



# **INVIGOR GROUP LIMITED**

## **ACN 081 368 274**

### **PROSPECTUS**

**For the issue of 100 million Placement Shares and 50 million attaching Options (issued on a 1:2 basis) to Professional and Sophisticated Investors at an issue price of \$0.10 per Placement Share (Placement), together with the Options Offer.**

**The Prospectus is also issued for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date.**

#### **IMPORTANT NOTICE**

This Prospectus is dated 21 January 2022.

This Prospectus is important and requires your immediate attention. You should read this Prospectus in its entirety and consult your professional adviser in respect of the contents of this Prospectus.

## Contents

Contents .....	2
Key Dates for Offer .....	3
Key Offer Statistics .....	4
Important Information .....	5
1. Chairman’s Letter .....	8
2. Investment Overview .....	10
3. Details of the Offers .....	21
4. Purpose and effect of the Offers.....	27
5. Company Overview .....	31
6. Financial Information .....	38
7. Risk Factors.....	50
8. Information deemed to be incorporated in this Prospectus.....	55
9. Taxation .....	59
10. Additional information .....	62
11. Directors’ authorisation .....	733
12. Definitions .....	74

## Key Dates for Offer

Event	Date
Lodgement of Notice of Meeting	21 December 2021
Date of EGM	21 January 2022
Date of Lodgement of Prospectus with ASIC and ASX	21 January 2022
Opening Date of the Offers	21 January 2022
Invigor issues securities set out in the Notice of Meeting (except for the Shares and Options issued under this Prospectus)*	Before 12:00pm (Sydney time), 24 January 2022
Closing Date of the Offers	5:00pm (Sydney time), 24 January 2022
Settlement date for the Placement Shares	25 January 2022
Lodgement of Appendix 2A and 3G in respect of the Placement Shares, Placement Options and Options under this Prospectus	Before 12.00pm (Sydney time), 25 January 2022
Allotment and issue of the Placement Shares, Placement Options and Options under this Prospectus*	27 January 2022
Dispatch of holding statements	27 January 2022
Satisfaction of ASX reinstatement conditions	27 January 2022
Anticipated date for reinstatement to ASX and suspension of trading lifted	1 February 2022
Effective date of return of capital in respect of PrimaryMarkets and Sumabe shares*	4 February 2022

**\*Note:** The proposed issue of equity securities set out in the Notice of Meeting (including the Shares and Options offered under this Prospectus), and the proposed return of capital set out in the Notice of Meeting, are subject to shareholder approval being obtained at the EGM.

All dates are indicative only and subject to change without prior written notice. Any extension of the Closing Date will have a consequential effect on the date of issue of the Placement Shares, Placement Options and all other Options offered under this Prospectus. The Company also reserves the right not to proceed with any of the Offers at any time before the issue of Securities to Applicants.

## Key Offer Statistics

Key Offer Statistics	Details
<b>Placement</b>	
Total number of Placement Shares to be issued under the Placement	Up to 100,000,000 Placement Shares
Total number of Placement Options to be issued under the Placement	Up to 50,000,000 Placement Options
Offer price per Placement Share to be issued under the Placement	\$0.10 per Placement Share
Offer price per Placement Option to be issued under the Placement	<p>As part of the Placement, Professional and Sophisticated Investors who apply for Placement Shares will also receive Placement Options on a 1:2 basis, such that one Option will be issued for every two Placement Shares issued to Professional and Sophisticated Investors.</p> <p>The Placement Options will be issued for nil consideration. The exercise price of all Placement Options will be \$0.25 per Placement Option.</p>
<b>Options Offer</b>	
Total number of Options to be issued under the Options Offer	<p>Offers of up to:</p> <ul style="list-style-type: none"> <li>(a) 10,000,000 Options to PAC Partners;</li> <li>(b) 3,684,002 Options to Dylide; and</li> <li>(c) 9,747,024 Options to Glowaim.</li> </ul>
Offer price per Option to be issued under the Options Offer	<p>The Options under the Options Offer will be issued for nil consideration. The exercise price:</p> <ul style="list-style-type: none"> <li>(a) in respect of the Options proposed to be issued to PAC Partners and Dylide will be \$0.25 per Option; and</li> <li>(b) in respect of the Options proposed to be issued to Glowaim, will be \$0.10 per Option.</li> </ul>

The proposed issue of the Placement Shares, Placement Options and the Options under the Options Offer set out above is subject to the Company obtaining certain approvals from its Shareholders at the EGM.

This Prospectus has also been prepared to meet the requirements of section 708A(11) of the Corporations Act, so that any trading restrictions on Shares issued by the Company prior to the Closing Date are removed.

## Important Information

### Offers under this Prospectus

This Prospectus is issued by Invigor Group Limited (ACN 081 368 274) (**Company** or **Invigor**) in accordance with sections 710 and 712 of the Corporations Act.

The Offers contained in this Prospectus include:

- (a) the offer of Placement Shares and Placement Options under the Placement, comprising:
  - (i) the offer of up to 100,000,000 Placement Shares by way of a placement to Professional and Sophisticated Investors at an offer price of \$0.10 per Placement Share to raise a maximum aggregate amount of \$10 million; and
  - (ii) the offer of up to 50,000,000 attaching Placement Options to Professional and Sophisticated Investors, as part of the Placement, with an exercise price of \$0.25 per Option, on the basis that one Option will be issued for every two Placement Shares issued to Professional and Sophisticated Investors,(collectively, the **Placement**); and
- (b) the offer of Options (other than the Placement Options), comprising of:
  - (i) the offer of 10,000,000 Options to PAC Partners for nil consideration, with an exercise price of \$0.25 per Option;
  - (ii) the offer of 3,684,002 Options to Dylide for nil consideration, with an exercise price of \$0.25 per Option; and
  - (iii) the offer of 9,747,024 Options to Glowaim for nil consideration, with an exercise price of \$0.10 per Option,(collectively, the **Options Offer**),

(noting that the Placement and Options Offer are collectively referred to as the **Offers**).

The proposed issue of the Placement Shares, Placement Options and the Options under the Options Offer set out above is subject to the Company obtaining certain approvals from its Shareholders at the EGM. See Section 3 for further details in relation to the Offers.

### Lodgement

This Prospectus is dated 21 January 2022 (**Prospectus Date**) and a copy of this Prospectus was lodged with ASIC on that date. None of ASIC, ASX nor any of their respective officers take any responsibility for the content of this Prospectus, or the merits of the investment to which this Prospectus relates.

### Expiry date

This Prospectus expires on the date that is 13 months after the Prospectus Date. No Securities may be issued under this Prospectus later than 13 months after the date of this Prospectus.

### General

This Prospectus should be read in its entirety. If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser.

### Selling restrictions

This Prospectus does not constitute an offer or an invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to lodge or register this Prospectus, nor to register the Placement Shares, Options or the Offers, in any jurisdiction other than Australia.

In making representations in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom investors may consult.

### **Independent advice**

If you are uncertain about the terms and conditions of the Offers, you should seek the advice of an appropriately qualified financial adviser.

### **ASX listing**

The Company is listed on the ASX, although its Shares are currently suspended from trading. The ASX has provided indicative approval for the lifting of the suspension, subject to the Company satisfying certain conditions, including the completion of the Debt to Equity Conversion and the successful raising of \$8 million under this Prospectus. Refer to Section 10.11 for the full list of ASX reinstatement conditions.

The Company will apply to ASX for lifting of the suspension as soon as practicable after the completion of the Offers under this Prospectus. If the application for lifting of the suspension is not granted by the ASX, the Offers will not proceed and any Application Monies received will be refunded.

For all Options to be issued under this Prospectus other than the Options proposed to be issued to Glowaim, as and when the Company satisfies the conditions in ASX Listing Rule 2.5, the Company intends to apply for, and use best endeavours to obtain, official quotation of the Options. However, no assurances may be given that the Options will be quoted on the ASX at a future point in time. In respect of the Options to be issued to Glowaim, no application for quotation of the Options will be made by the Company.

### **Defined terms and time**

Defined terms and abbreviations used in this Prospectus are defined in Section 12 or in the context in which they appear. Unless otherwise stated or implied, all references to time in this Prospectus are to Sydney time.

### **Incorporation by reference**

This Prospectus is a prospectus issued in accordance with section 710 and 712 of the Corporations Act. This means that this Prospectus alone does not contain all the information that is generally required to be set out in a document of this type. Rather, the Prospectus incorporates by reference information contained in the Incorporated Documents that have been lodged with ASIC and released to the ASX.

### **Risk factors**

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 2 and Section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to in this Prospectus, may affect the value of the Shares and Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

### **Overseas investors**

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus. This Prospectus may not be distributed to, or relied upon by, persons in the United States. Shares and Options have not and will not be registered under the US Securities Act of 1933 (**US Securities Act**) or the securities laws of any state or other jurisdiction in the United States. Refer to Section 3 for further details.

## **Disclaimer**

No person is authorised to give any information or to make any representation in connection with the Offers described in this Prospectus which is not contained in this Prospectus. Any information not so contained may not be relied upon as having been authorised by the Company or any other person in connection with the Offers. You should rely only on the information contained in this Prospectus.

## **Past performance**

This Prospectus includes information regarding past performance of the business conducted by Invigor. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

## **Financial Information**

Section 6 of this Prospectus sets out in detail the Financial Information referred to in this Prospectus. The basis of the preparation of the Financial Information is set out in Section 6.2.

The Financial Information in this Prospectus should be read in conjunction with, and is qualified by reference to, the information contained in Sections 6.2 and 6.5.

All financial amounts contained in this Prospectus are expressed in Australian dollars unless otherwise stated.

## **Forward-looking statements**

This Prospectus may contain forward-looking statements which are identified by words such as 'may', 'should', 'will', 'expect', 'anticipate', 'believes', 'estimate', 'intend', 'scheduled' or 'continue' or other similar words. Such statements and information are subject to risks and uncertainties and a number of assumptions, which may cause the actual results or events to differ materially from the expectations described in the forward-looking statements or information.

Whilst the Company considers the expectations reflected in any forward-looking statements or information in this Prospectus are reasonable, no assurance can be given that such expectations will prove to be correct. The risk factors outlined in Section 7, as well as other matters not yet known to the Company or not currently considered material to the Company, may cause actual events to be materially different from those expressed, implied or projected in any forward-looking statements or information. Any forward-looking statement or information contained in this Prospectus is qualified by this cautionary statement.

## **Use of trademarks**

This Prospectus includes certain Invigor registered and unregistered trademarks. All other trademarks, tradenames and service marks appearing in this Prospectus are the property of their respective owners.

## **Enquiries**

If you have any questions about whether to invest in the Offers, you should seek professional advice from your accountant, stockbroker, lawyer or other professional adviser. Any questions concerning the Offers should be directed to Eryl Baron on +61 2 8016 2895.

## 1. Chairman's Letter

Dear Investors,

Invigor Group Limited (**Invigor** or the **Company**) is a B2B data intelligence and analytics company that provides solutions to enable brands, suppliers and retailers to save time and grow revenue. Invigor was incorporated in 22 January 1998 and listed on the ASX on 3 December 1999.

On 30 October 2019, the Company sought and obtained a voluntary suspension to the quotation of its ordinary shares on the ASX. The reason for the request for voluntary suspension was for the ASX to review the material documents describing the planned capital raise to support the Company's financial position. The Company's securities have been suspended from trading on the ASX since then.

On 11 November 2019, Invigor announced that ASX had expressed concerns regarding the financial condition of the Company (in particular, the level of debt on the balance sheet) and that ASX required such concerns to be addressed prior to the Company being reinstated to the ASX. Invigor further announced that it would address these concerns through conversion of debt into securities and the raising of funds through the issue of further securities.

Accordingly, to repair and restructure the Company's balance sheet, the Company is proposing to:

- (a) issue up to 100,000,000 Placement Shares at an issue price of \$0.10 per Placement Share to raise a maximum aggregate amount of \$10 million (comprising a minimum capital raising of \$8 million with the opportunity for oversubscriptions of up to an additional \$2 million). All Placement Shares will receive an attaching Placement Option on a 2 for 1 basis for a maximum 50,000,000 Placement Options with an exercise price of \$0.25. As at the Prospectus Date, the Company has received pre-commitments for total proceeds of \$8.73 million for the issue of 87,322,287 Placement Shares. These pre-commitments constitute an undertaking to subscribe for Placement Shares and attaching Placement Options, subject to receipt of the Prospectus;
- (b) complete the Options Offer, involving:
  - (i) the issue of 10,000,000 Options to PAC Partners for nil consideration, with an exercise price of \$0.25 per Option;
  - (ii) the issue of 3,684,002 Options to Dylide for nil consideration, with an exercise price of \$0.25 per Option; and
  - (iii) the issue of 9,747,024 Options to Glowaim for nil consideration, with an exercise price of \$0.10 per Option;
- (c) complete a \$10.9 million debt-to-equity swap (**Debt to Equity Conversion**), involving:
  - (i) the conversion into equity of \$8.4 million of debt and accrued interest owed to Marcel Equity (and related parties including Gary Cohen and Gregory Cohen and RJJ Investments), by Marcel Equity and related parties subscribing for Shares at \$0.30 per Share; and
  - (ii) the conversion into equity of \$2.5 million of debt and accrued interest owed to certain holders of Convertible Notes and unsecured debt holders, by such Convertible Note holders and unsecured debt holders subscribing for Shares at \$0.30 per Share;
- (d) the issue of 9,383,975 Shares and 3,684,002 Options for the conversion of debt and accrued interest of \$0.65 million owed to certain holders of Convertible Notes, by such Convertible Note holders subscribing for Shares at \$0.07 per Share; and
- (e) the issue of 663,255 Shares at an issue price of \$0.10 per Share to certain employees and former employees (none of whom are related parties of the Company) (**Australian Employees**) in lieu of paying top up interest payable on loans made to the Company by the Australian Employees in the aggregate amount of \$66,325.34,

(the completion of the Offers, the Debt to Equity Conversion, and the transactions set out above are collectively referred to as the **Restructure**).

The transactions contemplated in the Restructure are subject to the Company obtaining the approval of its Shareholders at the EGM to be held on 21 January 2022. On completion of the Restructure, the Company will have positive net tangible assets and working capital after the elimination of \$16.7 million of debt and other liabilities from its balance sheet, assuming full take up of the Offers including over subscriptions (i.e. a maximum of \$10 million is raised under the Placement).

As a result of the proposed Restructure, the interests of Mr Greg Cohen, Mr Gary Cohen and their Associates in the Shares will increase to 23.2% (assuming full take up under the Offers including over subscriptions (i.e. a maximum of \$10 million is raised under the Placement)). Accordingly, the Company engaged the Independent Expert to produce an Independent Expert's Report (**IER**) for review and consideration by the Shareholders in order to provide their approval for completion of the Restructure.

The Company has received conditional approval from the ASX in relation to the Company's reinstatement to official quotation, subject to compliance with certain ASX reinstatement conditions. Implementation of the proposed Restructure should facilitate the Company's application to resume trading on the ASX.

This Prospectus contains detailed information about the Company, its business, and the Offers (comprising of the Placement and the Options Offer), as well as the risks of investing in the Company. This Prospectus is issued for the purpose of satisfying the ASX reinstatement conditions, to make the Offers under this Prospectus and to remove any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date.

#### *Invigor's strategy*

The onset of Covid-19 has had a major impact on the way the world purchases goods and services, with a significant shift to online commerce. This shift has enabled the Company to focus on its core products designed to assist businesses maximise their opportunities in the online world.

This approach has seen positive changes to our business. In addition to an increase in our pipeline and annualised sales, we have seen more substantial businesses adopting our solutions. This provides us with the confidence that we are on the right track.

By focusing on brands and retailers, we can draw down on our core competencies. In Australia, Invigor houses a large proprietary data set of historical and current pricing and market data in the alcoholic beverage, consumer electronics and whitegoods markets. Many of our customers are in this field and find value in our data. The use of this data in conjunction with our suite of insight solutions, and the Dynamic Pricing product, provides a substantial added value to our customers. Recently, we have seen the rise of marketplaces that require these very important tools to make their businesses operate more effectively.

We ask that you take the time to review this Prospectus in detail.

Yours faithfully

A handwritten signature in black ink, appearing to read "Gary Cohen".

Gary Cohen  
Chairman

## 2. Investment Overview

The table below is a summary only. This Prospectus should be read in full before making any decisions in relation to whether or not to apply for Securities under this Prospectus.

Question	Answer	More information
<b>The Company</b>		
Who is the issuer of this Prospectus?	Invigor Group Limited (ACN 081 368 274) ( <b>Company</b> or <b>Invigor</b> ).	
What does the Company do?	<p>Invigor is a B2B data intelligence and analytics company that provides solutions to enable brands, suppliers and retailers to save time and grow revenue.</p> <p>Invigor offers a suite of pricing and artificial intelligence tools that brands and retailers use to gain a better understanding of their competition and study historical trends. Brands and retailers can use these insights to make better pricing and promotional decisions for their business and consequently improve their financial performance.</p>	Section 5.1
Why are the Company's Securities suspended from trading on the official list of ASX?	<p>The Securities have been suspended from official quotation since 30 October 2019.</p> <p>The Company went into voluntary suspension following its inability to complete a capital raise and the need to restructure its balance sheet.</p>	
How will the Securities be reinstated to trading?	<p>The Company must satisfy certain ASX reinstatement conditions prior to reinstatement of the Company's Securities to trading on the official list of ASX, which include amongst other things, completion of the Placement and demonstrating compliance with ASX Listing Rules 12.1 to 12.2 inclusive, to the satisfaction of the ASX. The Company has a period until 28 February 2022 (extended from 29 January 2022) to comply with the ASX reinstatement conditions. If Invigor is not reinstated by 28 February 2022, it will be removed from the official list of ASX at the commencement of trading on 1 March 2022.</p> <p>Further details of the ASX reinstatement conditions are set out in Section 10.11 of this Prospectus.</p>	Section 10.11
<b>Business model</b>		
What is the Company's business model?	Invigor operates a SaaS subscription business model. Contracts are typically annual contracts with a subscription paid quarterly in advance. Any additional client specific requests are charged on a time and materials basis.	Section 5.4

Question	Answer	More information
What are the future business objectives of the Company?	The future business objectives of the Company are to expand on existing core strengths by expanding its product offerings into other categories and other geographies, while continuing to operate its existing subscription-based SaaS business.	Section 5.3
What are the key industries in which the Company operates?	Invigor operates within the retail SaaS industry and currently services the liquor and consumer electronics sectors within this industry. The Company plans to expand its services into the health & beauty, FMCG and grocery sectors over the next 12 months.	Section 5.7
What are the core products of Invigor and who are the key clients of Invigor?	<p>Invigor's core product offerings include:</p> <ul style="list-style-type: none"> <li>(a) <b>Pricing Insights:</b> a core proprietary built competitor pricing and promotional pricing SaaS platform, which involves the process of data capture, matching, analysing, and visualising data within the retail price and promotions market;</li> <li>(b) <b>Retailers Insights:</b> a proprietary insights tool that gives retailers an intrinsic look at performance across location, product and customers with a built-in SMS loyalty engine to execute on promotional recommendations;</li> <li>(c) <b>Dynamic Pricing:</b> an AI driven platform that tracks and analyses multiple data sources to dynamically adjust pricing across multiple channels in real time; and</li> <li>(d) <b>On-Premises Insights:</b> a product under development which will incorporate Invigor's pricing insights data and point of sale transactions from hundreds of venues across Australia.</li> </ul> <p>Invigor's key clients include Carlton United Breweries, Asahi, The Good Guys, Diageo, Moet Hennessy, Australia Liquor Marketers (ALM), Smeg, KitchenAid and Pernod Ricard. These clients use the Company's platforms to make informed pricing decisions.</p>	Sections 5.2 and 5.4
What are Invigor's key strengths?	<p>The Company's key strengths include:</p> <ul style="list-style-type: none"> <li>(a) its expertise within the SaaS retail industry, as it has operated within this industry for over 10 years;</li> <li>(b) its historical data and intellectual property which is owned, or can be accessed by, Invigor, which is a key asset to any e-commerce platform;</li> </ul>	Section 5.5

Question	Answer	More information
	<ul style="list-style-type: none"> <li>(c) its understanding of the sectors in which it operates;</li> <li>(d) its long standing multinational client relationships ; and</li> <li>(e) the consistency, accuracy and breadth to which its core products are offered.</li> </ul>	
<p>What are Invigor's key challenges and who are its key competitors?</p>	<p>Invigor's key challenges include its limited available cashflow and the extent to which it relies on its key personnel.</p> <p>While there are many companies that offer products with insights, there are very few direct competitors of Invigor that offer products with the same breadth and depth as the core products of Invigor. This means that Invigor is placed in a strong position where no one major competitor addresses the market in the same manner.</p>	<p>Section 5.6</p>

