



ASX Announcement

28 February 2022

FY 21 Results and Balance Sheet Repair

- SaaS revenue for 2021 up 65% YoY
- 2021 Net loss before financing charges of \$181,000 (PCP: \$2,664 million loss)
- 2021 EBITDAI of a \$1.6 million loss for the year from continuing operations (PCP: \$2.3 million loss)
- \$9.168 million new capital subscribed, concluding a successful capital raise program
- \$21.7million Improved working capital position to \$1.6million (January unaudited accounts)
- the Company formally applied to the ASX for the reinstatement of its shares
- Strong outlook and new verticals being released

Invigor Group Limited (ASX: IVO) (“Invigor” or “the Company”) provides this financial and operational update for the full year ending 31 December 2021. The results are extracted from the Preliminary Financial Statements of the Consolidated Entity which remain subject to audit completion.

FY 21 Financial Performance

The company reported operating earnings from continuing operations before interest tax, depreciation, amortisation, impairment, and interest (EBITDAI) of a \$1.6 million loss for the year (PCP: \$2.3 million loss) from revenue and other income of \$2.2 million (PCP: \$2.2 million).

Earnings from all operations before interest, tax depreciation (EBIT) was a small loss of \$181,000.

As previously announced the Company signed a contract to sell Tillerstack GmbH (“TillerStack”), its subsidiary in Germany. The revenue of TillerStack which is excluded from continuing operations was \$64,000 (PCP: \$1.1 million), and the net contribution (loss) of TillerStack was \$34,000 loss (PCP: \$30,000 loss).

The sale of TillerStack for US\$1.2million (cA\$1.6 million) was completed on 15 January 2021 with the consequential profit on disposal of \$1.35 million (less transaction costs) being recognised in the FY21 year as a Profit from discontinued operations. The final payment instalment of \$67,000 was received on 19 January 2022 finalising this sale.

Events after 31 December 2021

The Company’s re-capitalisation plan (capital raise and debt to equity conversion) was approved by shareholders on 21 January 2022 following the Company’s general meeting (GM).

A prospectus was issued on 21 January 2022 and subsequently closed on 24 January 2022 with \$9.168 million of a maximum \$10.0 million subscribed, concluding a successful capital raise program. Shares and resulting options have been issued to new and existing shareholders.

Based on the approved resolutions for the Debt-to-Equity Conversion, debt holders converted debt to share capital, with loans and borrowings decreasing by \$6.560 million, Trade and other creditors and accruals decreasing by \$3.985 million and share capital increasing by \$10.545 million.



Convertible notes holders converted their convertible notes such that, loans and borrowings decreased by a further \$0.632 million and Trade and other creditors and accruals decreased \$0.025 million, with share capital increasing by \$0.657 million.

The Company's working capital position improved to \$1.6 million (unaudited accounts),

ASX application for reinstatement of quotation

On 31 January 2022, the Company formally applied to the ASX for the reinstatement of its shares for quotation. The Company is in discussions with the ASX to finalise the reinstatement process. The Company has sought and received from the ASX a further extension of time for reinstatement.

Growth in Revenue and move to profitability

With a successful capital raise, the Company is pursuing the growth strategies outlined last month and is on track to achieving a positive cashflow in the second half of FY 22.

The Company's sales remain on its core proprietary product 'Pricing Insights', where there is a continued focus on winning new brands and retailers within the Liquor and Consumer Electronics categories. There are numerous trials underway with retailers within these categories and the Company's pre-sales team has been busy with a record number of new users accessing its platform.

In addition, in accordance with the stated strategy, the sales team is gearing up to create the same success in new categories, FMCG, Health & Beauty, Office Supplies and Pet Foods. The additional working capital funds will accelerate these projects and also contribute to cost efficiencies, directly contributing to margin growth.

As the consumer shifts to online continues strongly into 2022, Invigor's technology strategy is well aligned with its sales strategy. The Company is continuing to align its technology to meet new customers' expectations. This includes new focus areas in online share of voice analysis, e-commerce stock availability, last mile delivery price attributes and AI driven dynamic pricing solutions.

Lastly, 2021 saw a successful partnership being announced with Australian marketplace provider Marketplacer who counts the likes of Woolworths, Myer and Surfstitch as customers and experienced rapid growth thanks to the pandemic-driven digitisation surge among established retailers. 2022 will continue to have a big focus on such partnerships which will help drive sales and revenue through a strategic strategy play with complimentary businesses both in Australia and Internationally.

Operational Update & Product Launch

The Company has launched a modernization of its infrastructure to be completed in July 2022.

The outcome of this initiative will result in

- A series of efficiencies to enable scalability and rapid growth, both cross vertically and cross country
- Major reduction in labour costs using ML & AI techniques to automate its processes;
- Maintaining and improving quality of data adding to our already 98.5% data accuracy;
- Integration with 3rd party systems;
- Monetization of historical data; and
- Expanding product offerings to tailor not only for enterprise accounts but also cater for SME's.

Invigor Group will also launch several additional categories starting with Health & Beauty, FMCG/Groceries, Office Supplies and Pet Supplies to be completed during 2022.



Commentary

Invigor's CEO, Rohan Dhowan said: *"2021 was an exciting year for Invigor, where we grew customer retention to 95%, accelerated our SaaS revenue by 65% and closed multiple new business and partnerships that have set us up well for 2022. In addition, closing our capital raise booking just over \$9 million from institutional and sophisticated investors fuels our growth strategy. This strategy is underpinned by the very real shift by consumers to online and therefore retailers and brands alike needing to have access to deep, reliable and accurate data. Over the next 3 years the Australian ecommerce market is expected to hit \$70 billion PA. Invigor is ensuring it invests in its tech and people to continue to be ahead of this curve"*

This release is authorized by the Board.

-ENDS-

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About Invigor Group

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

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