

Inventis Limited 2019 Annual Report

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DIRECTORS' REPORT

The Directors present their report together with the financial report of the Group, being Inventis Limited ("The Company") and its subsidiaries ("Inventis"), for the financial year ended 30 June 2019 and the auditor's report thereon.

SECTION 1:

1. DIRECTORS

The directors of the Company at any time during or since the end of the financial year are:

**Tony Noun MBA, AICD, FAIM, CFP, CIAM, A&CIPANZIP, DipLi, JP
Chairman**

Tony Noun has more than 30 years professional and commercial experience with a proven track record of success. Tony's commercial experience, from both an investor and manager perspective, enables him to bring extensive financial and corporate experience to lead the Board and Management of Inventis Limited.

Tony is also an active director for a number of national and international companies that cover a broad range of industries and professional disciplines including financial services, health care, hospitality and manufacturing as well as sales and marketing.

Directorships held in other listed entities in the last 3 years: NIL.

**Peter Bobbin B.Com, LL.B, M. Tax, CTA, TEP
Non-Executive Director**

Peter has practised as a solicitor for more than 30 years, is a former accountant, former university lecturer and is a Notary Public. He practices primarily in taxation strategy planning and commercial law and was recognised as Tax Advisor of the Year, 2015 (SME) by the Taxation Institute of Australia.

Peter has been the managing principal of law firm Argyle Lawyers since 1995 and is a founding director of Future2 Foundation, a registered Australia-wide charity.

Directorships held in other listed entities in the last 3 years – NIL.

**Anthony Mankarios MBA, CFTP, FAICD
Non-Executive Director**

Anthony is experienced in leading national and international businesses in multiple sectors and sized companies across manufacturing, property, wholesale and retail. One of his key strengths is his visionary leadership style. Anthony has the ability to identify growth opportunities and work with the business to develop and implement strategies to maximise their potential. He is effective in assisting Boards and their stakeholders achieve common goals; through professional timely communication promoting learning, creativity, whilst developing strong mentoring relationships with them. Anthony is currently Inventis Limited's Audit and Risk Committee Chairman.

Anthony is an experienced director with over 30- years' experience. He has played a key role in developing Joyce Corporation's current strategy and is has developed Joyce's underlying business growth performances since 2010.

Directorships held in other listed entities in the last 3 years – Joyce Corporation Limited.

SECTION 1 (continued)

1. DIRECTORS (continued)

**Alfred Kobylanski B.Bus, CPA, ACIS, ACSA
 Alternate Director & Company Secretary**

Alfred has significant experience in finance and management within multinational organisations in Australia and in the United Kingdom. This experience includes manufacturing, information technology and financial services in both emerging and established markets.

Alfred's background in finance, general management, corporate governance as well as his knowledge of manufacturing and service organisations adds to the substantive body of knowledge at the Board and Senior Management level.

Mr Kobylanski was also appointed Company Secretary.

Directorships held in other listed entities in the last 3 years – NIL.

2. COMPANY SECRETARY

Alfred Kobylanski B.Bus, CPA, ACIS, ACSA

3. DIRECTORS' MEETINGS

The number of Directors' meetings (including meetings of committees of Directors) and number of meetings attended by each of the Directors of the Company during the financial year were:

Directors	Board Meetings		Audit Committee Meetings		Nomination and Remuneration Committee	
	Attended	Available to Attend	Attended	Available to Attend	Attended	Available to Attend
Mr Tony Noun	9	10	9	10	1	1
Mr Peter Bobbin	10	10	10	10	1	1
Mr Anthony Mankarios	10	10	10	10	1	1
Alfred Kobylanski as Alternate Director	9	10	9	10	1	1

A – Number of meetings attended.

B - Number of meetings held during the time the director held office during the year.

¹ The external auditor met with the Board once during the year together with management. The Audit and Risk Management sub-committee as well as the Remuneration and Nomination sub-committee comprise of all directors however, the Chair of each committee is Anthony Mankarios and Peter Bobbin respectively.

SECTION 1 (continued)

4. DIRECTORS' INTERESTS

The relevant interest of each Director that held office during the year in the ordinary shares issued by Inventis Limited, as notified by the Directors to the Australian Securities Exchange in accordance with S205G(1) of the Corporations Act 2001, at 30 June 2019 is as follows:

Director	01 July 2018	Number of Ordinary Shares			30 June 2019
		Acquired	Sale / Transfer	Cancelled	
T Noun	59,800,000	-	-	-	59,800,000
A Kobylanski	30,000,000	-	-	-	30,000,000
P Bobbin	242,279,986	-	-	-	242,279,986
A Mankarios	106,323,834	-	-	-	106,323,834

5. CORPORATE GOVERNANCE STATEMENT INCLUDING REMUNERATION REPORT

The Directors of Inventis Limited are committed to achieving the highest standard of corporate governance. Except where specified in this statement, the recommendations set by the ASX Corporate Governance Council as outlined in *ASX Guidance Note 9A* have been followed. This statement is dated 16 August 2019 and has been approved by the Board on this date.

The Company website has a dedicated section dealing with its corporate governance on which can be found its corporate governance charter and policies. The documents can be accessed at <http://www.inventis.com.au/governance/documents.shtml>

5.1 Board and Management

5.1.1 Role of the Board

The role of the Board is to provide strategic guidance for Inventis and effective oversight of its Management. The Board meets regularly to discharge its duties. The matters reserved for the Board as stated in the Company's Board Charter are:

- Setting Inventis' vision and deciding upon its business strategies and objectives;
- Appointing the leadership to put the strategies into effect;
- Monitoring the operational and financial position and performance of Inventis;
- Identifying the principal risks faced by Inventis and ensuring that appropriate control and monitoring systems are in place to manage the impact of these risks;
- Ensuring that Inventis' financial and other reporting mechanisms result in adequate, accurate and timely information being provided to the Board;
- Ensuring that investors and the market are fully informed of all material developments, in a timely manner;
- Appointing, and where appropriate, removing the Chairman, the managing Director, the Chief Financial Officer and General Manager/s, approving other key executive appointments and dismissals of those reporting to the Chief Financial Officer and/or the Managing Director, Chief Financial Officer and General Manager/s as well as planning for executive succession;
- Overseeing and evaluating the performance of the Chairman, Managing Director, Chief Financial Officer and General Manager/s in the context of Inventis' strategies and objectives;
- Approving budgets and business plans and monitoring the progress of major capital expenditures, capital management as well as acquisitions and divestures;
- Ensuring compliance with all relevant laws, government regulators and accounting standards; and
- Ensuring that the business of Inventis and its subsidiaries is conducted openly and ethically.

SECTION 1 (continued)

5.1 Board and Management (continued)

5.1.2 Board's Delegation of Authority

The Board has delegated the day to day functions of the business to be performed by the senior executives under the guidance of the Managing Director.

The Board ensures that it receives monthly reports from each senior executive and updates from the Managing Director, Chief Financial Officer and General Manager/s with regard to the delegated authority, as and when requested by the Directors.

The Board meets minimum 9 times in a year and reviews the performance of each of the senior executive by way of review of their respective reports for the month and face to face meetings.

5.1.3 Evaluation of performance of the Senior Executives

At the appointment stage, each senior executive is provided with their job description along with the principal statement and key performance indicators are set for measuring their performance in the probation period as well for the year ahead.

The Remuneration and Nomination Committee has set up the performance of the Managing Director, Chief Financial Officer and General Manager/s and according to the business plans, the achievement of the targets stated therein.

The respective executive and consult with those who report directly to them and set the Key performance indicators (KPIs) for each of them.

The performance of the Senior Executives is continually assessed during the year at Board meetings.

5.1.4 Board and its performance

(a) Composition of the Board and Board Processes

The Board is comprised of a Chairman and two other directors.

Each director has the right to access all relevant company information and to the Company's executives and, subject to prior consultation with the Chairman and after obtaining the approvals of the fee payable for the advice, may seek independent professional advice from a suitably qualified adviser at the Company's expense. A copy of the advice received by the Director is made available to all other members of the Board.

At the time of appointment of a director or a senior executive, such director or senior executive discloses all interests to the Board. The Board puts in place a plan for management in case of any conflicts of interests. All the directors and senior executives are then required to inform any change in their interests at every Board Meeting. This process assists the Board to determine the independence of a director. The Company has put in place processes to ensure timely disclosure to the market of any changes in a director's interest.

As part of appointment process, all checks including but not limited to, credit check, reference check and criminal check are performed before an appointment is offered to a prospect as a director of the Company or senior Company Executives.

The Board decided to change the structure of the Board to ensure the independence of the Board is maintained.

It was decided that for the time being the minimum number of directors comprise the Board.

(b) The Chairman

The Chairman as the head of the Board provides leadership of the Board and leadership in the strategic direction of Inventis.

The role of the Chairman and the Managing Director are currently combined, and the Chairman acts as an Executive Chairman. The Executive Chairman is appointed by the Board under the conditions of the Inventis Constitution and the terms and conditions outlined in their respective letters of appointment. The Executive Chairman is not an independent non-executive director.

SECTION 1 (continued)

5.1 Board and Management (continued)

(c) Company Secretary

The Company Secretary function was incorporated into the function of the Chief Financial Officer.

(d) Election and Re-election of Directors at an Annual General Meeting:

Currently, the restriction on the number of directors has been put on three. The three directors have high stakes as majority shareholders in the Company and are believed to be in a position to ensure success of the Company.

All directors retire by rotation. At present the Company being a small entity with limited resources, has no plans to nominate new director/s at its forthcoming Annual General Meeting. All information with regard to existing directors is disclosed in the Annual Report and the directors speak for themselves at the time of re-election as to why they should be re-elected and are available to answer the queries from the security holders.

5.1.5 Evaluation of the Performance of the Board

The Board Evaluation is a continuous process and is carried out as part of Board meetings. The directors identify the areas which they need professional advice on and the Company Secretary ensures that appropriate professional advice is provided by engaging with such professionals as is required. The size of the Board being small and having a hands-on approach, the evaluation of the performance of the Board is not done as a separate process.

5.2 Audit and Risk Management Committee

The Board as a whole will exercise the powers of Audit and Risk Management Committee. The current chair for the Committee is Anthony Mankarios who is a non-executive director and although is a major shareholder is considered independent for this role.

The role of the Audit and Risk Management Committee is to provide advice and assistance to the Board to allow it to:

- Fulfil its audit, accounting and reporting obligations;
- Review the annual, half-year and other financial information distributed externally. This includes approving new accounting policies to ensure compliance with Australian Accounting Standards (AASB's), and assessing whether the financial information is adequate for shareholder needs;
- Assess corporate risk assessment processes;
- Assess whether non-audit services provided by the external auditor are consistent with maintaining the external auditor's independence. Each reporting period the external auditor provides an independence declaration in relation to the audit or review;
- Provide advice to the Board in respect of whether the provision of the non-audit services by the external auditor is compatible with the general standard of independence of auditors imposed by the Corporations Act 2001;
- Assess the adequacy of the internal control framework and the Company's code of ethical standards;
- Organise, review and report on any special reviews or investigations deemed necessary by the Board;
- Assess potential fraud situations and ensure prompt and appropriate rectification of any deficiencies or breakdowns identified in systems;
- Monitor the procedures to ensure compliance with the Corporations Act 2001 and the ASX Listing Rules and all other regulatory requirements;
- Address any matters outstanding with auditors, Australian Taxation Office, Australian Securities and Investments Commission, ASX and financial institutions; and
- Review the performance of the external auditors on an annual basis.

SECTION 1 (continued)

5.2 Audit and Risk Management Committee (continued)

5.2.1 Oversight of the Risk Management System

The Board oversees the establishment, implementation, and annual review of the Company's Risk Management System. Management has established and implemented a Risk Management System for assessing, monitoring, and managing operational, financial reporting, and compliance risks for the Group. The General Manager and the Chief Financial Officer have declared, in writing to the Board, that the financial reporting risk management and associated compliance and controls have been assessed and found to be operating efficiently and effectively. The operational and other risk management compliance and controls have also been assessed and found to be operating efficiently and effectively. All risk assessments covered the whole financial year and the period up to the signing of the annual financial report for all material operations in the Group, and material associates and joint ventures.

5.2.2 Risk Profile

The Audit and Risk Management Committee reports periodically on the status of risks through integrated risk management programmes aimed at ensuring risks are identified, assessed, and appropriately managed. Each business operational unit is responsible and accountable for implementing and managing the standards required by the programmes.

Major risks arise from such matters as actions by competitors, government policy changes, the impact of exchange rate movements on the price of raw materials and sales, difficulties in sourcing raw materials, environment, workplace health and safety, property, financial reporting, and the purchase, development and use of information systems.

The Audit and Risk Management Committee has direct access to any employee, the external auditors or any other independent experts and advisers as it considers appropriate in order to ensure that its responsibilities can be carried out effectively.

5.2.3 Risk Management, Compliance and Control

The Group strives to ensure that its products are of the highest standard. The Group is ISO 9001:2015 accredited along with ISO 14001:2015 for their Environmental Management System. The Group is product certified to meet the customer requirements:

- Height Adjustable Swivel Chairs certified to AFRDI Level 6 which ensures identified product meets the requirements of AS/NZS 4438:1997–Height adjustable swivel chairs; and
- Fixed Height Chairs certified to AFRDI Level 4 & 6 which ensures identified product meet the requirements of AS/NZS 4688:2000 Furniture - Fixed height chairs.

The Board is responsible for the overall internal control framework, but recognises that no cost-effective internal control system will preclude all errors and irregularities.

The Board's policy on internal control is comprehensive and comprises the Company's internal compliance and control systems, including:

- Operating unit controls – Operating units confirm compliance with financial controls and procedures including information systems controls detailed in procedures manuals;
- Functional specialty reporting – Key areas subject to regular reporting to the Board include Treasury Operations, Environmental, Legal and financial matters; and
- Investment appraisal – Guidelines for capital expenditure include annual budgets, detailed appraisal and review procedures, levels of authority, and due diligence requirements where businesses are being acquired or divested.

Comprehensive practices have been established to ensure:

- Capital expenditure and revenue commitments above a certain size obtain prior Board approval;
- Financial exposures are controlled, including the use of derivatives. Further details of the Company's policies relating to interest rate management, forward exchange rate management and credit risk management are included in the financial statements;
- Workplace health and safety standards and management systems are monitored and reviewed to achieve high standards of performance and compliance with regulations;

SECTION 1 (continued)

5.2.3 Risk Management, Compliance and Control (continued)

- Business transactions are properly authorised and executed, monthly actual results are reported against budgets approved by the directors and revised forecasts for the year are prepared regularly;
- Formal ethical standards appraisals are conducted for all employees to ensure that they are complying with the Company's Code of Ethics;
- The Company is continuing to develop a suitable succession plans and staff recruiting plans to ensure competent and knowledgeable employees fill senior positions when retirements or resignations occur;
- Financial reporting accuracy and compliance with the financial reporting regulatory framework; and
- Environmental regulation compliance.

5.3 Remuneration and Nomination Committee

The Board as a whole will exercise the powers of Remuneration and Nomination Committee.

The Committee has three members, Peter Bobbin is the Chair of the Committee who is a non-executive director. All directors are majority shareholders.

The role of the Remuneration and Nominations Committee is to provide recommendations to the Board on matters including:

- Appropriate remuneration policies and monitoring their implementation with respect to executives, senior managers, non-executive Directors and other key employees;
- Incentive schemes designed to enhance corporate and individual performance;
- Retention strategies for executives and senior management;
- Composition of the Board and competencies of Board members;
- Appointment and evaluation of the executive Directors and senior executives;
- Succession planning for Board members and senior executives; and
- Processes for the evaluation of the performance of the Directors General Manager and Chief Financial Officer.

During the financial year ended 30 June 2019, the Committee met as part of the Board meeting.

The recommendations also include all checks like credit check, reference check and criminal check as part of the report to the Board.

5.3.1 Board's Skill Matrix

The three current directors have diversified interests and hence provide a holistic view by complementing each other's strengths.

Tony Noun has more than 30 years professional and commercial experience with a proven track record of success. Tony's commercial experience, from both an investor and manager perspective, enables him to bring extensive financial and corporate experience to lead the Board and Management of Inventis Limited.

Peter, a practicing solicitor for more than 30 years, is a former accountant, former university lecturer and is a Notary Public. Peter brings to the Board his legal and tax knowledge as well as his experience of running profitable and cash flow positive legal business.

SECTION 1 (continued)

5.3 Remuneration and Nomination Committee (continued)

5.3.1 Board's Skill Matrix (continued)

Anthony is experienced in leading national and international businesses in multiple sectors and sized companies across manufacturing, property, wholesale and retail. One of his key strengths is his visionary leadership style. Anthony has the ability to identify growth opportunities and work with the business to develop and implement strategies to maximise their potential. He is effective in assisting Boards and their stakeholders achieve common goals; through professional timely communication promoting learning, creativity, whilst developing strong mentoring relationships with them.

In addition, the Company Secretary/ Chief Financial Officer add to the skills of the Board by their respective professional affiliations.

Any gaps which the Board or the directors identify are filled by engaging with the professionals from the field who advise the Board on the matters which the Board identifies need clarification or expert opinion.

5.3.2 Independence of Directors

All the three directors are majority shareholders of the Company. Although all the three directors have an interest, position, association or relationship with the Company due to being majority shareholders, the Board of Directors, given the size and scope of the Company, views this as a beneficial to the Company. The directors have significant incentive to ensure that the decisions are in the best interests of the security holders at large.

5.3.3 Continuous Improvement and Professional Development

As part of Standing Agenda of Board meetings, continuous education is considered at each meeting. Having regard to various professional bodies the directors belong to, there is a CPD education requirement for each of the professions and the directors discuss various matters in an informal setting during the meeting. If during these discussions, a matter is identified for needing more attention, the Company Secretary is instructed to provide relevant information at the next Board meeting for the Board to discuss.

5.3.4 Principles used to determine the Nature and Amount of Remuneration

The remuneration policy of the Group has been designed to align director and executive objectives with shareholders and business objectives by providing a fixed remuneration component and in many cases offering incentives based on key performance areas affecting the Group's financial results.

The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Group, as well as create goal congruence between directors, executives, and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the Group is as follows:

(a) Executive Directors and Senior Executives

The remuneration policy, setting terms and conditions for the Executive Directors and other senior executives, was developed by the Remuneration and Nominations Committee and approved by the Board. All executives receive a base salary (which is based on factors such as length of service and experience), superannuation and performance incentives.

SECTION 1 (continued)

5.3 Remuneration and Nomination Committee (continued)

5.3.4 Principles used to determine the Nature and Amount of Remuneration (continued)

(a) Executive Directors and Senior Executives (continued)

The Remuneration Committee reviews executive packages annually by reference to the Group's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries. Executives are offered a competitive base salary that comprises the fixed component of remuneration and rewards. Reference to external remuneration reports provides analysis to ensure base salary is set to reflect the market for a comparable role.

The performance of executives is measured against criteria agreed annually with each executive and is based predominantly on the forecast growth of the Group's profits and shareholders' value. All bonuses and incentives are linked to predetermined performance criteria. The Board may, however, exercise at its discretion in relation to approving incentives and bonuses and can recommend changes to the Committee's recommendations. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

In some parts of the Group commissions are paid. The commission is based upon individual and team pre-determined targets set by the General Manager and are payable quarterly. Using a predetermined target ensures variable reward is only available when value has been created for Shareholders and when it is consistent with the business plan. The incentive pool is leveraged for performance above the threshold to provide an incentive for executives to out-perform.

(b) Non - Executive Directors

The Board policy is to remunerate Non-executive Directors at market rates for comparable companies for time, commitment, and responsibilities. Fees for Non-executive Directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Group.

(c) Retirement Allowances

No retirement allowances exist for Directors. Some non-executive directors have opted for salary type package which means that they receive a superannuation guarantee contribution as required by the Federal Government, which is currently 9.5%, but do not receive any other retirement benefits. The salary package of such non-executive directors, is all inclusive package and no leave or other entitlements are available to them as they are treated as casual rather than permanent employees. Executives have a base salary and receive a superannuation guarantee contribution as required under legislation but do not receive any other retirement benefits. Some individuals have however chosen to sacrifice part of their salary to increase payments towards superannuation.

(d) Appointment Letters and Induction Pack

Each employee including directors, have a written agreement referred to as principal statement which along with employee handbook sets out the terms and condition of their respective appointment.

5.4 Remuneration Report - audited

The Remuneration Report is set out under the following main headings:

- A. Principles used to determine the nature and amount of remuneration
- B. Details of remuneration
- C. Service agreements
- D. Additional disclosures

A. Principles used to determine the nature and amount of remuneration

The remuneration policy of the Group has been designed to align Director and executive objectives with shareholders and business objectives by providing a fixed remuneration component and offering incentive based on key performance areas affecting the Group's financial results. The Board believes the remuneration policy to

SECTION 1 (continued)

5.4 Remuneration Report - audited (continued)

A. Principles used to determine the nature and amount of remuneration (continued)

be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

Directors' fees

All remuneration paid to Directors is valued at the cost to the Group and expensed.

Executive pay

The executive pay and reward framework has three components:

- Base pay and benefits
- Short-term performance incentives
- Other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration. The Group approved its long-term equity linked performance incentives specifically for executives. For the reporting period, no options were issued under the Employee Performance Option Plan (EPOP).

Base pay and benefits

Base pay is structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the executive's discretion. It includes Super Guarantee Charge at the rate prescribed by the Government from time to time.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. When required, external remuneration consultants provide analysis and advice to ensure base pay is set to reflect the market for a comparable role. Base pay for senior executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

There are no guaranteed base pay increases included in any senior executives' contracts.

Benefits

Executives receive benefits including car allowances.

Short-term performance incentives (STI)

If the Group achieves a predetermined profit target set by the Board, a short-term incentive (STI) pool is available to executives during the annual review. Cash incentives (bonuses) are payable on 30 September each year. Using a profit target ensures variable reward is only available when value has been created for shareholders and when profit is consistent with the business plan. The incentive pool is leveraged for performance above the threshold to provide an incentive for executives to out-perform.

The Group has a bonus incentive scheme for individual management employees. This is broadly based on the achievement of the Group profit objectives and the achievements of the individual KPIs. During the year ended 30 June 2019 due to the performance of the business, no profit targets or individual KPI targets were set and therefore no bonus pool was available.

Other remuneration such as superannuation

The Directors, if salaried, and executives receive a superannuation guarantee contribution required by government, which is currently 9.5%, and do not receive any other retirement benefits. However, some individuals have chosen to sacrifice part of their salary to increase payments towards superannuation.

Consequences of performance on shareholder wealth

In considering the Group's performance and benefits for shareholder wealth, the Board considers the following indices in respect of the current financial year and the previous four financial years.

SECTION 1 (continued)

5.4 Remuneration Report - audited (continued)

A. Principles used to determine the nature and amount of remuneration (continued)

Consequences of performance on shareholder wealth (continued)

	2019	2018	2017	2016	2015
Net (loss) / profit attributable to equity holders of the parent (\$)	(1,669,750)	(3,076,614)	89,359	166,728	(5,476,937)
Basic (loss) / earnings per share	(0.24)c	(0.46)c	0.01c	0.03c	(0.9)c

Dividends, share price and return on capital are not considered in setting STI. The overall level of key management personnel's compensation takes into account the performance of the Group over a number of years.

B. Details of remuneration

Amounts of remuneration

Details of the remuneration of the Directors and the key management personnel of the Group are set out in the following tables. The total value of amounts paid to Directors and the key management personnel was \$263,746 (2018: \$295,310).

For the year ended 30 June 2019, the key management personnel of the Group included the following Directors and executive officers:

Directors:

Mr. Tony Noun – Chairman

Mr. Peter Bobbin – Non-executive Director

Mr. Anthony Mankarios - Non-executive Director

Other Key Management Personnel:

Paul Vranich – General manager (Resigned 06 November 2018)

Alfred Kobylanski – Chief Financial Officer & Company Secretary

SECTION 1 (continued)

5.4 Remuneration Report - audited (continued)

B. Details of remuneration (continued)

		Short-term					Post-employment	Other long term	Termination Pay	Total including benefits	Proportion of remuneration performance related
		Salary & Fees	Other Benefits	Cash & Bonus	Non-monetary benefits	Total	Superannuation Benefits	Long service leave	Includes Unused Long Service Leave and unused Annual Leave		
Company											
Chairman		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Mr. Tony Noun	2019	7,306	-	-	-	7,306	694	-	-	8,000	-
	2018	-	-	-	-	-	-	-	-	-	-
Non-Executive Directors											
Mr. Peter Bobbin	2019	3,653	-	-	-	3,653	347	-	-	4,000	-
	2018	-	-	-	-	-	-	-	-	-	-
Mr. Anthony Mankarios	2019	4,000	-	-	-	4,000	-	-	-	4,000	-
	2018	-	-	-	-	-	-	-	-	-	-
Other Key Management Personnel											
Mr. Alfred Kobylanski	2019	154,890	-	-	-	154,890	25,885	-	-	180,775	-
Chief Financial Officer	2018	154,890	-	-	-	154,890	25,885	-	-	180,775	-
Mr. Garry Valenzisi	2019	-	-	-	-	-	-	-	-	-	-
General Manager Resigned 01 September 2017	2018	26,192	4,550	-	-	30,742	2,488	-	13,600	46,830	-
Mr Paul Vranich	2019	59,009	-	-	-	59,009	5,606	-	2,356	66,971	-
General manager resigned 06 November 2018	2018	61,831	-	-	-	61,831	5,874	-	-	67,705	-
Total	2019	228,858	-	-	-	228,858	32,532	-	2,356	263,746	-
Total 2018	2018	242,913	4,550	-	-	247,463	34,247	-	13,600	295,310	-

Notes:

1. The Directors agreed to waive 11 months remuneration for the 2019 financial year.
2. The Chairman assumed executive responsibilities on 06 November 2019 after the departure of the General Manager.
3. The Directors agreed to waive all remuneration for the 2018 financial year.

SECTION 1 (continued)

5.4 Remuneration Report - audited (continued)

C. Service agreements

It is the Group's policy that service contracts for key management personnel are unlimited in term but capable of termination on notice by either party.

The key management personnel are also entitled to receive on termination of employment their statutory entitlements of accrued annual and long service leave, together with any superannuation benefits.

The service contracts outline the components of compensation paid to the key management personnel but do not prescribe how compensation levels are modified year to year. Compensation levels are reviewed each year to take into account cost-of-living changes, any change in the scope of the role performed by the senior executive and any changes required to meet the principles of the compensation policy.

Alfred Kobylanski is the Chief Financial Officer of the Group and receives remuneration in accordance with a contract of employment dated 1 October 2007, as amended from time to time.

Paul Vranich was appointed General manager on 22 January 2018 remuneration in accordance with a contract of employment dated 15 December 2017, as amended from time to time. Paul Vranich left the organisation on 06 November 2018.

D. Additional disclosures

Directors' and Executive Officers' Compensation Parent Entity and Group

Details of the nature and amount of each major element of compensation of each Director of the Parent Company and the Group, the Chief Financial Officer and relevant Group executives as other key management personnel are set out in the tables on page 14.

Non-Executive Directors

Total compensation for all Non-Executive Directors, last voted upon by shareholders at the 2004 AGM, is not to exceed \$250,000 per annum and is set based on advice from external advisors with reference to fees paid to other Non-Executive Directors of comparable companies. Directors' base fees are presently set at \$48,000 per annum, with the Chairman set at \$96,000 per annum.

Non-Executive Directors do not receive performance related compensation. Directors' fees cover all main Board activities and membership of one committee. Currently there are no sub-committees to the Board.

In the event any non-executive director is required to do an executive role for a short period of time, a separate remuneration amount for the executive role is paid in addition to their director's remuneration.

Options

The Group previously established an Employee Performance Option Plan to assist in the attraction, retention, and motivation of employees, senior executives and Executive Directors of the Group. This is currently being updated to a new Executive Share Option Plan (ESOP), which will be put to this year's Annual General Meeting for Shareholder consideration.

The ESOP is administered by the Board which may determine:

- Which executives and employees are eligible to participate;
- The criteria relevant to the selection of eligible executives and employees; and
- The ineligibility of an executive or employee to participate in the ESOP if in the Board's opinion participation by that executive or employee would constitute a breach of the rules of ESOP, or of the Company's Constitution, or of the ASX Listing Rules, or of any law of any jurisdictions.

SECTION 1 (continued)

5.4 Remuneration Report - audited (continued)

D. Additional disclosures (continued)

A person eligible for participation in the ESOP means either a person who is an employee of the Company or any of its associated entities as an executive or an employee on a full time or part time basis and is declared by the Committee to be eligible to participate in the ESOP.

i. Individual directors and executives compensation disclosures

The Company paid interest of \$832,529 (2018: \$652,964), purchased information technology services of \$5,204 (2018: \$1,793), obtained an additional loan totalling \$2,548,419 and repaid \$1,916,786 (2018: obtained a loan of \$1,067,777 and repaid \$949,379) from / to entities associated with Tony Noun. All transactions entered into had been done on arm's length basis.

Apart from the details disclosed in this note, no director has entered into a material contract with the Group since the end of the previous financial year and there were no material contracts involving directors' interests existing at year-end.

ii. Loans from key management personnel and their related parties

Loan amounts owed to an entity associated with Tony Noun as at the reporting date were \$5,247,535 (2018: \$4,651,187).

iii. Other key management personnel transactions

From time to time, key management personnel of the Group, its subsidiaries or their related entities, may purchase goods from the Group. These purchases are on the same terms and conditions as those entered into by other Group employees or customers and are trivial or domestic in nature.

iv. Movements in shares

The movement during the reporting period in the number of ordinary shares in Inventis Limited held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

	Held at 1 July 2018	Holding at the date of appointment	Purchases	Sales / transfers / Other	Held 30 June 2019
Directors					
Tony Noun	59,800,000	-	-	-	59,800,000
Peter Bobbin	242,279,986	-	-	-	242,279,986
Anthony Mankarios	106,323,834	-	-	-	106,323,834
Executives					
Alfred Kobylanski	30,000,000	-	-	-	30,000,000

SECTION 1 (continued)

5.4 Remuneration Report - audited (continued)

D. Additional disclosures (continued)

(iv) Movements in shares (continued)

There were no changes in shares held by key management personnel in the period after the reporting date and prior to the date when the financial report is authorised for issue:

End of audited remuneration report.

5.5 Ethical standards and policies

5.5.1 Code of Conduct and Ethics

All Directors, executives, and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Group. Every employee has a nominated supervisor to whom they may refer any issues arising from their employment. The Board reviews the Code of Conduct and Ethics regularly and processes are in place to promote and communicate these policies.

The Code of Conduct and Ethics established by the Board deal with:

- maintaining appropriate legal and ethical standards in dealings with business associates, advisers and regulators, competitors, employees and any other stakeholders of Inventis;
- processes for the directors and senior executives to declare any conflict of interest when it arises and keeping the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company. The Board has developed procedures to assist Directors to disclose potential conflicts of interest and Directors' must withdraw themselves from any discussion pertaining to any matter in which a Director has a material personal interest. Details of Director related entity transactions with the Company and the Group are set out in the Financial Statements;
- maintaining appropriate core Company values and objectives;
- processes on fulfilling responsibilities to shareholders by delivering shareholder value;
- ensuring the usefulness of financial information by maintaining appropriate accounting policies, practices and disclosure;
- fulfilling responsibilities to clients, customers and consumers by maintaining high standards of product quality, service standards, commitments to fair value, and safety of goods produced;
- maintaining employment practices such as occupational health and safety, employment opportunity, the community activities, sponsorships and donations;
- maintaining employee privacy by the appropriate use of privileged or confidential information;
- avoiding conflicts of interest;
- preventing Directors and senior executives from taking advantage of property, information or position for personal gain;
- maintaining confidentiality of corporate information;
- ensuring that the Company, Directors and all employees are fair in their dealings;
- ensuring compliance with laws; and
- establishing a basis for reporting of unethical behaviour.

5.5 Ethical standards and policies (continued)

5.5.2 Share trading policy

Directors and senior executives may acquire or dispose of shares in the Company, but are prohibited from dealing in Company shares:

- During closed periods. These are defined as:
 - from 15 June each year until 24 hours after the release of the Company's Preliminary financial report for the year ended 30 June each year; and
 - from 15 December each year until 24 hours after the release of the consolidated interim financial report of the Company for the half year ended 31 December each year; and
- Whilst in possession of price sensitive information not yet released to the market.

Directors and senior executives are required to:

- Raise the awareness of legal prohibitions including transactions with colleagues and external advisers;
- Obtain prior approval and / or clearance from the Board, for any trading in IVT securities;
- Provide details of intended trading in the Company's shares;
- Provide subsequent confirmation of the trade;
- Advise of any unusual circumstances where discretions may have been exercised in cases such as financial hardship; and
- Comply with insider trading provisions of the Corporations Act 2001.

If an order has been placed during the trade window and it has not been completely fulfilled, the Board has authority to approve the amount of unfulfilled order to remain in the market after the trading window for such time period as the Board thinks fit.

At each Board meeting, the Chairman advises the members present including the senior officers, with regard to the Share Trading Policy.

These requirements also apply to all senior officers of the Group. The content of the Share Trading Policy can be accessed at <http://www.inventis.com.au/governance/documents.shtml>

5.5.3 Environmental policy

The Group achieved ISO 14001:2004 accreditation for its Environmental Management System during the year.

The Group is committed to achieving a high standard of environmental performance. Environmental performance is monitored by the Board and as part of this the Board:

- Sets and communicates the environmental objectives and targets of the Company;
- Monitors progress against these objectives and targets; and
- Implements environmental management plans in areas which may have a significant environmental impact.

Based on the results of enquiries made, the Board is not aware of any significant environmental issues for the period covered by this report.

5.5.4 Equal Opportunity Policy:

The Company has implemented an Equal Opportunity Policy, the main objectives of this policy are to:

- Ensure all employees are treated with fairness and respect;
- Ensure no employee is discriminated against because of gender or race;
- Ensure all employees have equal access to opportunities that are available at work for enhancement of one's skills and position;
- Promote merit in employment.

The Company is committed to diversity and the Company's objective has and continues to be: to seek, appoint and promote based on skill, experience and capability not gender race or any other criteria.

5.5 Ethical standards and policies (continued)

5.5.4 Equal Opportunity Policy: (continued)

The Company has the following women as senior executives:

- The Human Resources Manager; and
- The Customer Services Manager.

As at 30 June 2019, the Company had the following female staff:

Company Name	Female Staff	Total Staff	Percentage
Corporate Division	-	4	0%
HR Services	16	47	34%

Currently, the Board positions have been restricted to three by the Board and Shareholders.

5.6 Communication with shareholders

5.6.1 Timely and continuous disclosure

(a) Policies and processes in place with regard to continuous disclosure

The Company has the following processes in place to ensure continuous disclosure in a timely manner:

- Director Disclosure Agreements – The Company has entered into Director Disclosure Agreements as per the Guidance Note 26 of ASX Listing Rules. Each Director understands that in case of change of any interest, he/she has to inform the Company within 3 business days of such change;
- Monthly Disclosure – At each monthly Board meeting, the Directors are individually asked of any change in their interests to ensure that if there has been a breach of not informing the Company in time of any change, it is rectified at this stage;
- Continuous Disclosure Checklist – There is a continuous disclosure checklist process implemented in the Quality System of the Company under the Corporate Governance Procedure. This checklist is comprehensive and enables the executives to check whether any event or happening of any event is to be disclosed to the market or not at any particular moment of time.
- Training – A measure of provision of training has been introduced to ensure that all executives know their responsibilities with regard to confidentiality, timely disclosure, insider trading, trading policy and other relevant corporate governance matters.

(b) Shareholder communication

The Board provides shareholders with information using a comprehensive Continuous Disclosure Policy which includes identifying matters that may have a material effect on the price of the Company's securities, notifying them to the ASX, posting them on the Company's website, and issuing media releases.

In summary, the Continuous Disclosure Policy operates as follows:

- The Chairman, the Chief Financial Officer and the Company Secretary are responsible for interpreting the Company's policy and where necessary informing the Board. The Company Secretary is responsible for all communications with the ASX;
- All matters that are of a nature as to reasonably expect that they would affect the price of the Company's shares are advised to the ASX on the day they are discovered, and all senior executives must follow a 'Continuous Disclosure Discovery' process, which involves monitoring all areas of the Group's internal and external environment;
- The half-yearly report contains summarised financial information and a review of the operations of the Group during the period. The half-year reviewed financial report is lodged with the Australian Securities and Investments Commission and the ASX, and sent to any shareholder who requests it. The full Annual Financial Report is available to all shareholders should they request it;

5.6 Communication with shareholders continued

5.6.1 Timely and continuous disclosure (continued)

(b) Shareholder communication (continued)

- Proposed major changes in the Group which may impact on share ownership rights are submitted to a vote of shareholders;
- All announcements made to the market, and related information (including information provided to analysts or the media during briefings), are placed on the Company's website after they are released to the ASX;
- The full texts of notices of meetings and associated explanatory material are placed on the Company's website; and
- The external auditor attends the Annual General Meetings to answer questions concerning the conduct of the audit, the preparation and content of the auditor's report, accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

All of the above information, including that of the previous three years, is made available on the Company's website within one day of public release.

The Board encourages full participation of shareholders at the Annual General Meeting, to ensure a high level of accountability and identification with the Group's strategy and goals. Important issues are presented to the shareholders as separate resolutions.

The shareholders are requested to vote on the appointment and aggregate remuneration of Directors, the granting of options and shares to Directors, the Remuneration Report, and changes to the Constitution. Copies of the Constitution are available to any shareholder who requests it.

(c) Shareholder / Investor Enquiries

Shareholders with queries relation to their holding of Inventis securities should contact the Share Registry that is administered by Linked Market Services Limited whose contact details are available in the corporate directory section of the Annual Report.

Shareholders or investor questions of a more specific nature should be directed to the Company Secretary at the registered office.

SECTION 2:

1. PRINCIPAL ACTIVITIES

The principal activities of the Group during the course of the financial year were the manufacture and sale of commercial furniture, electronic controllers and computers.

2. FINANCIAL REVIEW

	2019	2018	2017	2016	2015
Net (loss) / profit / attributable to equity holders of the parent (\$)	(1,669,750)	(3,076,614)	89,359	166,728	(5,476,937)
Basic (loss) / earnings per share	(0.24) c	(0.46) c	0.01 c	0.03 c	(0.9) c

3. FINANCIAL CONDITION

Capital structure

As at the reporting date the number of shares on issue was 702,649,369 (2018: 702,649,369) and as of the date of filing this report the number of shares on issue were 702,649,369. At the reporting date the share capital of the Group stood at \$33,603,584 (2018: \$33,603,584) and net (liabilities) / equity stood at (\$3,073,784) (2018: (\$1,404,760)).

It is noted that the group has unrecognised deferred tax assets of \$4,429,263 which if recognised would have enable the Group to recognise a net equity position of \$1,355,479 for the year ended 30 June 2019.

SECTION 2 (continued)

3. FINANCIAL CONDITION (continued)

Liquidity and funding

As at the reporting date, cash and cash equivalents on hand of the Group stood at \$425,391 (2018: \$417,928).

Total current assets stood at \$3,291,438 (2018: \$4,811,652) and current liabilities stood at \$5,378,448 (2018: \$9,793,861) making the liquidity ratio 0.61 (2018: 0.49).

The Group has available to it \$10.0 million in funding facilities of which \$5.1 million has been activated and as at the reporting date, \$4.9 million was unused.

Cash flows from operations

In the financial year net cash (outflows) / inflows of the Group from operating activities were (\$509,656) (2018: (\$1,091,203)).

Net cash outflows from investing activities during the financial year were \$7,920 (2018: \$1,133) of which \$6,557 (2017: \$1,133) was used for purchase of plant and equipment

Net cash inflows from financing activities during the financial year was \$525,039 (2018: \$1,107,121).

In the financial year there was a net increase in cash and cash equivalents of \$7,463 (2018: \$14,785).

4. PRINCIPAL BUSINESSES

A commentary on the two operating divisions is set out below:

Technology Division:

The Technology Division's revenue for the year ended 30 June 2019 was \$4,100,619 as compared to \$2,098,830 for the previous financial year an increase of 95.3%. This increase was a result of the successful implementation of the business sales strategy.

EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation and excluding shared corporate costs) for the year was \$1,663,414 as compared to \$740,514 for the previous financial year. Note that a normalised EBITDA of \$2,088,171 was achieved after taking onto account the non-cash one-off inventory rationalisation charge and accelerate intangible asset amortisation.

Expanded opportunities within Opentec and stronger partner relationships places this division in a positive position both within Australia and Internationally, which is likely to result in securing several large defence style contracts to be delivered throughout the year ahead and in some cases securing multiple year arrangements.

Forecasts for this division provide significant growth over the coming 12 months.

Furniture Division:

The Furniture Division's continuing operations revenue for the year ended 30 June 2019 was \$7,697,400 as compared to \$6,075,813 for the previous financial year an increase of 26.7%. The increase in revenue was a direct result of the successful execution of the 2019 business plan.

EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation, excluding shared corporate costs) for the year was \$2,960,568 as compared to the previous financial year of \$2,399,989. Note that a normalised EBITDA of \$3,693,459 was achieved after taking onto account the one-off non cash inventory rationalisation charge.

SECTION 2 (continued)

4. PRINCIPAL BUSINESSES continued

Group Results Commentary:

During the year under review, the Net Profit / (Loss) After Tax result of (\$1,669,750) was a significant improvement on last year's loss of \$3,076,614.

FY 2019	Revenue	EBITDA	NPAT
Group	11,798,019	(406,788)	(1,669,750)
Inventory rationalisation		1,006,030	1,006,030
Additional intangible asset amortisation		151,619	151,619
Normalised Results	11,798,019	750,861	(512,101)

This result was impacted by a non-cash charge for inventory rationalisation that totalled \$1,006,030 and additional accelerated amortisation of an intangible asset of \$151,619 relating to the Technology Division. Taking this into account, the Group's normalised result would have been a loss of \$512,101 a significant improvement of \$2,564,513 over the previous period.

This improved result was achieved after key items of the FY2019 business plan were successfully implemented.

In addition, during the current financial year, the business shared services controlled and managed major costs for the Group with regard to facilities, payroll and corporate statutory obligations including Board, audit, accounting, compliance and insurance. The EBITDA loss from this shared service is \$5,030,770, which is an improvement of \$83,885 on last year

Future Outlook for the Group:

The group is budgeting improvements in revenue and earnings in F20 across all divisions.

The group plans to accelerate M&A opportunities in the coming period to take advantage of the scale up opportunities to develop a longer-term sustainable profit and adequate returns to shareholders.

The Board, in conjunction with executive management, is accelerating the execution of planned strategies to grow profitability for the year ending 30 June 2020 by:

1. Filling key sales and management positions;
2. Increasing our commitment to Gregory Commercial Furniture distributor channel management;
3. Ensuring that manufacturing, operations and customer service continue to improve on the performance increases achieved in the later part of FY19;
4. Continuing to invest and expand our Inventis Technology's engineering division to enable further development of new innovative concepts to be taken to market;
5. Expanding our technology innovation and development to incorporate the area of road and rail safety in partnership with major industry bodies;
6. Continuing to execute a national procurement strategy and outsourced manufacturing back into the Company's operations to enhance the reliability and quality of both components and finished product; the appointment of specialised manufacturing procurement staff allows further improvement and development throughout the year ahead;
7. Developing a new website and other computer and mobile phone driven initiatives to drive customer engagement and attraction for all divisions;
8. Strengthening the balance sheet through long term funding and asset management;
9. Supporting and further developing a national employee cross training matrix to ensure coverage of all key positions; and
10. Improving our service levels by recruiting additional Business Development Managers in FY20 to further augment our position as a market leader in the respective segments.

SECTION 2 (continued)

5. REVIEW OF OPERATIONS AND ACTIVITIES

Financial Review

The consolidated results for the financial year ended 30 June 2019 are:

	2019	2018
Sales Continuing Operations	11,798,019	8,174,643
Loss from Continuing Operations after tax	(1,669,750)	(3,076,614)
Loss after tax for the period	(1,669,750)	(3,076,614)

6. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group during the year up to the date of this Report.

7. DIVIDENDS

No dividend has been declared or paid relating to the current year.

8. EVENTS SUBSEQUENT TO REPORTING DATE

The Group entered into a strategic alliance and acquired a 49% shareholding in Winya Indigenous Furniture Pty Ltd on 13 September 2019. In addition, subject to IVT Shareholders ratifying the issue of 30,000,000 IVT Options to Winya Shareholders, at its next General Meeting. This condition, must be met or waived prior to 30 November 2019. The Options are exercisable as follows:

- o 10,000,000 between 12 to 24 months at \$0.005;
- o 10,000,000 between 24 to 36 months at \$0.01; and
- o 10,000,000 between 36 and 48 months at \$0.02; and

No other conditions precedent other than the ratification of the share options by shareholders are in operation for this strategic alliance to proceed.

The supply agreement of the alliance has to potential of increasing revenue for the Furniture Division by approximately \$1.0 million for its core product range.

Apart from the above there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

9. INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

The Company has agreed to indemnify the current Directors of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

The Auditor is not indemnified.

Insurance premiums

Since the end of the previous financial year the Company has paid insurance premiums of \$15,000 (2018: \$10,000) in respect of Directors' and Officers' liability insurance for current and former Directors and Officers of the Company. The insurance premiums relate to:

- Costs and expenses incurred by the relevant Officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- Other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The insurance policies outlined above do not contain details of the premiums paid in respect of individual Officers of the Company.

SECTION 2 (continued)

10. NON-AUDIT SERVICES

The Auditor did not provide any non-audit services during the year.

	Note	Consolidated	
		2019	2018
Audit Services			
<i>Auditors of the Company</i>			
BDO East Coast Partnership * :			
Audit and review of financial reports		75,500	69,500
Total Auditor's Remuneration		75,500	69,500

Note *Includes accrued audit fees as at 30 June 2019.

11. PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility for and on behalf of the Company for all or part of those proceedings. No proceedings have been brought or intervened in or on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

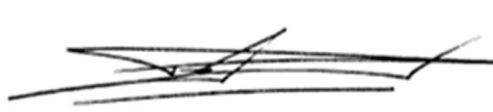

12. ROUNDING

The Company is of the kind referred to in the Corporations Instrument 2016/191; issued by the Australian Securities and Investments Commissions relating to "rounding off". Amounts in this report have been rounded off in accordance with the Corporations Instrument 2016/191 to the nearest dollar unless otherwise stated.

13. LEAD AUDITOR'S INDEPENDENCE DECLARATION

The Lead Auditor's Independence Declaration is set out on page 25 and forms part of the Directors' Report for the financial year ended 30 June 2019.

This report is made with a resolution of the Directors:

	
Tony Noun Chairman	Anthony Mankarios Director

Dated at Sydney this 30 September 2019

DECLARATION OF INDEPENDENCE BY RYAN POLLETT TO THE DIRECTORS OF INVENTIS LIMITED

As lead auditor of Inventis Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Inventis Limited and the entities it controlled during the period.



Ryan Pollett
Partner

BDO East Coast Partnership

Sydney, 30 September 2019

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

		Consolidated	
	Note	2019	2018
Continuing operations			
Revenue - Sale of Goods	7	11,798,019	8,174,643
Cost of sales		(7,357,121)	(5,148,641)
Gross Profit		4,440,898	3,026,002
Other (expenses) / income	8	(14,280)	8,794
Expenses			
Manufacturing & operations		(1,387,026)	(1,540,689)
Engineering & quality assurance		(412,949)	(544,876)
Administration		(1,716,948)	(1,585,097)
Sales & marketing		(1,649,286)	(1,687,648)
Results from operating activities	8	(739,591)	(2,323,514)
Finance income		9,822	15,728
Finance expense		(939,981)	(768,828)
Net finance expense	9	(930,159)	(753,100)
Loss before income tax		(1,669,750)	(3,076,614)
Income tax benefit / (expense)	10	-	-
Loss from continuing operations		(1,669,750)	(3,076,614)
Loss for the period		(1,669,750)	(3,076,614)
Other comprehensive income			
<i>Items that are or may be reclassified to the profit or loss</i>			
Foreign currency translation differences for foreign operations - continuing operations		726	(661)
Other comprehensive income for the period, net of income tax		726	(661)
Total comprehensive income for the period		(1,669,024)	(3,077,275)
Earnings / (loss) per share			
Basic earnings per share (cents)	23	(0.24)	(0.46)c
Diluted earnings per share (cents)	23	(0.24)	(0.46)c
Continuing operations			
Basic earnings per share (cents)	23	(0.24)	(0.46)c
Diluted earnings per share (cents)	23	(0.24)	(0.46)c

The notes on pages 31 to 62 are an integral part of these consolidated financial statements.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

Consolidated	Attributable to equity holders of the Company			
	Share capital	Foreign currency retranslation	(Accumulated losses)	Total equity
Balance at 1 July 2017	32,579,575	(1,095,864)	(30,835,205)	648,506
Total comprehensive income for the period				
Loss for the period	-	-	(3,076,614)	(3,076,614)
<i>Other comprehensive income</i>				
Foreign currency translation differences for foreign operations - continuing operations	-	(661)	-	(661)
Total other comprehensive income	-	(661)	-	(661)
Total comprehensive loss for the period	-	(661)	(3,076,614)	(3,077,275)
Transactions with owners, recorded directly in equity				
<i>Contributions by and distributions to owners</i>				
Issue of ordinary shares	1,039,347	-	-	1,039,347
Share issue cost	(15,338)	-	-	(15,338)
Total contributions by and distributions to owners	1,024,009	-	-	1,024,009
Total transactions with owners	1,024,009	-	-	1,024,009
Balance at 30 June 2018	33,603,584	(1,096,525)	(33,911,819)	(1,404,760)

The notes on pages 31 to 62 are an integral part of these consolidated financial statements.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

Consolidated	Attributable to equity holders of the Company			Total equity
	Share capital	Foreign currency retranslation	(Accumulated losses)	
Balance at 1 July 2018	33,603,584	(1,096,525)	(33,911,819)	(1,404,760)
Total comprehensive income for the period				
Loss for the period	-	-	(1,669,750)	(1,669,750)
<i>Other comprehensive income</i>				
Foreign currency translation differences for foreign operations - continuing operations	-	726	-	726
Total other comprehensive income	-	726	(1,669,750)	(1,669,024)
Total comprehensive income for the period	-	726	(1,669,750)	(1,669,024)
Transactions with owners, recorded directly in equity				
<i>Contributions by and distributions to owners</i>				
Issue of ordinary shares	-	-	-	-
Share issue cost	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-
Total transactions with owners	-	-	-	-
Balance at 30 June 2019	33,603,584	(1,095,799)	(35,581,569)	(3,073,784)

The notes on pages 31 to 62 are an integral part of these consolidated financial statements.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

		Consolidated	
	Note	2019	2018
Assets			
Cash and cash equivalents	11	425,391	417,928
Trade and other receivables	12	1,397,399	1,870,985
Inventories	13	1,441,583	2,491,516
Prepayments		27,065	31,223
Total current assets		3,291,438	4,811,652
Non-current assets			
Property, plant and equipment	16	170,274	234,350
Other financial assets	14	16,010	17,052
Intangible assets	17	3,041,883	3,352,810
Total non-current assets		3,228,167	3,604,212
Total assets		6,519,605	8,415,864
Liabilities			
Trade and other payables	18	3,878,532	4,436,323
Interest-bearing liabilities	19	949,113	4,651,187
Employee benefits	21	550,803	706,351
Total current liabilities		5,378,448	9,793,861
Non-current liabilities			
Interest-bearing liabilities	19	4,191,828	-
Employee benefits	21	23,113	26,763
Total non-current liabilities		4,214,941	26,763
Total liabilities		9,593,389	9,820,624
Net Liabilities		(3,073,784)	(1,404,760)
Equity			
Share capital	22	33,603,584	33,603,584
Reserves	22	(1,095,799)	(1,096,525)
Accumulated losses		(35,581,569)	(33,911,819)
Total equity		(3,073,784)	(1,404,760)