### Key Risks

<p>What are the key risks associated with the Company's business model, the Securities and the Offers?</p>	<p><b>The Company is required to satisfy certain ASX reinstatement conditions for reinstatement of the Company's Securities to official quotation on the ASX (see Section 10.11 for details of the ASX reinstatement conditions). There is a risk that the Company may not be able to meet the ASX reinstatement conditions within the time period required by ASX. If Invigor is not reinstated by 28 February 2022, it will be removed from the official list of ASX at the commencement of trading on 1 March 2022 and the Company's Securities will be delisted. In that event it would be difficult to dispose of Shares in the Company.</b></p> <p><b>Invigor's auditor (Moore Australia) has issued an Emphasis of Matter opinion on the financial statements for FY2019 and FY2020 on the basis of material uncertainty related to going concern (a copy of each audit and review opinion is included in Annexure B).</b></p> <p>Additionally, other key risks associated with the Company's business model, the Securities and the Offers include:</p> <ul style="list-style-type: none"> <li>(a) the Company operates in the highly competitive information technology sector and future growth in market share and revenue cannot be guaranteed. Many of the Company's competitors have significantly more resources than the Company, which could enable them to compete with the Company more aggressively. This may</li> </ul>	<p>Section 7</p>
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Question	Answer	More information
	<p>adversely impact the Company's operations and financial performance;</p> <p>(b) key intellectual property used by the business may be subject to challenge from third parties alleging that the Company's products use intellectual property derived by them or from their products without consent or permissions. This could result in disputes or litigation and lead to the payment of monetary damages and/or damage to the Company's reputation); and</p> <p>(c) its success largely depends on the competencies of its current Directors and management and circumstances may arise where key individuals are no longer available to the Company. Any loss of, or delay in finding a replacement for, such key individuals could potentially have a material adverse impact on the Company's ability to operate the business and achieve its growth strategy and prospects.</p> <p>Investors should consider these risks together with the other risks described in Section 7.</p>	

#### Directors and key management personnel

Who are the directors and key members of Invigor's senior management team?	<p>The Directors of the Company are:</p> <p>(a) Gary Cohen (Executive Chair);</p> <p>(b) Gregory Cohen (Director and Chief Financial Officer);</p> <p>(c) Thierry Manor (Director and Chief Operating Officer); and</p> <p>(d) Gary Inberg (Non-Executive Director).</p> <p>The key management personnel of the Company are:</p> <p>(a) Rohan Dhowan (Chief Executive Officer);</p> <p>(b) Sonu Mathew (Head of Technology); and</p> <p>(c) Darren Wu (Client Services Director).</p> <p>Details of the experience of each of the Directors and key management personnel of the Company are set out in Sections 10.6(a) and 10.6(b).</p>	Sections 10.6(a) and 10.6(b)
What are the significant interests of Directors in the Company?	<p>As at the date of this Prospectus, Directors hold the following voting power in the Company:</p> <p>(a) Gary and Gregory Cohen: 16.6%;</p>	Section 10.6(d)

Question	Answer	More information
	<p>(b) Thierry Manor: 0%; and</p> <p>(c) Gary Inberg: 0%.</p> <p>Once the Offers are completed and assuming the Offers are fully taken up and the Debt Restructure occurs, the voting power of the Directors will increase to the following:</p> <p>(a) Gary and Gregory Cohen: 23.20%</p> <p>(b) Thierry Manor: 0.27%; and</p> <p>(c) Gary Inberg: 0.08%.</p> <p>Refer to Section 10.6(d) for further details.</p>	
<p>What are the significant interests of advisors to the Company?</p>	<p>As at the date of this Prospectus, no advisers of the Company hold a significant interest in the Company.</p> <p>As part of the Offers, PAC Partners (or its nominees) will receive 10,000,000 Options for its management of the Placement.</p>	
<p>What related party agreements are the Company party to?</p>	<p>The key related party agreements of the Company include:</p> <p>(a) a loan arrangement for \$7.5 million with Marcel Equity, an entity associated with Gary Cohen and Gregory Cohen, who are two of the Directors of the Company;</p> <p>(b) a service agreement entered into with Marcel Equity;</p> <p>(c) a loan facility for \$1 million with Gary Cohen one of the Directors of the Company; and</p> <p>(d) a consultancy agreement with Gregkar Pty Ltd, an entity associated with Gregory Cohen, to provide consulting services to the Company in his capacity as Chief Financial Officer of the Company.</p> <p>Summaries of these related party agreements are provided in Section 10.6(h).</p>	<p>Section 10.6(h)</p>
<p><b>Financial Information</b></p>		
<p>How has the Company been performing?</p>	<p>(a) Revenue from sales, licence fees and services from continuing operations for the half was \$0.9 million, representing an increase of 167% compared to the revenue of \$0.3 million recorded in the corresponding half of 2020, due to growth in demand for the Company's solutions; and</p> <p>(b) a net loss before financing costs, tax, depreciation, amortisation and impairment (EBITDAI) from continuing operations of</p>	<p>Section 6</p>

Question	Answer	More information																																																						
	<p>\$0.5 million, an improvement compared to the \$1.2 million loss reported during 2020, due to increased revenue and continued cost reductions;</p> <p>(c) other income of \$0.7 million including R&amp;D tax rebates of \$0.6 million (2020: \$1.1 million other income);</p> <p>(d) the sale of the Company's German subsidiary, TillerStack GmbH, completed in January 2021, with a net gain from discontinued operations of \$1.3 million (net of transaction costs); and</p> <p>(e) an increase in interest and borrowing costs incurred on convertible note and debt facilities of \$1.2 million (2020: \$1.0 million).</p>																																																							
What is the financial outlook for the Company?	Once the Restructure and Offers are complete, the Company believes it will have sufficient working capital to meet its stated objectives.	Section 6																																																						
Does the Company have any debt?	Refer to Section 6.3 for the Company's balance sheet setting out the Company's debt position as at 30 June 2021 and as at 30 November 2021 (on a pro-forma basis).	Section 6.3																																																						
What is the Company's pro forma balance sheet?	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #0056b3; color: white;"></th> <th style="background-color: #0056b3; color: white;">HY2021 Reviewed \$000</th> <th style="background-color: #0056b3; color: white;">30 Nov 2021 Pro Forma \$000</th> </tr> </thead> <tbody> <tr> <td>Cash and cash</td> <td style="text-align: right;">1</td> <td style="text-align: right;">2,361</td> </tr> <tr> <td>Trade and other</td> <td style="text-align: right;">1,282</td> <td style="text-align: right;">1,096</td> </tr> <tr> <td><b>Total current assets</b></td> <td style="text-align: right;"><b>1,283</b></td> <td style="text-align: right;"><b>3,457</b></td> </tr> <tr> <td>Property, plant and</td> <td style="text-align: right;">1</td> <td style="text-align: right;">3</td> </tr> <tr> <td>Intangible assets</td> <td style="text-align: right;">0</td> <td style="text-align: right;">0</td> </tr> <tr> <td><b>Total non-current</b></td> <td style="text-align: right;"><b>1</b></td> <td style="text-align: right;"><b>3</b></td> </tr> <tr> <td><b>Total assets</b></td> <td style="text-align: right;"><b>1,284</b></td> <td style="text-align: right;"><b>3,460</b></td> </tr> <tr> <td>Cash and cash</td> <td style="text-align: right;">44</td> <td style="text-align: right;">22</td> </tr> <tr> <td>Trade and other creditors</td> <td style="text-align: right;">8237</td> <td style="text-align: right;">541</td> </tr> <tr> <td>Interest bearing loans and</td> <td style="text-align: right;">11,078</td> <td style="text-align: right;">1,257</td> </tr> <tr> <td>Provisions</td> <td style="text-align: right;">196</td> <td style="text-align: right;">(122)</td> </tr> <tr> <td><b>Total current liabilities</b></td> <td style="text-align: right;"><b>19,555</b></td> <td style="text-align: right;"><b>1,698</b></td> </tr> <tr> <td>Interest bearing loans and</td> <td style="text-align: right;">0</td> <td style="text-align: right;">785</td> </tr> <tr> <td>Provisions</td> <td style="text-align: right;">35</td> <td style="text-align: right;">360</td> </tr> <tr> <td><b>Total non-current</b></td> <td style="text-align: right;"><b>35</b></td> <td style="text-align: right;"><b>1,145</b></td> </tr> <tr> <td><b>Total liabilities</b></td> <td style="text-align: right;"><b>19,590</b></td> <td style="text-align: right;"><b>2,843</b></td> </tr> <tr> <td><b>Net assets</b></td> <td style="text-align: right;"><b>(18,306)</b></td> <td style="text-align: right;"><b>617</b></td> </tr> </tbody> </table>		HY2021 Reviewed \$000	30 Nov 2021 Pro Forma \$000	Cash and cash	1	2,361	Trade and other	1,282	1,096	<b>Total current assets</b>	<b>1,283</b>	<b>3,457</b>	Property, plant and	1	3	Intangible assets	0	0	<b>Total non-current</b>	<b>1</b>	<b>3</b>	<b>Total assets</b>	<b>1,284</b>	<b>3,460</b>	Cash and cash	44	22	Trade and other creditors	8237	541	Interest bearing loans and	11,078	1,257	Provisions	196	(122)	<b>Total current liabilities</b>	<b>19,555</b>	<b>1,698</b>	Interest bearing loans and	0	785	Provisions	35	360	<b>Total non-current</b>	<b>35</b>	<b>1,145</b>	<b>Total liabilities</b>	<b>19,590</b>	<b>2,843</b>	<b>Net assets</b>	<b>(18,306)</b>	<b>617</b>	Section 6.3
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Question	Answer	More information
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Issued capital	277	20,724
Reserves	3,751	3,737
Accumulated losses	(22,334)	(23,843)
<b>Total equity</b>	<b>(18,306)</b>	<b>617</b>

What is the Company dividend policy and when will the next dividend be paid?

Invigor does not expect to declare any dividends in the near future as its focus will primarily be on using cash reserves for the growth of Invigor.

Section 10.10

Any future determination as to the payment of dividends by Invigor will be at the discretion of the Invigor Directors and will depend on matters such as the availability of distributable earnings, the operating results and financial condition of Invigor, future capital requirements and general business and other factors considered relevant by the Invigor Directors. No assurances can be given by the Directors in relation to the payment of dividends by Invigor or that franking credits may attach to any dividends.

What is the amount of tax losses that the Company has?

Invigor has available tax losses on its income account of \$26,035,021 and capital account of \$45,036,012. The benefit of these tax losses can only be utilised if the requirements of the *Income Tax Assessment Act 1997* (Cth) are satisfied at the time Invigor seeks to utilise the available losses. This will include the requirement to meet either the continuity of ownership test or the same business test at that time. The Placement may affect Invigor's ability to satisfy the continuity of ownership test in relation to its tax losses.

Section 7.2(p)

### Offer

What is the Offer?

This Prospectus relates to the following offers:

Section 3

- (a) the Placement, comprising:
  - (i) the offer of up to 100,000,000 Placement Shares by way of a placement to Professional and Sophisticated Investors at an offer price of \$0.10 per Placement Share to raise a maximum aggregate amount of \$10 million;
  - (ii) the offer of up to 50,000,000 attaching Placement Options to Professional and Sophisticated Investors, as part of the Placement, with an exercise price of \$0.25 per Placement Option, on the basis that one Placement Option will be issued for every two Placement Shares issued to Professional and Sophisticated Investors. The

Question	Answer	More information
	<p>Placement Options will be issued for nil consideration; and</p> <p>(b) the Options Offer, comprising:</p> <ul style="list-style-type: none"> <li>(i) the offer of 10,000,000 Option to PAC Partners for nil consideration, with an exercise price of \$0.25 per Option;</li> <li>(ii) the offer of 3,684,002 Options to Dylide for nil consideration, with an exercise price of \$0.25 per Option; and</li> <li>(iii) the offer of 9,747,024 Options to Glowaim for nil consideration, with an exercise price of \$0.10 per Option,</li> </ul> <p>The Company has received pre-commitments from Professional and Sophisticated Investors for Placement Shares worth \$8.73 million under the Placement.</p> <p>The Offers are accompanied by a \$10.8 million debt to equity conversion (<b>Debt to Equity Conversion</b>).</p> <p>All Placement Shares offered under this Prospectus (and issued upon conversion of Options under this Prospectus) will rank equally with existing Shares on issue. A summary of the rights and liabilities attaching to the Shares is set out in the Constitution, which is an Incorporated Document.</p> <p>This Prospectus has also been prepared to meet the requirements of section 708A(11) of the Corporations Act, so that any trading restrictions on Shares prior to the Closing Date by the Company are removed.</p>	
Who is the manager of the Offers?	PAC Partners is managing the Placement.	
Are the Offers underwritten?	No, the Offers are not underwritten.	Section 3.1
Will the Shares and Options be quoted on the ASX?	<p>The Company will apply, within seven days of the Prospectus Date, for the quotation of all Placement Shares.</p> <p>As and when the Company satisfies the conditions in ASX Listing Rule 2.5, the Company intends to apply for, and use best endeavours to obtain, official quotation of all Options, other than the Options proposed to be issued to Glowaim. However, no assurances may be given that the options will be quoted on the ASX at a future point in time. In respect of the Options to be issued to Glowaim, no</p>	Section 3.9

Question	Answer	More information
	<p>application for quotation of the Options will be made by the Company. See discussion in Risk Factors in Section 7.</p>	
<p>What is the purpose of this Prospectus?</p>	<p>This Prospectus has been prepared:</p> <ul style="list-style-type: none"> <li>(a) to undertake the Placement under this Prospectus in order to satisfy the ASX reinstatement conditions, which include, among other things, the Company releasing a full form prospectus in relation to the Placement pursuant to section 710 of the Corporations Act. Refer to Section 10.11 for the full list of ASX reinstatement conditions;</li> <li>(b) to make the Options Offer under this Prospectus to ensure that the on-sale of the underlying Shares to be issued upon the exercise of the Options offered under this Prospectus is in accordance with ASIC Corporations Instrument 2016/80; and</li> <li>(c) to meet the requirements of section 708A(11) of the Corporations Act, so that any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date (including prior to the date of this Prospectus) are removed.</li> </ul>	<p>Sections 4.1 and 10.11</p>
<p>What are the key benefits of the Offers?</p>	<p>The key benefit of the Offers is to raise working capital for the Company to complete the Restructure and in turn to enable the resumption of trading in the Shares on the ASX.</p>	<p>Section 4.2</p>
<p>Who can apply for Placement Shares?</p>	<p>Professional and Sophisticated Investors can apply for Placement Shares to be issued under the Placement.</p>	<p>Section 3.1</p>
<p>Who can apply for Options?</p>	<p>Successful Applicants for Placement Shares will receive one Placement Option for every two Shares subscribed for under the Placement.</p> <p>The other Options offered as part of the Options Offer under this Prospectus are being offered to the Eligible Options Investors, being employees, advisers and consultants as incentives or in consideration for services provided to the Company. There are no other Options being generally offered under this Prospectus.</p>	<p>Important Information and Section 3.1</p>
<p>How can I apply for the Placement Shares, Placement Options and other Options under the Options Offer?</p>	<p>Applications for Placement Shares, Placement Options and all other Options under the Options Offer must be made by investors at the direction of the Company and must be made using the relevant Application Form accompanying this Prospectus.</p>	<p>Section 3.5</p>

Question	Answer	More information
How will the proceeds of the Offers be used?	The proceeds of the Offers will be used as working capital for the Company and for the purpose of reducing the debt owed by the Company.	Section 4.2
What is the impact of the Offers on the Company?	<p>The effect of the Offers on the Company is summarised in Sections 4.3 and 4.4.</p> <p>The Offers are expected to have a material effect on control of the Company with the voting power of Marcel Equity, RJL Investments, and their respective Associates increasing to approximately 23.2% immediately following the Debt to Equity Conversion and Placement (assuming no Options are exercised).</p> <p>The effect of the Offers on the control of the Company will vary with the level of Securities taken up by Eligible Investors.</p>	Sections 4.3 and 4.4
Who are the substantial Shareholders of the Company and what is the capital structure?	<p>On completion of the Offers (including all issues of Placement Shares and Placement Options and other Options under the Options Offer, the substantial Invigor Investors (being the Invigor Investors with a voting power in 5% or more of the Invigor Shares on issue) will be as follows:</p> <ul style="list-style-type: none"> <li>(a) Greg and Gary Cohen (and their related parties): 23.20%;</li> <li>(b) ICM/Allectus Group: 18.42%; and</li> <li>(c) Glowaim: 5.12%.</li> </ul>	Section 4.5 and 10.8
<b>Additional Information</b>		
What are the costs of the Offers and who is paying them?	The estimated costs of the Offers are approximately \$700,000 for legal, brokerage and registry services to be paid by the Company.	Section 10.14
Is there any brokerage, commissions or stamp duty payable in connection with the Offers?	No brokerage, commission or stamp duty is payable by applicants on an acquisition of Shares and/or Options under the Offers.	Section 3.5
What are the tax implications of investing in Shares and/or Options?	The tax consequences of any investment in Shares and/or Options will depend on an investor's particular circumstances. It is the obligation of the investor to make their own enquiries concerning the tax consequences of an investment in Invigor. If you are in any doubt as to the course of action, you should seek professional guidance from your professional tax adviser. Investors should obtain such advice prior to applying for Shares and/or Options.	Section 9

Question	Answer	More information
When will I be able to trade my Shares and/or Options on the ASX?	Shares in the Company are expected to resume trading on ASX on or about 1 February 2022, subject to satisfaction of the ASX reinstatement conditions. Further details of the ASX reinstatement conditions are set out in Section 10.11 of this Prospectus.	Key Dates for Offer Section 10.11
Will any Shares be subject to restrictions on disposal following completion of the Offers?	No Shares issued under the Placement are subject to voluntary escrow.	
When will I receive confirmation that my application for Shares has been successful?	It is expected that holding statements in respect of the Shares will be dispatched on or around 27 January 2022.	Key Dates for Offer
Can the Offers be withdrawn?	<p>The Company also reserves the right not to proceed with the Offers at any time before the issue of Securities to Applicants.</p> <p>The Offers will not proceed unless the Company receives shareholder approval at the EGM for the proposed issue of Placement Shares, Placement Options and other Options offered under this Prospectus.</p> <p>The Directors may at any time decide to withdraw this Prospectus and the Offers, in which case, the Company will return all Application Monies (without interest) in accordance with the provisions of the Corporations Act.</p>	Section 3.10
How can I obtain further information in relation to the Offer?	<p>If you are uncertain as to whether an investment in the Company is suitable for you, please contact your financial adviser, accountant, lawyer or other professional adviser.</p> <p>You can also contact Eryl Baron c/- Boardroom Pty Limited at eryl.baron@boardroomlimited.com.au.</p>	Section 3.17

### 3. Details of the Offers

#### 3.1 The Offers

The Offers comprise of the following:

Offer	Available to	Purpose	Resolution item in Notice of Meeting
<b>Placement</b>			
Offer under the Placement of up to 100,000,000 Placement Shares at an offer price of \$0.10 per Placement Share	Professional and Sophisticated Investors	Raise of up to \$10 million for working capital and repayment of debt owed by the Company	Item 23
Offer under the Placement of up to 50,000,000 Placement Options for nil consideration, with an exercise price of \$0.25 per Placement Option	Professional and Sophisticated Investors	As part of the Placement	Item 24
<b>Options Offer</b>			
Offer of 10,000,000 Options for nil consideration, with an exercise price of \$0.25 per Option	PAC Partners	The funds raised on exercise of the Options will be used to pay down the Company's outstanding debt and for working capital purposes.	Item 25
Offer of 3,684,002 Options for nil consideration, with an exercise price of \$0.25 per Option	Dylide	As above.	Item 28
Offer of 9,747,024 Options with an exercise price of \$0.10 per Option	Glowaim	The funds raised on exercise of the Options will be used to pay down the Company's outstanding debt to Glowaim and for working capital purposes.	Item 30

The proposed issue of the Placement Shares, Placement Options and the Options under the Options Offer set out above is subject to the Company obtaining approval from its Shareholders at the EGM.

All of the Placement Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus.

No general public offer of Shares or Options will be made under this Prospectus.

The Offers will not be underwritten.

### **3.2 Cleansing of previous issues of Shares**

In addition to the Offers, the purpose of this Prospectus is to meet the requirements of section 708A(11) of the Corporations Act, so that any trading restrictions on the Shares issued by the Company prior to the Closing Date (including prior to the date of this Prospectus) are removed.

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors where:

- (a) the relevant securities are in a class of securities that are quoted securities of the company;
- (b) either:
  - (i) a prospectus is lodged with ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
  - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

### **3.3 Period of the Offers**

The key dates of the Offers and key details relating to the Offers are set out in the Section titled "Key Dates for Offer". The timetable is indicative only and may change. Unless otherwise stated, all times are to Sydney time.

### **3.4 Nominees, trustees and custodians**

The Offers are only being made to Eligible Investors. The Company is not required to determine whether any registered holder is acting as a nominee, trustee or custodian or the identity or residence of any beneficial owners of Shares (e.g. for the purposes of determining whether any such person is an Eligible Investor).

Eligible Investors who are nominees, trustees or custodians are advised to seek independent advice as to how to proceed.

### **3.5 How to apply**

#### **(a) Placement**

The Placement is an offer to Professional and Sophisticated Investors identified by PAC Partners. Only Professional and Sophisticated Investors can accept an offer under the Placement. A personalised Placement Application Form will be issued to each Professional and Sophisticated Investor together with a copy of this Prospectus. The Company will only provide a Placement Application Form to the persons entitled to participate in the Placement.

No brokerage, commission or stamp duty is payable by Applicants on subscription or issue of Placement Shares and Placement Options pursuant to the Placement.

Completed Placement Application Forms should be returned to the Company prior to 5:00pm (Sydney time) on the Closing Date.

