

ASX Announcement

30 January 2017

Appendix 4C

Invigor delivers strong quarterly performance with customer receipts up approximately 42%

- Receipts from customers up ~42% quarter-on-quarter to \$2.9 million
- Insights business delivered pleasing growth with multiple new contract wins across key sectors
- SpotLite market intelligence platform for SMEs launched
- Condat business performing well and payment of deferred consideration completed
- Cost base reduced by over \$1m on an annualised basis.
- IVO receives funding commitments of \$4.5 million to drive future growth

Leading big data solutions company Invigor Group Limited (ASX: IVO) (“Invigor”) has released its Appendix 4C for the quarter ended 31 December 2016. The Company performed well during the period delivering on a number of key metrics.

Receipts from customers was up approximately 42% to \$2.90 million (prior quarter: \$2.04 million) reflecting significant revenue growth from both the Insights business and an improved performance from Condat.

The Insights business secured a number of new contracts in the Retail, Events, and Tourism sectors. The division is well underpinned by growing recurring revenue streams and a strengthening tender pipeline.

Condat is also performing to expectations with a major contract increasing threefold in value during the quarter, and other contracts contributing to the business’ stable revenue base. Invigor also finalised all deferred share payments to the Condat vendors, resulting in the Company securing 100% ownership of the business.

In mid-December, Invigor successfully launched the SME market intelligence platform SpotLite. The SaaS platform is expected to start generating revenue from February onwards and represents a major new growth platform for the Company.

During the quarter the Company took a number of cost reduction measures including closing of the Chennai office. As a result the Company will benefit from these savings estimated over \$1 million in the next 12 months.

Invigor is also pleased to advise that, post December 31 2016, it has secured a \$2 million financing facility with a major US technology fund and is currently finalising the documentation. This brings the total of the

new financing facility, announced on November 15 2016, to over \$4.5 million. The Company will advise the market the details of this facility when it is finalised in the next week.

This new funding and Invigor's growing revenue base gives the Company the necessary financial flexibility to accelerate growth from the current quarter onwards.

The Company will update shareholders on operational and corporate progress as key developments materialise.

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<https://twitter.com/InvigorGroup>

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.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

Invigor Group Limited

ABN

75 081 368 274

Quarter ended ("current quarter")

31 December 2016

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from customers	2,907	9,479
1.2 Payments for	-	-
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(42)	(252)
(d) leased assets	-	-
(e) staff costs	(2,559)	(9,037)
(f) administration and corporate costs	(1,403)	(6,356)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	6
1.5 Interest and other costs of finance paid	(142)	(389)
1.6 Income taxes paid (refund received)	-	-
1.7 Government grants and tax incentives	-	985
1.8 Other (provide details if material)	-	-
1.9 Net operating cash flows	(1,240)	(5,564)
2 Cash flows related to investing activities		
2.1 Payment for acquisition of:		
(a) physical non-current assets	(3)	(44)
(b) businesses (item 10)	(970)	(970)
(c) equity investments	(34)	(34)
(d) intellectual property	-	-
(e) other non-current assets - convertible notes acquired	-	-
2.2 Proceeds from disposal of:		
(a) physical non-current assets	(2)	(2)
(b) businesses (item 10)	-	-
(c) equity investments	140	140
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Loans to other entities	1	1
2.3 Loans repaid by other entities	-	(15)
2.4 Dividends Received	-	-
2.5 Other - Distribution received from Kit Digital Inc	-	725
2.6 Net investing cash flows	(868)	(199)

Cash flows related to financing activities		
3.1	Proceeds from issues of shares, options, etc. (net of transaction costs offset)	2,448
3.2	Proceeds from issue of convertible notes	-
3.3	Proceeds from exercise of share options	-
3.4	Transaction Costs related to issues of shares, con notes or options	(104)
3.5	Other - borrowings from director related parties	185
3.6	Other - repayment of borrowings from director related parties	(680)
3.7	Transaction Costs related to loans and borrowings	(5)
3.8	Dividends paid	-
3.9	Other - Repayment of Debts, Con Notes and Borrowings	3,609
3.10	Net financing cash flows	2,683
4	Net increase (decrease) in cash and cash equivalents for the period	
4.1	Cash and cash equivalents at beginning of quarter/year to date	952
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(5,564)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(199)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,453
4.5	Effect of movement in exchange rates on cash held	
4.6	Cash at end of quarter	642

5 Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts

	Current quarter \$A'000	Previous quarter \$A'000
5.1	642	67
5.2	-	-
5.3	-	-
5.4	-	-
5.5	642	67

6 Payments to directors of the entity and associates of the directors

	Current quarter \$A'000
6.1	442
6.2	-
6.3	Explanation necessary to understand the transactions included in items 6.1 and 6.2
	Includes payments made under service agreements to entities associated with Gary Cohen and payment of directors' fees and executive directors' remuneration

7 Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
7.1	-
7.2	-
7.3	Explanation necessary to understand the transactions included in items 7.1 and 7.2
	Includes payments made under service agreements to entities associated with Gary Cohen and payment of directors' fees and executive directors' remuneration

8 Financing facilities available

- 8.1 Loan facilities
- 8.2 Credit standby arrangements
- 8.3 Other (please specify)
- 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
4,419	3,713
-	
-	

National Australia Bank - 10.3% Interest Bearing AUD\$100,000 Secured Overdraft Facility
Berliner Sparkasse - 9.5% p.a. EUR350,000 Unsecured Loan
Berliner Sparkasse - 4.75% p.a. EUR250,000 Unsecured Loan
Berliner Volksbank - 9.5% p.a. EUR80,000 Overdraft facility unsecured
Buro am Draht - 5.0% Interest Bearing EUR120,000 Unsecured Loan
Marcel Equity Pty Ltd - 10.3% (entity associated with Gary Cohen and Gregory Cohen) - Interest Bearing AUD\$1,000,000 Unsecured Loan
Hermann Loan - 9% p.a. EUR1,000,000 Loan Facility
R&D Capital Partners - 15% p.a. Interest Bearing AUD\$700,000 Secured Loan

9 Estimated cash outflows for next quarter

- 9.1 Research and development
- 9.2 Product manufacturing and operating costs
- 9.3 Advertising and marketing
- 9.4 Leased assets
- 9.5 Staff costs
- 7.2 Administration and corporate costs
- 7.2 Other (provide details if material)

\$A'000
-
-
(110)
-
(2,162)
(900)
-

10 Acquisitions and disposals of business entities

- 10.1 Name of entity
- 10.2 Place of incorporation or registration
- 10.3 Consideration for acquisition or disposal

10.4 Total net assets

10.5 Nature of business

Acquisitions	Disposals
Condat AG	
Germany	
\$970,000 - Representing the deferred cash consideration agreed on for the acquisition of Condat AG in November 2015	
(\$1,661,000) - The net asset value of Condat AG was revised following the completion of the 2015 IFRS audit	
Smart media and digital solutions	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with ASX Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



Gregory Cohen, Director

Date: