

**ASX Announcement :****Invigor Group business update and 2016 outlook**

Open Briefing interview with Chairman and CEO Gary Cohen

**In this Open Briefing®, Chairman & CEO Gary Cohen discusses:**

- **Outlook for FY2016**
- **Drivers for business development**
- **Update on Shopping Ninja**
- **Sales of non-core business assets**

**Record of interview:****[openbriefing.com](http://openbriefing.com)**

Invigor Group Limited (ASX:IVO) released its preliminary results for FY2015 on 29 February 2016. Can you elaborate on the outlook for FY16 and the steps the Company is taking to drive revenue growth and profitability?

**Chairman & CEO Gary Cohen**

*The Company considerably strengthened its financial position following the acquisition of Condat at the end of 2015. We advised the market that Condat is expected to generate approximately \$8m of revenue this year and already more than 75% of that is contracted or recurring. Since then we have had a couple of positive announcements that will potentially improve that forecast and profitability.*

*The beginning of FY16 started well. Condat won a major new contract in the UK from a global telecommunications and media group and other deals totalling over \$1.1m in revenue. Insights Retail has signed up a number of new groups including Treasury Wines – one of the World's largest wine companies.*

*With this in mind, the total revenue forecast for 2016 is substantially on track. This is a significant improvement from the prior year.*

**[openbriefing.com](http://openbriefing.com)**

What are the key reasons for the ramp up in business development?

**Chairman & CEO Gary Cohen**

*This has been possible because we now have a management team which is heavily focused on sales. This team has been building up the pipeline aggressively over the past few months. In particular, it is focusing on large customers and longer term value deals. Experienced sales personnel are now in place. These include recruits from Telstra and Gigya.*

*By way of illustration the typical deal we did last year was a one-year deal with an annual fee of \$50K. Today we are looking at several deals that would generate more than \$250K per*

*annum over three years.*

*Whilst not every contract will be of that order, our pipeline for Insights Retail has grown considerably. Contracts worth more than \$4 million are currently being negotiated.*

*We have also begun working with a number of channel partners who are looking to market our solutions here and offshore. We believe that this model will substantially assist us in building our sales. In addition, we are now working on opportunities where we can take some of the great products offered by Condat and licence them to our partners in Australia.*

**openbriefing.com**

How has the Shopping Ninja business progressed recently?

**Chairman & CEO Gary Cohen**

*We have seen good uptake in the use of Shopping Ninja with over 25K downloads at end of January. Although the revenue we are making from that is still relatively modest. However, we are investing considerably in improving the technical and functional features of Shopping Ninja as we have some very ambitious plans for its growth this year. With the expected growth in active users, we anticipate a considerable growth in the revenue we receive from the affiliates who pay us a commission for the sales referrals.*

**openbriefing.com**

You have recently sold off some of Invigor's assets, why is this?

**Chairman & CEO Gary Cohen**

*We have now realised most of our non-core assets. We have sold our services business and in the process of exiting the MVID investment. We have received a distribution from the KIT Creditors Committee of \$725K and hopefully will receive another distribution this year.*

*Exiting these non-core assets has already helped the company focus on its core activities and achieving the targets we have set for this year. We are also focusing on becoming more efficient and reducing any unnecessary costs.*

**openbriefing.com**

What else has been established to improve the position of Invigor for 2016 and beyond?

**Chairman & CEO Gary Cohen**

*We have strengthened the Board – just last week we announced the addition of Jeremy Morgan who is a very seasoned corporate adviser and company executive in the technology arena. We are committed to further consolidating the Board and refreshing it to ensure it can assist in growing our business.*

*In addition to improving operational cash, the Company is looking to continually strengthen its balance sheet. The exit of the non-core assets considerably assists this. Furthermore, we have announced a Share Purchase Plan to enable eligible shareholders to acquire additional shares in the Company at an issue price of 4.0 cents.*

---

For all Open Briefings by Invigor Group, or to receive future Open Briefings by email, visit [openbriefing.com](http://openbriefing.com)

**DISCLAIMER:** Orient Capital Pty Ltd has taken all reasonable care in publishing the information contained in this Open Briefing®; furthermore, the entirety of this Open Briefing® has been approved for release to the market by the participating company. It is information given in a summary form and does not purport to be complete. The information contained is not intended to be used as the basis for making any investment decision and you are solely responsible for any use you choose to make of the information. We strongly advise that you seek independent professional advice before making any investment decisions. Orient Capital Pty Ltd is not responsible for any consequences of the use you make of the information, including any loss or damage you or a third party might suffer as a result of that use.