Payment for the Placement Shares must be made in full at the issue price of \$0.10 per Share. The Placement Options are being issued for nil consideration, and therefore the Applicants are not required to pay any funds with respect to the Placement Options.

## (b) Options Offer

The Options Offer is an offer to the Eligible Options Investors only. Only the Eligible Options Investors can accept the Options under the Options Offer. A personalised Options Offer Application Form will be issued to the Eligible Options Investors together with a copy of this Prospectus. The Company will only provide a Options Offer Application Form to the Eligible Options Investors.

No brokerage, commission or stamp duty is payable by the Eligible Options Investors on subscription or issue of the Options pursuant to the Options Offer. The completed Options Offer Application Form should be returned to the Company prior to 5:00pm (Sydney time) on the Closing Date.

The Options are being issued for nil consideration, and therefore the Applicants are not required to pay any funds with respect to the Options.

Payment can be made by direct deposit as detailed below.

Completed Application Forms must be sent to the Company as follows:

### The Company

#### Delivery by hand or post

Invigor Group Ltd  
Level 16  
56 Pitt Street  
Sydney NSW 2000

#### Direct deposits must be made to:

Account Name: Invigor Group Ltd  
BSB: 083-004  
Account Number: 194520409  
SWIFT Code: NATAAU3303M

Completed Application Forms may be emailed to the Company at [accounts@invigorgroup.com](mailto:accounts@invigorgroup.com).

## 3.6 Allocation policy

The basis of allocation of Securities will be determined by the Company.

Certain Applicants nominated by the Company may be given preference in the allocation of Securities.

The Company reserves the right in its absolute discretion not to issue any Securities to Applicants and may reject any application or allocate a lesser number of Securities than those applied for at its absolute discretion.

To the extent applications for Placement Shares exceed the number of Placement Shares available, each Eligible Investor's application for Placement Shares will be scaled back by the Company in its absolute discretion having regard to all relevant circumstances (including the Applicant's underlying shareholding as at the Prospectus Date).

## 3.7 Application Monies and Refunds

All Application Monies received by the Company will be held by the Company on trust in a separate account until the relevant Securities are issued to successful Applicants. The Company will retain any interest earned on the Application Monies held on trust pending the issue of relevant Securities to successful applicants.

Where the number of Securities allotted is less than the number applied for or where no allotment is made, the surplus Application Monies will be returned to Applicants (without interest) within the time prescribed by the Corporations Act.

## 3.8 Allotment

The allotment of Securities under the Offers is expected to take place by 27 January 2022.

An Application constitutes an offer by an Applicant to subscribe for Securities on the terms and subject to the conditions set out in this Prospectus. A binding contract to issue Securities will only be formed at the time Securities are allotted to Applicants.

### **3.9 ASX and Quotation**

The Company will apply for quotation of the Placement Shares offered under this Prospectus within seven days of the Prospectus Date.

The Company is listed on the ASX, although its Shares are currently suspended from trading. ASX has provided indicative approval for the lifting of the suspension subject to the Company satisfying certain conditions, including the completion of the Debt to Equity Conversion and the successful raising of \$8 million under this Prospectus. The Company will apply for lifting of the suspension as soon as practicable after the completion of the Offers under this Prospectus. If the application for lifting of the suspension is not granted before the expiration of 3 months after the date of the issue of the Prospectus, the Offers will not proceed and any Application Monies received will be refunded.

For all Options to be issued under this Prospectus other than the Options proposed to be issued to Glowaim, as and when the Company satisfies the conditions in ASX Listing Rule 2.5, the Company intends to apply for, and use best endeavours to obtain, official quotation of the Options. In respect of the Options to be issued to Glowaim, no application for quotation of the Options will be made by the Company.

### **3.10 Withdrawal**

The Company also reserves the right not to proceed with the Offers at any time before the issue of Securities to Applicants.

The Offers will not proceed unless the Company receives shareholder approval at the EGM for the proposed issue of Placement Shares, Placement Options and other Options offered under this Prospectus.

The Directors may at any time decide to withdraw this Prospectus and the Offers, in which case, the Company will return all Application Monies (without interest) in accordance with the provisions of the Corporations Act.

### **3.11 Overseas investors**

None of the Offers constitute an offer in any place in which, or to any person to whom, it would be unlawful to make such an offer.

#### **United States residents**

The Offers are not open to persons in the United States or U.S. Persons.

The Securities being offered pursuant to this Prospectus have not been registered under the US Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the US Securities Act and applicable state securities laws. This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful. In addition, any hedging transactions involving the securities may not be conducted unless in compliance with the US Securities Act.

#### **Overseas ownership and resale representation**

It is your responsibility to ensure compliance with all laws of any country relevant to your Application. The return of a duly completed Application Form and/or the payment of Application Monies will be taken by the Company to constitute a representation and warranty made by you to the Company that there has been no breach of such laws and that all necessary consents and approvals have been obtained.

### **3.12 Privacy**

When you apply to invest in the Company, you acknowledge and agree that:

- (a) you are required to provide the Company with certain personal information to:
  - (i) facilitate the assessment of an Application;
  - (ii) enable the Company to assess the needs of Applicants and provide appropriate facilities and services for Applicants; and
  - (iii) carry out appropriate administration; and
- (b) the Company may be required to disclose this information to:
  - (i) third parties who carry out functions on behalf of the Company, including marketing and administration functions, on a confidential basis;
  - (ii) third parties if that disclosure is required by law; and
  - (iii) related bodies corporate (as that term is defined in the Corporations Act) which carry out functions on behalf of the Company.

Under the *Privacy Act 1988* (Cth), Applicants may request access to their personal information held by (or on behalf of) the Company. Applicants may request access to personal information by telephoning or writing to the Company

### **3.13 Risks**

As with any securities investment, there are risks associated with investing in the Company. Key risk factors that could affect the financial and market performance of the Company are detailed in Section 7. The Securities offered under this Prospectus should be considered speculative. Before deciding to invest in the Company, investors should read this Prospectus in its entirety and should consider all factors in light of their personal circumstances and seek appropriate professional advice.

### **3.14 Tax implications of investing in the Company**

The taxation consequences of any investment in the Securities will depend on your particular circumstances. It is your responsibility to make your own enquiries concerning the taxation consequences of an investment in the Company. Applicants are urged to consider the possible tax consequences of participating in the Offers by consulting a professional tax adviser. Neither the Company nor any of its Directors or officers accepts any liability or responsibility in respect of the taxation matters referred to above.

### **3.15 Anti-Money Laundering and Counter-Terrorism Financing Act 2006**

The Company may be required under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) or any other law to obtain identification information from Applicants. The Company reserves the right to reject any Application from an Applicant who fails to provide identification information upon request.

### **3.16 CHES**

The Company participates in the Clearing House Electronic Subregister System (**CHES**). ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHES in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers means that the Company will not issue certificates to investors. Instead, investors will be provided with holding statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The holding statements will also advise holders of their Holder Identification Number (if the holder is broker sponsored) or Security Holder Reference Number (if the holder is issuer sponsored) and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship. Electronic sub-registers also mean ownership of Shares can be transferred without having to rely on paper documentation.

Further, monthly statements will be provided to holders of Shares if there have been any changes in their shareholding in the Company during the preceding month. Shareholders may request a holding statement at any other time; however there may be a charge for such additional statements.

### **3.17 Enquiries in relation to the Offers**

This Prospectus provides information for prospective investors in the Company, and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial adviser.

Any investment in the Company under this Prospectus should be considered speculative. Questions relating to the Offers can be directed to the Company Secretary, Eryl Baron c/- Boardroom Pty Limited at [eryl.baron@boardroomlimited.com.au](mailto:eryl.baron@boardroomlimited.com.au).

## 4. Purpose and effect of the Offers

### 4.1 Purpose of this Prospectus

The proposed offer of Placement Shares and Placement Options under the Placement to Professional and Sophisticated Investors does not require the lodgement of a disclosure document (such as a prospectus) under the Corporations Act, because the Professional and Sophisticated Investors fall within a relevant exception under section 708(8)-(11) of the Corporations Act.

However, the Shares have been suspended from official quotation since 30 October 2019.

On that basis, this Prospectus has been prepared:

- (a) to undertake the Placement under this Prospectus in order to satisfy the ASX reinstatement conditions, which include, among other things, the Company releasing a full form prospectus in relation to the Placement pursuant to section 710 of the Corporations Act. Refer to Section 10.11 for the full list of the ASX reinstatement conditions;
- (b) to make the Options Offer under this Prospectus to ensure that the on-sale of the underlying Shares to be issued upon the exercise of the Options offered under this Prospectus is in accordance with ASIC Corporations Instrument 2016/80; and
- (c) to meet the requirements of section 708A(11) of the Corporations Act, so that any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date (including prior to the date of this Prospectus) are removed.

### 4.2 Uses of funds of the Offer

The Company is seeking to raise up to \$10 million with the issue of up to 100,000,000 Placement Shares and up to 50,000,000 Placement Options attaching on a 1:2 basis, such that one Placement Option will be issued for every two Placement Shares issued to a Professional and Sophisticated Investor. The Company has received pre-commitments from Professional and Sophisticated Investors for \$8.73 million under the Placement.

The proceeds raised from the Offers (assuming a raising based on current commitments of \$8.7 million and of \$10 million under the Placement) will be used as follows:

	\$8.7 million raise		\$10 million raise	
	\$ million	%	\$ million	%
Debt retirement	3.2	36.8	3.2	32.0
Working capital	1.8	20.7	3.1	31.0
Payments to accrued creditors	3.0	34.5	3.0	30.0
Transaction costs	0.7	8.0	0.7	7.0
<b>Total</b>	<b>8.7</b>	<b>100</b>	<b>10</b>	<b>100</b>

In the event of the subscription amount being less than the maximum \$10 million the shortfall will reduce the available working capital on a dollar-for-dollar basis.

There is no minimum subscription under the Offers.

The funds raised on exercise of the Options will be used to pay down the Company's outstanding debt and for working capital purposes.

The Pro forma Statement of Financial Position in Section 6.3 has been prepared to illustrate the financial position of the Company following completion of the Offers. The Pro forma Statement of Financial Position is intended to be illustrative only and will not reflect the actual position and balances as at the date of this Prospectus or at the completion of the Offers.

### 4.3 Effect on the Company's capital structure

The table below shows the current capital structure of the Company and the capital structure of the Company on completion of the Placement and Debt to Equity Conversion, assuming: (i) \$8.732 million is raised under the Placement; and (ii) the maximum subscription of \$10 million under the Placement.

	Number of Shares		Number of Options (excl Warrants)		Number of Convertible Notes	Number of Warrants
	Assuming Placement subscribed to \$8.732 m**	Assuming Placement subscribed to \$10 m**	Assuming Placement subscribed to \$8.732 m	Assuming Placement subscribed to \$10 m		
Balance as at the Prospectus Date	16,282,684	16,282,684	5,027,033	5,027,033	13,132,000	716,666*
To be issued pursuant to the Placement	87,322,287	100,000,000	43,661,144	50,000,000	Nil	Nil
To be issued pursuant to the Options Offer	Nil	Nil	23,431,026	23,431,026	Nil	Nil
To be issued pursuant to the Debt to Equity Conversion and Conversion of Convertible Notes and other Staff and Director issues	46,540,956	46,540,956	Nil	Nil	Nil	Nil
<b>Total Shares on issue on completion of the Placement and Debt to Equity Conversion</b>	<b>150,145,927</b>	<b>162,823,640</b>	<b>72,119,203</b>	<b>78,458,059</b>	Nil	716,666

**\*Note:** There are three warrants on issue which represent the right to convert to 716,666 Shares, expiring February to June 2022 at exercise prices ranging from \$4 to \$8.

**\*\*Note:** The number of Shares referenced in the table above are prior to (and do not take into account) the cancellation of certain Shares held by Sumabe.

The table below provides details in relation to the various Options on issue in the Company as at the Prospectus Date.

Options on issue	Number	Expiry date
Options @ \$10	3,750	19 April 2022
Options @ \$10	25,758	20 May 2022
Options @ \$6	5,004	22 June 2022
Options @ \$10	10,002	3 July 2022
Options @ \$10	1,251	5 July 2022
Options @ \$6	2,502	5 July 2022

Options @ \$10	8,340	1 August 2022
Options @ \$10	3,750	3 April 2023
Options @ 7c	2,125,000	7 May 2023
Options @ \$20	441,676	4 December 2023
Options @ 15c	200,000	29 June 2024
Options @ 25c	400,000	29 June 2025
Options @ 40c	300,000	29 June 2025
Options @ 50c	400,000	29 June 2025
Options @ 25c	400,000	1 July 2025
Options @ 40c	300,000	1 July 2025
Options @ 50c	400,000	1 July 2025
<b>TOTAL OPTIONS</b>	<b>5,027,033</b>	

Accordingly, assuming the Placement is subscribed to \$10 million, the Company will have a total of 162,823,640 Shares (before the cancellation of certain Shares held by Sumabe) on issue on an undiluted basis and a total of 241,998,365 Shares on issue on a fully diluted basis.

Following the Debt to Equity Conversion, the Company will no longer have Convertible Notes on issue.

#### 4.4 Effect on control of the Company

The Placement, when combined with the Debt to Equity Conversion, is expected to have a material effect on control of the Company.

As at the date of this Prospectus, Marcel Equity (controlled by Gary Cohen and Greg Cohen), RJI Investments (controlled by Greg Cohen), and Gregkar (controlled by Greg Cohen) hold voting power of 16.56% in the Company. Marcel Equity, RJI Investments and Gregkar are Associates of each other.

Immediately following completion of the Placement and Debt to Equity Conversion, Marcel Equity, RJI Investments, Gregkar and their Associates will initially hold voting power of 23.20% in the Company, prior to the exercise of any Options by Marcel Equity, RJI Investments or Gregkar (based on the issue of 35,060,146 Shares (in aggregate) to Marcel Equity, RJI Investments and Gregkar) and where no other issued Options or Convertible Notes are exercised or converted.

The proposed issue of Shares and Options under the Placement and Debt to Equity Conversion could theoretically result in Marcel Equity, RJI Investments, Gregkar and their Associates having voting power in aggregate in the Company of up to 24.94% assuming that:

- (a) all Options held by RJI Investments, Marcel Equity, Gregkar and their Associates are exercised, but where no other issued Options or Convertible Notes are exercised or converted);
- (b) all Resolutions in the Notice of Meeting have been approved and implemented prior to, or contemporaneously with, the proposed issue of the Shares and Options to Marcel Equity, RJI Investments and Gregkar (including on the basis that the Placement is subscribed to \$8.73 million). In the event of oversubscriptions of up to an additional \$1.27 million under the Placement, the voting power of Marcel Equity, RJI Investments and Gregkar and their Associates would be decreased; and
- (c) the Company does not undertake any capital reorganisation (such as a buy-back) which reduces the Company's share capital between the date of issue of the Options and the date on which they are exercised.

The proposed issue of Securities to Marcel Equity, RJI Investments and Gregkar, and their Associates is subject to Shareholder approval at the EGM. Please refer to the explanatory notes on Resolutions 4, 5, 6, 7, 8 and 9 in the Notice of Meeting for further details.

#### 4.5 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and, to the best of the Company's knowledge, on completion of the Offers are set out in the respective tables below.

(a) **As at the date of this Prospectus:**

Shareholder	Shares	Options/ Warrants	Percentage (%) (undiluted)	Percentage (%) (fully diluted)
Marcel Equity, RJL Investments, Gregkar and their Associates*	2,696,614	200,002	16.56	13.15
Glowaim	1,333,483	2,125,000	8.19	15.70
ICM/Allectus Group	333,333	133,333	2.05	2.12
Dylide	Nil	Nil	Nil	Nil
Sun Asia Group	1,458,958	Nil	8.96	6.62

(b) **On completion of the issue of Placement Shares, Placement Options and other Options under the Offers and assuming all Options and warrants are exercised:**

Shareholder	Shares	Options/ warrants	Percentage (%) (undiluted)	Percentage (%) (fully diluted)
Marcel Equity, RJL Investments, Gregkar and their Associates*	37,756,760	3,766,252	23.20	17.16
ICM/Allectus Group	29,983,333	14,825,000	18.42	18.57
Glowaim	8,333,483	15,372,024	5.12	9.80

**\*Note:** Greg Cohen and Gary Cohen's interest in the Company is held through Marcel Equity, RJL Investments and Gregkar (being entities controlled by Greg Cohen and/or Gary Cohen). Furthermore, Greg Cohen and Gary Cohen are Associates of each other. Refer to the explanatory notes in Resolutions 4, 5, 6, 7, 8 and 9 in the Notice of Meeting for further details.

The Company will announce to the ASX details of its top 20 largest holders of each class of Securities to be quoted following completion of the Offers.

#### 4.6 Expenses of the Offers

The expenses of the Offers are expected to be approximately \$700,000 which includes legal, brokerage and registry services to be paid by the Company.

## 5. Company Overview

### 5.1 Overview of Invigor

Invigor and its subsidiaries (**Group**) is a data analytics and insights business established in Australia, specialising in pricing insights, retailer insights and dynamic revenue optimisation, dynamic pricing and profit optimisation. The Company is currently servicing the liquor and consumer electronics sectors in Australia, with a recent expansion into the fast moving sector of consumer goods.

The Company was incorporated on 22 January 1998 as BMC Media Limited and listed on the ASX on December 3, 1999. Its name was subsequently changed to Invigor Group Limited on 11 October 2012. The Group developed its proprietary pricing analysis software and associated intellectual property progressively from 2013 onwards. Through its acquisitions of Global Group Pty Limited and its subsidiaries in July 2014 and Amethon Pty Ltd in December 2014, the Company grew its development expertise in data analytics in the consumer electronics market, followed by the alcoholic beverage market in July 2015.

The principal activity of the Group is to provide B2B data intelligence and analytics solutions to enable brands, suppliers and retailers to understand competitor price movements and to grow revenue and margin through actionable insights. Invigor's products solutions offered to its customers include Pricing Insights, Retailers Insights, Dynamic Pricing and On-Premise Insights (under development). Please refer to Section 5.2 for further details.

Invigor's innovation in owned retail platforms and unique cross-channel data ecosystem, allows businesses to have a holistic view of the e-commerce retail market and its competitive landscape to not only understand, but effectively engage with today's physical and digital consumers. Combined with proprietary data and predictive engines, Invigor provides strategic insights and recommendations that empower businesses to successfully influence future customers, develop pricing and promotions strategies and increase long-term profitability.

### 5.2 Core product offerings

#### (a) Pricing Insights

The Group's business is focused around its core proprietary product offering, Pricing Insights, which involves the process of capturing, matching, analysing and visualising the retail products price and promotions market with a focus on e-commerce channels, relevant print catalogues and other promotions channels.

The Pricing Insights solution is designed to fuel real-time decision making with live pricing and help brands and retailers create their own promotional strategy which is backed by data. It is regarded as a valuable tool for e-commerce players as the data helps contribute to brands and retailers improve financial performance, manage price governance and optimize promotions spend.

Pricing Insights is based on proprietary data capture systems and processes that ingests web and digitized catalogue information to deliver live competitive pricing data of all competitor activity. Analysis of catalogue data is presented as 'Share of Voice' (SOV) used by brands and retailers to optimise their pricing and promotions strategy. Pricing Insights also provides:

- (i) access to a 360-degree view of competitor pricing across online and offline channels;
- (ii) customised reports to maximise revenue and market positioning;
- (iii) real-time alerts whenever a competitor or product changes in price;
- (iv) insights on competitor pricing strategies and tactics over the short and long term;
- (v) views on suppliers' positions and promotions;
- (vi) historical data to understand demand, seasonal variations and improve product mix; and
- (vii) extensive historical pricing data and promotional records regarding the consumer electronics and liquor industries for long term analysis and to build predictive pricing and promotions models.

**(b) Retailers Insights**

Retailers Insights is a proprietary insights tool that gives retailers an intrinsic look at performance across location, product and customers with a built-in SMS loyalty engine. The product provides:

- (i) real time visibility: single view of business data and performance in real-time across multiple data sources to quickly identify and respond to anomalies and opportunities;
- (ii) action oriented opportunities: layered with Invigor proprietary algorithms that look for patterns and extract the next best opportunities to drive uplift in revenue, margins and customer engagement strategies for various customer segments based on their purchase history; and
- (iii) cloud-hosted and available through a secure log-in to empower retailers with the data they need to have fact-based discussions with suppliers, brands and store managers.

**(c) Dynamic Pricing**

An AI-driven solution that tracks and analyses multiple data inputs to dynamically recommend and adjust product pricing across multiple channels in real time, at scale. This helps brands and retailers engaging direct-to-consumer, increase revenue, optimise profitability and provides:

- (i) the ability for retailers to increase revenue and profits;
- (ii) the opportunity to leverage market pricing intelligence from Invigor's Pricing Insights;
- (iii) the optimisation of pricing on all products, rather than just power SKUs;
- (iv) the adoption of AI, rules-based, hybrid AI+rules-based and custom pricing strategies;
- (v) the integration of approved price recommendations into ERP or e-commerce marketplace platforms;
- (vi) the incorporation of stock levels and floor pricing into pricing strategies; and
- (vii) an intuitive, easy to use interface for rules and AI management.

