise directors with a broad range of skills, expertise and experience from a broad range of backgrounds, including gender;
- as requested by the Board from time to time, review and recommend to the Board the criteria for Board membership, including:
 - the necessary and desirable competencies of Board members; and
 - the time expected to be devoted by non-executive Directors in relation to the Company's affairs; and
- assist the Board as required in relation to the performance evaluation of the Board, its committees and individual directors, and in developing and implementing plans for identifying, assessing and enhancing Director competencies.

With respect to remuneration, the responsibilities of the Committee are to:

- review and recommend arrangements for the executive directors (if any) and the executives reporting to the Chief Executive Officer, including contract terms, annual remuneration and participation in the Company's short and long term incentive plans;
- review major changes and developments in the Company's remuneration, recruitment, retention and termination policies and procedures for senior management;
- review major changes and developments in the remuneration policies, superannuation arrangements, personnel practices and industrial relations strategies for the Company;
- review the senior management performance assessment processes and results as they reflect the capability of management to realise the business strategy; and
- recommend to the Board short term incentive strategy, performance targets and bonus payments.

The Board considers that a majority of the members of the Remuneration and Nomination Committee are independent.

6.4.5 RISK MANAGEMENT

The identification and proper management of iBuy's risks are an important priority of the Board.

The Board is responsible for overseeing and approving risk management strategy and policies. The Board, in conjunction with the Audit, Business Risk & Compliance Committee, has responsibility for identifying major risk areas and implementing risk management systems. The Audit, Business Risk & Compliance Committee is responsible for monitoring risk management and establishing procedures which seek to provide assurance that major business risks are identified, consistently assessed and appropriately addressed. iBuy will regularly undertake reviews of its risk management procedures to ensure that it complies with its legal obligations, including to assist the Chief Executive Officer or Chief

Financial Officer to provide its declaration under Section 295A of the Corporations Act.

6.4.6 CONTINUOUS DISCLOSURE POLICY

Once listed, iBuy will be required to comply with the continuous disclosure requirements of the Listing Rules and the Corporations Act. Subject to the exceptions contained in the Listing Rules, iBuy will be required to disclose to the ASX any information concerning iBuy which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the Shares. iBuy is committed to observing its disclosure obligations under Listing Rules and the Corporations Act. iBuy has adopted a Disclosure Policy which establishes procedures which are aimed at ensuring that Directors and management are aware of and fulfil their obligations in relation to the timely disclosure of material price-sensitive information.

6.4.7 SECURITIES TRADING POLICY

iBuy has adopted a written policy for dealing in securities. The policy is intended to explain the prohibited type of conduct in relation to dealings in securities under the Corporations Act, and to establish a best practice procedure in relation to Directors', management's and employees' dealings in Shares.

The policy applies to Directors, management, employees and family members of employees who may be expected to influence or be influenced by the Employee in his or her dealings with the Company (Connected Persons), who must not deal in Shares while they are in possession of material price sensitive information. Furthermore, Connected Persons must not deal in Shares during 'black-out periods', which include the following:

- full year results: the period from the close of trading on the ASX on 31 December each year, or if that date is not a trading day, the last trading day before that day, until the day following the announcement to ASX of the preliminary final statement or full year results;
- half year results: the period from the close of trading on 30 June, or if that date is not a trading day, the last trading day before that day, until the day following the announcement of the half-yearly results; and
- any other period that the Board specifies from time to time.

Advance notification to iBuy is required if Directors and their Connected Persons intend to deal in the Company's securities outside of a 'blackout period'.

6.4.8 CODE OF CONDUCT

The Board recognises the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Board has adopted a formal Code of Conduct to be followed by all employees (including temporary employees and contractors) and officers. The key aspects of this Code are to:

- act with honesty, integrity and fairness and in the best interest of iBuy and in the reasonable expectations of Shareholders;
- act in accordance with all applicable laws, regulations, policies and procedures;
- have responsibility and accountability for individuals for reporting and investigating reports of unethical practices; and
- use iBuy's resources and property properly.

The Code of Conduct sets out iBuy's policies on various matters including ethical conduct, business conduct, confidentiality, privacy, security of information, financial integrity and conflicts of interest.

6.4.9 COMMUNICATION WITH SHAREHOLDERS

The Board's aim is to ensure that Shareholders are provided with sufficient information to assess the performance of iBuy and that they are informed of all major developments affecting the state of affairs of iBuy relevant to Shareholders in accordance with all applicable laws. iBuy has a communication strategy which aims to promote effective communication with Shareholders and encourage effective participation at general meetings.

Information will be communicated to Shareholders through the lodgement of all relevant financial and other information with ASX and publishing information on iBuy's website, www.ibuy-group.com.

In particular, iBuy's website will contain information about it, including media releases, key policies and the terms of reference of its Board committees. All relevant announcements made to ASX and any other relevant information will be posted on iBuy's website as soon as they have been released to ASX.

6.4.10 DIVERSITY POLICY

The Board will also have primary responsibility for implementation of iBuy's Diversity Policy, which sets out iBuy's vision for diversity, incorporating a number of different factors including gender, ethnicity, age and educational experience. After it has become listed, iBuy will report on measurable objectives for achieving gender diversity and progress made towards achieving those objectives, as well as reporting on the proportion of women in various roles within iBuy in its first annual report.

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SECTION 7
DETAILS OF
THE OFFER



7.1 THE OFFER

7.1.1 THE OFFER

The Offer is an initial public offering of 115,625,000 Shares at the Offer Price of \$0.32 per Share to raise \$37 million. The Shares to be issued in the Offer will represent approximately 32.7% of the Shares on Listing.

All Shares will be issued at the Offer Price and will rank equally with each other. The Shares are fully paid ordinary shares and will, once issued, rank equally with the Shares on issue as at the date of this Prospectus. A summary of the rights attaching to the Shares is set out in Section 7.15.

The Offer comprises the Broker Firm Offer (see Section 7.1.2) and the Institutional Offer (see Section 7.1.3). There is no general public offer of Shares.

The allocation of Shares between the Broker Firm Offer and the Institutional Offer has been determined by the Company and the Lead Manager, having regard to the allocation policies set out in Sections 7.1.2 and 7.1.3.

7.1.2 THE BROKER FIRM OFFER

7.1.2.1 WHO CAN APPLY?

The Broker Firm Offer is open to persons who have received an invitation to participate in the Offer from a Syndicate Broker and who have a registered address in Australia. If you have been invited to participate by a Syndicate Broker, you will be treated as an Applicant under the Broker Firm Offer in respect of that allocation. You should contact your Syndicate Broker to determine whether they may allocate Shares to you under the Broker Firm Offer.

7.1.2.2 HOW TO APPLY

You should complete and lodge your Application Form with the Syndicate Broker who invited you to participate in the Offer. Application Forms must be completed in accordance with the instructions given to you by your Syndicate Broker and the instructions set out on the Application Form. Applications for Shares may only be made on an Application Form attached to or accompanying this Prospectus or in its paper copy form which may be downloaded in its entirety from www.ibuy-group.com.au.

By making an Application, you declare that you were given access to this Prospectus (and any supplementary or replacement prospectus), together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

The minimum application under the Broker Firm Offer is \$2,000 worth of Shares (6,250 Shares) and in multiples of \$1,000 thereafter (3,125 Shares). There is no maximum value of Shares that may be applied for under the Broker Firm Offer.

The Company may determine a person to be eligible to participate in the Broker Firm Offer, and may amend or waive the Broker Firm Offer application procedures or requirements, in its discretion in compliance with applicable laws.

The Broker Firm Offer opens at 8:30am on Friday, 6 December 2013 and is expected to close at 5:00pm on Thursday, 12 December 2013. The Company and the Lead Manager may elect to extend the Broker Firm Offer or any part of it, or accept late applications either generally or in particular cases. The Broker Firm Offer, or any part of it, may be closed at any earlier date and time, without further notice (subject to the Listing Rules and the Corporations Act). Your Syndicate Broker may also impose an earlier closing date. Applicants are therefore encouraged to submit their applications as early as possible. Please contact your Syndicate Broker for instructions.

7.1.2.3 HOW TO PAY

Applicants under the Broker Firm Offer must pay their Application Monies in accordance with instructions received from their Syndicate Broker or otherwise in accordance with the Application Form.

7.1.2.4 APPLICATION MONIES

The Company reserves the right to decline any Application in whole or in part, without giving any reason. Applicants under the Broker Firm Offer whose Applications are not accepted, or who are allocated a lesser number of Shares than the amount applied for, will receive a refund of all or part of their Application Monies, as applicable. Interest will not be paid on any monies refunded.

Applicants whose Applications are accepted in full will receive the whole number of Shares calculated by dividing the Application Monies by the Offer Price. Where the Offer Price does not divide evenly into the Application Monies, the number of Shares to be allocated will be determined by the Applicant's Syndicate Broker.

Cheque(s) or bank draft(s) must be in Australian Dollars and drawn on an Australian branch of an Australian financial institution, must be crossed 'Not Negotiable' and must be made payable in accordance with the directions of the Syndicate Broker from whom the Applicant received a firm allocation, or otherwise in accordance with the Application Form.

Applicants should ensure that sufficient funds are held in the relevant account(s) to cover the amount of the cheque(s) or bank draft(s). If the amount of your cheque(s) or bank draft(s) for Application Monies (or the amount for which those cheque(s) or bank draft(s) clear in time for allocation) is less than the amount specified on your Application Form, you may be taken to have applied for such lower dollar amount of Shares as for which your cleared Application Monies will pay (and to have specified that amount on your Application Form) or your application may be rejected.

7.1.2.5 ACCEPTANCE OF APPLICATIONS

An Application in the Broker Firm Offer is an offer by an Applicant to the Company to subscribe for Shares in the amount specified in the Application Form at the Offer Price on the terms and conditions set out in this Prospectus (including any supplementary or replacement Prospectus) and the Application Form (including the conditions regarding quotation on the ASX in Section 7.14). To the extent permitted by law, an Application is irrevocable.

An Application may be accepted by the Company and the Lead Manager in respect of the full number of Shares specified in the Application Form or any of them, without further notice to the Applicant.

Acceptance of an Application will give rise to a binding contract.

