

11 November 2019

**IndigoVision Group plc  
("IndigoVision" or the "Group")**

**Acquisition of Agorasys SA**

IndigoVision is pleased to announce the acquisition of 100% of the issued share capital of Agorasys SA ("Agora" or the "Company") for a consideration of up to €3.0m, of which €2,300,000 is payable in cash at completion to clear Agora's existing financial indebtedness (the "Acquisition").

Based in Lisbon, Portugal, Agora was founded by Pedro Soares, Chief Executive Officer and Bernardo Motta, International Business Development Manager, (together the "Management Shareholders") as a spin-out from Instituto Superior Tecnico, part of the University of Lisbon. The Company provides a unified "command and control" software platform that integrates different security systems from multiple vendors, including IndigoVision's Control Center video management software. Agora's software provides business processes, procedures and auditing tools to allow users to audit and analyse the entire operation from any location with an internet connection. The Company's software also allows users to increase productivity in their organisations by implementing standard operating procedures that enable operators to efficiently control all equipment, on-site guards and vehicles.

Agora revenues were €1.3m for the year ended 31 December 2018 and the operating profit for the year was €0.1m. The Company had net assets of €0.1m at 31 December 2018.

Agora will continue to be run by the existing management team and Mr Soares and Mr Motta have entered into new contracts of employment with Agora in line with normal commercial terms in Portugal. Over the next year, the Group intends to invest an additional €0.5m in further developing the Agora software for the benefit of IndigoVision's enterprise customers. It is expected that Agora will only become a material contributor to the Group's financial performance following completion of this transitional period and investment phase.

**Acquisition Consideration and Total Voting Rights**

Shareholders in Agora will receive total consideration of €287,000 upon completion, comprised of approximately €212,000 payable in cash and the issue of 17,211 IndigoVision shares to each of Mr Soares and Mr Motta (the "Consideration Shares"). The balance of the consideration relates to the assumption of Agora's potential liabilities of €163,000 by the Group. The Consideration Shares due to Mr Soares and Mr Motta are expected to be satisfied by IndigoVision shares currently held in treasury. The transfer of the Consideration Shares out of treasury is expected to take place on 11 November 2019. Following completion of the transfer out of treasury, the issued share capital of IndigoVision will remain unchanged but the total number of IndigoVision shares carrying voting rights will increase to 7,362,940.

The above figure of 7,362,940 may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

Finally, deferred consideration of up to €250,000 will be payable to the Management Shareholders, conditional upon the achievement by the Company of certain revenue targets for the year ending 31 December 2019 (the "Deferred Consideration"). The Deferred Consideration is expected to be satisfied by the issue of IndigoVision shares following the publication of the 2019 audited financial statements of the Company. The precise number of shares to be issued will be determined by the share price as of the date the Company's 2019 accounts are approved, and such shares will serve to fulfil any indemnification claims or breaches of warranty prior to 8 November 2021.

### **Group Strategy**

The acquisition of Agora represents an important building block in meeting the Board of IndigoVision's ambition to turn the Group into one of the leading players in the video security solution space, for the benefit of our customers, our employees and our shareholders. The first stage of the turnaround plan started two years ago with the restructuring of the Board and the executive team. This first stage was internally focused: running our business better, and involved significant organisational and senior personnel change across most departments. While this process will remain ongoing, much of the heavy lifting has now been done. Our revenues are growing and we have turned significant losses into profits, we have cash in the bank and a robust balance sheet with substantial working capital availability from our new debt facility.

The next stage of our plan involves looking outwards and carefully analysing the market in which we operate. The industry we are in is highly fragmented with no dominant players nor dominant business models for the markets we target. A customer can select from a host of companies that provide either software or hardware or a combination of both. The Group has, at points in its history, been a developer of software, a manufacturer of cameras or a supplier of OEM cameras. Over the last six months the Board has been considering in depth what would be the optimal long term strategy and the culmination of this process is the launch of our new business plan referred to as IndigoVision 2020.

### **IndigoVision 2020**

IndigoVision 2020 sets out the Group's future strategic direction and has been created to assist the Group in capitalising on the growing demand from the global video security solutions market.

IndigoVision 2020 positions the Group as a provider of next generation end-to-end video security management solutions that deliver safety, security and business intelligence. Our strategy looks to remove customer pain points around industry fragmentation and the associated technological challenges of trying to bring together standalone hardware and software solutions across many vertical markets. Our goal is to provide an elegant, effective and dynamic solution that brings together everything our customers require to meet their video security needs and to integrate specialist solutions in a way that is quick and easy to use.

This strategy firmly places the customer at the centre of everything we do, so that our activities across the whole business can be measured against their contribution to meeting customer needs, delivering customer value and solving customer problems.

We have many of the building blocks of this strategy already in place and the acquisition of Agora further enriches the Group's software offering. Our focus in 2020 and beyond is to develop pathways to the innovative technologies we wish to add to our end-to-end solution and to engineer our software capabilities so that we can swiftly build and incorporate other functionality.

IndigoVision Group plc	Pedro Simoes (CEO) Chris Lea (CFO)	+44 (0) 131 475 7200
N+1 Singer (Nominated Adviser and Broker)	Lauren Kettle	+44 (0) 20 7496 3000

## **Notes to Editors**

### **About IndigoVision**

IndigoVision is a leader in the design and supply of high performance, highly-intelligent video security systems for security installations of differing sizes and complexity. From video capture and transmission to analysis and storage, IndigoVision's networked video security systems provide the best quality and most secure video evidence, using market leading compression technology to minimise bandwidth and reduce storage costs.

IndigoVision's technology is ideally suited for use in mission critical facilities such as government, oil and gas, transport, cities, industry, retail, education, police, prisons and casinos to improve public safety, protect assets, develop organisations' operational efficiency and support law enforcement.

IndigoVision has sales and support teams in 24 countries with its headquarters in Edinburgh and regional offices in New Jersey, Toronto, Dubai and Sao Paulo. IndigoVision partners with a network of some 1,300 trained and authorised IndigoVision resellers to provide local system design, installation and servicing to IndigoVision's system users.