

## ASX Announcement

5 December 2017

### Invigor Strengthens Balance Sheet

- **Capital raised \$732,000 with Options giving potential total raise of \$1.1M**
- **Additional \$600,000 cost reduction program initiated**
- **Board has agreed to seek offers for Condat's smart media business**
- **These initiatives give financial flexibility to scale up solutions for retail and commerce using data**
- **IVO has multiple near-term value drivers**

Leading big data solutions company **Invigor Group Limited (ASX: IVO)** ("Invigor", "the Company") is pleased to report that it has significantly strengthened its balance sheet and will streamline its current operations to emerge as a more focused solutions company focussed on retail and commerce using data.

#### **Successful completion of capital raising**

Invigor confirms that it has raised \$732,000 by completing a \$458,250 placement with the issue of 65,464,285 new fully paid ordinary shares at \$0.007 per share, using available capacity under ASX Listing Rule 7.1. Further, the Board and related parties have agreed to subscribe \$273,750 with the issue of 39,107,142 fully paid ordinary shares at \$0.007 per share, subject to shareholder approval. The new shares will be issued on the same terms as existing fully paid shares on issue. For every two new shares issued, investors will, subject to shareholder approval, receive a free attaching option exercisable at \$0.007 by 28 February 2018.

A shareholder meeting approving the issue of shares and options to the directors and related parties and the issue of the options to unrelated parties will be held early in 2018.

Funds raised will be used predominantly for marketing and working capital purposes and to support the growth of new customer contracts in Australia, Asia and Europe. Invigor's bidding pipeline is healthy and conversion of tenders into new contracts are now materialising more rapidly, as witnessed with recent wins such as Asahi and Accolade Wines.

#### **Cost reduction program underway**

Invigor's financial position has also been strengthened through a new cost reduction program now underway that has identified annualised cost savings of \$600,000. Reductions in headcount and office costs are delivering these savings and will see Invigor's cost base right-sized.

#### **Proposed divestment of Condat's media division**

Invigor's Board has taken the decision to divest the smart media solutions operations of German software solutions business, Condat AG. Invigor plans to retain Condat's Skyware delivery and workforce management software business which has significant unlocked potential. This decision is in line with establishing Invigor as a product company focussed on retail and commerce using data in Australia, Asia and Europe.

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### **Management Commentary**

Invigor CEO Gary Cohen commented: “As the demand for big data solutions and analytics grows, particularly with the emergence of Amazon and its impact on the broader retail sector, it is imperative that we scale up Invigor’s operations so we capture more market share and establish the business as market leader. The recent contracts secured with leading global brands demonstrate that we are achieving this.

“The initiatives that we have taken to strengthen Invigor’s financial position will underpin our growth. Greater investment in sales and marketing activities is expected to generate more revenue-generating contracts which are being converted from our growing tender pipeline.

“The decision to divest Condat’s smart media division makes better commercial sense for Invigor. We are encouraged by the level of interest in the business and will assess offers received. Condat’s Skyware solution which optimises deliveries and remote workforce utilisation will be retained. This business has solid recurring revenue and a growing pipeline with significant potential to assist eCommerce deliveries.”

– ENDS –

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### **About Invigor Group Limited**

Invigor Group (ASX: IVO) uses its complementary suite of big data products to source, aggregate, analyse and publish content for the benefit of businesses and consumers.

Today its interconnected data sets enable enterprise clients including retailers, brands, shopping centres and government bodies to identify and better understand competitors, consumers, markets and demographics while providing the consumer with the best value-for-money.

Using its current products and a pipeline of additional offerings Invigor will have the ability to provide an end-to-end solution spanning sales, product management, business intelligence, marketing, advertising, content creation and distribution, while monetising each step of the process.