7.1.2.6 BROKER FIRM OFFER ALLOCATION POLICY

The allocation of firm Shares to Syndicate Brokers has been determined by the Company and the Lead Manager. Shares which have been allocated to Syndicate Brokers for allocation to their Australian resident clients will be issued or transferred to the Applicants who have received a valid allocation of Shares from those Syndicate Brokers. It will be a matter for those Syndicate Brokers how they allocate Shares among their clients, and they (and not the Company or the Lead Manager) will be responsible for ensuring that their clients who have received an allocation from them, receive the relevant Shares.

7.1.2.7 ANNOUNCEMENT OF FINAL ALLOCATION POLICY IN THE BROKER FIRM OFFER

The Company expects to announce the final allocation policy under the Broker Firm Offer on or about Thursday, 19 December 2013. Applicants in the Broker Firm Offer will be able to call the iBuy Share Offer Information Line on 1300 295 246 or (03) 9415 4014 from 8:30am to 5:00pm AEDST, Monday to Friday after the allocation policy is announced to confirm their allocations. Applicants under the Broker Firm Offer will also be able to confirm their allocation through the Syndicate Broker from whom they received their allocation.

If you sell Shares before receiving a holding statement, you do so at your own risk, even if you obtained details of your holding from iBuy Share Offer Information Line or confirmed your allocation through a Syndicate Broker.

7.1.3 THE INSTITUTIONAL OFFER

7.1.3.1 INVITATIONS TO BID

iBuy and the Lead Manager invited certain Institutional Investors in Australia and certain other overseas jurisdictions (excluding the United States) to bid for Shares in the Institutional Offer.

7.1.3.2 INSTITUTIONAL OFFER ALLOCATION POLICY

The allocation of Shares between the Institutional Offer and the Broker Firm Offer has been determined by the Company and the Lead Manager.

Participants in the Institutional Offer will be advised of their allocation of Shares by the Lead Manager.

The allocation policy was influenced by a number of factors including:

- number of Shares bid for by particular bidders;
- the timeliness of the bid by particular bidders;
- the Company's desire for an informed and active trading market following Listing on the ASX;
- the Company's desire to establish a wide spread of institutional Shareholders;
- overall level of demand under the Institutional Offer;
- the size and type of funds under management of particular bidders;
- the likelihood that particular bidders will be long-term Shareholders; and
- other factors that the Company and the Lead Manager considered appropriate.

7.2 PURPOSE OF THE OFFER AND USE OF PROCEEDS

The proceeds from the issue of new Shares under the Offer and the proceeds of the issue of Convertible Notes (which will convert into Shares) will be used by iBuy to:

- fund outstanding cash payments due under the Purchase Agreements (\$31.6m);
- fund advertising and marketing programs to develop its businesses (\$2m);
- fund anticipated future acquisition opportunities (\$2m);
- pay the costs of the Offer and the costs related to the Purchase Agreements (\$3.7m); and
- provide working capital (\$4.7m).

7.3 COSTS OF THE OFFER

The expenses connected with the Offer (excluding the costs relating to the Purchase Agreements) which are payable by iBuy are estimated to be approximately \$3.4 million. These expenses comprise advisory, legal, accounting, tax, listing and administrative fees, the Underwriter's fees, Prospectus design and printing, marketing, Share Registry and other expenses.

7.4 EFFECT OF THE FUNDRAISING ON THE FUTURE OF IBUY

The Directors are of the opinion that, following Completion of the Offer, iBuy will have sufficient working capital to carry out its stated objectives.

7.5 KEY SHAREHOLDERS OF iBUY

The Company expects that its key Shareholders will own the following approximate Shareholdings on Listing.

KEY SHAREHOLDER	SHAREHOLDING ON LISTING	
	NO. OF SHARES	% SHAREHOLDING
Catcha Group	88,924,936	25.1%
Buy Together Seller	42,270,531	11.9%
Dealguru Sellers	78,099,839	22.1%
Convertible Note holders	29,166,666	8.2%
New Shareholders	115,625,000	32.7%
TOTAL	354,086,972	100%

This assumes a AUD:USD exchange rate of 0.9315 at the time that Shares are issued as consideration under the Purchase Agreements.

7.6 DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S SHAREHOLDINGS IN iBUY

The table below sets out the details of the expected Shareholdings of the Directors and Chief Executive Officer in iBuy on Listing.

	NO. OF SHARES	% SHAREHOLDING
Patrick Grove (Director)	No direct holding	20% effective Shareholding, held indirectly through Catcha Group
Lucas Elliott (Director)	No direct holding	5% effective Shareholding, held indirectly through Catcha Group
Sam Weiss** (Director)	1,041,667	0.29%
Erman Akinci (Director)	93,750	0.026%
Nick Geddes (Director)	Nil	Nil
Patrick Linden* (Chief Executive Officer)	13,206,683	3.73%

*It is anticipated that Patrick Linden may be issued a further approximately 226,919 Shares under the variable consideration component of the Dealguru Purchase Agreement.

**While Sam Weiss holds Convertible Notes entitling him to acquire Shares at the Offer Price, he will not acquire Shares under the Offer.

7.7 CONTROL OF iBUY

After Completion of the Offer and the Purchase Agreements, the Directors consider that Catcha Group will not control iBuy, however Catcha Group will be in a position to exercise significant influence over all matters that require approval by Shareholders, including the election and removal of directors and approval of significant corporate transactions (unless prevented by voting under the Corporations Act or the Listing Rules).

7.8 TERMS AND CONDITIONS OF THE OFFER

7.8.1 WHAT IS THE TYPE OF SECURITY BEING OFFERED?

The Offer is an initial public offering of 115,625,000 Shares (being fully paid ordinary shares in iBuy).

7.8.2 WHAT ARE THE RIGHTS AND LIABILITIES ATTACHED TO THE SHARES?

A description of the Shares, including the rights and liabilities attaching to them, is set out in Section 7.15.

7.8.3 WHAT IS THE CONSIDERATION PAYABLE FOR EACH SHARE?

The Offer Price is \$0.32 per Share.

7.8.4 WHAT ARE THE KEY DATES?

KEY DATES	
Prospectus lodgement date	Thursday, 5 December 2013
Broker Firm Offer opens	Friday, 6 December 2013
Broker Firm Offer closes	Thursday, 12 December 2013
Settlement of the Offer	Wednesday, 18 December 2013
Completion of the Purchase Agreements ⁶ and Completion of the Offer	Thursday, 19 December 2013
Expected commencement of trading of Shares on ASX (on a deferred settlement basis)	Friday, 20 December 2013
Expected despatch of holding statements and any refund payments	Monday, 23 December 2013
Expected commencement of trading on ASX on a normal settlement basis	Tuesday, 24 December 2013

This timetable is indicative only and Broker Firm Applicants are encouraged to submit their Applications as early as possible. iBuy, in consultation with the Lead Manager, has the right to withdraw the Offer, close the Offer early or extend the Offer, to accept late Applications, or vary any other date without prior notice.

⁶ The Dealguru Purchase Agreement will complete on the business day immediately prior to Completion of the Offer.

7.8.5 WHAT ARE THE CASH PROCEEDS TO BE RAISED?

\$37 million will be raised under the Offer.

An additional \$7 million will be received as proceeds of the issue of the Convertible Notes.

7.8.6 WILL THE SHARES BE LISTED?

On 29 November 2013, iBuy applied to ASX for admission to the official list of ASX and quotation of Shares on ASX under the code IBY. Completion of the Offer is conditional on ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

7.8.7 WHEN ARE THE SHARES EXPECTED TO COMMENCE TRADING?

It is expected that trading of the Shares on ASX will commence on or about Friday, 20 December 2013, initially on a deferred settlement basis. It is expected that initial holding statements will be dispatched by standard post on or around Monday, 23 December 2013. Trading will be on a deferred settlement basis until iBuy has advised ASX that holding statements have been despatched. Normal settlement trading is expected to commence on or about Tuesday, 24 December 2013.

It is the responsibility of each Applicant to confirm their holding before trading in Shares. Applicants who sell Shares before they receive an initial statement of holding do so at their own risk. iBuy, the Share Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who sell Shares before receiving their initial statement of holding, whether on the basis of a confirmation of allocation provided by any of them, by the iBuy Share Offer Information Line, by a Broker or otherwise.

7.8.8 IS THE OFFER UNDERWRITTEN?

Yes, the Offer is fully underwritten by Canaccord Genuity (Australia) Limited. See Sections 7.11 and 9.5 for further details.

7.8.9 ARE ANY SHARES SUBJECT TO ESCROW RESTRICTIONS?

Yes. Details are provided in Section 9.6.

7.9 WHAT ARE THE TAXATION CONSIDERATIONS?

The comments below provide a general summary of Australian tax issues for Australian tax resident individual Shareholders who acquire Shares under this Prospectus and hold their Shares on capital account for Australian income tax purposes. Franking credits are not expected to be generated by iBuy but the following comments are provided in the event that they are.

These comments do not apply to Shareholders that hold their Shares on revenue account or as trading stock, or to non-Australian tax resident Shareholders. They also do not apply to Shareholders that are banks, insurance companies or taxpayers that carry on a business of trading in Shares. These Shareholders should seek their own professional advice.

Tax laws are complex. The comments below are based on the *Income Tax Assessment Act 1936 (Cth)*, the *Income Tax Assessment Act 1997 (Cth)*, the *A New Tax System (Goods and Services Tax) Act 1999 (Cth)*, relevant stamp duty legislation, applicable case law and published Australian Taxation Office and State/Territory Revenue Authority rulings, determinations and statements of administrative practice at the date of this Prospectus. The tax consequences discussed below may alter if there is a change to the tax law after the date of this Prospectus. They do not take into account the tax law of countries other than Australia.

This summary is general in nature and is not intended to be an authoritative or complete statement of the applicable law. iBuy and its advisors disclaim all liability to any Shareholder or other party for all costs, loss, damage and liability that the Shareholder or other party may suffer or incur arising from, relating to or in any way connected with the contents of this summary or the provision of this summary to the Shareholder or other party or the reliance on this summary by the Shareholder or other party.

Shareholders should seek professional advice on the taxation implications of holding the Shares, taking into account their specific circumstances.

Dividends on a Share for Australian tax resident Shareholders

Dividends distributed by iBuy on a Share will constitute assessable income of an Australian tax resident Shareholder. Australian tax resident Shareholders should include in their assessable income the dividend actually received, together with any franking credit attached to that dividend.