**(d) On-Premises Insights**

Stemming from industry and existing client feedback requesting pricing and consumption data along the lines of Pricing Insights for on-premises liquor sales. On-Premises Insights is a product under development which will incorporate Invigor's Pricing Insights data and point-of-sale transactions from hundreds of licensed venues across Australia. This product:

- (i) surfaces detailed on-premises consumption and pricing data to liquor brands and venue owners/managers across an extensive list of venues in Australia;
- (ii)
- (iii) provides daily consumption data across a cohort of venues for brands to better understand customer purchase patterns; and
- (iv) allows brands to better manage over 50% of their revenue channel with better on-premise promotions and marketing activities.

### **5.3 Business objectives**

The future business objectives of the Company are to expand on existing core strengths by expanding offerings into other categories and other geographies, while continuing to operate its existing subscription-based SaaS business.

## 5.4 Business Model

### (a) Customers and distribution channels

The majority of the Company's clients are Australian and international blue-chip companies, including Carlton United Breweries, Asahi, The Good Guys, Diageo, Moet Hennessy, Australia Liquor Marketers (ALM), Smeg, KitchenAid and Pernod Ricard.

Approximately 50% of the Company's existing customers have been with Invigor for over four years. The remaining customers have been contracted over the last 12-18 months. Over the last 12 months the Company has increased its share-of-wallet by 10% from the same customers as the previous year. The Company has also experienced an approximate 50% growth in number of customers since October 2019.

Annualised customer revenue has increased by 205% (\$1,103,000) since October 2019 from \$538,000 to \$1,641,000. The average contact value has increased from \$61,000 to \$137,000 per annum, which is directly correlated with the investment that has been made by the Company in the client facing tools, reports and services.

### (b) Revenue Models

Invigor operates a subscription-based SaaS revenue model with annual contracts and payment made quarterly in advance. Subscriptions and amounts charged to clients are directly proportionate to the amount of data subscribed to by customers and thus scalable across small, medium and large enterprises.

### (c) Key expenses

The key expenses of the Company include employee expense, software development contractors, professional services and data hosting.

The Company has implemented cost saving measures to reduce its key expenses. Detailed below are the major areas of cost saving measures implemented, on an annualised basis since 2019.

Annualised Cost Oct 2019 vs. Jun 2021 (\$'000)	Annualised May-Oct 19	Annualised Jan-Jun 21	Saving	% Saving
Employee benefits	4,543	2,526	2,017	44%
Professional fees	639	526	113	18%
Property costs	537	337	200	37%
Audit & statutory costs	408	151	257	63%
Cost of goods sold	402	195	207	52%
Marketing costs	177	39	138	78%
IT costs	78	55	23	30%
Travel and entertainment	65	3	62	96%
Other operating costs	32	119	-86	-267%
<b>Total expenses</b>	<b>6,881</b>	<b>3,950</b>	<b>2,931</b>	<b>43%</b>

### (d) Financing arrangements

The Company has the following financing arrangements:

- (i) **National Australia Bank:** a 10.3% p.a. interest bearing, revolving, AUD 100,000 Secured Overdraft Facility.
- (ii) **Marcel Equity (entity associated with Gary Cohen and Gregory Cohen):** a 15% p.a. interest bearing AUD 7,500,000 Unsecured Facility, maturity 31 March 2022.  
At November month end, the unused amount of the financing facility with Marcel Equity was not available for drawdown, and has been removed from the calculation of unused

facilities calculation. The use of the undrawn facility is subject to the terms of the facility which provides Marcel Equity the discretion to approve each drawdown notice.

- (iii) **Gary Cohen:** a 16% p.a. interest bearing AUD 1,000,000 Secured Loan, repayable on demand.
- (iv) **PFG:** a 16% p.a. interest bearing AUD 217,000 Secured Loan, repayable on demand.
- (v) **Glowaim:** a 20% p.a. interest bearing AUD 1,400,000 Secured Loan, principal repayable on approval and settlement of the current Placement by 31 January 2022, with accrued interest repayable by 15 January 2023.
- (vi) **Finarch Holdings Pty Limited:** a 25% p.a. interest bearing AUD 1,300,000 Secured Loan which was extended on 24 December 2021, repayable on the earlier of the settlement of the current Placement under this Prospectus or 24 February 2022.
- (vii) **John Hayson:** a 3% p.m. interest bearing AUD 500,000 Unsecured Loan, repayable on demand.
- (viii) **Other short-term loans:** 15% p.a. interest bearing, AUD 177,000 Unsecured Loans, repayable on demand.
- (ix) **Other short-term loans:** 15% p.a. interest bearing, AUD 761,000 Secured Loans, repayable on settlement of the current Placement by 31 January 2022.
- (x) **Sophisticated investor:** a 17% p.a. interest bearing, AUD 1,000,000 Convertible Note facility, repayable on demand.
- (xi) **Sophisticated investors:** 15% p.a. interest bearing, AUD 632,000 Convertible Note facilities, repayable March, May, June and August 2022.
- (xii) **Sophisticated investor:** a 20% p.a. interest bearing, AUD 233,333 Unsecured facility, repayable on demand.
- (xiii) **Sophisticated investor:** a 10% p.a. interest bearing, AUD 100,000 Unsecured facility, repayable on earlier of settlement of the current Placement or 22 February 2022.
- (xiv) **Sophisticated investor:** a nil interest, AUD 200,000 Unsecured facility, repayable on settlement of the current Placement in January 2022.

All of these financing arrangements (apart from the facility with Glowaim), will be extinguished following the Shareholders Meeting (assuming all of the Resolutions are passed by Shareholders by the requisite majorities) and the Company's pro-forma balance sheet indicates that the Company will have a positive net working capital position.

The Company also signed a contract to sell TillerStack GmbH (**TillerStack**), its subsidiary in Germany.

The sale of TillerStack was completed on 15 January 2021 for USD 1.25 million (A\$1.7 million), less any NTA adjustments, with 50% of the purchase price paid in cash on settlement, and 50% of the purchase price paid by a 12-month amortising promissory note with a convertible option to ZenaTech Inc shares.

Ten promissory note payments totaling USD 488,200 have been received in the period to 30 November 2021.

## 5.5 Business Restructuring Plan and Strategy

The Company entered into a voluntary suspension from trading on the ASX on 30 October 2019, after agreeing with the ASX that its business plan required improvement and that its balance sheet required restructuring to substantially reduce debt and ensure adequate working capital.

Since that time, the Company has embarked on a major restructuring plan (**Business Restructuring Plan**) to:

- (a) simplify its business operations and footprint;
- (b) invest in new profitable business verticals;
- (c) increase operating revenue and operating cash flow;
- (d) substantially reduce its cost base;
- (e) substantially reduce debt and interest costs; and
- (f) ensure it had sufficient ongoing working capital.

The Company has implemented a major overhaul in its business operations, increased revenue in key areas of customer demand, simplified and streamlined its product offering, and exited unprofitable product lines.

It also reduced its footprint by closing locations both overseas (Germany in January 2021 and Singapore in September 2021) and interstate (Melbourne) February 2020.

The Company has reduced its product offerings from 10 products to 4 products in 2020, by adopting a “low-risk and high return” filter.

In addition, the growing shift to online e-commerce in Australia and the impact of the Covid-19 pandemic has accelerated revenue opportunities for Invigor in Australia and overseas. Consumer behavior has changed from shopping in-store to online, which has resulted in exponential on-line growth, such that retailers and brands have now increased requirements to have access to the most accurate and current data. This has been a major factor that has resulted in the Company successfully growing its revenue and customers since 2019.

The Company has made significant progress on the above initiatives, with the key achievements in respect of implementation of the Business Restructuring Plan being:

- (a) core operating annualised revenue has increased by 205% and reported revenue in the first half of 2021 increased by 167% on HY 2020;
- (b) the Company has secured additional substantial recurring annual revenue contracts with major Brands. Customers in Australia have grown by approximately 50% in HY2021 as compared with HY 2020;
- (c) the Company’s sale of non-core assets, the closure of the Singapore and Melbourne offices, and the sale of Tillerstack for AUD 1.7 million, simplified the structure and contributed to a reduction of approximately 44% in the Company’s annualised cost base and the substantial improvement in its operating cash flow;
- (d) a \$2.9 million reduction in annualised operating costs, from reduced overheads and a streamlined structure;
- (e) the planned restructure of the balance sheet to be considered by Shareholders at the EGM for the elimination of \$16.7 million of liabilities from the Company’s balance sheet being achieved by the:
  - (i) proposed \$10.8 million Debt to Equity Conversion;
  - (ii) completion of the Placement and Option Offers;
  - (iii) repayment of \$5.7 million of debt and accrued creditors;
  - (iv) ongoing provision of \$1.8 million of working capital; and
  - (v) restructure of the executive team to ensure the required skills exist to implement the Company’s growth plan;
- (f) under the Placement, the Company will raise up to \$10 million in new capital from Professional and Sophisticated Investors. The Placement involves the issue of up to 100 million Placement Shares at \$0.10 per Placement Share, together with an attaching Placement Option issued at \$0.25 per Placement Option for every two Placement Shares issued. The new equity will

represent approximately 48.5% of the Company's shareholder base, with Associate parties representing 26.3% (after the Placement and Debt to Equity Conversion) and existing shareholders representing the remaining 25.2%. The Company has received pre-commitments from Professional and Sophisticated Investors for \$8.73 million under the Placement; and

- (g) the Restructure also involves the elimination of \$16.7 million of debt and liabilities (as at 30 November 2021) from the Company's balance sheet. The Restructure includes the:
  - (i) conversion of up to \$8.4 million of debt and accrued interest at \$0.30 per Share from Marcel Equity and related parties including Gary and Gregory Cohen and RJL Investments;
  - (ii) conversion of up to \$2.5 million of debt and accrued interest at \$0.30 per Share from Convertible Note holders and unsecured debt holders; and
  - (iii) The issue of Shares and Options for the conversion of up to \$0.65 million at \$0.07 per Share to the Convertible Note holders.

## 5.6 Key strengths

The Company's key strengths include:

- (a) its expertise within the retail data SaaS industry, as it has operated within this industry for over 10 years;
- (b) its historical data and intellectual property which is owned, or can be accessed by, Invigor, and which is a key asset to any e-commerce platform;
- (c) its understanding of the industry sectors in which it operates;
- (d) its long-standing multinational client relationships; and
- (e) the consistency, accuracy and breadth to which its core products are offered.

## 5.7 Key challenges

Invigor's key challenges include its limited available cashflow and the extent it relies on its key personnel.

While there are many companies that offer products with insights, there are no known competitors of Invigor in the markets that the products are sold that offer products with the same breadth and depth as the core products of Invigor. This means that Invigor is placed in a strong position where no one major competitor addresses the market in the same manner.

## 5.8 Industry overview

Invigor operates within the SaaS retail industry and currently services liquor and consumer electronics sectors within this industry. The Company plans to expand its services into the health & beauty, FMCG and grocery sectors in the future.

The total addressable market in Australia only is estimated to be over \$2 billion based on the total number of potential customers (including all categories) and Invigor's current average contract value.

Invigor is in a strong leadership position providing Pricing Insights based on daily online data. Competitors provide Pricing Insights based on either scan data or market research which does not serve the purpose of online e-commerce. With the increasing demand of daily competitive online pricing, especially from marketplaces such as Catch, Kogan and others, Invigor's market share is constantly growing. Invigor is not aware of any emerging competitors, and an unlikely major downturn or shift away from e-commerce transactions is unlikely.

Invigor operates under Australian corporate law governance standards as set down by ASIC and the ASX and its own published privacy guidelines.

The potential introduction of Container Deposit Schemes by the governments of Victoria and Tasmania is expected in 2022. Invigor is well positioned for these opportunities given its previous tenders wins in NSW and WA.

#### 5.9 Pro-forma Restructure Distribution of Funds (As at 30 November 2021 (\$'000)):

<b>Capital Raise</b>	<b>8,732</b>	<b>10,000</b>
<b>Liabilities to be Repaid</b>		
Secured loan principal and interest	3,200	3,200
Accrued Creditors Payable and Accruals	2,519	2,519
<b>Total Liabilities to be Repaid</b>	<b>5,719</b>	<b>5,719</b>
Working Capital Available on Re-instatement (before Cap raising Costs)	<b>2,084</b>	<b>3,352</b>
<b>Deferred Liabilities - Ongoing Loan</b>	<b>785</b>	<b>785</b>
<b>Debt Conversion</b>		
Related party loan principal and interest	8,378	8,378
Other debt principal and interest	3,567	3,567
<b>Total Debt Conversion</b>	<b>11,945</b>	<b>11,945</b>
Note: Total debt excludes the payment of an R&D loan of \$640,000 and the Tillerstack loan of \$110,000 as these will be repaid from related receivables due by January 2022 from assigned receivables.		

Following the completion of the Restructure, the Directors consider that the Company will have enough working capital at the time that its ASX trading suspension is lifted to carry out its stated objectives.

## 6. Financial Information

### 6.1 Overview of Financial Information

The financial information for Invigor includes the pro forma balance sheet as at 30 November 2021 (**Invigor Pro Forma Balance Sheet**), and the historical financial information from the Company's annual report for the year ended 31 December 2020 (**2020 Annual Report**) and 30 June 2021 Half Year Report (2021 Half Year Report) (**Invigor Historical Financial Information**), (together the Pro-Forma Balance Sheet and the Invigor Historical Financial Information, the **Invigor Financial Information**).

The Invigor Financial Information should be read in conjunction with the risk factors set out in Section 7, and the 2020 Annual Report released on 30 April 2021, and 2021 Half Year Financial Report released on 31 August 2021, both of which are incorporated by reference into this Prospectus.

The Historical Financial Information comprises the:

- (a) Statutory historical consolidated statements of profit and loss for FY2019, FY2020 and HY2021 (**Statutory Historical Results**);
- (b) Statutory historical consolidated statements of cash flows for FY2019, FY2020 and HY2021 (**Statutory Historical Cash Flows**); and
- (c) Statutory historical consolidated statements of financial position for FY2019, FY2020 and HY2021 (**Statutory Historical Statement of Financial Position**).

### 6.2 Basis of preparation and presentation of the Financial Information

The Directors of the Company are responsible for the preparation and presentation of the Invigor Financial Information. The Invigor Financial Information is included to present Investors with information to assist them in understanding the historical financial position of Invigor.

The Invigor Financial Information is included for illustrative purposes only and is not a representation of Invigor's financial position in the future. Further, past results are not a guarantee of future performance.

#### Measurement and recognition principles

The Statutory Financial Information has been prepared and presented in accordance with measurement and recognition principles prescribed in Australian Accounting Standards (**AAS**) (including the Australian Accounting Interpretations issued by the Australian Accounting Standards Board (**AASB**)), which are consistent with International Financial Reporting Standards (**IFRS**) and interpretations issued by the International Accounting Standards Boards (**IASB**).

The Invigor Financial Information is presented in an abbreviated form and does not include all of the presentation, disclosures, statements and comparative information as required by AAS applicable to general purpose financial reports prepared in accordance with the Corporations Act. All amounts disclosed in this section are presented in Australian dollars and are rounded to the nearest \$1,000 unless otherwise noted.

#### Significant Accounting Policies

The significant accounting policies adopted in the preparation of the Invigor Financial Information are set out in Section 6.5 and have been consistently applied throughout the financial periods presented in this Prospectus, unless otherwise stated.

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations by the AASB that are not yet mandatory have not been early adopted.

The Statutory Historical Financial Information has been extracted from the audited consolidated financial statements of Invigor Group for FY2019 and FY2020, and the reviewed consolidated half year condensed financial statements for HY2021.

Invigor Group's consolidated financial statements for FY2019 and FY2020 have been audited by Moore Australia in accordance with Australian Accounting Standards. The condensed half year financial

statements for HY2021 have been reviewed by Moore Australia in accordance with Australian Accounting Standards. The auditor issued an unqualified opinion on the financial statements for the financial periods ended 31 December 2019, 31 December 2020 and 30 June 2021. The auditor issued an Emphasis of Matter opinion on the financial statements of each of those periods on the basis of material uncertainty related to going concern. A copy of each audit and review opinion is included in Annexure B.

### 6.3 Invigor Pro Forma Balance Sheet

The Invigor Pro Forma Balance Sheet has been:

- (a) provided for illustrative purposes only;
- (b) prepared solely for inclusion in this Prospectus;
- (c) prepared in accordance with the recognition and measurement, but not all of the disclosure requirements of the AAS; and
- (d) has been derived from Historical Financial Information.

	HY2021 Reviewed \$000	30 Nov 2021 Pro Forma \$000
Cash and cash equivalents	1	2,361
Trade and other receivables	1,282	1,096
<b>Total current assets</b>	<b>1,283</b>	<b>3,457</b>
Property, plant and equipment	1	3
Intangible assets	0	0
<b>Total non-current assets</b>	<b>1</b>	<b>3</b>
<b>Total assets</b>	<b>1,284</b>	<b>3,460</b>
Cash and cash equivalents	44	22
Trade and other creditors and accruals	8237	541
Interest bearing loans and borrowings	11,078	1,257
Provisions	196	(122)
<b>Total current liabilities</b>	<b>19,555</b>	<b>1,698</b>
Interest bearing loans and borrowings	0	785
Provisions	35	360
<b>Total non-current liabilities</b>	<b>35</b>	<b>1,145</b>
<b>Total liabilities</b>	<b>19,590</b>	<b>2,843</b>
<b>Net assets</b>	<b>(18,306)</b>	<b>617</b>
Issued capital	277	20,724
Reserves	3,751	3,737
Accumulated losses	(22,334)	(23,843)
<b>Total equity</b>	<b>(18,306)</b>	<b>617</b>

#### Basis of preparation

The Invigor Pro Forma Balance Sheet set out above was prepared on the basis of an \$8.732 million capital raise under the Placement, using the Company's reviewed balance sheet of 30 June 2021, and with pro-forma adjustments made for the effect of the items proposed for the Resolutions in the Notice of Meeting so as to provide a pro forma balance sheet of the Company as at 30 November 2021. Specifically, the Invigor Pro Forma Balance Sheet set out above excludes any forecasted working capital, and other investment and financing activities from 1 December 2021 onwards.

## 6.4 Historical Financial Information

### Statutory Historical Results

	Notes	FY2019 Audited \$000	FY2020 Audited \$000	HY2021 <sup>1</sup> Reviewed \$000
Revenue	1	965	857	865
Other revenue	1, 2	1,065	1,306	654
<b>Total revenue</b>		<b>2,030</b>	<b>2,163</b>	<b>1,519</b>
Employee benefit expense	1, 3	(4,302)	(2,952)	(1,263)
Professional fees	1	(600)	(438)	(248)
Legal settlement costs		(500)	0	0
Other operating costs	1, 4	(1,497)	(1,192)	(464)
Profit/(loss) from joint venture		50	40	0
<b>EBITDA</b>		<b>(4,819)</b>	<b>(2,379)</b>	<b>(456)</b>
Profit/(loss) from sale of non-current assets		0	0	0
Impairment expenses	5	(4,487)	(250)	0
Depreciation and amortisation	6	(1,892)	(5)	(1)
<b>EBIT</b>		<b>(11,198)</b>	<b>(2,634)</b>	<b>(457)</b>
Financing costs	1, 7	(1,732)	(2,324)	(1,246)
<b>Net loss before tax from continuing operations</b>		<b>(12,930)</b>	<b>(4,958)</b>	<b>(1,703)</b>
Income tax expense		-	-	0
<b>Net loss after tax from continuing operations</b>		<b>(12,930)</b>	<b>(4,958)</b>	<b>(1,703)</b>
Profit/(loss) from discontinued operations (TillerStack GmbH)	1	(138)	(30)	1,349
<b>Net loss after tax</b>		<b>(13,068)</b>	<b>(4,988)</b>	<b>(354)</b>

<sup>1</sup> HY2021 is the six months from 1 January 2021 to 30 June 2021

#### Notes:

The following notes are extracted from the detailed notes to the Invigor Historical Financial Information which are incorporated into this Prospectus by reference.

1. Revenue from customers, and expense line items presented in the statutory historical results exclude revenue and expenses from the discontinued operations, TillerStack GmbH which was sold in January 2021. The revenue and expenses of TillerStack GmbH for each of FY2019, FY2020 and HY2021 are shown in one line item "Profit/(loss) from discontinued operations (TillerStack GmbH)" as required by AAS.
2. Other revenue includes Research and Development tax rebates, JobKeeper and Cashflow Boost income and other proceeds from recovery and sale of assets.
3. Employee benefits expense include non-cash Share-based payment expense of \$227,000 in FY2019, \$171,000 in FY2020 and \$126,000 in HY2021.
4. Other operating costs include IT and network costs of \$314,000 in FY2019, \$405,000 in FY2020 and \$125,000 in HY2021; and property costs of \$324,000 in FY2019, \$500,000 in FY2020 and \$169,000 in HY2021.
5. Impairment expenses relate to previously capitalised development costs, goodwill and intangibles which were impaired in accordance with AAS.
6. Depreciation and amortisation charges relate to capitalised development costs and intangible assets which were subsequently impaired as per note 5.
7. Financing costs include interest on loan and convertible note facilities.

