



ASX Market Announcements Office
20 Bridge Street
SYDNEY NSW 2000

2 April 2014

Acquisition of Flash Sales Business and \$30 Million Entitlement Offer Announcement

Attached is a copy of iBuy Group Limited's Announcement: 'iBuy To Acquire South East Asian Flash Sales Business and Announces \$30 Million Pro Rata Accelerated Renounceable Entitlement Offer'.

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iBUY TO ACQUIRE SOUTH EAST ASIAN FLASH SALES BUSINESS AND \$30 MILLION PRO RATA ACCELERATED RENOUNCEABLE ENTITLEMENT OFFER

Melbourne, Wednesday, 2 April 2014 – iBuy Group Limited (**iBuy**) today announced that it will acquire the South East Asia flash sales businesses of Living Social Inc (**LS SEA Business**), providing it entry into leading positions in the Thailand, Philippines and Indonesian markets (**Acquisition**). iBuy will also be undertaking a fully underwritten 5 for 27 pro rata accelerated renounceable entitlement offer (with retail entitlements trading) (**Entitlement Offer**) of new iBuy ordinary shares (**New Shares**) to raise gross proceeds of approximately \$30 million at a price of \$0.45 per New Share (**Offer Price**). The purchase price for the acquisition will be US\$18.5 million, payable in cash.

The LS SEA Business is comprised of leading flash sales websites operated under the Ensogo.com brand in Thailand and the Philippines, and under the LivingSocial brand in Malaysia and Indonesia. The combined operations have over 4.1m subscribers, had gross turnover¹ of approximately A\$55 million in 2013 and address a combined population in excess of 450 million people in their markets.

iBuy will use the proceeds from the Entitlement Offer principally to satisfy the purchase price. iBuy will also use proceeds to integrate, develop and grow the businesses acquired and pay for the costs of the Acquisition and Entitlement Offer.

iBuy's acquisition of the LS SEA Business is expected to provide iBuy with significantly increased market share in its target markets, along with leading positions in new, high growth markets in the region. iBuy also expects to have access to a significant number of new suppliers, and to be able to generate potential synergies through leveraging its existing expertise, supply chain, product sourcing, distribution and technological capabilities across the acquired businesses.

iBuy Chairman Patrick Grove said: "We are extremely excited by the acquisition of the LS SEA Business. Not only does this allow us to further consolidate market share in Malaysia, more significantly we will now enter Thailand, Indonesia and Philippines with excellent positions via well-established businesses. This provides iBuy with a broad, powerful geographic footprint and access to a tremendous market opportunity as e-Commerce grows throughout the South East Asian region."

iBuy CEO Patrick Linden said: "In the short time since our IPO in December of 2013, the team has made tremendous progress. This acquisition provides us an even greater possibility of realising the ambitious growth plans and vision we have of becoming Asia's leading e-Commerce company specialising in flash sales. We cannot wait to bring our capabilities and expertise to bear in driving the acquired businesses, and iBuy at large, forward in these exciting, high growth markets."

ENTITLEMENT OFFER

The Entitlement Offer comprises a pro rata accelerated institutional entitlement offer and a retail entitlement offer, which includes the ability for eligible retail shareholders to trade retail entitlements on market.

The key details of the Entitlement Offer are:

- fully underwritten 5 for 27 pro rata accelerated renounceable entitlement offer to raise gross proceeds of approximately \$30 million
- Offer Price of \$0.45 per New Share
- retail entitlements may be traded on market from Monday, 7 April 2014 to Wednesday 23 April 2014

¹ Gross turnover is the total amount collected from customers for products and services sold through LS SEA Business and iBuy's websites. It is not a measure of revenue.

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The Offer Price of \$0.45 per New Share represents a discount of:

- 14.4% to the Theoretical Ex-Rights Price (TERP)²; and
- 16.7% to iBuy's last closing share price on Tuesday, 1 April 2014, being the last trading day prior to this announcement.

Under the Entitlement Offer, eligible shareholders are invited to subscribe for 5 New Shares for every 27 existing iBuy shares (**Entitlement**) held as at 7pm (Sydney time) on Monday, 7 April 2014 (**Record Date**).

New Shares will be fully paid and rank equally in all respects with existing iBuy ordinary shares from allotment.

The Entitlement Offer is fully underwritten by Canaccord Genuity (Australia) Limited.

Institutional Entitlement Offer

Eligible institutional shareholders will be invited to participate in the institutional entitlement offer, which will take place from Wednesday, 2 April 2014 to Thursday, 3 April 2014 (**Institutional Entitlement Offer**). Eligible institutional shareholders can choose to take up all, part or none of their Entitlement. Institutional Entitlements cannot be traded on market.

Institutional Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and institutional Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be sold through an institutional shortfall bookbuild on Friday, 4 April 2014. Any proceeds from the sale of institutional Entitlements under the institutional shortfall bookbuild in excess of the Offer Price will be remitted proportionally to those institutional shareholders, less any applicable withholding tax. There is no guarantee that there will be any proceeds remitted to those institutional shareholders.

Retail Entitlement Offer

Eligible retail shareholders will be invited to participate in the retail entitlement offer at the same Offer Price and offer ratio as the Institutional Entitlement Offer (**Retail Entitlement Offer**). The Retail Entitlement Offer will open on Monday, 14 April 2014 and close at 5pm (Sydney time) on Thursday, 1 May 2014.