Where the franking credit is included in the Shareholder's assessable income, the Shareholder will generally be entitled to a corresponding tax offset against tax payable by the Shareholder. To be eligible for the franking credit tax offset, a Shareholder must satisfy the 'holding period' rule and 'related payments' rule. This requires that a Shareholder hold the Shares "at risk" for a continuous period of not less than 45 days (excluding the days of acquisition and disposal) and that the benefit of the dividend is not passed on within 45 days. Shareholders should seek professional advice to determine if these requirements, as they apply to them, have been satisfied. The holding period rules will not apply to a Shareholder who is an individual whose tax offset entitlement (for all franked distributions received in the income year) does not exceed A\$5,000.

Where a Shareholder is an individual or a complying superannuation entity, the Shareholder will generally be entitled to a refund of tax to the extent that the franking credit tax offset exceeds the Shareholder's income tax liability for the income year.

Where a Shareholder is a company, the Shareholder will generally be entitled to claim a carry forward loss calculated by reference to any excess of the franking credit attached to the Shareholder's dividends over the Shareholder's tax liability for the income year. Shareholders that are companies should seek specific advice regarding the tax consequences of dividends received in respect of the Shares they hold and the calculation of carry forward tax losses arising from excess tax offsets.

Franked dividends received by a corporate Shareholder will generally give rise to a franking credit in the Shareholder's franking account (subject to the Shareholder satisfying the rules outlined above for claiming a tax offset). Special rules apply to Shareholders that are trustees (other than trustees of complying superannuation entities) or partnerships. These Shareholders should seek specific advice regarding the tax consequences of dividends received in respect of Shares held.

Disposal of Shares by Australian tax resident Shareholders

The disposal of a Share by a Shareholder will be a capital gains tax (CGT) event where the Shareholder holds their Share on capital account. The shareholder will make a capital gain where the capital proceeds received on the disposal of the Share exceeds the cost base of the Share, and will make a capital loss where the reduced cost base of the Share exceeds the capital proceeds from the disposal of that Share. Capital losses may only be offset against capital gains made by the Shareholder in the same income year or future income years. Broadly, the cost base and reduced cost base of a Share will be equal to the amount paid to acquire the Share (including certain other costs, such as incidental costs of acquisition and disposal).

Generally, all capital gains and losses made by a Shareholder for an income year, plus any net capital losses carried forward from an earlier income year, will need to be aggregated to determine whether the Shareholder has made a net capital gain or net capital loss for the year. A net capital gain is included in a Shareholder's assessable income whereas a net capital loss is carried forward and may be available to be offset against capital gains of later years (subject to the satisfaction of any applicable loss recoupment rules).

If a Shareholder is an individual, complying superannuation entity or trust, and has held the Share for at least 12 months or more before disposal of the Share, the Shareholder will be entitled to a "CGT discount" for any capital gain made on the disposal of the Share. Where the CGT discount applies, any capital gain arising may be reduced by 50% in the case of individuals and trusts, and by one-third in the case of complying superannuation entities. Shareholders that are companies are not entitled to a CGT discount.

Where the Shareholder is a trustee of a trust that has held the Share for at least 12 months or more before disposal, the CGT discount may flow through to the beneficiaries of that trust if those beneficiaries are not companies. Shareholders that are trustees should seek specific advice regarding the tax consequences of distributions to beneficiaries who may qualify for discounted capital gains after offsetting current year or prior year capital losses.

Tax file numbers

A Shareholder is not required to quote their tax file number (TFN) to iBuy. However, if TFN or exemption details are not provided, iBuy may be required to deduct Australian tax from certain distributions (other than fully franked dividends) at the maximum marginal tax rate plus the Medicare levy. A Shareholder that holds Shares as part of an enterprise may quote their Australian Business Number instead of their TFN.

Goods and Services Tax

Investors should not be liable for GST (GST) in respect of their acquisition or disposal of Shares. No GST should be payable by Shareholders on receiving dividends distributed by iBuy.

Stamp Duty

No Australian stamp duty should be payable by Shareholders in respect of their acquisition or disposal of their Shares. Individual Shareholders should obtain their own independent advice depending on their individual circumstances.

7.10 WHAT SHOULD YOU DO WITH ANY ENQUIRIES?

The Company expects to announce the final allocation policy under the Broker Firm Offer on or about 19 December 2013. For more information, call the iBuy Share Offer Information Line on 1300 295 246 or (03) 9415 4104 from 8:30am to 5:00pm (AEDST) Monday to Friday during the Broker Firm Offer period.

If you are unclear or uncertain as to whether iBuy is a suitable investment for you, you should seek professional guidance from your solicitor, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest.

7.11 UNDERWRITING ARRANGEMENTS

The Offer is fully underwritten by the Underwriter, Canaccord Genuity (Australia) Limited. The Underwriter and iBuy have entered into an Underwriting Agreement under which the Underwriter has been appointed as arranger, manager and underwriter of the Offer. The Underwriter has agreed, subject to certain conditions and termination events, to underwrite Applications for all Shares under the Offer.

The Underwriting Agreement sets out a number of circumstances under which the Underwriter may terminate the agreement and its underwriting obligations. A summary of certain terms of the agreement and underwriting arrangements, including the termination provisions, is provided in Section 9.5.

7.12 RESTRICTIONS ON DISTRIBUTION

No action has been taken to register or qualify this Prospectus, the Shares or the Offer or otherwise to permit a public offering of the Shares in any jurisdiction outside Australia.

This Prospectus does not constitute an offer or invitation to subscribe for Shares in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue under this Prospectus.

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This Prospectus may not be released or distributed in the United States or to or for the account or benefit of US Persons, and may only be distributed to persons to whom the Offer may lawfully be made in accordance with the laws of any applicable jurisdiction.

The Shares have not been, and will not be, registered under the US Securities Act 1933 and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act 1933 and any other applicable securities laws.

Each Applicant will be taken to have represented, warranted and agreed as follows:

- it understands that the Shares have not been, and will not be, registered under the US Securities Act 1933 or the securities law of any state of the United States and may not be offered, sold or resold in the United States, or to or for the account or benefit of US Persons, except in a transaction exempt from, or not subject to, registration under the US Securities Act 1933 and any other applicable securities laws;
- it is not in the United States or a US Person, and is not acting for the account or benefit of a US Person;
- it has not and will not send the Prospectus or any other material relating to the Offer to any person in the United States or to any person that is, or is acting for the account or benefit of, a US Person; and
- it will not offer or sell the Shares in the United States or to, or for the account or benefit of, any US Person or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration under the US Securities Act 1933 and in compliance with all applicable laws in the jurisdiction in which Shares are offered and sold.

Any offer, sale or resale of the Shares in the United States by a dealer (whether or not participating in the Offer) may violate the registration requirements of the US Securities Act 1933 if made prior to 40 days after the date on which the Offer Price is determined and the Shares are allocated under the Offer or if such Shares were purchased by a dealer under the Offer.

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act 1933 and applicable US state securities laws.

7.13 DISCRETION REGARDING THE OFFER

iBuy reserves the right not to proceed with the Offer at any time before settlement of the Offer. If the Offer does not proceed, Application Monies will be refunded. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offer.

iBuy and the Underwriter also reserve the right to close the Offer or any part of it early, extend the Offer or any part of it, accept late Applications or bids either generally or in particular cases, reject any Application or bid, or allocate to any Applicant or bidder fewer Shares than applied or bid for.

7.14 LISTING, REGISTERS AND HOLDING STATEMENTS

7.14.1 APPLICATION TO ASX FOR LISTING AND QUOTATION OF SHARES

An application was made to ASX on 29 November 2013 for iBuy to be admitted to the official list of ASX and for official quotation of the Shares on ASX.

The fact that ASX may admit iBuy to the official list is not to be taken as an indication of the merits of iBuy or the Shares offered for subscription. Official quotation of Shares, if granted, will commence on a normal settlement basis as soon as practicable after the issue of initial shareholding statements to successful Applicants.

If permission is not granted for the official quotation of the Shares on ASX within 3 months of the date of this Prospectus, all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

7.14.2 CHESSE AND HOLDING STATEMENTS

iBuy will apply for the Shares to participate in CHESSE. Applicants who are issued Shares under this Offer will receive shareholding statements, in lieu of share certificates, that set out the number of Shares issued to each successful Applicant.

The statement will also provide details of the Shareholder's HIN (in the case of a holding on the CHESSE sub-register) or SRN (in the case of a holding on the issuer-sponsored sub-register). Shareholders will be required to quote a HIN or SRN, as applicable, in all dealings with a stockbroker or the Share Registry. Further statements will be provided to Shareholders which will reflect any changes in the shareholding in iBuy during a particular month. Additional statements may be requested at any time, although iBuy reserves the right to charge a fee.

7.14.3 DEFERRED SETTLEMENT TRADING AND SELLING SHARES ON ASX

It is expected that trading of Shares on ASX (on a deferred basis) will commence on or about Friday, 20 December 2013. Trading will be on a deferred settlement basis until iBuy has advised ASX that holding statements have been dispatched to Shareholders. Normal settlement trading is expected to commence on or about Tuesday, 24 December 2013.

It is the responsibility of each person who trades in Shares to confirm their holding before trading. If you sell Shares before receiving a holding statement, you do so at your own risk. iBuy, the Share Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, if you sell Shares before receiving your holding statement, even if you obtained details of your holding from the Share Registry, the iBuy Share Offer Information Line or confirmed your firm allocation through a Syndicate Broker.

7.15 DESCRIPTION OF SHARES

The rights attaching to Shares are:

- set out in the Constitution; and
- in certain circumstances, regulated by the Corporations Act, Listing Rules, ASX Settlement Operating Rules and the general law.

The principal rights, liabilities and obligations attaching to the Shares are summarised below. This summary is not intended to be exclusive.

Introduction

The rights and liabilities attaching to ownership of Shares arise from a combination of the Constitution, statute, Listing Rules, Corporations Act and general law.

A summary of the significant rights attaching to the Shares and a description of other material provisions of the Constitution is set out below. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Shareholders. The summary assumes that iBuy is admitted to the official list of ASX.

Voting at a general meeting

At a general meeting of iBuy, every Shareholder present in person or by proxy, representative or attorney has one vote on a show of hands and, on a poll, one vote for each Share held.

Meetings of members

Each Shareholder is entitled to receive notice of, attend and vote at general meetings of iBuy and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, Corporations Act and Listing Rules.