## Statutory Historical Cash Flows

	Notes	FY2019 Audited \$000	FY2020 Audited \$000	HY2021 <sup>1</sup> Reviewed \$000
Receipts from customers		3,057	2,354	986
Payments to suppliers and employees		(6,734)	(3,967)	(1,470)
Other income received		1,041	1,230	-
<b>Net cash from operating activities</b>		<b>(2,636)</b>	<b>(383)</b>	<b>(484)</b>
Disposal of discontinued operations, net of cash disposed		195	235	857
Proceeds from other assets		143	36	
Payments as deposit for acquisition of business operations		(250)	-	
<b>Net cash from investing activities</b>		<b>88</b>	<b>271</b>	<b>857</b>
Proceeds from issue of shares		782	-	-
Proceeds from issue of convertible notes		500	-	132
Proceeds from borrowings		5,579	1,918	346
Borrowing costs paid		(431)	(617)	(762)
Repayment of borrowings		(4,093)	(1,125)	(123)
Capital raising costs paid		(17)	-	0
<b>Net cash from financing activities</b>		<b>2,320</b>	<b>176</b>	<b>(407)</b>
Cash at beginning of financial period		155	(73)	(83)
Net increase/(decrease) in cash held		(228)	64	(34)
(Less)/add cash from discontinued operations		0	(74)	74
<b>Cash at end of financial period per statement of financial position (including overdrafts)</b>	8	<b>(73)</b>	<b>(83)</b>	<b>(43)</b>

<sup>1</sup> HY2021 is the six months from 1 January 2021 to 30 June 2021

### Notes:

Statutory Historical Cash Flows include discontinued operations.

8. A \$100,000 overdraft facility existed at each reporting period end, and was drawn to the amount shown in the cash flow statement.

## Statutory Historical Statement of Financial Position

	Notes	FY2019 Audited \$000	FY2020 Audited \$000	HY2021 Reviewed \$000
Cash and cash equivalents		3	1	1
Trade and other receivables		1,214	274	1,282
Assets held for sale		0	103	0
<b>Total current assets</b>		<b>1,217</b>	<b>378</b>	<b>1,283</b>
Property, plant and equipment		21	1	1
Investments accounted for using the equity method		12	0	0
Intangible assets		0	0	0
<b>Total non-current assets</b>		<b>33</b>	<b>1</b>	<b>1</b>
<b>Total assets</b>		<b>1,250</b>	<b>379</b>	<b>1,284</b>
Cash and cash equivalents		76	84	44

	Notes	FY2019 Audited \$000	FY2020 Audited \$000	HY2021 Reviewed \$000
Trade and other creditors and accruals		4,559	6,681	8237
Interest bearing loans and borrowings		10,168	11,560	11,078
Provisions		518	205	196
Liabilities held for sale		0	327	0
<b>Total current liabilities</b>		<b>15,321</b>	<b>18,857</b>	<b>19,555</b>
Provisions		24	25	35
<b>Total non-current liabilities</b>		<b>24</b>	<b>25</b>	<b>35</b>
<b>Total liabilities</b>		<b>15,345</b>	<b>18,882</b>	<b>19,590</b>
<b>Net assets</b>		<b>(14,095)</b>	<b>(18,503)</b>	<b>(18,306)</b>
Issued capital		155,105	155,105	277
Reserves		2,792	3,372	3,751
Accumulated losses		(171,992)	(176,980)	(22,334)
<b>Total equity</b>		<b>(14,095)</b>	<b>(18,503)</b>	<b>(18,306)</b>

## Notes:

A Pro Forma Statement of Financial Position at 30 November 2021 is included in Section 6.3.

## 6.5 Significant Accounting Policies

The following is a summary of the significant accounting policies used in the preparation of the Financial Information set out in this Prospectus.

### (a) Foreign currency translation

#### Foreign currency transactions and balances

Transactions in foreign currencies are initially translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items that are outstanding at reporting date are translated at the foreign exchange rate prevailing at that date.

Foreign exchange gains and losses arising on translation are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the exchange rates prevailing at the dates the fair value was determined.

#### Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to Australian dollars at foreign exchange rates ruling at balance date.

The income and expenses of foreign operations are translated into Australian dollars at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case revenues and expenses are translated at exchange rates at the dates of the transactions). Any exchange differences arising on translation are taken directly to the foreign currency translation reserve in equity.

Exchange differences arising from the translation of a net investment in foreign operations, and of related hedges, are taken to the foreign currency translation reserve and are released into the income statement upon a disposal resulting in a loss of control.

(b) **Revenue**

**Revenue from contracts with customers**

Revenue is recognised at an amount that reflects the consideration to which the Consolidated Entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Consolidated Entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimate of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customers of the goods or services promised.

***Licence subscription revenue***

Licence subscription revenue, which includes support services, is accounted for as a separate performance obligation. Sales of licence subscriptions provide the customer with a right of use of the group's software as it exists throughout the licence period. Revenue is typically paid in advance on an annual, quarterly or monthly basis. Revenue is recognised evenly over the non-cancellable term of the contract. Revenue received in advance of the performance of services is deferred and recognised as contract liabilities.

***Licence set-up***

Rendering of services being set-up and development of customised software or applications typically does not result in the customer receiving a good or service which is distinct from the rendering of associated licence subscription services. As a result, any revenue separately attributable to set-up or development is recognised evenly over the non-cancellable term of the contract as described above.

***Projects (including pilot programs)***

Project revenue, which includes delivery of customised data and reports, and pilot programs for licence subscription, is recognised when the performance obligations have been satisfied with reference to the stage of completion. Stage of completion refers to contractual milestones or deliverables, and revenue is recognised at a point in time when the milestone or deliverable has been satisfied.

***Sale of goods (including customised hardware)***

Sale of goods revenue is recognised when the performance obligation to transfer control of the goods to the customer is satisfied, which occurs either at the point of sale or when delivery is completed by way of shipping the product to the location specified by the customer, and the ownership risks have therefore passed to the customer pursuant to the contract. Amounts disclosed are net of sales returns and trade discounts.

***Maintenance and support***

Maintenance and support revenue is accounted for as a separate performance obligation. Revenue is typically paid in advance on an annual, quarterly or monthly basis. Revenue is recognised evenly over the non-cancellable term of the contract. Revenue received in advance of the performance of services is deferred and recognised as contract liabilities.

***Government grants***

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions. Grants that compensate the Group for expenses incurred are recognised in profit or loss; within 'Other income'; on a systematic basis in the periods in which the expenses are recognised. For the year ended 31 December 2020, the Group self-assessed its eligibility to access Australian and Singapore government Covid-19 related grants. The Group was eligible for the Australian

Government Covid-19 Job Keeper program from April 2020 to September 2020. There were no unfulfilled conditions or other contingencies attaching to these government grants.

**Interest income**

Interest income is recognised in the income statement on an accrual's basis, using the effective interest method.

**Dividend income**

Dividend income is recognised in the income statement when the entity's right to receive payment is established.

(c) **Financing costs**

Financing costs comprise interest expense on borrowings calculated using the effective interest rate method, costs incurred in establishing and maintaining borrowing facilities for use in funding business acquisitions, foreign exchange gains and losses on foreign currency borrowings, unwinding of the discount on provisions, fair value movements on other financial assets at fair value through the profit or loss where considered part of the borrowing cost, and gains and losses on hedging instruments that are recognised in the income statement. Borrowing costs are recognised in profit or loss using the effective interest method unless they relate to a qualifying asset in which case they are capitalised in the relevant asset.

(d) **Leases**

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (i.e., leases with a remaining term of 12 months or less) and leases of low value assets are recognised as operating expenses on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability is as follows:

- (i) fixed lease payments less any lease incentives;
- (ii) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- (iii) the amount expected to be payable by the lessee under residual value guarantees;
- (iv) the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- (v) payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement day and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The operating lease commitments of the Group at 31 December 2020 relate to short-term leases, therefore no right of use asset has been recognised, and the contracts are recognised as operating expenses on a straight-line basis over the term of the lease.

(e) **Research and development expenditure**

Research expenditure is expensed as incurred.

Development expenditure incurred on projects may be capitalised if the product or service is technically feasible, adequate resources are available to complete the projects, it is probable that future economic benefits will be generated and expenditure attributable to a project can be reliably measured. Expenditure capitalised comprises the direct costs of services, direct labour and an appropriate portion of overheads. Other development costs are expensed when they are incurred. Capitalised development expenditure, if any, is stated at cost less accumulated amortisation and any impairment losses and amortised over the period of expected future sales from the related projects, which is generally no more than three years. Capitalised development expenditure is reviewed at least annually for impairment.

(f) **Income tax**

The income tax expense or benefit on the profit or loss for the year comprises current and deferred tax. Income tax expense is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is also recognised directly in equity.

Current tax is the expected tax payable on the current period's taxable income, using tax rates enacted or substantially enacted at balance date. Current tax also includes any adjustment to tax payable in respect of previous years.

Deferred tax is measured using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and income tax purposes. The amount of deferred tax recognised is based on the expected manner of realisation or settlement of the underlying items and the tax rates which are enacted or substantially enacted at balance date and expected to apply when the assets are recovered or liabilities are settled. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Deferred tax is not recognised for taxable temporary differences arising from the recognition of goodwill.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend.

**Tax consolidation**

The Company and its wholly-owned Australian controlled entities formed a tax consolidated group on 10 October 2012 meaning that all members of the tax consolidated group are taxed as a single entity from that date. The Company is the head entity of the tax consolidated group.

(g) **Non-derivative financial instruments**

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables.

Financial assets are recognised when the rights to receive cash flows and the risks and rewards of ownership are transferred to the Consolidated Entity. Financial assets are derecognised when the rights to receive cash flows from these assets have expired or have been transferred and the Consolidated Entity has transferred substantially all the risks and rewards of ownership.

Financial liabilities are recognised if the Consolidated Entity becomes a party to the contractual provisions of a financial instrument. Financial liabilities are derecognised if the Consolidated Entity's obligations specified in the contract expire or are discharged or cancelled. Non-derivative

financial instruments are recognised initially at fair value plus, for instruments not at fair value though profit or loss, any directly attributable transaction costs, except as described below.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Purchases of investments are recognised when the Consolidated Entity is entitled to the risks and rewards of ownership. This is usually on settlement date, being the date on which the asset is delivered to the Consolidated Entity. Sales of investments are recognised when the Consolidated Entity is unconditionally committed to sell the asset and the risks and rewards of ownership have been substantially transferred by the Consolidated Entity.

The Consolidated Entity classifies its investments as either loans and receivables at amortised cost or financial assets through profit or loss. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

### ***Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Consolidated Entity provides money, goods or services directly to a debtor with no intention of selling the receivable. After initial measurement, loans and receivables are subsequently measured at amortised cost using the effective interest method, less allowance for impairment, if any. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortisation is included in the income statement in interest income. Losses arising from any impairment of such loans and advances are recognised in the income statement.

### ***Financial assets at fair value through profit or loss***

An instrument is classified as at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition or subsequently re-designated in compliance with accounting standards. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Financial instruments are designated at fair value through profit or loss if the Consolidated Entity manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's investment strategy. Attributable transaction costs are recognised in profit or loss when incurred. Financial instruments that are classified as at fair value through profit or loss are measured at fair value, and changes therein are recognised in the income statement.

### ***Cash and cash equivalents***

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Consolidated Entity's cash management strategy are reported within liabilities in the balance sheet, but included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

### ***Impairment***

The Consolidated Entity assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is considered to be impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Evidence of impairment includes observable data that indicates that there is a measurable decrease in the future cash flows expected to be received.

### **Loans and receivables**

For loans and receivables carried at amortised cost, the Consolidated Entity first assesses whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Consolidated Entity determines that no objective evidence of impairment exists for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

### **Financial assets at fair value through profit or loss**

For financial assets at fair value through profit and loss, the Consolidated Entity assesses at each balance sheet date whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

#### **(h) Property, plant and equipment**

Items of property, plant and equipment are stated at historical cost less accumulated depreciation, accumulated amortisation and impairment losses. The carrying amount of an item of property, plant and equipment includes the cost of replacing part of such an item when that cost is incurred if it is probable that future economic benefits embodied within the item will eventuate and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the income statement as incurred.

Depreciation or amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives in the current and comparative periods are as follows: Property, plant and equipment - 3 years, and Computer equipment - 2 years. Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each balance sheet date.

#### **(i) Intangible assets**

##### **Goodwill**

Goodwill represents the excess of the cost of an acquisition over the fair value of the Consolidated Entity's share of the net identifiable assets of the acquired subsidiary or Associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Any goodwill on acquisitions of Associates or jointly controlled entities is included in investments in Associates or jointly controlled entities where the equity method is adopted. Goodwill is carried at cost less accumulated impairment losses, if any. Goodwill is allocated to cash generating units for the purpose of impairment testing. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

##### **Identifiable intangible assets**

The useful lives of separately identified intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in the income statement.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

### ***Amortisation***

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets other than goodwill which is not amortised. Other intangible assets are amortised from the date they are available for use. The useful lives of intangible assets are reviewed, and adjusted if appropriate, at each balance date.

#### **(j) Assets held for sale**

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sales rather than continuing use.

Such assets, or disposal groups are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets (if any), which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity accounted investment is no longer equity accounted.

#### **(k) Creditors and payables**

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the period and which remain outstanding at balance date. Creditors are stated initially at fair value and subsequently at amortised cost, are unsecured, and are usually paid within 60 days of recognition.

#### **(l) Interest-bearing loans and borrowings**

Interest-bearing borrowings are recognised initially at fair value. Fair value is calculated based on discounted expected future principal and interest cash flows. Subsequent to initial recognition, interest-bearing loans and borrowings are stated at amortised cost with income/expense recognised in profit or loss on an effective interest basis.

#### **(m) Employee entitlements**

##### ***Wages and salaries and annual leave***

Liabilities for wages and salaries, including non-monetary benefits and annual leave due to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

##### ***Long service leave***

The Consolidated Entity's net obligation for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on government bonds that have maturity dates approximating to the terms of the Consolidated Entity's obligations.

##### ***Profit-sharing and bonus plans***

The Consolidated Entity recognises a provision for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made. The liability is not discounted as it is settled within 12 months.

(n) **Employee benefits expense – share based payments**

The Consolidated Entity may provide benefits to its employees, including directors, in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The fair value of options granted is recognised as an employee benefit expense with a corresponding increase in equity (Employee equity benefits reserve). The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options. Fair value is determined using an appropriate option pricing model (e.g., Black-Scholes). In determining fair value, no account is taken of any performance conditions other than those related to the share price of Invigor Group Limited.

(o) **Provisions**

Provisions are recognised in the balance sheet when the Consolidated Entity has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount has been reliably estimated. If the effect is material, provisions are determined by discounting expected future cash flows at a market rate.

(p) **Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment. Assets that have a definite useful life and are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount of an asset is measured by reference to fair value less costs to sell and value in use. An impairment loss is recognised in the income statement unless the asset has previously been revalued, in which case the loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the income statement.

(q) **Issued capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of Placement Shares or the collection of instalment amounts due from shareholders are accounted for as a deduction from equity, net of any related income tax benefit.

(r) **Earnings per share**

***Basic earnings per share***

Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the reporting period.

***Diluted earnings per share***

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

## 7. Risk Factors

### 7.1 Introduction

Investors should be aware that there are risks associated with investing in Invigor. These risks, individually or in combination, may affect Invigor's financial position and operating performance which could then impact on the value of the Securities. Risks may be specific to Invigor's business strategy and current investment holdings. There are also risks of a general nature that may be relevant. Some of these specific and general risks are listed below. This list is not exhaustive. It does not, and is not intended to, take account of an investor's personal circumstances, financial position or investment requirements.

There may be additional risks and uncertainties of which Invigor is not aware or considers immaterial, but which may emerge at a later date and adversely affect Invigor's future performance or financial position.

Investors should carefully consider the list below, and any other risks or uncertainties, before making an investment decision and have regard to their own personal investment objectives and financial circumstances. Please consult your financial or other professional adviser for advice.

### 7.2 Specific risks

Invigor's main assets are investments in technology and data solutions in Australia, including Retailers Insights and Pricing Insights. Set out below are some specific risks associated with these investments which investors should be aware of. The list is not exhaustive.

#### (a) Reinstatement risk

The Company is required to satisfy certain ASX reinstatement conditions for reinstatement of the Company's Securities to official quotation on the ASX (see Section 10.11 for details of the ASX reinstatement conditions). There is a risk that the Company may not be able to meet the ASX reinstatement conditions within the time period required by ASX. If Invigor is not reinstated by 28 February 2022, it will be removed from the official list of ASX at the commencement of trading on 1 March 2022 and the Company's Securities will be delisted. In that event there would be limited liquidity in the Company's Shares.

#### (b) Going concern risk

Invigor's auditor (Moore Australia) has issued an Emphasis of Matter opinion on the financial statements for FY2019 and FY2020 on the basis of material uncertainty related to going concern (a copy of each audit and review opinion is included in Annexure B), stating that Note 1(c) in each of the financial statements indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Refer to Annexure B for further details.

#### (c) Risks associated with investments in technology and data solutions in Australia

There are certain risks associated with Invigor's business, including that:

- (i) it operates in the highly competitive information technology sector and future growth in market share and revenue cannot be guaranteed (with many of our competitors having significantly more resources than the Company which could enable them to compete more aggressively, and the consequences of which may adversely impact on the Company's operations and financial performance).
- (ii) key intellectual property used in the business may be subject to challenges from third parties alleging that the Company's products use intellectual property derived from their products without consent or permission. This could result in disputes or litigation, and lead to the payment of monetary damages and/or damage to the Company's reputation).
- (iii) its success largely depends on the competencies of its current Directors and management and circumstances may arise where key individuals are no longer available to the Group. Any loss of, or delay in finding a replacement for, such key individuals could potentially have a material adverse impact on the Company's ability to operate the business and achieve its growth strategy and prospects.

(d) **Operating capability**

The purpose of the Offers is to raise funds to allow Invigor to pursue its Restructure and to provide funds to meet investment and working capital obligations. If the Offers do not proceed, Invigor will not be able to pursue its business objectives and will have difficulty continuing to operate in the absence of finding an immediate alternative source of funding to be able to continue its operations.

(e) **No certainty on achieving business strategy**

Invigor cannot provide any assurance that it will be able to identify opportunities that will meet its business strategy, that it will be able to invest in opportunities that it does identify or that positive returns will be made from any businesses in which it may invest. Invigor's financial performance and position may be adversely affected if investments cannot be made or if investments made do not produce positive returns.

(f) **Invigor may compete against other parties for business opportunities**

Invigor may compete with other parties when pursuing business opportunities. Those parties may have greater resources or an ability to obtain debt or equity funding at a lower cost than Invigor. This could result in Invigor losing business opportunities to those parties or having to make investments on terms less favourable than would be preferred and which, as a result, could mean that returns from such investments are adversely affected.

(g) **Realisation outcomes may differ from carrying values**

Invigor records the carrying amounts of its assets, including investments, initially at cost and subsequently reassesses the carrying amount in accordance with the requirements of applicable accounting standards. The Board assesses the appropriateness of carrying amounts as part of the process for approving annual and half-yearly financial statements.

The process of assessing carrying amounts involves making judgements, estimates and assumptions that affect the application of accounting policies and reported carrying amounts. Invigor makes such estimates and assumptions based on historical experience and other factors that are considered reasonable in the circumstances. This process may also include making estimates and assumptions concerning the future.

Where Invigor realises an investment or other asset, the actual result achieved may be higher or lower than the amount reported in financial statements because the terms of the completed transaction differ from the assumptions considered when assessing the carrying amount.

(h) **Failure to retain existing customers or attract new customers**

The Company's business depends on its ability to retain and attract new customers, which in turn depends on many factors, including the adequacy of the Company's product offerings with respect to functionality, reliability, cost-effectiveness and value. If the Company's customers do not continue to use its products, and if new customers do not choose the Company's product offerings, the growth in the Company's revenue may decline.

(i) **Disruption or failure of technology systems**

The Company is dependent on the performance and reliability of its technology systems and platforms. There is a risk that these systems and platforms may be adversely affected by disruption, failure, service outages or data corruption that could occur as a result of computer viruses, malware, internal or external misuse of websites, cyber attacks or other disruptions including natural disasters, power outages or other similar events.

Some of these events may be caused by events outside of the Company's control, and may lead to prolonged disruption to the Company's IT platform, operational or business delays and damage to the reputation of the Company. This could potentially lead a loss of customers, legal claims by customers or an inability to attract new customers, any of which could materially adversely affect the financial performance of the Company.

(j) **Equity price risk**

Invigor may be exposed to equity securities price risk where it invests in listed securities. Invigor does not have a policy of hedging exposure to equity market values as this is not seen as a cost-effective strategy.

(k) **Key personnel risk**

Invigor's ability to operate effectively and implement its business plans is dependent upon its ability to attract and retain executives with appropriate skills and experience. Invigor's financial performance may be adversely affected if it is unable to attract and retain appropriate professional staff.

(l) **Foreign exchange risk**

Invigor may have foreign currency exposures from time to time depending upon the nature of any additional investments that are made. If the level of an investment results in an entity becoming a subsidiary of Invigor, that entity will be required to comply with Invigor's corporate policies, including Invigor's policy on managing foreign exchange risk. Invigor will seek to have appropriate risk mitigation strategies adopted by entities which it has invested in but does not control. However, the lack of control in these circumstances may constrain Invigor's ability to achieve this outcome.

(m) **Litigation and dispute risk**

Disputes or litigation may arise from time to time in the course of Invigor's business activities. These disputes or litigation could adversely affect Invigor's financial performance and/or financial position depending upon their outcome. Invigor may purchase certain insurance policies to ensure it is protected against certain risks. This will be undertaken where it is considered appropriate to do so. To the extent that any claims are not covered by insurance, the costs of responding to, and defending, any claim and any adverse outcome may materially affect Invigor's financial position.

Details of any specific actual, threatened or potential litigation or dispute matters against Invigor are set out in Section 10.9.

(n) **Funding risks**

Invigor may require the raising of debt or equity funding to fund new business opportunities or to repay existing debt obligations. If required funding is not available, including because appropriate commercial terms cannot be negotiated, this may limit the capacity of Invigor to execute on its business strategy.

If the raising of equity funding by the Offers is not successful, Invigor will have to find an immediate alternative source of funding to be able to continue its operations (which may be difficult).

Debt funding exposes Invigor to the risks of movements in interest rates. Increases in interest rates will make it more expensive for Invigor to fund its operations and may constrain the ability to execute on business strategies and achieve appropriate investment returns.

(o) **Shareholder dilution**

In the future, the Company may elect to issue Shares or other Securities to, amongst other matters, fund acquisitions and/or undertake other strategic initiatives. While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of capital that the Company is able to issue in a 12 month period without Shareholder approval (other than where exceptions apply), Shareholders at any time may be diluted as a result of such issues of Shares and/or other Securities.

(p) **Tax losses**

Invigor and its subsidiaries are and will remain subject to taxation laws in Australia and other jurisdictions in which they operate. Changes in taxation laws or the interpretation or application of

those laws in Australia or other jurisdictions may impact upon the determination of the tax liabilities of Invigor or its subsidiaries.

Invigor has available tax losses on both its income account of \$26,035,201 and capital account of \$45,036,012. The benefit of these tax losses can only be utilised if the requirements of the *Income Tax Assessment Act 1997* (Cth) are satisfied at the time Invigor seeks to utilise the available losses. This will include the requirement to meet either the continuity of ownership test or the same business test at that time. The Placement may affect Invigor's ability to satisfy the continuity of ownership test in relation to its tax losses.

(q) **Inability to pay dividends or make other distributions**

The Company's ability to pay dividends or make other distributions in the future is contingent on profits and the ability to pay franked dividends is contingent on making taxable profits. The Company's taxable profits may be volatile in turn making the payment of dividends unpredictable.

### 7.3 General risks

(a) **Covid-19**

The outbreak of the coronavirus pandemic (**Covid-19**) has impacted, and is continuing to impact, global economic markets. The extent of the effect of the outbreak on the performance of the Company remains uncertain. The price of the Company's Securities may be adversely affected by the economic uncertainty caused by Covid-19. Further, any government measures taken in response to Covid-19, particularly in relation to the latest outbreak of the Omicron variant, may adversely impact the Company's operations and are likely to be beyond the control of the Company.

The Directors are monitoring the situation closely and have considered the impact of Covid-19 on the Company's business and financial performance. However, the situation is continuously changing and the consequences are therefore uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of Covid-19 on the Company and its operations.

(b) **Economic conditions**

Invigor's operating performance, financial position, prospects and/or the price at which its Shares trade may be affected by changes in Australian or international economic conditions. For example, the following may affect the financial performance of Invigor's investments, the ability for Invigor to acquire new investments or realise existing investments and the terms and availability of funding that Invigor may require:

- (i) volatility of Australian and international markets;
- (ii) slowdown of emerging markets, including China, which may impact on economic growth in Australia;
- (iii) changes in investor sentiment and perceptions on Australian and international markets; and
- (iv) changes in exchange rates and the rate of inflation.

(c) **Share market conditions**

Invigor's Shares are listed on the ASX. There are risks associated with an investment in Shares that are listed on a stock exchange. Share price movements can affect the value of an investment. The price at which listed shares trade, and which affects the value of an investment, can be expected to fluctuate and be affected by a number of factors. These factors include, for example, changes in economic conditions, acts of terrorism, share market conditions, inflation, interest rates, government regulation, fiscal and monetary policy changes and investor perceptions. The impact of these risk factors can be unpredictable and may have an impact on the price of Invigor's Shares that is unrelated or disproportionate to the operating performance of Invigor.

(d) **Share liquidity**

There can be no guarantee that there will be an active trading market for Shares quoted on the ASX. There may be relatively few potential buyers or sellers of Shares on the ASX at any given time.

(e) **Government or regulatory actions**

Invigor's operations could be affected by government actions in the countries or jurisdictions in which it, or entities in which Invigor has invested, operate. The possible extent of the introduction of additional legislation, regulations, standards (including accounting standards), guidelines or amendments to existing legislation that might impact upon Invigor's business activities is difficult to predict. Any such government action may require increased capital or operating expenditures and could prevent or delay the execution of Invigor's business plans or have a material adverse effect on Invigor's business and financial position.

## 8. Information deemed to be incorporated in this Prospectus

### 8.1 Basis of Prospectus

This Prospectus is a prospectus issued in accordance with sections 710 and 712 of the Corporations Act. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type. Rather, it incorporates by reference all information contained in certain documents that have been lodged with ASIC, being the Notice of Meeting, the Company's annual report for the financial year ended FY2019 (**2019 Annual Report**), the Company's annual report for the financial year ended FY2020 (**2020 Annual Report**), the Company's half yearly financial report for the 6 month period ended 30 June 2021 (**1HFY21**) (**2021 1HFY Report**) and the Announcements (**Incorporated Documents**).

The Company informs investors and their professional advisers that they are able to obtain, free of charge, a copy of the Incorporated Documents by contacting the Company at its registered office during normal business hours during the Offer Period. The Incorporated Documents will also be available by searching ASIC's records or ASX website ([asx.com.au](http://asx.com.au)) in relation to the Company, or by visiting the Company's website at [www.invigorgroup.com/investors](http://www.invigorgroup.com/investors).

### 8.2 Incorporated Documents

Set out below is a description of contents of each Incorporated Document to assist investors and their professional advisers to determine whether, for the purpose of making an informed investment decision in relation to whether to apply Securities, they should obtain a copy of any Incorporated Document.

#### (a) Notice of Meeting

The Notice of Meeting includes:

- (i) a summary of the interest and voting power of security holders following the Debt to Equity Conversion and Placement;
- (ii) a pro forma balance sheet post Debt to Equity Conversion and Placement;
- (iii) the terms and conditions of the Options; and
- (iv) an Independent Expert Report prepared by Nexia Sydney Corporate Advisory Pty Ltd, which includes an overview of the Group (including corporate structure of the Group, descriptions of its operations, Directors and key management, financial information and capital structure) and an overview of the market in which the Group operates.

#### (b) 2019 Annual Report, 2020 Annual Report and 2021 1HFY Report

The 2019 Annual Report and 2020 Annual Report each provide, in relation to FY2019 and FY2020 respectively (**Relevant Period**), among other things:

- (i) a Directors' Report, which includes a description of the principal activities, significant changes in the state of affairs, summary of operating results and financial position, review of operations, any changes to the Board during the Relevant Period, qualifications and experience of Directors, Directors' relevant interest in securities, Directors' other directorships of listed companies and Directors' meetings;
- (ii) the remuneration report (which includes remuneration of Directors and Options issued to Directors);
- (iii) the income statement, the balance sheet, statement of changes in equity, the cash flow statement, notes to the consolidated financial statements and directors' declaration;
- (iv) the corporate governance statements; and
- (v) Shareholders' information of the Company.

The 2021 1HFY Report provides, in relation to 1HFY21, among other things:

- (i) a Directors' Report, which includes a description of the principal activities, significant changes in the state of affairs, summary of operating results and financial position and review of operations; and
- (ii) the income statement, the balance sheet, statement of changes in equity, the cash flow statement, notes to the half-year financial report and directors' declaration.

(c) **Announcements**

The Company is listed on ASX and the trading of its Shares is quoted under the code "IVO". The Company is a "disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations, which require the Company to disclose to ASX any information of which it is or becomes aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

A list of the Announcements that the Company made on the ASX in accordance with the provisions of the ASX Listing Rules on and from 30 October 2019 to the date of this Prospectus is set out below.

<b>Date of the Announcement</b>	<b>Title of the Announcements</b>
10.01.22	Notice of cessation of securities - IVO
24.12.21	Monthly Activities/Appendix 4C Cash Flow Report
24.12.21	Proposed issue of securities - IVO
21.12.21	Notice of General Meeting/Proxy Form
30.11.21	Monthly Activities/Appendix 4C Cash Flow Report
12.11.21	JobKeeper Payments Notification
05.11.21	Invigor Finalises Capital Raise in Excess of \$8M
29.10.21	Quarterly Activities/Appendix 4C Cash Flow Report
26.10.21	Capital Raising Term Sheet Update to Indicative Timings
22.10.21	Capital Raising Term Sheet Update to Indicative Timings
22.10.21	Updated Capital Raising Terms
11.10.21	Partnership Extension with Metcash ALM group
08.10.21	Capital Raising Key Terms
29.09.21	Monthly Activities/Appendix 4C Cash Flow Report
09.09.21	Amended Investor Presentation
09.09.21	Investor Presentation
08.09.21	Notification regarding unquoted securities - IVO
01.09.21	Initial Director's Interest Notice Gary Inberg
01.09.21	Final Director's Interest Notice Gavin Solomon
01.09.21	Director Appointment/Resignation
31.08.21	Invigor Reports HY 2021 Results - A strong improvement
31.08.21	Half Yearly Report and Accounts
27.08.21	Monthly Appendix 4C Cash Flow Report
13.08.21	Proposed Issue of Securities - IVO
13.08.21	Invigor to Raise \$8m
29.07.21	Quarterly Activities/Appendix 4C Cash Flow Report
21.07.21	Change of Director's Interest Notice - G Solomon
16.07.21	Notification regarding unquoted securities - IVO
14.07.21	Notification of cessation of securities - IVO
06.07.21	Consolidation of Securities
06.07.21	Appointment of Chief Executive Officer
30.06.21	Change of Director's Interest Notice Solomon and Manor
30.06.21	Appendix 2A Issue of shares to consultants in lieu of fees
30.06.21	Issue of shares and options to Current and Former Directors
30.06.21	Change of Director's Interest Notice Greg Cohen
30.06.21	Monthly Activities/Appendix 4C Cash Flow Report
29.06.21	Proposed issue of securities - IVO
24.06.21	Consolidation/Split - IVO
23.06.21	Final Director's Interest Notice - J Morgan

<b>Date of the Announcement</b>	<b>Title of the Announcements</b>
23.06.21	Final Director's Interest Notice - R Clifford
23.06.21	Proposed Issue of Securities - IVO
23.06.21	Director Appointment/Resignation
18.06.21	Notification regarding unquoted securities - IVO
18.06.21	Results of 2020 AGM
18.06.21	Results of 2019 AGM
18.06.21	AGM Presentation Slides
18.06.21	Chairman's Address to Shareholders
16.06.21	Notification regarding unquoted securities - IVO
28.05.21	Monthly Activities/Appendix 4C Cash Flow Report
28.05.21	Proposed issue of Securities - IVO
18.05.21	2020 Notice of Meeting with corrected time in Proxy Form
18.05.21	Notice of 2020 Annual General Meeting
18.05.21	Notice of 2019 Annual General Meeting
17.05.21	Change in substantial holding
14.05.21	Appendix 3Y Gary Cohen
13.05.21	Proposed Issue of Securities - IVO
4.05.21	Appendix 4G and Corporate Governance Statement FY2020
30.04.21	Appendix 4G and Corporate Governance Statement FY19
30.04.21	Adjustment to Capital
30.04.21	Annual General Meeting
30.04.21	Q1 2021 Quarterly Activities Presentation
30.04.21	Appendix 4C - quarterly
30.04.21	2020 Annual Report to Shareholders
30.04.21	2019 Annual Report to Shareholders
30.03.21	Appendix 4C - monthly
30.03.21	Release of FY2020 Audited Financial Report
30.03.21	Full Year Statutory Accounts
23.03.21	Half Yearly Report and Accounts
23.03.21	Release of FY19 Audited and FY20 Reviewed Accounts
23.03.21	Full Year Statutory Accounts 2019
26.02.21	Appendix 4C - Monthly
26.02.21	Invigor Reports FY20 Preliminary Results
26.02.21	Preliminary Final Report
25.02.21	Amendment to Convertible Note Terms
19.02.21	Information Memorandum
19.02.21	Capital Raise-Convertible Note Issue
29.01.21	Appendix 4C - Monthly and Quarterly Activities Report
29.01.21	Dispute with Geoffrey Shannon and Sun Asia Group
18.01.21	Sale of Tillerstack GmbH
11.01.21	Expiry of Unlisted Options
11.01.21	Convertible Note Redemption
31.12.20	Appendix 4C - monthly
09.12.20	Appointment of Directors (Amended)
08.12.20	Initial Director's Interest Notice Manor
08.12.20	Initial Director's Interest Notice Solomon
08.12.20	Director Appointment
07.12.20	Final Director's Interest Notice
04.12.20	Director Appointment/Resignation
30.11.20	Appendix 4C - monthly
13.11.20	Company Secretary Appointment/Resignation
28.10.20	Appendix 4C - monthly
21.10.20	Signs \$310,000 Contract with Diageo Australia
30.09.20	Appendix 4C - monthly
31.08.20	Invigor Reports First Half 2020 Results
31.08.20	Appendix 4D and Half Year Accounts
31.08.20	Sale of Tillerstack GmbH
28.08.20	Appendix 4C - monthly

<b>Date of the Announcement</b>	<b>Title of the Announcements</b>
19.08.20	Unlisted Options Expiration
29.07.20	Appendix 4C - monthly
29.07.20	Quarterly Activities Report
30.06.20	Appendix 4C - monthly
22.06.20	Cancellation and expiration of unlisted options
29.05.20	Appendix 4C - monthly
30.04.20	Quarterly Business Update
30.04.20	Appendix 4C - monthly
07.04.20	Expiry/Cancellation of Unlisted Options
03.04.20	Invigor to supply Pricing Insights to SMEG Australia
01.04.20	2019 Full Year Statutory Accounts (Unaudited)
31.03.20	Appendix 4C - monthly
27.03.20	Investor Presentation 2019 Annual Results
27.03.20	Invigor Reports FY 2019 Results
27.03.20	Preliminary Final Report
17.03.20	Invigor wins tender with WA Economic Regulation Authority
9.03.20	Clarification of Memorandum of Understanding
09.03.20	FAM to Partner with Data Intelligence Leader Invigor Group
07.03.20	Expiry/Cancellation of Unlisted Options
27.02.20	Appendix 4C - monthly
30.01.20	Appendix 4C - monthly
30.12.19	Appendix 4C - monthly
04.12.19	Invigor Invests in Talent for Growth in 2020
29.11.19	Appendix 4C - monthly
28.11.19	Appendix 3B
18.11.19	Collaboration with CI Australia - Sydney's Circular Quay
11.11.19	Company Update

## **9. Taxation**

### **9.1 Taxation considerations**

This Section 9 does not constitute financial product advice as defined in the Corporations Act and is confined to Australian taxation issues only. Taxation is only one of the matters you need to consider when making a decision about your investments. You should consider taking advice from a licensed adviser, before making a decision about your investments.

The following general tax comments in relation to holding the Shares are based on the tax laws in Australia, the existing interpretations thereof and administrative practices of relevant authorities in relation thereto, as at the Prospectus Date. Australian tax laws are complex. The information in this section is general in nature and does not take into account the individual circumstances of Investors. As such, it is not intended to be, nor should it be construed as, legal or tax advice to any investor. Nor is it intended to be an authoritative or complete statement of all potential tax implications for each investor. During the period of ownership of the Shares by investors, the taxation laws of Australia, or their interpretation or the administrative practice in relation to those laws, may change (either prospectively or retrospectively). The precise implications of ownership or disposal will depend upon each investor's specific circumstances. Investors should seek their own professional tax advice on the taxation implications of holding or disposing of the Shares (and Options), taking into account their specific circumstances.

The following information is a general summary of certain Australian income tax implications for Australian tax resident individuals, complying superannuation entities, trusts, partnerships and companies in relation to holding and disposing of the Shares where those shares are held by the investor on capital account. These comments do not apply to tax non-resident investors, investors that hold Shares on revenue account or as trading stock, investors who are exempt from Australian income tax or investors subject to the Taxation of Financial Arrangements regime in Division 230 of the Income Tax Assessment Act 1997 (Cth) which have made elections (i.e. to apply the fair value or reliance on financial reports methodologies), and does not cover non-Australian tax implications of owning the Shares.

The taxation consequences of being issued Options will depend on a number of factors, including the investor's particular circumstances. The Directors do not consider that it is appropriate to give a summary regarding the taxation consequences of being granted Options under this Prospectus or exercising Options because of the wide range of possible taxation positions of investors. However, we note that before deciding whether to exercise your Options, you should consider whether the Shares to be issued and allotted on exercise of the Options are a suitable investment for you. Please refer to the risks set out in Section 7.

Neither the Company nor any of its advisers, officers or employees accept any responsibility or liability for any taxation consequences to investors. If you are in doubt as to the course you should follow, you should seek professional advice.

### **9.2 Dividends paid on Shares**

#### **(a) Individuals and complying superannuation entities**

Dividends paid by the Company on a Share will constitute assessable income of an Australian tax resident investor. Australian tax resident investors who are individuals or complying superannuation entities should include the dividend in their assessable income in the year the dividend is paid, together with any franking credit attached to that dividend.

Subject to the 45 day rule as discussed further below and certain other integrity rules and requirements, such investors may be entitled to a tax offset equal to the franking credit attached to the dividend. The tax offset can be applied to reduce the tax payable on the investor's taxable income. Where the tax offset exceeds the tax payable on the investor's taxable income, the investors who are individuals or complying superannuation entities should be entitled to a tax refund equal to the excess.

To the extent that the dividend is unfranked, the investor will not receive the benefit of a tax offset.

#### **(b) Trusts and partnerships**

Australian tax resident investors who are trustees (other than trustees of complying superannuation entities) or partnerships should include the franking credit in determining the net income of the trust or partnership. Where certain requirements are met, relevant beneficiary or partner may be entitled to a tax offset equal to the beneficiary's or partner's share of the net income of the trust or partnership.

(c) **Companies**

Companies are also required to include both the dividend and the associated franking credit in their assessable income.

Where certain requirements are met, Australian tax resident companies may be entitled to a tax offset up to the amount of the franking credit attached to the dividend, reflected in a credit in its own franking account to the extent of the franking credits attached to the distribution received.

Excess franking credits received by Australian tax resident companies will not give rise to a refund entitlement for a company, but may be able to be converted into carry forward tax losses instead.

(d) **Shares held at risk and other franking credit integrity rules**

One of the situations in which the benefit of franking credits can be denied is where an investor is not a "qualified person", in which case the investor will not need to include the amount of the franking credits in their assessable income and will not be entitled to a tax offset.

Broadly, to be a "qualified person", two tests must be satisfied, namely the holding period rule and the related payment rule.

Under the holding period rule, an investor is required to hold the Shares at risk for more than 45 days continuously (which is measured as the period commencing the day after the Shares were acquired and ending on the 45th day after the Shares become ex-dividend) in order to qualify for franking benefits, including franking credits. This holding period rule is subject to certain exceptions, including where the total franking offsets of an individual in a year of income do not exceed \$5,000.

Under the related payment rule, a different testing period applies where the investor has made, or is under an obligation to make, a related payment in relation to the dividend. The related payment rule is applied within the period commencing on the 45th day before, and ending on the 45th day after, the day the Shares become ex-dividend.

Investors should seek professional advice to determine if these requirements, as they apply to them, have been satisfied.

There are specific integrity rules that prevent taxpayers from obtaining a tax benefit from additional franking credits where dividends are received as a result of "dividend washing" arrangements.

This is not intended to be a summary of all potentially relevant integrity rules, and investors should be aware that there are also other integrity rules that may affect an investor's ability to obtain the benefit of franking credits and tax offsets (and tax losses).

Shareholders should consider the impact of these rules given their own personal circumstances.

### **9.3 Disposal of Shares**

Most Australian tax resident investors will need to consider the Australian capital gains tax (CGT) rules on the disposal of their Shares. Some investors may hold their Shares on revenue account as trading stock or be subject to the Taxation of Financial Arrangements regime. All investors should seek their own professional advice in respect of the consequences of a disposal of Shares.

Generally, an investor holding their shares on capital account will derive a capital gain on the disposal of Shares where the capital proceeds received on disposal exceeds the cost base of the Shares for CGT purposes. The cost base of the Shares for CGT purposes will generally include the amount paid to acquire

the Shares, plus certain incidental costs of acquisition and disposal that are not otherwise deductible to the investor.

A CGT discount may be available on a capital gain for individual investors, trustee investors and investors that are complying superannuation entities provided the particular Shares are held for at least 12 months prior to sale. If any current year or carried forward net capital losses are being applied by an investor (we note utilisation of capital losses is subject to various integrity rules), the capital losses should offset the capital gain first before the CGT discount can be applied.

The CGT discount for individuals and trusts is 50% and for complying superannuation entities is 33⅓%. In relation to trusts, the CGT discount rules are complex, but the discount may flow through to presently entitled individuals and complying superannuation fund beneficiaries of the trust.