Eligible retail shareholders will be allotted Entitlements. If they do not wish to take up all or part of their Entitlements, they can seek to sell all or part of their Entitlements on market or by transferring them directly to another person in order to realise value for those Entitlements ahead of the retail shortfall bookbuild. Retail Entitlements can be traded on market from Monday, 7 April 2014 to Friday, 11 April 2014 on a deferred settlement basis and from Monday 14 April 2014 to Wednesday, 23 April 2014 on a normal settlement basis.

Retail Entitlements that are not taken up by the close of the Retail Entitlement Offer and Entitlements that would otherwise have been offered to ineligible retail shareholders will be sold through the retail shortfall bookbuild on Tuesday, 6 May 2014.

Any proceeds from the sale of Entitlements under the retail shortfall bookbuild in excess of the Offer Price will be remitted proportionally to those retail shareholders, less any applicable withholding tax. There is no guarantee that there will be any proceeds remitted to those retail shareholders.

² TERP is the theoretical price at which iBuy shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which iBuy Shares will trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to iBuy's closing price on 1 April 2014.



Eligible retail shareholders wishing to participate in the Retail Entitlement Offer should carefully read the retail offer booklet and an accompanying personalised entitlement and acceptance form, which will be despatched on Friday, 11 April 2014. Copies of the retail offer booklet will be available on the iBuy website at www.ibuy-group.com from Friday, 11 April 2014.

The retail Entitlements may only be exercised by eligible retail shareholders, being shareholders with addresses in Australia or New Zealand and certain categories of investors in Singapore, Malaysia, the Cayman Islands and Germany. Persons in the United States and persons acting for the account or benefit of a person in the United States will not be eligible to purchase or trade Entitlements on market, or take up or exercise Entitlements purchased on market or transferred from another person.

It is the responsibility of purchasers of Entitlements to inform themselves of the eligibility criteria for exercise. If holders of Entitlements after the end of the trading period do not meet the eligibility criteria, they will not be able to exercise the Entitlements. In the event that holders are not able to take up their Entitlements, those Entitlements will be sold into the retail shortfall bookbuild and holders may receive no value for them.

Further details on eligibility criteria to exercise Entitlements will be included in the retail offer booklet.

ENTITLEMENT OFFER TIMETABLE

The timetable below is indicative only and may be subject to change. iBuy reserves the right to amend any or all of these dates and times without notice subject to the *Corporations Act 2001* (Cth), the ASX Listing Rules and other applicable laws. In particular, iBuy reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares.

Timetable

Event	Date
Trading halt commences	Wednesday, 2 April 2014
Institutional Entitlement Offer Opens	Wednesday, 2 April 2014
Institutional Entitlement Offer closes	Thursday, 3 April 2014
Institutional shortfall bookbuild	Friday 4 April 2014
Trading halt lifted, existing shares recommence trading	Monday, 7 April 2014
Retail Entitlements commence trading on deferred settlement basis	Monday, 7 April 2014

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Event	Date
Record date	7.00pm, Monday, 7 April 2014
Retail Entitlement Offer booklet despatched,	Friday, 11 April 2014
Retail Entitlement Offer opens	Monday, 14 April 2014
Retail Entitlements commence trading on normal settlement basis	Monday, 14 April 2014
Settlement of Institutional Entitlement Offer	Monday, 14 April 2014
Allotment and quotation of New Shares issued under the Institutional Entitlement Offer	Tuesday, 15 April 2014
Retail Entitlements trading on market ends	Wednesday, 23 April 2014
New shares under Retail Entitlement Offer commence trading on deferred settlement basis	Thursday, 24 April 2014
Retail Entitlement Offer closes	5.00pm, Thursday, 1 May 2014
Retail shortfall bookbuild	Tuesday, 6 May 2014
Settlement of Retail Entitlement Offer	Friday, 9 May 2014
Allotment of New Shares issued under the Retail Entitlement Offer	Monday, 12 May 2014
New Shares under Retail Entitlement Offer commence trading on a normal settlement basis	Tuesday, 13 May 2014
Despatch of holding statements	Wednesday, 14 May 2014
Retail premium (if any) despatched	Thursday, 15 May 2014

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iBuy Group Limited (ASX: IBY)

Listed on the Australian Securities Exchange, iBuy Group Limited owns and operates a network of leading e-commerce websites. Headquartered in Singapore with operations in Malaysia and Hong Kong, iBuy Group sells discounted branded consumer products online through websites Beecrazy.hk, Deal.com.sg, MyDeal.com.my and Dealmates.com, and connects over 138 million consumers to retailers by providing 'best price' volume discounts on a wide variety of goods. iBuy Group's vision is to create Asia's leading portfolio of e-Commerce businesses.

Shareholder Enquiries

Eligible retail shareholders will be sent further details about the Retail Entitlement Offer via a shareholder letter to be despatched on or around Thursday, 3 April 2014 and a retail offer booklet to be lodged with ASX on Friday, 11 April 2014 and despatched on or around Friday, 11 April 2014.

Retail shareholders who have questions relating to the Retail Entitlement Offer should call iBuy's registry on 1300 435 821 (within Australia) or +61 3 9415 4300 (outside Australia) from 8.30am to 5.30pm (Sydney time) Monday to Friday.

Further information in relation to the Entitlement Offer described in this announcement is set out in an investor presentation which iBuy has lodged with ASX today. The investor presentation contains important information including key risks, key assumptions relating to certain forward-looking information in this announcement and foreign selling restrictions with respect to the Entitlement Offer.

Important information

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action on the basis of the information.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This release does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of New Shares in any jurisdiction outside Australia. In particular, neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be exercised or taken up by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of persons in the United States unless they are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

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