Dividends

The Board may from time to time resolve to pay dividends to Shareholders and fix the amount of the dividend, the time for determining entitlements to the dividend and the timing and method of payment.

Transfer of Shares

Subject to the Constitution, Shares may be transferred by a proper transfer effected in accordance with ASX Settlement Operating Rules, by a written instrument of transfer which complies with the Constitution or by any other method permitted by the Corporations Act, Listing Rules or ASX Settlement Operating Rules.

The Board may refuse to register a transfer of Shares where the transfer is not in registrable form, iBuy has a lien over any of the Shares transferred, and where otherwise permitted to do so under the Corporations Act, Listing Rules or ASX Settlement Operating Rules. The Board must refuse to register a transfer of Shares when required by the Corporations Act, Listing Rules or ASX Settlement Operating Rules.

Issue of further Shares

Subject to the Corporations Act, Listing Rules and ASX Settlement Operating Rules and any rights and restrictions attached to a class of shares, iBuy may issue, or grant options in respect of further shares on such terms and conditions as the Directors resolve.

Winding up

If iBuy is wound up, then subject to any rights or restrictions attached to a class of shares, any surplus must be divided amongst iBuy's members in proportion to the number of shares held by them. The amount unpaid on shares held by a member is to be deducted from the amount that would otherwise be distributed to that member.

Unmarketable parcels

Subject to the Corporations Act, Listing Rules and ASX Settlement Operating Rules, iBuy may sell the Shares of a Shareholder who holds less than a marketable parcel of Shares.

Share buy-backs

Subject to the Corporations Act, Listing Rules and ASX Settlement Operating Rules, iBuy may buy back Shares in itself on terms and at times determined by the Board.

Variation of class rights

At present, iBuy's only class of shares on issue is ordinary Shares. Subject to the Corporations Act and the terms of issue of a class of shares, the rights attaching to any class of shares may be varied or cancelled:

- with the consent in writing of the holders of 75% of the issued shares included in that class; or
- by a special resolution passed at a separate meeting of the holders of those shares.

In either case, the holders of not less than 10% of the votes in the class of shares, the rights of which have been varied or cancelled, may apply to a court of competent jurisdiction to exercise its discretion to set aside such a variation or cancellation.

Dividend reinvestment plan

The Constitution authorises the Directors, on any terms and at their discretion, to establish a dividend reinvestment plan (under which any member may elect that the dividends payable by iBuy be reinvested by a subscription for securities).

Directors – appointment and removal

Under the Constitution, the minimum number of Directors that may comprise the Board is three and the maximum is fixed by the Directors but may not be more than nine unless the Shareholders pass a resolution varying that number. Directors are elected at annual general meetings of iBuy. Retirement will occur on a rotational basis so that no Director (excluding any managing director) holds office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected. The Directors may also appoint a Director to fill a casual vacancy on the Board or in addition to the Directors, who will then hold office until the next annual general meeting of iBuy.

Directors – voting

Questions arising at a meeting of the Board will be decided by a majority of votes of the Directors present at the meeting and entitled to vote on the matter. In the case of an equality of votes on a resolution where the number of directors voting is more than 2, the chairperson of the meeting has a casting vote.

Directors – remuneration

The Constitution provides that non-executive Directors are entitled to such remuneration as determined by the Directors but which must not exceed in aggregate the maximum amount determined by Shareholders at a general meeting.

Indemnities

iBuy, to the extent permitted by law, indemnifies each Director against any liability incurred by that person as an officer of iBuy or its related bodies corporate. iBuy, to the extent permitted by law, may pay, or agree to pay, a premium for a contract insuring a Director against any liability incurred by that person as an officer of iBuy or its related bodies corporate and legal costs incurred by that person in defending an action for a liability of that person.

iBuy, to the extent permitted by law, may enter into an agreement or deed with a Director or a person who is, or has been, an officer of iBuy or its related bodies corporate, under which iBuy must do all of the following:

- keep books of iBuy and allow either or both that person and that person's advisers access to those books on the terms agreed;
- indemnify that person against any liability incurred by that person as an officer of iBuy or its related bodies corporate and legal costs incurred by that person in defending an action for a liability of that person;
- make a payment (whether by way of advance, loan or otherwise) to that person in respect of legal costs incurred by that person in defending an action for a liability of that person; and
- keep that person insured in respect of any act or omission by that person while a Director or an officer of iBuy or its related bodies corporate, on the terms agreed (including as to payment of all or part of the premium for the contract for insurance).

Variation of the Constitution

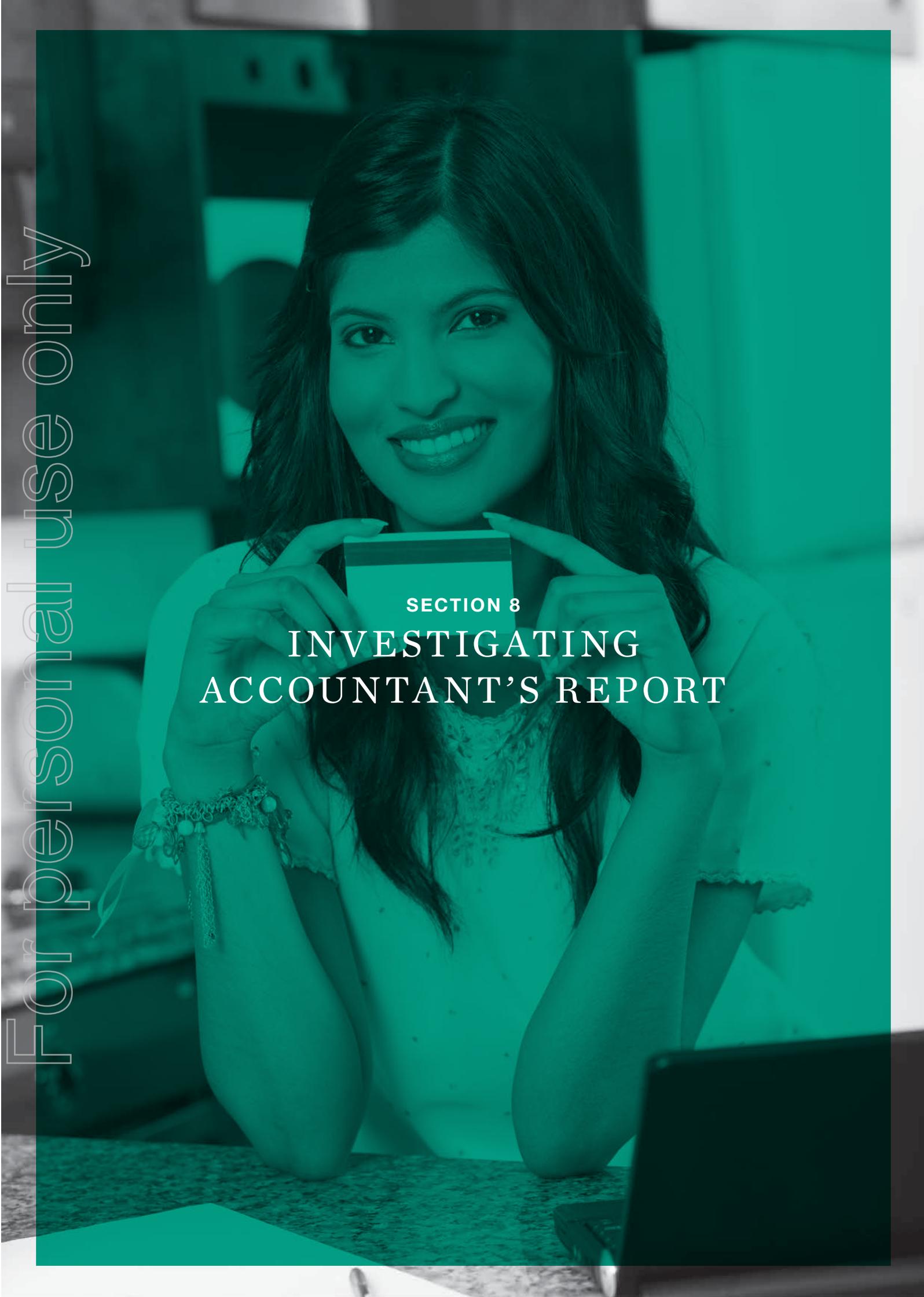
The Constitution can only be amended by special resolution passed by at least three-quarters of Shareholders present (in person or by proxy) and entitled to vote on the resolution at a general meeting of iBuy. iBuy must give at least 28 days written notice of a general meeting of iBuy members.

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SECTION 8
INVESTIGATING
ACCOUNTANT'S REPORT



The Directors
iBuy Group Limited
Level 3
70 Pitt Street
GPO Box 4231
SYDNEY NSW 2001

5 December 2013

Dear Directors

Subject: Investigating Accountant's Report on Financial Information and Financial Services Guide

We have been engaged by iBuy Group Limited (the **Company**) to report on certain financial information of the Company for inclusion in a prospectus dated on or about 5 December 2013 (the **Prospectus**) and relating to the issue of shares in the proposed initial public offering and listing of the Company on the Australian Securities Exchange (the **Offer**).

Expressions and terms defined in the Prospectus have the same meaning in this report.

The nature of this report is such that it can only be issued by an entity which holds an Australian financial services licence under the Corporations Act 2001. PricewaterhouseCoopers Securities Ltd, which is wholly owned by PricewaterhouseCoopers holds the appropriate Australian financial services licence under the Corporations Act 2001. This report is both an Investigating Accountant's Report, the scope of which is set out below, and a Financial Services Guide, as attached at Appendix A.

Scope

You have requested PricewaterhouseCoopers Securities Ltd review the following financial information of the Company (the responsible party) included in the Prospectus:

- a. Pro forma historical consolidated profit and loss statements for the years ended 31 December 2011 and 31 December 2012 and half year ended 30 June 2013 (**Pro forma Historical Consolidated Profit and Loss Statements**);
- b. Pro forma historical consolidated historical statement of cash flows for the years ended 31 December 2011 and 31 December 2012 and half year ended 30 June 2013 (**Pro forma Historical Consolidated Cash Flows**); and
- c. Pro forma historical consolidated balance sheet as at 30 June 2013 (**Pro forma Historical Consolidated Balance Sheet**),

In each case, which assumes completion of the proposed Offer

(collectively, the **Financial Information**)

PricewaterhouseCoopers Securities Ltd, ACN 003 311 617, ABN 54 003 311 617, Holder of Australian Financial Services Licence No 244572
Freshwater Place, 2 Southbank Boulevard, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au



The Financial Information set out in Section 4 of the Prospectus has been extracted from the consolidated financial statements of the Company in respect of the financial years ended 31 December 2011 and 31 December 2012, and half year consolidated financial statements of the Company in respect of the 6 month period to 30 June 2013.

