

## ASX Announcement

22 July 2014

### Business Update

Invigor Group Limited (ASX: IVO) ("Invigor") has released the accompanying Business Update presentation providing additional information on the business plan of the Company following the recently announced completed and proposed acquisitions and investments.

For further information, please contact:

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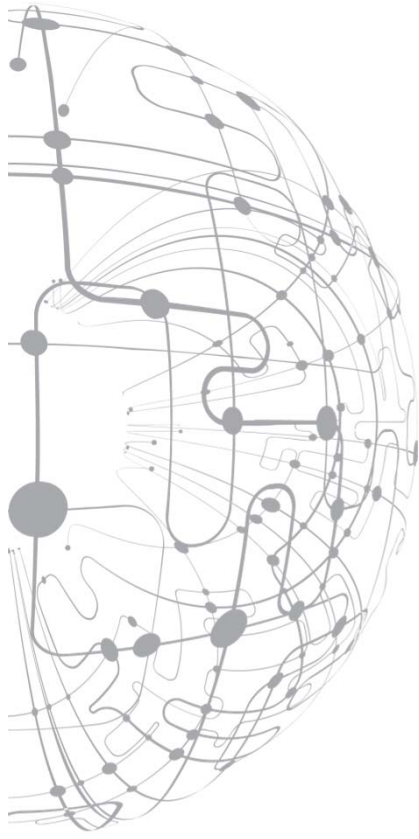
### About Invigor Group Limited

Invigor Group is a leading information technology and digital solutions company. It specialises in innovative business intelligence, big data solutions which are supported by strategic consulting, development and marketing services. Invigor delivers its products and services across a broad range of industries including: consumer electronics, automotive, financial and insurance, pharmaceuticals, apparel and home wares.



**Delivering business intelligence  
to create value from data**

Business Update - 22 July 2014



**Invigor Group** delivers business

# **intelligence and insights**

through a range of products,  
services and digital infrastructure.

Delivering business intelligence to create value from data



## Invigor digital solutions experience and expertise

- Founded in 1997
- Specialises in
  - innovative business intelligence and insights, customised to our clients' needs to solve a variety of B2B and B2C problems
  - delivering solutions which are supported by strategic consulting, development and marketing services
- Works within a range of industries, including:
  - Consumer electronics
  - Automotive
  - Financial and insurance
  - Pharmaceuticals
  - Apparel
  - Home wares



Our vision is to leverage the strength  
of these two growing markets



# What is big data?

Or as we like  
to call it...

**business  
insights**

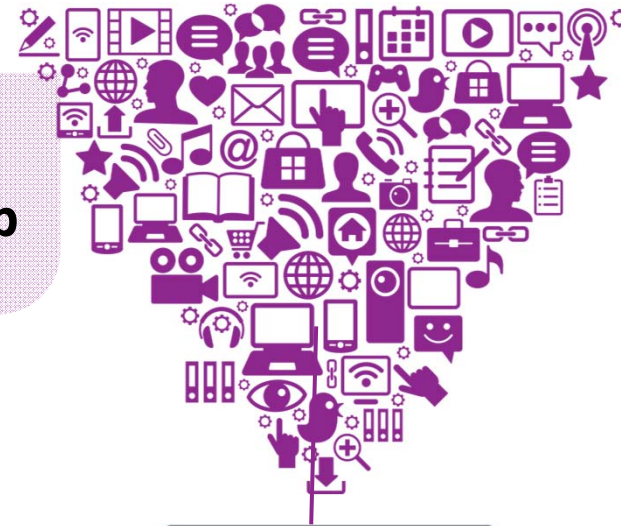




A large heart shape composed of various colorful icons representing technology, communication, and social media, symbolizing digital connectivity. The icons include a smartphone, Wi-Fi symbol, play button, speech bubble, people icons, exclamation mark, calendar, video player, speech bubble with signal, gear, share icon, globe, heart, envelope, tablet with cursor, game controller, Twitter bird, padlock, laptop, star, magnifying glass, plus sign, speech bubble with checkmark, speech bubble with list, person icon, smartphone, laptop, shopping cart, megaphone, house icon, globe, briefcase, musical note, video camera, headphones, smartphone, smartphone, speech bubble with smiley face, exclamation marks, eye, speech bubble with plus, speech bubble with magnifying glass, and a download arrow. A thick black line extends from the left side of the heart shape.



**using  
this business  
intelligence we develop  
powerful analytics**



Delivering business intelligence to create value from data

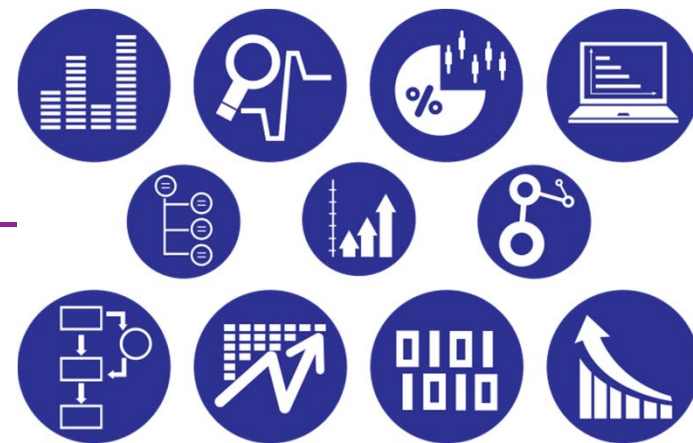




**and use this intelligence to  
generate predictive technology**



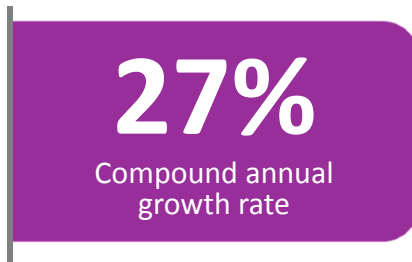
**which gives  
our customers the  
power of greater  
market clarity**





## Big Data market insights – worldwide

**Big Data** technology and the services market is a fast-growing multibillion-dollar worldwide opportunity which is expanding rapidly.



This is almost **six times the growth rate** of the information and communication technology market.

Ref: IDC, Dec 2013 forecast

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## Big Data market insights – Australia

PricewaterhouseCoopers estimate that Australian retail and consumer businesses, by not leveraging their existing internal data, are missing an enormous opportunity worth...

**\$3.8**  
**BILLION**

Ref: IDC, Dec 2013 forecast

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## Search Results proposed acquisition

- Purchase price - \$5.8M
- Payable over 19 months from completion
  - \$1.2m at completion
  - Balance on deferred terms
- Principals to be retained to lead Search Results sales division
  - two year minimum employment contracts
  - significant bonus/at risk performance conditions, including participation in Invigor's employee equity incentive plan



## About Search Results

An Australian online media agency offering simple and affordable solutions that grow SMEs through:

- Search Engine Optimisation (SEO)
- Search Engine Marketing products (SEM)
- Web development
- Currently 4,000 clients across SMEs in over 30 industries.<sup>1</sup>

<sup>1</sup> Source: Search Results



## Benefits of Search Results acquisition

- Increases presence in SME market
- Complements **Invigor's** existing larger sized customer base
- Provides an opportunity to upsell products and services from within the **Invigor** portfolio to SMEs introducing a new suite of products for the SME market
- Provide an opportunity to deliver new business intelligence products across a range of industries adding to Invigor's existing customer pipeline



## Search Results business opportunities

- Recurring revenue - subscription model (12 months in advance)
- 500% increase in average customer spend over last 3 years<sup>1</sup>
- \$130,000 of new sales per month being achieved<sup>1</sup>
- Sales growth currently constrained by sales capability
- Margin increases forecast
  - Improvement by using technology to replace manual tasks
  - Increasing retention rate

<sup>1</sup> Source: Search Results



## My Verified ID Corp proposed investment

- US based company (unlisted)
- Specialising in development and distribution of universal verified sign in technology to eliminate fraud, reduce costs and protect against identity theft
- Contracted revenue pipeline - \$2.5m<sup>1</sup>
- \$3.0 million investment commitment over 12 months
  - Resulting in 20% ownership based on \$15m valuation
  - From 1 September 2014 subject to completion of conditions precedent and other payment schedule terms
- Invigor to provide agreed services over 12 month period from 1 September 2014
- Invigor to have board representation
- Please visit [www.myverifiedid.com](http://www.myverifiedid.com) for further information

<sup>1</sup> Source: My Verified ID Corp





## Specific risks

### **Invigor digital solutions and Search Results**

- Growth rates may not occur as forecast impacting profitability, returns and cash flows
- Government laws and regulations may change impacting on the sales strategies and/or the ability of Invigor or its clients to make use of data obtained
- Changes in technology may affect the performance capability of products developed by Invigor digital solutions





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