An investor will incur a capital loss on the disposal of their Shares to the extent that the capital proceeds on disposal are less than the reduced cost base of the Shares for CGT purposes.

If an investor derives a net capital gain in a year, this amount is generally, and subject to the comments below, included in the investor's assessable income. If an investor incurs a net capital loss in a year, this amount is carried forward and may available to offset against capital gains derived in subsequent years, subject in some cases to the investor satisfying certain rules relating to the recoupment of carried forward losses. For example, specific loss recoupment rules apply to companies which must be satisfied if those carry forward capital losses are to be used in future years.

#### **9.4 Tax file number (TFN) and Australian Business Number (ABN)**

Resident investors may, if they choose, notify the Company of their TFN, ABN or a relevant exemption from withholding tax with respect to dividends. In the event the Company is not so notified, the Company may be required to deduct tax at the highest marginal rate, including where relevant, the Medicare levy, from unfranked dividends and/or distributions (or the unfranked component of partially franked dividends or distributions).

Resident investors may be able to claim a tax credit/rebate (as applicable) in respect of certain tax withheld on dividends in their tax returns. An investor is not required to quote their TFN to the Company.

An investor who holds Shares as part of an enterprise may quote its ABN instead of its TFN.

#### **9.5 Goods and services tax (GST)**

The acquisition, redemption or disposal of the Shares by an Australian resident (registered for GST) will be an input taxed financial supply, and therefore is not subject to GST.

No GST should be payable in respect of dividends paid to investors.

An Australian resident investor (registered for GST) may not be entitled to claim full input tax credits in respect of GST on expenses incurred relating to the acquisition, redemption or disposal of the Shares (e.g. lawyers' and accountants' fees).

Investors should seek their own tax advice on the impact of GST in their own particular circumstances.

#### **9.6 Stamp duty**

No stamp duty should be payable by investors on the acquisition of the Shares.

Investors should seek their own tax advice as to the impact of stamp duty in their own particular circumstances.

## 10. Additional information

### 10.1 Company

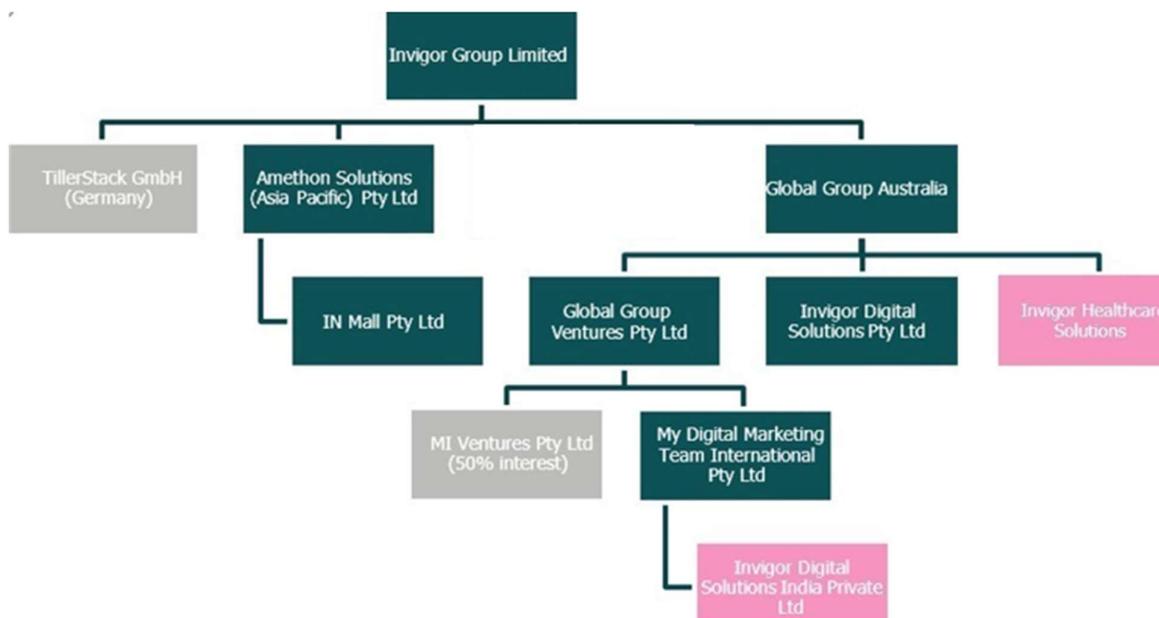
Invigor Group Limited was registered in New South Wales on 22 January 1998. The Company is a public company limited by shares.

### 10.2 Corporate structure

The corporate structure reflects the historical geographical operations of the business since inception. As at the Prospectus Date all trading operations are conducted through the Company.

As at the Prospectus Date, there has been no business imperative to wind up the other companies within the Group.

The following diagram shows the entities in the corporate structure of the Group as at the Prospectus Date.



### 10.3 Corporate governance

This Section 10.3 explains how the Board oversees the management of the Company.

#### (a) Constitution

The key rights and liabilities of the Shares and certain other governance restrictions on the operation of the Company are set out in the Constitution (including voting rights, dividend rights and how different classes of shares rank against each other). The Constitution is incorporated by reference in this Prospectus on the basis that it is important for Shareholders to be advised of those rights, liabilities and governance restrictions.

#### (b) Board Charter

The Board is responsible for the corporate governance of Invigor. The Board Charter sets out the roles and responsibilities of the Board, which responsibilities are delegated to committees of the Board or to management of the Company, the framework for the operation of the Board as well as the membership of the Board.

#### (c) Board committees

The Board may from time to time establish appropriate committees to assist in performing its responsibilities. As at the Prospectus Date, the Board has established an Audit, Risk & Compliance Committee (**ARC Committee**).

The ARC Committee assists the Board in fulfilling its corporate governance and oversight responsibilities in relation to the Board's financial reporting processes and internal control structure, risk management systems (financial and non-financial) and the internal and external audit processes.

The purposes of the ARC Committee Charter is to specify the authority delegated to the ARC Committee by the Board and to set out the role, responsibilities, membership and operation of the ARC Committee.

The ARC Committee Charter is incorporated by reference in this Prospectus on the basis that it is important for Shareholders to be advised of the key processes of the Company regarding financial reporting and risk management.

The Board has also established a Remuneration Committee that operates under a Remuneration Committee Charter. The responsibilities of the Remuneration Committee are outlined in the Remuneration Committee Charter, a copy of which can be found on the Company's website. During FY2021 the responsibilities of the Remuneration Committee were undertaken by the Board as a whole.

(d) **Corporate governance policies**

The Company has also adopted the following policies that it believes provide Shareholders with confidence as to the responsible management of the Company:

<b>Policy</b>	<b>Purpose</b>
External Reporting	To ensure that only persons authorised to communicate on behalf of the Company make public statements to media outlets or other external authorities.
Whistle Blowing	<p>The Company is committed to the highest standards of conduct and ethical behaviour in all its business activities and to promoting and supporting a culture of honest and ethical behaviour, corporate compliance and good corporate governance.</p> <p>Invigor encourages the reporting of any instances of suspected unethical, illegal, fraudulent or undesirable conduct involving Invigor's businesses and provides protections and measures so that those persons who make a report may do so confidentially and without fear of intimidation, disadvantage or reprisal.</p>
Code of Conduct	The Code of Conduct sets out the moral and ethical standards expected by the Board and employees of Invigor. It is important that all employees of the Company maintain high moral and ethical standards.

(e) **FY2020 Corporate Governance Statement**

The Board is committed to achieving and demonstrating a robust corporate governance framework. In determining appropriate governance practices, the Company has examined the corporate governance principles and recommendations published from time to time by the ASX Corporate Governance Council.

Corporate governance practices are continually being reviewed and refined to meet the requirements of the Company. The Company's FY2020 Corporate Governance Statement (which was approved by the Board on 29 April 2021) is incorporated by reference in this Prospectus on the basis that it is important for Shareholders be advised of the main corporate governance practices of the Company.

## 10.4 Ownership restrictions

The sale and purchase of securities is regulated by Australian law that restricts the level of ownership or control by any one person (either alone or in combination with others). This Section 10.4 provides a general description of those laws.

### (a) Corporations Act

The takeover provisions in Chapter 6 of the Corporations Act restrict acquisitions of shares in listed companies if the acquirer's (or another party's) voting power would increase to above 20%, or would increase from a starting point that is above 20% and below 90%, unless certain exemptions apply. The Corporations Act also imposes notification requirements on persons having a voting power of 5% or more in Invigor, either themselves or through an associate.

### (b) Foreign Acquisitions & Takeovers Act

Generally, the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (**FATA**) applies to acquisitions of shares and voting power in a company of 20% or more by a single foreign person and its associates, or 40% or more by two or more foreign persons and their associates, where the acquisition meets a threshold value (which varies by investor type and industry). In addition, the FATA applies to acquisitions of a direct interest in an Australian company by foreign governments and their related entities irrespective of the acquisition value. A "direct interest" is an interest of 10% in the entity but may also include an interest of less than 10% where the investor has entered into the business arrangements with the entity or the investor is in a position to influence or participate in the management and control or policy of the entity. There are exemptions which can apply to certain acquisitions.

Where the FATA applies to the acquisition, the acquisition may not occur unless notice of it has been given to the Federal Treasury and the Federal Treasurer has either notified that there is no objection to the proposed acquisition (with or without considerations) or a statutory period has expired without the Federal Treasurer objecting to the proposed acquisition.

An acquisition to which the FATA applies may be the subject of a divestment order by the Federal Treasurer unless the process of notification, and either a non-objection notification or an expiry of a statutory period without objection, has occurred. Criminal offences and civil penalties can apply to failing to give notification of certain acquisitions, undertaking certain acquisitions without no objection notification or contravening conditions in a no objection notification.

## 10.5 Material contracts

The Company's key contracts are its customer contracts. These contracts underpin the Company's revenues.

The Company's customer contracts are on standard commercial terms. The Company continually seeks to find and retain new customers. The loss of any current individual customer contract is unlikely to materially affect the Company's operations.

The Company has also entered into a number of related party agreements which are discussed in Section 10.6(h) below.

## 10.6 Key People, interests and benefits

### (a) Board of Directors

The Board is as follows:

Director	Experience and background
Gary Cohen <i>Executive Chairman</i> <i>Non-Independent</i> <i>Director</i>	Gary Cohen has extensive experience in the information technology industry. Gary was Executive Chairman and Chief Executive Officer of iSOFT Group Limited, an ASX listed company, from 1999 until 2010. Together with Brian Cohen, Gary built iSOFT into one of Australia's largest technology companies with operations in over 40

**Director**

**Experience and background**

countries. Gary is the principal of the Marcel Equity, which is an investor in technology businesses. Gary was previously a leading legal practitioner and a principal of an Australian investment bank.

Gary has the diverse expertise and experience required to execute growth strategies for information technology focused businesses and has a proven track record of building management teams, strengthening customer relationships and developing ties with key stakeholders.

Other listed company directorships held by Gary in the past 3 years include MPower Group Limited (formerly known as TAG Pacific Limited).

Gary Inberg  
*Independent Non-Executive Director*

Mr Inberg is a financial and corporate adviser with more than 25 years of experience in commercial business, including property management and development, property funds management and public company experience.

Mr Inberg was Head of Property for one of the largest property portfolios in NSW, managing a team of more than of 75 staff who look after property worth in excess of \$3 billion.

Mr Inberg is past Chairman of IWPE Nominees Pty Ltd, Trustee and Custodian for Investec Bank (Australia) Limited. He is a non-executive director for a number of their companies and has been CFO for a top 200 ASX-listed company.

Greg Cohen  
*Executive Director and Chief Financial Officer Non-Independent Director*

Greg Cohen has an extensive international background in financial services and general management gained from a 27-year career with Ford Credit, the captive financing arm of Ford Motor Company. Greg brings to Invigor his significant expertise in the financial services sector and operational market experience in Australia, Europe, Southeast Asia, India and China.

Other listed company directorships in the past 3 years: None.

Thierry Manor  
*Executive Director and Chief Operating Officer Non-Independent Director*

Thierry Manor has over 35 years of experience in the global IT industry in executive roles in Australian and multinational companies. Thierry has also worked in a range of executive roles and industries including healthcare, the public sector, higher education, e-commerce and telecommunication. He was Country Manager at Sun microsystems, Global Director of Professional Services at iSOFT Group Limited, an ASX listed company, where he was responsible for the delivery and implementation teams across 40 countries, and previously Global Director of Client Services at InterSystems, a leading provider of healthcare data management systems.

Thierry is the principal of Darlot Consulting providing strategic market entry, commercialisation and advisory services including turn-around to several start-ups and other companies in ANZ, Asia Pacific and Europe.

**(b) Key management personnel**

In addition to the Executive Directors, the key management personnel of Invigor are as follows:

**Executive**

**Experience and background**

Rohan Dhowan  
*Chief Executive Officer*

Rohan has over 15 years' experience in leading teams and turning around businesses. Rohan has driven Invigor to cash flow positivity as Sales Director over the past two years. Rohan was previously Head of National Sales at Groupon Australia.

Sonu Mathew  
*Head of Technology*

Sonu is a dynamic and result-oriented technology leader with 18 years of global experience, in project and program management, cloud solutions design and development.

Darren Wu  
*Client Service Director*

Darren has a customer-first approach to complex technology challenges. He is successful in program delivery and strategic account turnaround and building tech and data related businesses in the Asia-Pacific region.

**(c) Director disclosures**

Each Director has confirmed that he anticipates being able to perform his duties as a Director without constraint from other commitments.

No Director has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director or which is relevant to an investor's decision whether to subscribe for Shares and/or Options.

No director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12-month period after they ceased to be an officer.

**(d) Interests and compensation of Directors**

Other than as set out below or elsewhere in this Prospectus or the Notice of Meeting:

- (i) no Director holds, or during the last two years before lodgement of this Prospectus with ASIC, held, an interest in:
  - (A) the formation or promotion of Invigor;
  - (B) property acquired or proposed to be acquired by Invigor in connection with its formation or promotion or the Offers; or
  - (C) the Offers; and
- (ii) except as set out in this Prospectus or the Notice of Meeting, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director either to induce him to become, or to qualify, as a Director or otherwise for services rendered by them in connection with the formation or promotion of Invigor or the Offers.

**(e) Deeds of access, indemnity and insurance**

The Company has entered into a deed of access and indemnity with each Director that confirms the Director's right of access to Board papers (for a period of seven years after the date the Director ceases to hold office, which period can be extended where certain proceedings or investigations commence during that period) and requires the Company to indemnify the Director, on a full indemnity basis and to the full extent permitted by law, against all losses and liabilities (including all reasonable legal costs) incurred by the Director as an officer of the Company or of a related body corporate.

Under the deeds of access, indemnity and insurance, the Company must maintain a Directors and officer's liability insurance policy insuring each of the directors against liability as a director and

officer of the Company and its related bodies corporate until seven years after each Director or officer ceases to hold office with the Company or a related body corporate (or the date any relevant proceedings commenced during the seven year period have been finally resolved).

(f) **Director shareholdings**

The Directors are not required by the Constitution to hold any Securities. However, assuming that all of the resolutions in the Notice of Meeting are approved by Shareholders by the requisite majorities, the Directors will hold either personally, or through entities associated with the Director, the following Securities in the Company:

Director	Securities	Relevant interest %
Gary and Greg Cohen	37,756,760	23.20%
Gary Inberg	125,000	0.08%
Thierry Manor	440,547	0.27%

(g) **Description of performance review and incentive arrangements**

The Company's remuneration policy and practices that are set out in the Remuneration Committee Charter are designed to attract, motivate and retain appropriately qualified and experienced people, and to ensure that remuneration of all Directors, executives and employees properly reflect each person's accountabilities, duties and level of performance.

Details of the structure, composition and quantum of the remuneration of the Directors and senior executives are contained in the annual Remuneration Report.

Non-executive Directors are remunerated by way of fees which are set with reference to the prevailing market rates. They do not participate in the schemes designed for the remuneration of executives, nor do they receive bonus payments or any retirement benefits other than statutory superannuation.

The Board and senior management is committed to reviewing the performance of all executive Directors and employees annually. Due to the disruptions caused by Covid lockdowns in 2021, no formal evaluation was completed in 2021. The Company is committed to the performance process and will reinstate the performance reviews and measurement of key performance indicators in 2022. However, the independent Directors are fully engaged with the senior executives in reviewing the strategy and the corporate governance framework of the Company on a regular basis.

(h) **Related party transactions**

The Group is party to the following arrangements with the Directors and entities associated with the Directors:

(i) **Marcel Equity Loan Facility**

In February 2016, the Company entered into an interest-bearing short-term loan arrangement with Marcel Equity, an entity associated with Gary Cohen and Gregory Cohen (Directors of the Company), under which Marcel Equity would make available up to \$700,000 as and when required by the Company, subject to the terms of the loan arrangement. The loan arrangement has subsequently been extended a number of times (both limit and repayment date).

In February 2020, the Company extended the term and amount of the agreement to 31 December 2021, and \$7.5 million (from \$5 million at 31 December 2019) with 15% pa interest. It is intended that a significant portion of the Marcel Equity Loan Facility will be converted to equity subject to Shareholder approval at the EGM.

The terms of the Marcel Equity Loan Facility are that it is only repayable from the Company's available cash flow (principal and interest).

On 13 January, 2022 the Company extended the term and amount of the agreement to 31 March, 2022.

(ii) **Marcel Service Agreement**

The Company has entered into cost recovery agreements with Marcel Equity and its associated entities (**Marcel**), being entities associated with Gary Cohen and Gregory Cohen, under which the Company reimburses Marcel, on a cost recovery basis, for services provided. Services include use of office space, provision of administration services, and such other services as may be agreed from time to time.

(iii) **Marcel Guarantee**

The Group has a \$100,000 interest bearing bank overdraft facility with National Australia Bank, and a \$30,000 credit card facility. The facilities are secured by guarantees provided by Marcel.

(iv) **Gary Cohen (Director) facility**

In December 2019, Gary Cohen paid out \$1,000,000 to PFG on behalf of the Company. The Company has agreed to a loan agreement with Gary Cohen on the same terms as PFG, being a secured charge, and interest at 16% per annum. The balance at 30 June 2021 is \$1,000,000. The loan is payable on demand. Gary Cohen has agreed to extend the loan facility and convert this loan to shares as part of the capital restructure to take place following approval at the upcoming General Meeting.

(v) **Consultancy – Gregkar transaction**

Gregkar Pty Ltd, an entity associated with Gregory Cohen, provides executive consulting services to the Company. The services provided are for the provision of financial and commercial services in respect of his role as a director and Chief Financial Officer of the Group. The consultancy is for a fixed amount of \$200,000 per annum and the reimbursement of expenses.

(vi) **Employment Relationships**

Gary Cohen (Director and Chairman) and Thierry Manor (Director and Chief Operating Officer) are employees of Invigor Group Limited and the remuneration arrangements are fully set out in the 2020 Annual Report.

(vii) **Other transactions**

From October 2020, the Company has earned revenue from a professional services and cost recovery agreement with Inventive Healthcare Solutions Pty Limited, an entity associated with Gary Cohen, Gregory Cohen and Thierry Manor, who are all key personnel of the Company.

In addition to the loan facilities described above, there are employee loan facilities held by Thierry Manor.

In respect of all related party transactions these are required to be, and have all been, disclosed and approved by the Board with the related parties not participating or voting. All related party transactions are at arm's length terms and the benefits provide reasonable remuneration in respect of the services provided.

## 10.7 Interests of advisors

Other than as set out below or elsewhere in this Prospectus or the Notice of Meeting, no promoter of Invigor or person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus has, or had within two years before lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of Invigor;
- (b) any property acquired or proposed to be acquired by Invigor in connection with its formation or promotion or the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons for services rendered in connection with the formation or promotion of Invigor or the Offers.

### **10.8 Substantial Invigor investors**

On completion of the Offers (including all issues of Placement Shares and Placement Options and other Options under the Options Offer, the substantial Invigor Investors (being the Invigor Investors with a voting power in 5% or more of the Invigor Shares on issue) will be as follows:

- (a) Marcel Equity, RJI Investments, Gregkar and their associates (being entities controlled by Greg and Gary Cohen): 23.20%;
- (b) ICM/Allectus Group: 18.42%; and
- (c) Glowaim: 5.12%.

Refer to section 4.5 for further details.

### **10.9 Litigation**

On 29 January 2021, the Company announced that Sun Asia Group has commenced proceedings against the Company, Gary Cohen and Gregory Cohen, seeking relief from the agreements previously entered into and damages. The Company is proposing to file a defence to the proceedings and a cross claim and have applied for security of costs. At the date of this Prospectus, the Directors do not believe that any material contingent liability has arisen as a result of these proceedings.

Other than as disclosed above in this Prospectus, as at the date of this Prospectus, Invigor is not involved in any legal proceedings, administrative appeals or governmental prosecutions, and the Directors are not aware of any legal proceedings administrative appeals or governmental prosecutions pending or threatened against Invigor or any of the entities in the Group.

### **10.10 Dividend policy**

Invigor does not expect to declare any dividends in the near future as its focus will primarily be on using cash reserves for its growth of Invigor.

Any future determination as to the payment of dividends by Invigor will be at the discretion of the Board and will depend on matters such as the availability of distributable earnings, the operating results and financial condition of Invigor, future capital requirements and general business and other factors considered relevant by the Board. No assurances can be given by the Directors in relation to the payment of dividends by Invigor or that franking credits may attach to any dividends.

