



ASX Announcement

8 October 2021

Capital Raise Term Sheet

Invigor Group Limited (ASX:IVO) (“Invigor” or “the Company”) refers to the recent ASX Announcements of August 13 and September 9, 2021 in relation to the proposed \$8 million capital raise by PAC Partners.

The Company and PAC Partners have today released the Term Sheet for the raising. A summary of the key terms are attached.

Approved and authorized for release by the Board.

For further information, please contact:

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About Invigor Group

Invigor Group (ASX: IVO) is a B2B data intelligence and solutions company that turns data analytics into dollars for the retail and service industries. Invigor’s innovation in owned retail platforms and unique cross-channel data ecosystem allows businesses to have a holistic view of their customers and competitive landscape to not only understand, but effectively engage with today’s physical and digital consumers. Combined with proprietary data and predictive engines, Invigor Group provides strategic insights and recommendations that empower businesses to successfully influence future customer strategy and increase long-term profitability.

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Invigor Group Limited

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Company Overview²

Invigor Group Limited (**Invigor Group**, **ASX:IVO** or the **Company**) is a B2B data analytics company that provides data driven solutions to enable brands, suppliers and retailers to understand customer behaviour, grow revenue and margin and build loyalty through actionable insights. IVO's SaaS platform comprises pricing insights, retailer insights, on premise insights and dynamic pricing, and combined with proprietary data and predictive engines, IVO provides strategic insights and recommendations that empower businesses to successfully influence future customer strategy and increase long-term profitability. IVO is currently suspended and is seeking to raise \$8.0m (the **Offer**) as part of its relisting on the ASX. IVO shares are expected to recommence trading on the ASX on Monday, 29 November 2021.

Key Offer Terms²

Issuer	Invigor Group Limited
Offer type	<p>Offer comprises:</p> <ul style="list-style-type: none"> Placement - \$8.0m Placement (50.0m shares) subject to shareholder approval at EGM. Plus, scope for \$2.0m in oversubscriptions; and Attaching Options - Attaching 1 for 2 Options, strike price \$0.25/share, expiry date 3 years from issue. To be listed subject to the minimum 50 holders required by the ASX
	<p>Placement will result in approximately 50.0m new shares being issued, representing 46% of IVO's issued capital.</p> <p>The Placement is not underwritten.</p>
Offer Price	\$0.16 per new share
Ranking	New shares issued under the Placement will rank equally with existing IVO shares on issue.
Use of Proceeds¹	<ul style="list-style-type: none"> Repayment of secured debt: \$2.2m Repayment of staff loans: \$2.0m Growth capital: \$1.9m Creditor payments: \$1.5m Capital raising costs: \$0.5m
Lead Manager	PAC Partners Securities Pty Ltd (PAC Partners)

1. Assuming \$8.0m raised under the Offer

2. All figures in Australian dollars (AUD) unless otherwise stated

Indicative Timetable³

2021

Placement	
Bids Due	9am Thursday, 14 October
Commitment letters signed & returned	2pm Thursday, 14 October
Announcement of Placement	Friday, 15 October
Notice of EGM	Friday, 22 October
EGM to vote on Placement Shares	Monday, 22 November
DVP Settlement of Placement Shares	Wednesday, 24 November
Allotment of Shares	Friday, 26 November
Recommencement of trading on the ASX	Monday, 29 November

*Timetable is subject to change. Book may close early.

Investment Highlights²

Proven SaaS model	<ul style="list-style-type: none"> 100% SaaS revenue with +95% client retention and high growth (50% increase in customers for H1 CY21)
Restructure	<ul style="list-style-type: none"> Debt restructure cleans up IVO's balance sheet, including the conversion of \$10.8m in debt via the issue of new shares at \$0.30 \$5.7m of the \$8.0m raised will be used to further reduce debt. Post Offer and debt repayment, IVO's cash balance is expected to be \$1.8m (Sept pro forma balance sheet)
Strong earnings growth	<ul style="list-style-type: none"> IVO is on track for \$2.7m in revenue in CY21 and is forecasting \$6.8m in revenue in CY22 (152% growth) driven by a strong pipeline from new and existing customers IVO expects to be EBITDA positive in CY22 as it generates higher margins with increased scale
Low risk expansion	<ul style="list-style-type: none"> Low risk expansion into international markets (New Zealand, Asia, UK and USA) with existing multinational clients. Clients include Moët Hennessy, Diageo, CUB/Asahi, Pernod Ricard, SMEG and Kitchen Aid Diversifying and migrating from liquor and electronics into other large verticals including, grocery, FMCG and health and beauty
Recent transactions in sector	<ul style="list-style-type: none"> Kantar purchased Numerator in 2021 for USD\$1.4b Woolworths (ASX:WOW) purchased a 28% stake in Quantum for \$223m (valuation of ~\$802m)

Capital Structure

Current Shares on Issue (post 10:1 consolidation)	16,282,684
Market Capitalisation (pre Offer)^{1,2}	\$2,605,229
Shares to be Issued to Retire Debt³	35,947,445
Shares to be Issued for Conversion of Con Notes³	5,906,775
Shares to be Issued to Employees³	539,534
Placement Shares to be Issued^{2,3}	50,000,000
Shares on Issue (post Offer)^{1,6,7}	108,676,438
Market Capitalisation (post Offer)^{6,8}	\$17,388,230

1. Excludes 5,093,701 options at various expiry dates and exercise prices and 3 warrants for the issue of 716,666, as at 8 October 2021

2. Calculated at the Offer Price of \$0.16

3. Relates to the retirement of \$10,784,233 through the issue of shares at \$0.30 per share

4. Relates to the conversion of convertible notes (face value \$649,745) at \$0.11 per share

5. Shares issued to Employees in lieu of outstanding fees and loans (\$91,325) at \$0.16 and \$0.20 per share

6. Excludes any shares issued as a result of the Company accepting oversubscriptions

7. Excludes 8,411,476 options at various expiry dates and exercise prices to be issued in relation to the Company's restructure, 25,000,000 Attaching Options, and 10,000,000 Lead Manager Options on the same terms as the Attaching Options

8. Illustrative Market Capitalisation post Offer at the Offer Price, assuming \$8.0m raised