

## **Progility plc**

**("Progility" or "the Company" or "the Group")**

### **Acquisition of Unify India**

Progility plc (AIM: PGY), the systems integrator and project management services firm, is pleased to announce that it has agreed to acquire Unify Enterprise Communications Private Limited ("Unify India") for a total consideration of €1 million in cash from the Unify Group ("Unify Group"), the unified communications joint venture between Siemens AG ("Siemens") and US private equity firm, The Gores Group.

Unify India is a systems integrator and independent solution provider specialising in communications infrastructure, applications and services for enterprise customers. Progility understands the products and business operations of Unify India extremely well, as Progility Technologies (a division of the Group) operates a similar business in Australia.

In the financial year to 30 September 2014, Unify India generated revenues of INR 19,429 lakhs (approximately £19.9 million) and made a profit before tax of INR 1,107 lakhs (approximately £1.1 million). At that date Unify India had net assets of INR 7,477 lakhs (approximately £7.6 million).

Wayne Bos, Executive Chairman of Progility, commented, "Our plan is to re-structure Unify India, transitioning the company from being an Original Equipment Manufacturer to becoming a Tier One reseller and distributor of products in Asia. This process will be disruptive to the business over the short term and this has been reflected in the acquisition price paid, however, we are confident that Unify India, when re-branded as part of the Group, will become an important strategic addition to Progility.

In addition, the acquisition will create an opportunity for us to introduce our expanding portfolio of other products and services to one of the world's largest markets."

Headquartered in Mumbai, Unify India currently employs 223 people and operates through a network of 21 offices throughout India. It also operates an extensive distribution network in India, Bangladesh, Nepal, Bhutan and Sri Lanka.

The senior management team, who will continue with the business post acquisition, have been in place for the past 10 years and have been responsible for attracting some of India's most established corporations as clients including: Adani, Mercedes-Benz Research, Bangalore International Airport, Infosys Limited and Volkswagen Group.

The transaction has been entered into between Unify Overseas Holdings B.V., Unify Germany Holdings B.V., Unify GmbH & Co. KG and Progility (Mauritius) Limited, a wholly owned subsidiary of the Company, which has agreed to purchase the entire issued share capital of Unify India for an aggregate consideration, payable in cash on completion, of €1 million. Completion is expected to take place on 30th December 2014.

The consideration will be funded by the issue, by Progility Finco Limited, of a further tranche of its redeemable loan stock (announced on 1 July 2014) ("Loan Notes") to DNY Investments Limited, an asset of the DNY Trust, a family trust of which Wayne Bos is a discretionary beneficiary. The Independent Directors of Progility, having consulted with Spark Advisory Partners Limited, as Nominated Adviser to the Company, consider the terms of the Loan Notes to be fair and reasonable insofar as the shareholders are concerned. In providing advice to the Independent Directors, Spark Advisory Partners Limited has taken into account the Independent Directors' commercial assessments of this related party transaction.



For further information, please contact:

**Progility plc**

Wayne Bos, Executive Chairman  
John McIntosh, Finance Director  
[www.progility.com](http://www.progility.com)

020 7371 4444

**SPARK Advisory Partners Limited (Nominated Adviser)**

Mark Brady  
Sean Wyndham-Quin

020 3368 3551  
020 3368 3555

**W H Ireland Limited (Broker)**

Adrian Hadden/Mark Leonard

020 7220 1666

**Novella**

Tim Robertson/Ben Heath

020 3151 7008

**Group Description**

Progility plc, the systems integrator and project management services firm has four divisions: Technology Solutions, Training, Consulting and Recruitment.

**Technology Solutions**

The technology solutions division comprises Progility Technologies and Starkstrom. Progility Technologies operates a communication systems integration business that designs, implements and maintains solutions for medium and large enterprises with a focus on the rail, port, oil and gas, power, water and healthcare industries in Australia and on the mining industry globally.

The business, which was merged with the Group in October 2013, is headquartered in Melbourne, Australia, and has offices in Sydney, Brisbane, Perth, Latrobe Valley, and Castlemaine.

It has three operating divisions: **Communications Australia**, which focuses on communications systems integration, designs voice and IP communications solutions for specific customers' operating environments and is a major provider of enterprise based Unify unified communication systems in Australia; **CA Bearcom**, Australia's largest distributor of two-way radio communications products and services, primarily supplied by Motorola; and **Minerals & Energy Technologies**, which designs, implements and manages an array of integrated communications solutions for specific mining, oil and gas, rail and port applications.

Starkstrom is a UK based project management services' company specialising in manufacturing and supplying medical infrastructure equipment for operating theatres and intensive care units. Acquired in July 2014, Starkstrom is headquartered in North West London and with a manufacturing and assembly facility in Leicester.

**Training**

The training division comprises ILX Group, which provides a blend of on-line learning, games and simulations, traditional classroom training, practical workshops and coaching. ILX delivers training in the UK Cabinet Office's best management practice products, primarily in PRINCE2, MSP and ITIL.

**Consulting**

The consulting division comprises Obrar in the UK and Progility Consulting in Australia. Obrar is a consulting and project management services company, focused on multimedia contact centres,



corporate technology infrastructure and associated operational change, with extensive experience in delivering contact centre outsourcing on a global basis. Progility Consulting is an organisational improvement and project management services company, specialising in information technology, service and supply chain improvement and overall project and programme management.

### **Recruitment**

The recruitment division comprises TFPL and Sue Hill Recruitment. TFPL is a recruitment, training and consulting business specialising in the knowledge, information and data management industries, which was acquired in July 2013. TFPL provides executive search, managed services and the placement of permanent, interim and contract personnel into the public and private sectors. Sue Hill Recruitment, which was founded in 1997, is a specialist employment agency to the UK information, market research, insight and analysis sectors and was acquired in November 2013.