The Financial Information incorporates such pro forma transactions and adjustments as the Directors considered necessary to present the Financial Information which assumes completion of the Offer (**Pro forma Transactions**). The Directors are responsible for the preparation of the Financial Information, including the determination of the Pro forma Transactions.

We have conducted our review of the Financial Information in accordance with Australian Auditing Standards applicable to review engagements. We made such inquiries and performed such procedures as we, in our professional judgement, considered reasonable in the circumstances including:

- an analytical review of the financial performance of the Company for the relevant historical periods;
- a review of work papers, accounting records and other documents, including where applicable some substantive procedures;
- a review of the adjustments made to the Financial Information;
- a review of the assumptions (which include the Pro forma Transactions) used to compile the Pro forma Balance Sheet;
- a comparison of consistency in application of the recognition and measurement principles under Australian Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies adopted by the Company as disclosed in Appendix A of the Prospectus, and
- enquiry of Directors, management and others.

Directors' responsibility

The directors of the Company are responsible for the preparation of the Financial Information, including its basis of preparation and the selection and determination of pro forma adjustments included in the Financial Information.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.



A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

Conclusions

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Financial Information of the Company, as described in section 4 of the Prospectus, and comprising:

- a. the Pro forma Historical Consolidated Profit and Loss Statements;
- b. the Pro forma Historical Consolidated Cash Flows; and
- c. the Pro forma Historical Consolidated Balance Sheet

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in section 4 of the Prospectus being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies.

Restriction on Use

Without modifying our conclusions, we draw attention to section 4 of the Prospectus, which describes the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, the Financial Information may not be suitable for use for another purpose.

Consent

PricewaterhouseCoopers Securities Ltd has consented to the inclusion of this assurance report in the Prospectus in the form and context in which it is included.

Liability

The liability of PricewaterhouseCoopers Securities Ltd is limited to the inclusion of this report in the Prospectus. PricewaterhouseCoopers Securities Ltd makes no representation regarding, and has no liability for, any other statements or other material in, or omissions from the Prospectus.

Independence or Disclosure of Interest

PricewaterhouseCoopers Securities Ltd does not have any interest in the outcome of the Offer other than the preparation of this report and participation in due diligence procedures for which normal professional fees will be received.



Financial Services Guide

We have included our Financial Services Guide as Appendix A to our report. The Financial Services Guide is designed to assist retail clients in their use of any general financial product advice in our report.

Emphasis of Matter

We draw attention to the Prospectus which set out that in preparing the Financial Information, only provisional amounts have been recognised for the fair values of acquired assets and liabilities in accordance with AASB3 Business Combinations.

Accordingly, the Financial Information does not necessarily contain all of the adjustments to the reported amounts of assets and liabilities that will be required to reflect their final fair values and in particular does not necessarily recognise the final fair value of identifiable intangible assets separately to goodwill. Consequently, the pro forma historic income statements of the Company include estimated depreciation and amortisation amounts based on the provisional amounts, and do not necessarily reflect the depreciation and amortisation charges that would be required had final fair value amounts been recognised.

Our opinion is not modified in respect of this matter.

Yours faithfully



Robert Silverwood
Authorised Representative of
PricewaterhouseCoopers Securities Ltd

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Appendix A – Financial Services Guide

PRICEWATERHOUSECOOPERS SECURITIES LTD

FINANCIAL SERVICES GUIDE

This Financial Services Guide is dated 5 December 2013

1. About us

PricewaterhouseCoopers Securities Ltd (ABN 54 003 311 617, Australian Financial Services Licence no 244572) (**PwCS**) has been engaged by iBuy Group Limited (the **Company**) to provide a report in the form of an Investigating Accountant's Report in relation to the issue of shares in the proposed initial public offering and listing of the Company on the Australian Securities Exchange (the **Report**) for inclusion in the prospectus dated 5 December 2013.

You have not engaged us directly but have been provided with a copy of the Report as a retail client because of your connection to the matters set out in the Report.

2. This Financial Services Guide

This Financial Services Guide (**FSG**) is designed to assist retail clients in their use of any general financial product advice contained in the Report. This FSG contains information about PwCS generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the Report, and how complaints against us will be dealt with.

3. Financial services we are licensed to provide

Our Australian financial services licence allows us to provide a broad range of services, including providing financial product advice in relation to various financial products such as securities, interests in managed investment schemes, derivatives, superannuation products, foreign exchange contracts, insurance products, life products, managed investment schemes, government debentures, stocks or bonds, and deposit products.

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4. General financial product advice

The Report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs.

You should consider your own objectives, financial situation and needs when assessing the suitability of the Report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

5. Fees, commissions and other benefits we may receive

PwCS has acted as Investigating Accountant and has prepared the Investigating Accountants' Report and has performed work in relation to due diligence enquiries. The Company has paid, or agreed to pay, approximately \$0.4m (excluding disbursements and GST) for the above services up until the Prospectus Date.

6. Associations with issuers of financial products

PwCS and its authorised representatives, employees and associates may from time to time have relationships with the issuers of financial products. For example, PricewaterhouseCoopers may be the auditor of, or provide financial services to, the issuer of a financial product and PwCS may provide financial services to the issuer of a financial product in the ordinary course of its business.

7. Complaints

If you have a complaint, please raise it with us first, using the contact details listed below. We will endeavour to satisfactorily resolve your complaint in a timely manner. In addition, a copy of our internal complaints handling procedure is available upon request.

If we are not able to resolve your complaint to your satisfaction within 45 days of your written notification, you are entitled to have your matter referred to the Financial Ombudsman Service (**FOS**), an external complaints resolution service. FOS can be contacted by calling 1300 780 808. You will not be charged for using the FOS service.

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8. Contact Details

PwCS can be contacted by sending a letter to the following address:

Robert Silverwood
Authorised representative
PricewaterhouseCoopers Securities Ltd

Freshwater Place
2 Southbank Boulevard
Southbank VIC 3006

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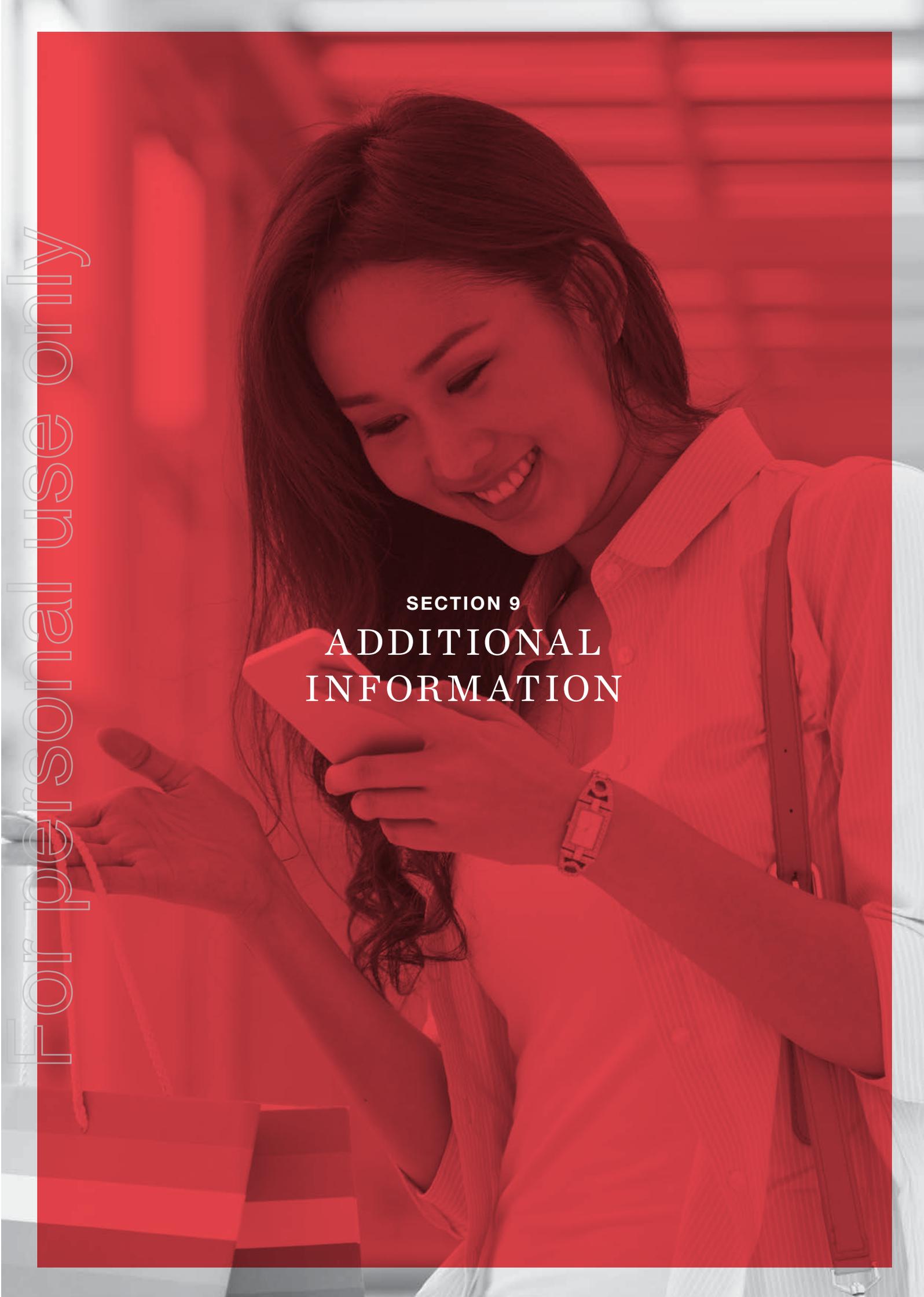
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SECTION 9
ADDITIONAL
INFORMATION

9.1 REGISTRATION

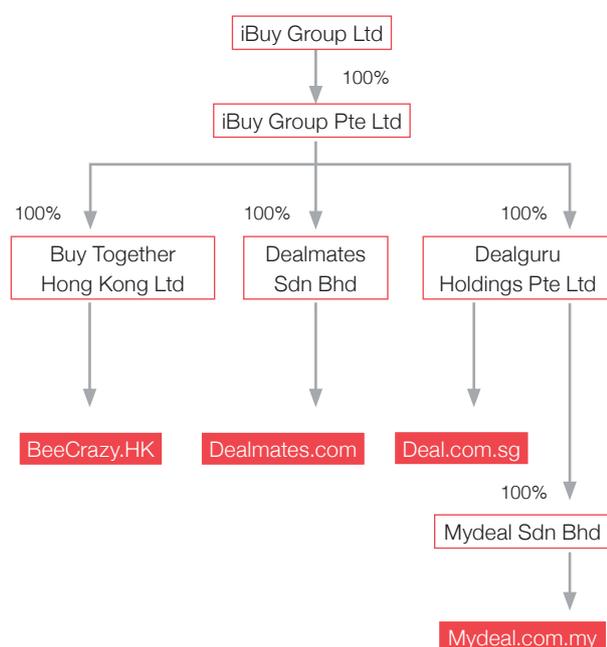
iBuy was registered in Victoria on 28 August 2013 as a public company.

9.2 COMPANY TAX STATUS

iBuy will be taxed in Australia as a public company.

9.3 CORPORATE STRUCTURE

The following diagram represents the corporate structure of iBuy on Listing.



9.4 MATERIAL CONTRACTS

The escrow positions of the Buy Together Seller, the Dealguru Sellers and the Convertible Note holders are described at Section 9.6.

9.4.1 BUY TOGETHER PURCHASE AGREEMENT

iBuy entered into a share sale agreement dated 21 October 2013 with the Buy Together Seller and Catcha Group pursuant to which the Buy Together Seller agreed to sell, and iBuy agreed to purchase, all the issued capital of Buy Together. Catcha Group agreed to guarantee the obligations of iBuy under the Buy Together Purchase Agreement. The Buy Together Purchase Agreement was amended on 18 November 2013 and the description below is of the agreement as amended.

The Buy Together Purchase Agreement is governed by the laws of Victoria, Australia.

Consideration

The fixed component of the consideration payable by iBuy comprises:

- USD\$8,400,000 payable in cash; and

- USD\$12,600,000 payable in Shares at the Offer Price (to be calculated by converting the USD amount into Australian dollars at the exchange rate shown on the website of the Reserve Bank of Australia fixed at 4:00pm (Melbourne time) on the business day before payment is required to be made and dividing this amount by the Offer Price).

Representations and warranties

The Buy Together Seller has provided certain standard representations and warranties to iBuy relating to the Buy Together shares being sold, including in relation to the company and its assets, its material contracts, intellectual property rights, taxation status, insurance arrangements, information technology systems, employees, solvency and corporate records.

Completion

The Buy Together Purchase Agreement will complete on the same day as Completion of the Offer. Title to and risk in the Buy Together shares will pass to iBuy on completion of the Buy Together Purchase Agreement.

Facility agreement

As a condition precedent to completion of the Buy Together Purchase Agreement, Catcha Group has entered into a loan facility agreement with Buy Together to extend an interest free loan of USD\$1,000,000 to Buy Together. Buy Together must draw down the loan in two funding portions, comprising:

- USD\$500,000 on the date of the loan facility agreement; and
- USD\$500,000 on the date falling two months after the date of the loan facility agreement (if Completion of the Offer has not occurred by this time).

The loan is repayable in full on Completion of the Offer.

9.4.2 DEALGURU PURCHASE AGREEMENT

iBuy entered into a share sale agreement dated 18 November 2013 with the Dealguru Sellers and Catcha Group pursuant to which the Dealguru Sellers agreed to sell, and iBuy agreed to purchase, all the issued capital of Dealguru. Catcha Group agreed to guarantee the obligations of iBuy under the Dealguru Purchase Agreement.

The Dealguru Purchase Agreement is governed by the laws of Victoria, Australia.

Consideration

The consideration payable under the Dealguru Purchase Agreement is USD\$23,280,000 in Shares at the Offer Price, plus cash consideration of USD\$11,000,000. iBuy will remit USD\$1,000,000 of this cash consideration directly to Dealguru in satisfaction of a liability of USD\$1,000,000 which will become owing by the Dealguru Sellers which arises from the sale of a business by Dealguru to the Dealguru Sellers. The business being sold by Dealguru is a food delivery business in which Dealguru has a significant shareholding. This business is not related to the Websites and is not a part of iBuy's future strategy or plans. Accordingly, iBuy has proposed, and the Dealguru Sellers have agreed, that the food delivery business will be sold back to the Dealguru Sellers. The sale will complete at the same time as completion of the Dealguru Purchase Agreement.

An additional amount of approximately USD\$400,000 is also expected to be payable by iBuy issuing Shares at the Offer Price, on the basis that the valuation of iBuy on Completion of the Offer (but excluding the Shares to be issued under the Offer) is expected to exceed USD\$70 million. The number of Shares to be issued at the Offer Price will be calculated by converting the USD amount payable into Australian dollars at the exchange rate shown on the website of the Reserve Bank of Australia fixed at 4:00pm (Sydney time) on the date that is two business days prior to the day that payment is required to be made and dividing this amount by the Offer Price.

Representations and warranties

The Dealguru Sellers have provided certain standard representations and warranties to iBuy relating to the Dealguru shares being sold, including in relation to the company and its assets, its material contracts, intellectual property rights, taxation status, insurance arrangements, information technology systems, employees, solvency and corporate records.

Completion

The Dealguru Purchase Agreement will complete on the same day as settlement of the Offer (ie. the business day before Completion of the Offer). Title to and risk in the Dealguru shares will pass to iBuy on completion of the Dealguru Purchase Agreement.

9.4.3 DEALMATES PURCHASE AGREEMENT

iBuy entered into a share sale agreement dated 1 November 2013 with the Dealmates Sellers (including Catcha Group) pursuant to which the Dealmates Sellers agreed to sell, and iBuy agreed to purchase, all the issued capital of Dealmates. The Dealmates Purchase Agreement was amended on 20 November 2013 and the description below is of the agreement as amended.

The Dealmates Purchase Agreement is governed by the laws of Victoria, Australia.

Consideration

The total consideration payable by iBuy under the Dealmates Purchase Agreement comprises USD\$10,000,000 in cash.

The consideration payable under the Dealmates Purchase Agreement is allocated amongst the Dealmates Sellers as follows. All amounts are in USD.

DEALMATES SELLERS	% SHAREHOLDING IN DEALMATES	TOTAL CONSIDERATION RECEIVED (\$USD)
Intel Capital Corporation	25.27%	\$4,325,000
Catcha Group	67.26%	\$5,107,500
Eggtag Malaysia Sdn Bhd	7.47%	\$567,500
TOTAL	100%	\$10,000,000

Intel Capital Corporation will receive a cash payment representing more than its percentage shareholding in Dealmates due to a contractual entitlement to an increased payout for an early liquidity event. The remaining cash consideration will be divided between Catcha Group and Eggtag Malaysia Sdn Bhd on a basis that represents each party's proportionate shareholding in Dealmates excluding Intel Capital Corporation's shareholding.

Representations and warranties

Catcha Group (as a key Dealmate Seller and operator of the business) has provided certain standard representations and warranties to iBuy relating to the Dealmates shares being sold, the company and its assets, including in relation to its material contracts, intellectual property rights, taxation status, insurance arrangements, information technology systems, employees, solvency and corporate records.

The other Dealmates Sellers have provided representations and warranties to iBuy relating to the Dealmates shares being sold as well as in respect of certain matters relating to themselves, including in relation to solvency and accuracy of information.

Completion

The Dealmates Purchase Agreement will complete on the same day as Completion of the Offer. Title to and risk in the Dealmates shares will pass to iBuy on completion of the Dealmates Purchase Agreement.

9.4.4 CONVERTIBLE NOTE AGREEMENTS

On 19 November 2013, the Company, Catcha Group, Patrick Grove and Lucas Elliott entered into Convertible Note Agreements by which:

- iBuy agreed to issue \$7 million worth of zero coupon, unsecured convertible notes to certain Institutional Investors (including Sam Weiss, a Director)⁷; and
- Catcha Group, Patrick Grove and Lucas Elliott agreed to guarantee repayment of the Convertible Notes.

The purpose of the issue of the Convertible Notes by the Company was to raise funds to pay costs associated with the Offer.

The Convertible Notes convert into 29,166,666 Shares on the same date as Completion of the Offer at an effective conversion price of \$0.24 per Share, equivalent to a 25% discount to the Offer Price.

The Company also granted certain Convertible Note holders the right to acquire Shares (at the Offer Price) under the Offer up to a value equivalent to the face value of the Convertible Notes they hold.

This Prospectus also provides disclosure for the purposes of the Shares to be issued on conversion of the Convertible Notes.

⁷ Convertible Notes were issued to Sam Weiss, a related party of the Company, on identical terms to those issued to unrelated third parties.

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9.5 ARRANGEMENTS WITH THE UNDERWRITER

9.5.1 UNDERWRITING AGREEMENT

The Offer is fully underwritten by the Underwriter pursuant to an Underwriting Agreement dated 25 November 2013 between iBuy and the Underwriter. Under the Underwriting Agreement, the Underwriter has agreed to arrange, manage and underwrite the Offer.

Commission, fees and expenses

iBuy has agreed to pay the Underwriter fees equal to:

- a management fee equal to 2% of the total proceeds of the Offer; and
- a selling fee equivalent to 2% of the proceeds of the Offer less the Application Monies received from certain specified Applicants; and
- an underwriting fee of 1% of the proceeds of the Offer less the Application Monies received from certain specified Applicants.

In addition to the fees described above, iBuy has agreed to reimburse the Underwriter for certain agreed costs and expenses incurred by the Underwriter in relation to the Offer.

The Lead Manager must pay any fees due to the Co-Manager and any other Syndicate Broker.