### **10.11 ASX reinstatement conditions**

The Securities have been suspended from official quotation since 30 October 2019.

The Company must satisfy certain ASX reinstatement conditions prior to reinstatement of the Company's Securities to trading on the official list of ASX, which include amongst other things, completion of the Placement and demonstrating compliance with ASX Listing Rules 12.1 to 12.2 inclusive, to the satisfaction of the ASX. The Company has a period until 28 February 2022 (extended from 29 January 2022) to comply with the ASX reinstatement conditions. If Invigor is not reinstated by 28 February 2022, it will be removed from the official list of ASX at the commencement of trading on 1 March 2022.

ASX confirmed that, based solely on the information provided, ASX is not aware of any reason why the Securities of Invigor should not be reinstated to official quotation, subject to compliance with the following conditions precedent:

- (a) Invigor's Shareholders approving all the Resolutions required to effect the Placement and Debt to Equity Conversion to be considered at the EGM;
- (b) confirmation of completion of the Debt to Equity Conversion;

- (c) Invigor releasing a full form prospectus in relation to the Offers pursuant to section 710 of the Corporations Act;
- (d) completion of the Placement, including closure of the Prospectus and confirmation that Invigor has reached the minimum subscription;
- (e) confirmation in a form acceptable to ASX that Invigor has received cleared funds for the complete amount of the issue price of every Security allotted and issued to every successful Applicant for securities under the Prospectus;
- (f) Invigor demonstrating compliance with ASX Listing Rules 12.1 and 12.2, to the satisfaction of the ASX including:
  - (i) providing a 'working capital statement' similar to that required by ASX Listing Rule 1.3.3(a) to the effect that following completion of the Debt to Equity Conversion and the Offers, Invigor will have sufficient working capital at the time of reinstatement to carry out its activities;
  - (ii) satisfying the 'working capital test' of at least \$1.5 million pursuant to ASX Listing Rule 1.3.3(c); and
  - (iii) confirmation that there are no overdue employee liabilities on Invigor's balance sheet at the time of reinstatement;
- (g) lodgement of all Appendices 3B and 2A with ASX for proposed and actual issues of new Securities;
- (h) lodgement of Director interest notices with ASX, being either Appendix 3Xs, 3Ys, or 3Zs, as required;
- (i) payment of any ASX fees, including listing fees, applicable and outstanding;
- (j) confirmation that the Securities to be issued following the Meeting have been issued, and despatch of each of the following has occurred:
  - (i) in relation to all holdings on the CHESS subregister, a notice from Invigor under ASX Settlement Operating Rule 8.9.1;
  - (ii) in relation to all other holdings, issuer sponsored holding statements; and
  - (iii) any refund money;
- (k) provision of the following documents, in a form suitable for release to the market:
  - (i) a statement setting out the names of the 20 largest holders of each class of Securities to be quoted, including the number and percentage of each class of Securities held by those holders;
  - (ii) a distribution schedule of the numbers of holders in each class of Security to be quoted, setting out the number of holders in the following categories.
    - 1 - 1,000
    - 1,001 - 5,000
    - 5,001 - 10,000
    - 10,001 - 100,000
    - 100,001 and over
  - (iii) a statement confirming completion of the Offers, closure of the Prospectus and that Invigor has reached the minimum subscription under the Placement;
  - (iv) a statement outlining Invigor's capital structure following the Meeting on a post-issue basis;
  - (v) Invigor's pro forma balance sheet based on actual funds raised;

- (vi) Invigor's updated statement of commitments based on actual funds raised;
  - (vii) a consolidated activities report setting out the proposed business strategy for Invigor (including an update on the status of Invigor's assets and the current activities with respect thereto);
  - (viii) full terms and conditions of all Options and other Securities on issue;
  - (ix) any further documents and confirmations ASX may determine are required to be released to the market as pre-quotation disclosure; and
  - (x) confirmation that Invigor is in compliance with the ASX Listing Rules and in particular ASX Listing Rule 3.1;
- (l) provision of any other information required or requested by ASX including, but not limiting the generality of the foregoing, in relation to any issues that may arise (1) from ASX's review of the Prospectus and (2) Invigor's financial reports; and
  - (m) Invigor will be required to lodge quarterly cash flow and activity reports after reinstatement, in compliance with ASX Listing Rules 4.7B and 4.7C.

The above conditions are subject to change from ASX (including the imposition of further conditions).

## 10.12 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all ASX listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

## 10.13 Consents to be named

Each of the Independent Expert, the Company's auditor (Moore Australia) and the Company's share registry (each a **Consenting Party**), to the maximum extent permitted by law, expressly disclaims all liabilities in respect of and makes no representations regarding and takes no responsibility for any statements in or omissions from this Prospectus other than the reference to its names in the form and context in which it is named and statement or report included in this Prospectus with its consent as specified below.

Each of the Consenting Parties has given and has not, at the time of lodgement of this Prospectus, withdrawn its written consent to be named in this Prospectus in the form and context in which it is named. None of the Consenting Parties referred to below has made any statement that is included in this Prospectus or any statement on which a statement made in this Prospectus other than as specified below:

- (a) Nexia Sydney Corporate Advisory Pty Ltd has given its written consent to being named as the Independent Expert in this Prospectus, the inclusion of the Independent Expert's Report in this Prospectus (including by it being incorporated by reference in this Prospectus) and the inclusion of statements referring to its Independent Expert's Report in the form and context in which those statements are included in this Prospectus. Nexia Sydney Corporate Advisory Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.
- (b) Moore Australia Audit (Vic) has given its written consent to being named as the Company's auditor in this Prospectus, the inclusion of its Independent Auditor's Report and Independent Auditor's Review Report in this Prospectus and the inclusion of statements referring to its Independent Auditor's Report and/or Independent Auditor's Review Report in the form and context in which those statements are included in this Prospectus. Moore Australia Audit (Vic) has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.
- (c) Boardroom Pty Limited has given its written consent to being named as the Company's share registry in this Prospectus. Boardroom Pty Limited has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

#### **10.14 Costs of the Offers**

The costs of the Offers are expected to be approximately \$700,000 and these costs will be borne by the Company from the proceeds of the Offers.

#### **10.15 Governing law**

The Prospectus and the contracts that arise from the issue of Securities and the Offers (including from the acceptance of applications) are governed by the laws of New South Wales, Australia and each person acquiring Shares and/or Options under this Prospectus submits to the exclusive jurisdiction of the courts of New South Wales, Australia.

## 11. Directors' authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

A handwritten signature in black ink, appearing to read "Gary Cohen".

Gary Cohen  
Chairman

For and on behalf of Invigor Group Limited

21 January 2022

## 12. Definitions

**2019 Annual Report** means the Company's annual report for FY2019.

**2020 Annual Report** means the Company's annual report for FY2020.

**2021 1HFY Report** means the Company's half yearly financial report for the 6 month period ended 30 June 2021.

**A\$ or \$** means Australian Dollars.

**AAS** means Australian Accounting Standards.

**AI** means artificial intelligence.

**Announcements** means the documents referred to as such in Section 8.2(c) of this Prospectus, being the announcements made by the Company to ASX on and from 30 October 2019 to the date of this Prospectus.

**Applicant** means any Eligible Investor that applies for Securities under any of the Offers.

**Application Form** means an application form to be provided to Eligible Investors.

**Application Monies** means the sum of the offer price of the Securities applied for under this Prospectus multiplied by the number of Securities applied for under this Prospectus.

**ASIC** means Australian Securities and Investments Commission.

**Associate** has the meaning given to that term in the Corporations Act.

**ASX** means ASX Limited ACN 008 624 691 or the securities exchange that it operates, as the context requires.

**ASX Listing Rules** means the listing rules of the ASX.

**Australian Employees** has the meaning given to that term in the "Chairman's Letter".

**B2B** means business-to-business.

**Board** means the board of Directors unless the context indicates otherwise.

**Closing Date** means 5:00pm (Sydney time), 24 January 2022.

**Constitution** means the constitution of Invigor.

**Convertible Note** means a redeemable unlisted unsecured convertible note in the Company.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the directors of the Company.

**Debt to Equity Conversion** has the meaning given to that term in the "Chairman's Letter".

**Dylide** means Dylide Pty Ltd (ACN 003 436 879).

**EGM or Meeting** means the extraordinary general meeting of the Company to be held at Invigor Group Limited, Level 16, 56 Pitt Street, Sydney NSW 2000, on 21 January 2022 at 2.30pm.

**Eligible Investors** means:

- (a) Professional and Sophisticated Investors; and
- (b) the Eligible Options Investors.

**Eligible Options Investors** means:

- (c) PAC Partners and its nominees;
- (d) Dylide; and
- (e) Glowaim.

**Explanatory Notes** means the explanatory notes accompanying the Notice of Meeting.

**ERP** means enterprise resource planning.

**FY2019** means the financial year ended 31 December 2019.

**FY2020** means the financial year ended 31 December 2020.

**FMCG** means fast moving consumer goods.

**Glowaim** means Glowaim Pty Ltd (ACN 054 784 986).

**Gregkar** means Gregkar Pty Ltd (ACN 143 577 333) as Trustee for the Cohen Family Trust.

**Group** means Invigor and its subsidiaries.

**Incorporated Documents** has the meaning given to that term in Section 8.1.

**Independent Expert** means Nexia Sydney Corporate Advisory Pty Ltd.

**Independent Expert's Report** or **IER** means the independent expert's report dated 10 December 2021 prepared by the Independent Expert.

**Invigor** or **Company** means Invigor Group Limited (ACN 081 368 274).

**Marcel Equity** means Marcel Equity Pty Ltd (ACN 152 943 050).

**Moore Australia** means Moore Australia Audit (VIC) (ACN 16 847 721 257)

**Notice of Meeting** means the Notice of General Meeting relating to the EGM.

**NTA** means Net Tangible Assets

**Offer Period** means the period commencing on the Opening Date and ending on the Closing Date.

**Offers** has the meaning given to that term in the Section titled "Important Information".

**Opening Date** means 21 January 2022.

**Option** means an option to acquire a Share.

**Options Offer** has the meaning given to that term in the Section titled "Important Information".

**p.a.** means per annum.

**PAC Partners** means PAC Partners Securities Pty Ltd (ABN 68 623 653 912).

**PFG** means Partners for Growth IV LP.

**Placement** has the meaning given to that term in the Section titled "Important Information".

**Placement Option** means an attaching Option to be issued under the Placement.

**Placement Share** means a Share to be issued under the Placement.

**PrimaryMarkets** means PrimaryMarkets Limited (ABN 24 136 368 244).

**Professional and Sophisticated Investors** means an investor who has satisfied the criteria for the exemptions set out in sections 708(8)-(11) of the Corporations Act.

**Prospectus** means this prospectus dated 21 January 2022.

**Prospectus Date** means 21 January 2022.

**Resolution** means a resolution in the Notice of Meeting.

**Restructure** has the meaning given to that term in the "Chairman's Letter".

**RJL Investments** means RJL Investments Pty Ltd (ACN 003 474 057) as trustee for the Gary Cohen Family Trust.

**SaaS** means software as a service.

**Section** means a section in this Prospectus.

**Security** means a security issued in the capital of the Company.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**SKU** means stock-keeping unit.

**SMS** means short message service.

**Sumabe** means Sumabe Australia Pty Ltd (ACN 633 764 520).

**Sun Asia Group** means Sun Asia Group Pty Ltd (ACN 633 624 914) ATF Sun Asia Group Unit Trust.

**Sun's Trust** means Ms Yun Cong Ye & Ms Min Huang as trustee for Sun's Unit Trust.

**US Securities Act** means the U.S. Securities Act of 1993.

## Annexure A - Terms and Conditions of Options

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### 1. Entitlement

Each Option entitles the holder (Holder) to subscribe for one ordinary share (Share) in Invigor Group Limited (Company) upon exercise.

### 2. Exercise Price and Expiry Date

The exercise price (Exercise Price) of each Option is as follows:

- (a) For all Options other than Options issued to Glowaim, each Option will have an exercise price of \$0.25.
- (b) In relation to Options issued to Glowaim, 9,747,024 Options will have an exercise price of \$0.10 per Option.

Each Option will expire on the date which is 3 years from their date of issue (Expiry Date).

### 3. Exercise Period

Each Option is exercisable at any time before the Expiry Date (**Exercise Period**).

### 4. Notice of Exercise

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

### 5. Shares issued on exercise

Shares issued on exercise of the Options will rank equally with the existing Shares on issue.

### 6. Quotation of Shares on exercise

Application will be made by the Company to ASX (or, if the Company is no longer listed on ASX, to the securities exchange on which its Shares are admitted for quotation) for official quotation of the Shares issued upon the exercise of the Options.

### 7. Timing of issue of Shares and quotation of Shares on exercise

Within 5 Business Days after receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised, the Company will:

- (a) allot and issue the Shares pursuant to the exercise of the Options;
- (b) if required, as soon as reasonably practicable and in any event within 5 Business Days after issuing the Shares, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (or, if the Company is unable to issue such a notice, as soon as reasonably practicable, the Company will lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors); and
- (c) if admitted to the official list of the ASX at the time, within 5 Business Days after issuing the Shares, apply for, and use best endeavours to obtain, official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under paragraph 7(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 25 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus in accordance with the Corporations Act and do all such things necessary to satisfy

section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

#### **8. Participation in new issues**

There are no participation rights or entitlements inherent in the Options and the Holder will not be entitled to participate in new issues of capital offered to shareholders of the Company unless the Holder has exercised the Options before the record date for determining entitlements to the new issue of securities and participates as a result of holding Shares.

#### **9. Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing shareholders of the Company (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued upon the exercise of an Option will be increased by the number of Shares which the Holder would have received if the Options had been exercised before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

#### **10. Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing shareholders of the Company (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment) the Exercise Price of an Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E[P - (S + D)]}{N + 1}$$

Where:

- O = Old Exercise Price of the Option.
- E = Number of underlying Shares into which one Option is exercisable.
- P = Average market price per Share weighted by reference to volume of the underlying Shares during the 5 Trading Days ending on the day before the ex-rights date or ex entitlements date.
- S = Subscription price of a Share under the pro rata issue.
- D = The dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).
- N = Number of Shares with rights or entitlements that must be held to receive a right to one Placement Share.

#### **11. Adjustment for reorganisation**

If there is any reorganisation of the issued share capital of the Company, the rights of the Holder will be varied to comply with the ASX Listing Rules which apply to the reorganisation at the time of the reorganisation.

#### **12. Quotation of Options**

For all Options other than Options issued to Glowaim, as and when the Company satisfies the conditions in ASX Listing Rule 2.5, the Company intends to apply for, and use best endeavours to obtain, official quotation of the Options. In respect of the Options to be issued to Glowaim, no application for quotation of the Options will be made by the Company.

**13. Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by the ASX or under applicable Australian securities laws.

**14. Amendments**

These terms and conditions of the Options may only be amended by written agreement between the Company and the Holder and subject to compliance with the ASX Listing Rules (or the rules of the relevant securities exchange on which its Shares are admitted for quotation).

## Annexure B – Audit and review opinions for Historical Financial Information

(a) 31 December 2019 – Audit Opinion



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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVIGOR GROUP LIMITED AND CONTROLLED ENTITIES

#### Opinion

We have audited the accompanying financial report of Invigor Group Limited and Controlled Entities (the Group), which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

In our opinion:

- a. the financial report of Invigor Group Limited and Controlled Entities is in accordance with the *Corporations Act 2001*, including:
  - i. giving a true and fair view of the Group's financial position as at 31 December 2019 and of their performance for the year ended on that date; and
  - ii. complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*;
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements with *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material Uncertainty Related to Going Concern

We draw attention to Note 1(c) in the financial statements, which identifies that during the year ended 31 December 2019 the Group incurred a consolidated net loss of \$13.1m (2018: \$12.3m loss), had net cash outflows from operating activities of \$2.6m (2018: \$5.1m), and that the Group's current liabilities exceed its current assets by \$14.1m (2018: \$8.6m). These events and conditions, along with other matters as set forth in Note 1(c), indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern.

The directors have stated that the Group's ability to continue to operate as a going concern is dependent upon the items in Note 1(c) eventuating. Should these events not occur as anticipated, the Group is unlikely to be able to pursue its business objectives and will have unlikely continue to operate as a going concern, including realising its assets and extinguishing its liabilities at the amounts shown in the financial statements. Our opinion is not modified in respect of this matter.



#### Key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no other key audit matters in addition to the matter relating to the material uncertainty related to going concern.

#### Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report of the year ended 31 December 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and Those Charged with Governance for the Financial Report

The directors of the Group are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Corporations Act 2001, and for such internal control as the directors determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Entity's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.



A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf). This description forms part of our auditor's report.

**Report on the Remuneration Report**

*Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 12 to 16 of the directors' report for the year ended 31 December 2019.

In our opinion, the Remuneration Report of Invigor Group Limited, for the year ended 31 December 2019 complies with section 300A of the *Corporations Act 2001*.

*Responsibilities*

The directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

*Moore Australia*

**MOORE AUSTRALIA AUDIT (VIC)**  
**ABN 16 847 721 257**



**ANDREW JOHNSON**  
**Partner**  
**Audit and Assurance**

Melbourne, Victoria

22 March 2021

(b) 31 December 2020 – Audit Opinion



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**INDEPENDENT AUDITOR'S REPORT  
 TO THE MEMBERS OF INVIGOR GROUP LIMITED AND CONTROLLED ENTITIES**

**Opinion**

We have audited the accompanying financial report of Invigor Group Limited and Controlled Entities (the Group), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

In our opinion:

- a. the financial report of Invigor Group Limited and Controlled Entities is in accordance with the *Corporations Act 2001*, including:
  - i. giving a true and fair view of the Group's financial position as at 31 December 2020 and of their performance for the year ended on that date; and
  - ii. complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*;
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements with *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material Uncertainty Related to Going Concern**

We draw attention to Note 1(c) in the financial statements, which identifies that during the year ended 31 December 2020 the Group incurred a consolidated net loss of \$5.0m (2019: \$13.1m loss), had net cash outflows from operating activities of \$0.4m (2019: \$2.6m), and that the Group's current liabilities exceed its current assets by \$18.5m (2019: \$14.1m). These events and conditions, along with other matters as set forth in Note 1(c), indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern.

The directors have stated that the Group's ability to continue to operate as a going concern is dependent upon the items in Note 1(c) eventuating. Should these events not occur as anticipated, the Group is unlikely to be able to pursue its business objectives and will have unlikely continue to operate as a going concern, including realising its assets and extinguishing its liabilities at the amounts shown in the financial statements. Our opinion is not modified in respect of this matter.

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### Key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no other key audit matters in addition to the matter relating to the material uncertainty related to going concern.

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report of the year ended 31 December 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Report

The directors of the Group are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Corporations Act 2001, and for such internal control as the directors determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf). This description forms part of our auditor's report.



#### Report on the Remuneration Report

##### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 11 to 15 of the directors' report for the year ended 31 December 2020.

In our opinion, the Remuneration Report of Invigor Group Limited, for the year ended 31 December 2020 complies with section 300A of the *Corporations Act 2001*.

##### *Responsibilities*

The directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

*Moore Australia*

**MOORE AUSTRALIA AUDIT (VIC)**  
ABN 16 847 721 257



**ANDREW JOHNSON**  
Partner  
Audit and Assurance

Melbourne, Victoria

30 March 2021

(c) 30 June 2021 – Review Opinion



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**INDEPENDENT AUDITOR'S REVIEW REPORT  
 TO THE MEMBERS OF INVIGOR GROUP LIMITED & CONTROLLED ENTITIES**

**Report on the Half-Year Financial Report**

**Conclusion**

We have reviewed the accompanying half-year financial report of Invigor Group Limited & Controlled Entities (**the Group**), which comprises the condensed statement of financial position as at 30 June 2021, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity, the condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the half-year ended on that date; and
- b. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

**Material Uncertainty Related to Going Concern**

We draw attention to Note 1(e) in the financial statements, which identifies that during the period ended 30 June 2021 the Group incurred a consolidated net loss of \$1.7m from continuing operations (2020: \$2.1m loss from continuing operations), had net cash outflows from operating activities of \$0.5m (2020: \$0.4m), and that the Group's current liabilities exceed its current assets by \$18.3m (Dec 2020: \$18.5m). These events and conditions, along with other matters as set forth in Note 1(e), indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern.

The directors have stated that the Group's ability to continue to operate as a going concern is dependent upon the items in Note 1(e) eventuating. Should these events not occur as anticipated, the Group is unlikely to be able to pursue its business objectives and will have unlikely continue to operate as a going concern, including realising its assets and extinguishing its liabilities at the amounts shown in the financial statements. Our opinion is not modified in respect of this matter.

**Directors' Responsibility for the Half-Year Financial Report**

The directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

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#### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410: *Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including:

- a. giving a true and fair view of the Group's financial position as at 30 June 2021 and its performance for the half-year ended on that date; and
- b. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Group, would be in the same terms if provided to the directors as at the time of this auditor's review report.



**MOORE AUSTRALIA AUDIT (VIC)**  
**ABN 16 847 721 257**



**GEORGE S DAKIS**  
**Partner**  
**Audit and Assurance**  
 Melbourne, Victoria

31 August 2021