Termination events

The Underwriter may, at any time on or after lodgement of this Prospectus with ASIC and on or before the settlement date of the Offer, terminate the Underwriting Agreement (without any cost or liability to the Underwriter, by written notice to iBuy), if any of the following events occur:

- a statement in the Prospectus or other materials released by the Company is false, misleading or deceptive, including by omission, or does not comply with the Corporations Act or Listing Rules;
- the Company commits or is involved in any act, matter or thing which breaches the Corporations Act, the Listing Rules or the Constitution;
- the Company alters its share capital or Constitution without the consent of the Underwriter;
- ASIC makes, or applies for, a specified order under the Corporations Act, or holds, or gives notice that it will hold, a hearing or investigation under a specific provision of the *Australian Securities and Investments Commission Act (2001)* Cth, and such order, notice, hearing or investigation is not discontinued within 3 business days of it being commenced or made;
- ASIC prosecutes, or gives notice of an intention to prosecute, the Company or any of its officers, employees or agents in relation to the Offer;
- a person whose consent is required to be named in the Prospectus under the Corporations Act withdraws such consent;
- ASX does not grant, or withdraws, approval for the Listing of iBuy;
- a person gives a notice under section 730 of the Corporations Act;
- either the All Ordinaries Price Index, the S&P/ASX 200 Information Technology Index or the S&P/ASX 200 Consumer Discretionary Index closes on 3 consecutive

business days at a level that is 10% or more below the level at close of trading on the date on which the Underwriting Agreement was entered into;

- an insolvency event occurs in respect of the Company;
- there is a material adverse change in the assets or liabilities, financial position, profits or prospects of the Company;
- a certificate required to be given by the Company under the Underwriting Agreement is not given;
- iBuy withdraws the Offer; and
- any government agency commences or gives notice that it will commence an investigation, proceeding or hearing in relation to the Company.

Termination events subject to materiality

If any of the following events occur at any time and the Underwriter is of the reasonable opinion that the event: (i) is reasonably likely to give rise to a material liability of the Underwriter, or could give rise to the Underwriter contravening, or being considered to be in contravention of, any law; (ii) has or is reasonably likely to have a material adverse effect on the marketing, settlement or outcome of the Offer or the likely trading price of the Shares; or (iii) has resulted in, or is reasonably likely to result in a material adverse change in the financial position, performance or prospects of the Company, then the Underwriter may by written notice to iBuy immediately and without any cost or liability to the Underwriter terminate the Underwriting Agreement:

- any event specified in the Offer timetable is delayed by the Company by more than 3 business days without the prior written consent of the Underwriter;
- the Company fails to perform or observe any of its material obligations under the Underwriting Agreement;
- a supplementary prospectus is lodged with ASIC under the Corporations Act;
- the outbreak of hostilities not at present existing (in all cases whether war has been declared or not) involving any of the Commonwealth of Australia, New Zealand, the United Kingdom, the United States of America, European Union, Peoples Republic of China, Japan, Hong Kong, Singapore, Malaysia, Thailand or Indonesia;
- a representation or warranty made or given (or taken to have been made or given by the Company) under the Underwriting Agreement proves to have been untrue or incorrect in any material respect and the matters rendering the representation or warranty untrue in that respect are not remedied to the satisfaction of the Underwriter;
- there is introduced into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a law or any new regulation is made under any law, or a government agency adopts a policy, or there is any official announcement on behalf of the Government of the Commonwealth of Australia or any State or Territory of Australia or a government agency that such a law or regulation will be introduced or policy adopted (as the case may be);
- any statement in a certificate given under the Underwriting Agreement is untrue or incorrect in a material respect;
- any information supplied by or on behalf of the Company to the Underwriter in relation to the Company, the Shares or the Offer is misleading or deceptive;
- a change in the senior management or Directors of the Company occurs or is announced;

- any material contract of the Company is varied, terminated, rescinded or altered or amended without the prior consent of the Underwriter or any material contract is breached or found to be void or voidable; and
- any debt facility of the Company is terminated by the lender or amended in a material respect without the Underwriter's prior written consent.

Warranties

The Underwriting Agreement contains certain standard representations, warranties and undertakings by iBuy to the Underwriter relating to matters such as conduct by iBuy and information provided by iBuy in relation to the Prospectus and the Offer.

iBuy's undertakings include that it will not, during the period following the date of the Underwriting Agreement until 90 days after the settlement of the Offer, issue or agree to issue any Shares or securities without the consent of the Underwriter, subject to certain exceptions such as any proposed transaction described in this Prospectus.

Indemnity

Subject to certain exclusions relating to, among other things, gross negligence, fraud, or wilful misconduct of an indemnified party, iBuy agrees to keep the Underwriter and certain affiliated parties indemnified from losses suffered in connection with the Offer.

9.5.2 CONVERTIBLE NOTE AGREEMENT

The Underwriter will receive a fee of 5.0% of the total proceeds of \$7 million raised under the Convertible Note Agreements.

9.6 ESCROW ARRANGEMENTS

9.6.1 ESCROW ARRANGEMENTS

As a condition of Listing, ASX will classify certain Shares as restricted securities. Prior to Listing, certain Shareholders and Directors (and their related entities) will be required to enter into mandatory escrow restriction agreements in relation to Shares with iBuy.

SHAREHOLDER	SHARES SUBJECT TO ESCROW	% OF SHAREHOLDING SUBJECT TO ESCROW	DURATION OF ESCROW PERIOD
Catcha Group	88,924,936	100%	24 months from Listing
Buy Together Seller	42,270,531	100%	12 months from issue of the Shares
Dealguru Sellers	78,099,839	100%	12 months from issue of the Shares
Convertible Note holders (excluding Sam Weiss)	7,031,249	25%	12 months from issue of the Shares
Sam Weiss	1,041,667	100%	24 months from Listing

The effect of the mandatory escrow restriction agreements will be that the securities cannot be dealt with for the duration of the escrow period. Any Shares issued to Shareholders and Directors may also be classified by ASX as restricted securities and subject to restriction agreements.

9.6.2 RELEASE OF ESCROW

There are limited circumstances in which the escrow may be released, namely:

- to allow the holder to accept a takeover bid for iBuy in accordance with Chapter 6 of the Corporations Act provided that holders of not less than 50% of Shares not subject to escrow have then accepted the takeover bid; and
- to allow the escrowed Shares to be acquired under an amalgamation or scheme of arrangement or other reorganisation or acquisition of share capital under the Corporations Act.

9.7 ASX WAIVERS/ASIC RELIEF

No waivers of ASX Listing Rules or relief from the Corporations Act have been obtained by iBuy in connection with the Offer.

9.8 CONSENTS AND DISCLAIMERS OF RESPONSIBILITY

Written consents to the issue of this Prospectus have been given and, at the time of lodgement of this Prospectus with ASIC, had not been withdrawn by the following parties:

- Canaccord Genuity (Australia) Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Lead Manager and Underwriter to the Offer in the form and context in which it is named;
- Morgans Financial Limited has given, and has not withdrawn prior to lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Co-Manager to the Offer in the form and context in which it is named;
- Herbert Smith Freehills has given, and has not withdrawn prior to lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Australian legal advisor to the Company in relation to the Offer (excluding in relation to taxation) in the form and context in which it is named;
- PricewaterhouseCoopers Securities Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Investigating Accountant to the Company in relation to the Pro Forma Historical Consolidated Financial Information in the form and context in which it is named and has given and not withdrawn its consent to the inclusion in this Prospectus of its Investigating Accountant's Report in the form and context in which it is included;
- PricewaterhouseCoopers has given and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in the Prospectus as auditor of the Company;

- Frost & Sullivan (Australia) Pty Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Independent Market Expert to the Company in relation to the Offer in the form and context in which it is named and has given and not withdrawn its consent to the inclusion in this Prospectus of its Independent Market Report in the form and context in which it is included; and
- Computershare Investor Services Pty Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as the Share Registry in the form and context in which it is named. Computershare Investor Services Pty Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

No entity or person referred to above in Section 9.8 has made any statement that is included in this Prospectus or any statement on which a statement in this Prospectus is based, except as stated above. Each of the entities and persons referred to in this Section 9.8 has not authorised or caused the issue of this Prospectus, does not make any offer of Shares and expressly disclaims and takes no responsibility for any statements in or omissions from this Prospectus except as stated above in this Section 9.8.

9.9 LITIGATION AND CLAIMS

As far as the Directors are aware, there are no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which iBuy is directly or indirectly concerned which are likely to have a material adverse effect on the business or financial position of iBuy.

9.10 GOVERNING LAW

This Prospectus and the contracts that arise from the acceptance of the Applications and bids are governed by the law applicable in Victoria, and each Applicant or bidder for Shares under this Prospectus submits to the non-exclusive jurisdiction of the courts of Victoria.

9.11 STATEMENT OF DIRECTORS

This Prospectus is authorised by each Director of iBuy who has consented to its lodgement with ASIC and its issue.

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SECTION 10
GLOSSARY

GLOSSARY

TERM	MEANING
Applicant	a person applying for Shares under this Prospectus.
Application	the lodgement of an Application Form.
Application Form	the form of application for Shares attached to this Prospectus.
Application Monies	the Offer Price multiplied by the number of Shares applied for.
ASIC	Australian Securities & Investments Commission.
ASX	ASX Limited or the market operated by it, as the context requires.
ASX Recommendations	the ASX Corporate Governance Principles and Recommendations.
ASX Settlement Operating Rules	the operating rules of ASX Settlement Pty Limited ACN 008 504 532.
Board	the board of Directors of iBuy.
Broker	any ASX participating organisation selected by the Lead Manager and iBuy to be a broker to the Offer.
Broker Firm Applicant	a person who submits an Application under the Broker Firm Offer.
Broker Firm Offer	the invitation to Australian resident investors from a Syndicate Broker to acquire Shares offered under this Prospectus.
Buy Together	Buy Together Hong Kong Limited, a company incorporated in Hong Kong that operates the BeeCrazy.hk website.
Buy Together Seller	Middle Kingdom Capital Group, a company incorporated in the Cayman Islands.
Buy Together Purchase Agreement	the share sale agreement between the Buy Together Seller, Catcha Group and iBuy described at Section 9.4.1.
Catcha Group	Catcha Group Pte Ltd, a company incorporated in Singapore, which is owned by Directors Patrick Grove and Lucas Elliott.
CHESS	Clearing House Electronic Subregister System, operated in accordance with the Corporations Act.
Chairman	the chairman of the Board.
Chief Executive Officer	the chief executive officer of the Company.
Co-Manager	Morgans Financial Limited.
Company	iBuy Group Limited ACN 165 522 887.
Completion of the Offer	completion in respect of the allotment of Shares under the Offer.
Convertible Notes	the convertible notes issued under the Convertible Note Agreements.

TERM	MEANING
Convertible Note Agreements	the convertible note agreements described at Section 9.4.4.
Constitution	the constitution of iBuy.
Core Markets	Hong Kong, Singapore and Malaysia.
Corporations Act	the Corporations Act 2001 (Cth).
Dealguru	Dealguru Holdings Pte Ltd, a company incorporated in Singapore that operates the Deal.com.sg and Mydeal.com.my websites.
Dealguru Purchase Agreement	the share sale agreement between the Dealguru Sellers, Catcha Group and iBuy described at Section 9.4.2.
Dealguru Sellers	Patrick Linden, Jan Peter Croeni and Rebate Networks GmbH, a company incorporated in Germany.
Dealmates	Dealmates Sdn Bhd, a company incorporated in Malaysia that operates the Dealmates.com website.
Dealmates Purchase Agreement	the share sale agreement between the Dealmates Sellers, Catcha Group and iBuy described at Section 9.4.3.
Dealmates Sellers	Catcha Group (a related party of iBuy), Intel Capital Corporation, a company incorporated in Delaware and Eggtag Malaysia Sdn Bhd, a company incorporated in Malaysia.
Directors	the directors of iBuy.
Dollars or \$	Australian dollars unless otherwise specified.
e-Commerce	the sale or purchase of goods or services conducted over computer networks by methods specifically designed for the purpose of receiving or placing orders.
Exposure Period	the period commencing on the date of lodgement of this Prospectus with ASIC and ending seven days after lodgement, subject to any extension of the period by ASIC.
Flash Sales	a type of e-Commerce transaction that involves the sale of products and/or services via a website for a temporary period at prices which are generally discounted to the usual selling price.
FY	financial year.
Glossary	this glossary.
GDP	gross domestic product.
Gross Turnover	the total amounts (in dollars) collected from customers for products and services sold through iBuy's websites.
GST	goods and services tax or equivalent value added tax.
H1	the first 6 months of a financial year.

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TERM	MEANING
H2	the second 6 months of a financial year.
iBuy	iBuy Group Limited ACN 165 522 887.
iBuy Share Offer Information Line	as described in the Corporate Directory.
Independent Market Expert	Frost & Sullivan (Australia) Pty Limited.
Independent Market Report	the report of the Independent Market Expert set out in Section 2.
Institutional Investor	an investor to whom offers or invitations in respect of securities can be made without the need for a lodged prospectus.
Institutional Offer	the invitation to bid for Shares made to Institutional Investors in Australia and certain overseas jurisdictions (excluding the United States).
Investigating Accountant	PricewaterhouseCoopers Securities Ltd.
Investigating Accountant's Report	the report of the Investigating Accountant set out in Section 8.
Lead Manager	Canaccord Genuity (Australia) Limited.
Listing	quotation of the Shares on the official list of the ASX.
Listing Rules	the official listing rules of the ASX.
Offer	the invitation by iBuy to subscribe for Shares under the Prospectus comprising the Broker Firm Offer and the Institutional Offer.
Offer Price	\$0.32 per Share.
Original Prospectus	the prospectus dated 25 November 2013 in relation to the Offer, which is replaced by this Prospectus.
Pro Forma Historical Consolidated Financial Information	as defined at Section 4.2.
Purchase Agreements	the Buy Together Purchase Agreement, Dealguru Purchase Agreement and Dealmates Purchase Agreement.
Prospectus	this document dated 5 December 2013 which is a replacement prospectus and which replaces the Original Prospectus.
Share	an ordinary share in iBuy.
Shareholder	a shareholder of iBuy.
Shareholding	a Shareholder's holding of Shares.
Share Registry	Computershare Investor Services Pty Limited.
Syndicate Broker	the Lead Manager and Co-Manager and any other Broker to whom the Lead Manager and the Company have allocated a firm number of Shares under the Offer.

TERM	MEANING
Subsidiaries	as defined in the Corporations Act.
Underwriter	Canaccord Genuity (Australia) Limited.
Underwriting Agreement	the agreement between iBuy and the Underwriter described at Section 9.5.
United States	United States of America.
USD	United States dollar.
US Persons	a person resident in the United States.
Websites	the key websites to be acquired by the Company on completion of the Purchase Agreements, comprising: <ul style="list-style-type: none"> • BeeCrazy.hk, which operates in Hong Kong; • Deal.com.sg, which operates in Singapore; • Mydeal.com.my, which operates in Malaysia; and • Dealmates.com, which operates in Malaysia.

CORPORATE DIRECTORY

iBuy Group Limited

Suite 302, 70 Pitt Street
Sydney NSW 2000
www.ibuy-group.com

Lead Manager and Underwriter

Canaccord Genuity (Australia) Limited
Level 4, 60 Collins Street
Melbourne VIC 3000

Co-Manager

Morgans Financial Limited
Level 28, 367 Collins Street
Melbourne VIC 3000

Australian Legal Adviser to iBuy

Herbert Smith Freehills
101 Collins Street
Melbourne VIC 3000

Investigating Accountant

PricewaterhouseCoopers Securities Ltd
Freshwater Place, 2 Southbank Boulevard
Southbank VIC 3006

Auditor

PricewaterhouseCoopers
Freshwater Place, 2 Southbank Boulevard
Southbank VIC 3006

Share Registry

Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street
Abbotsford VIC 3067

iBuy Share Offer Information Line

1300 295 246 or
(03) 9415 4104

Hours of operation: 8.30am to 5.00pm (AEDST)
Monday to Friday during the Broker Firm Offer period.

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iBuy Group Limited

ACN 165 522 887

Need assistance?

Phone

(within Australia) 1300 295 246

(outside Australia) 03 9415 4104

Please return your completed form to your Syndicate Broker

Broker Firm Offer Application Form

Broker Firm Offer closes 5.00pm (Melbourne time) on 12 December 2013

Broker Firm Offer Applicants must contact their Syndicate Broker for information on how to submit this Broker Firm Offer Application Form and Application Monies. This Application Form relates to the Offer by iBuy Group Limited, made under the replacement prospectus ("Prospectus") dated 5 December 2013 (or any supplementary or replacement prospectus) issued by iBuy Group Limited

This Application Form is important. If you are in doubt as to how to deal with it, please contact your financial adviser or other professional adviser. You should read the entire Prospectus carefully before completing this Application Form. To meet the requirements of the Corporations Act, this Application Form must not be distributed unless included in, or accompanied by, the Prospectus. Capitalised terms have the meaning given to them in the Prospectus.

This Broker Firm Offer is not open to the general Public.

STEP 1

Shares applied for

Enter the number of Shares you wish to apply for. The Application must be for a minimum of 6250 Shares (\$2,000.00). Applications for greater than 6250 Shares must be in multiples of 3125 Shares (\$1,000.00). Enter the amount of the Application Monies. To calculate this amount, multiply the number of Shares applied for by the Offer Price which is \$0.32 per Share

STEP 2

Applicant name(s) and postal address

Enter the full name you wish to appear on the confirmation statement. This must be either your own name or the name of a company. Up to three joint Applicants may register. You should refer to the table overleaf for the correct forms of registrable title(s). Applications using the wrong form of names may be rejected. CHESS participants should complete their name identically to that presently registered in CHESS. Enter your postal address for all correspondence. All communications to you from the Share Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered. Enter your contact name and telephone number. This information may be used to communicate other matters to you. This is not compulsory but will assist us if we need to contact you.

STEP 3

CHESS Holdings Only

iBuy Group Limited will apply to ASX for the Shares to participate in CHESS, operated by ASX Settlement Pty Limited, a wholly owned subsidiary of ASX. In CHESS, iBuy Group Limited will operate an electronic CHESS subregister of holdings and an electronic issuer sponsored subregister of holdings. Together, the two subregisters will make up iBuy Group Limited's principal register of securities. iBuy Group Limited will not be issuing certificates to Applicants in respect of Shares allotted.

If you are a CHESS participant (or are sponsored by a CHESS participant) and you wish to hold Shares allotted to you under this Application on the CHESS subregister, enter your CHESS HIN.

Otherwise, leave the section blank and on allotment you will be sponsored by iBuy Group Limited and a "Securityholder Reference Number" ("SRN") will be allocated to you.

Please note that if you supply a CHESS HIN but the name and address details on your Application Form do not correspond exactly with the registration details held at CHESS, your Application will be deemed to be made without the CHESS HIN, and any Shares issued will be held on the issuer sponsored subregister.

STEP 4

Application payment

Applicants under the Broker Firm Offer must lodge their Application Form and Application Monies with the relevant Syndicate Broker in accordance with the relevant Syndicate Broker's directions in order to receive their firm allocation. Applicants under the Broker Firm Offer must not return this Application Form or Application Monies to the Share Registry.

Cheque(s) or bank draft(s) must be in Australian dollars and drawn on an Australian branch of an Australian bank, must be crossed 'Not Negotiable' and must be made payable in accordance with the directions of the Syndicate Broker from whom the Applicant received a firm allocation.

Lodgement instructions

There is no maximum value of Shares that may be applied for under the Broker Firm Offer. However, the iBuy Group Limited and the Lead Manager reserve the right to aggregate any Applications which they believe may be multiple Applications from the same person or reject or scale back any Applications in the Broker Firm Offer. iBuy Group Limited may determine a person to be eligible to participate in the Broker Firm Offer, and may amend or waive the Broker Firm Offer application procedures or requirements, in its discretion in compliance with applicable laws.

The Broker Firm Offer opens at 8.30 am (Melbourne time) on 6 December 2013 and is expected to close at 5.00 pm (Melbourne time) on 12 December 2013. iBuy Group Limited and the Lead Manager may elect to extend the Offer or any part of it, or accept late Applications either generally or in particular cases. The Broker Firm Offer, or any part of it, may be closed at any earlier date and time, without further notice. Your Syndicate Broker may also impose an earlier closing date. Applicants are therefore encouraged to submit their Applications as early as possible. Please contact your Syndicate Broker for instructions.

Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited (CIS), as Share Registry for the iBuy Group Limited for the purpose of maintaining registers of securities and facilitating payments and other corporate actions and communications. Your personal information may be disclosed to related bodies corporate of CIS, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act, you may be sent material (including marketing material) approved by iBuy Group Limited in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this Application Form or e-mail privacy@computershare.com.au.