The notes on pages 31 to 62 are an integral part of these consolidated financial statements.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	<i>Note</i>	Consolidated	
		2019	2018
Cash flows from operating activities			
Receipts from customers		12,077,276	8,864,542
Payments to suppliers and employees		(11,712,863)	(9,193,837)
Cash generated from operations		364,413	(329,295)
Other income		-	-
Interest received		9,822	6,920
Interest paid		(883,891)	(768,828)
Net cash used in operating activities	30	(509,656)	(1,091,203)
Cash flows from investing activities			
Purchase of fixed assets	16	(6,557)	(1,133)
Purchase of intangible assets	17	(1,363)	-
Net cash (used in) investing activities		(7,920)	(1,133)
Cash flows from financing activities			
Proceeds from rights offer		-	1,039,347
Transactions costs paid		-	(15,338)
Proceeds from borrowings		2,441,825	333,112
Repayment of borrowings		(1,916,786)	(250,000)
Net cash from / (used in) financing activities		525,039	1,107,121
Net (decrease) / increase in cash and cash equivalents		7,463	14,785
Cash and cash equivalents at 1 July		417,928	403,143
Cash and cash equivalents at 30 June	11	425,391	417,928

The notes on pages 31 to 62 are an integral part of these consolidated financial statements.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
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INVENTIS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 REPORTING ENTITY

Inventis Limited (the “Company”) is a company domiciled in Australia and incorporated in Australia. The current address of the Company’s registered office is Unit 4, 2 Southridge Street, Eastern Creek NSW 2766. The Financial Statements of the Company as at and for the year ended 30 June 2019 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”). The Group is a “for profit” entity and a manufacturer of products and services including ergonomic office furniture, electronic control systems and computing products (see Note 6 – Segment Reporting).

NOTE 2 BASIS OF PREPARATION

(a) Statement of compliance

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act, 2001. The Financial Statements were authorised for issue by the Board of Directors on 30 September 2019.

These consolidated financial statements have been prepared in accordance with and in compliance with IFRS.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for financial assets and liabilities which are recognised initially at fair value.

The methods used to measure fair values are discussed further in Note 4.

(c) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company’s functional currency and the functional currency of the majority of the Group.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are:

- Note 15(i) and (ii) – Tax assets and liabilities
- Note 17 – Intangible assets

(e) Going concern

The financial report has been prepared on the going concern basis, which assumes, the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

As at 30 June 2019 the Group’s current liabilities exceeded its current assets by \$2,087,010 (2018: \$4,982,209).

The Group recorded a loss for the financial year of \$1,669,750 (2017: \$3,076,614). Included in this result was an amount of \$1,006,030 for inventory rationalisation and \$151,619 for additional amortisation of an intangible asset. Both items were non -cash in nature for period under review.

The Group incurred net cash outflows from operating activities for the full year of \$509,656 (2018: \$1,091,203) this is an improvement in cash in flows from operating activities of \$581,547.

A pre-emptive waiver was obtained and as a result there was no breach of any loan covenants as at 30 June 2019.

Management has prepared detailed budgets and forecasts for the year ending 30 June 2020 which show improving financial results and the Directors expect that improved profitability and cash flows will enable the Group to continue as a going concern.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 2 BASIS OF PREPARATION (continued)

(e) Going concern (continued)

The ability of the Group to continue as a going concern is dependent on it generating adequate cash from operations to meet its liabilities as and when they fall due and on raising additional equity or loan financing as and when required.

These circumstances represent a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Under these circumstances, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

In relation to the Directors' assessment of the ability of the Group to continue as a going concern, and therefore, the basis of preparation of this financial report, the directors have considered the following:

- Management has prepared a forecast that shows that the Group will generate a profit and positive cash flows for the years ending 30 June 2020 and 2021. The Directors have reviewed these forecasts and believe that, based on the continuing improvement in operating results, there will be sufficient cash inflows and facilities available to enable the Group to fund its operations for at least 12 months from the date these financial statements have been approved;
- The Group continues to invest in senior sales personnel during the year including ongoing product specific training as a result the Group has a strong pipeline of sales and has achieved improved sales and gross margin in the current year and maintaining this going forward. The significant local and international supply agreements with both multinational commercial organisations and government entities are valid for up to three years in some instances. These preferred supplier agreements are in both key divisions.
- The Directors are confident that the Group has sufficient facilities in place to meet the Group's requirements for 2020 and that all covenants required to be met to maintain these facilities will be met. The Group has the following finance facilities in place at 30 June 2019:
 - A debtor finance facility of \$5,000,000 with THN Capital Solutions Pty Limited, a related party of the Group, which was drawn to \$949,113 at balance date. Based upon the Group's Debtors, an amount of \$132,010 was available to be drawn as at 30 June 2019; and
 - A term loan facility with THN Capital Solutions Pty Limited, a related party of the Group, of \$5,000,000, which was drawn to \$4,191,828 at balance date; and
 - Should the Group require an additional short-term loan facility which is potentially available to confirmed sales order funding for use in the current financial year on any major projects subject to the approval of THN Capital Solutions Pty Limited, a related party of the Group;
 - The ability of the Group to continue as a going concern is depended on it generating adequate cash from operations to meet its liabilities as and when they fall due and on raising additional equity or loan financing as and when required. The Group has been successful in capital raising undertaken 2018 raising over \$1.0 million being all of the additional equity originally sought.

The Directors have concluded that it is appropriate to prepare the financial report on a going concern basis, as they are confident the Group will be able to pay its debts as and when they become due and payable through positive cash flows from operations and finance facilities. Accordingly, no adjustments have been made to the financial statements relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group entities.

(a) Basis of consolidation

i. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Inventis Limited ("Company" or "Parent Entity") as at 30 June 2019 and the results of all subsidiaries for the year then ended. Inventis Limited and its subsidiaries together are referred to in these Financial Statements as the Group or the Consolidated Entity.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

ii. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

ii. Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Australian dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve (translation reserve) in equity.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented within equity in the translation reserve in equity.

(c) Financial instruments

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', financial assets at 'amortised cost'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Cash and cash equivalents, trade receivables, other assets and other financial assets are measured at amortised cost using the effective interest method less impairment.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Interest income is recognised on an effective interest rate basis for debt instruments other than those financial assets 'at fair value through profit or loss'.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Financial instruments (continued)

i. Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Dividends

Dividends are recognised as a liability in the period in which they are declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at reporting date.

(d) Property, plant and equipment

i. Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised through profit or loss.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

ii. Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

iii. Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis, for assets acquired after 2008 and diminishing value prior to 2008, over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Depreciation Rates calculated under the straight line method (unless otherwise stated) for the current and comparative periods are as follows:

Leasehold improvements 2.5%	Plant and equipment 9% - 50%
Furniture and fittings 11.25% - 40%	Motor vehicles 22.5%
Leased plant and equipment 20% - 33%	

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Intangible assets

i. Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

ii. Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs (see note 3(d)(i)). Other development expenditure is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses. The amortisation period used in the financial statements is 10 years.

iii. Customer relationships, patents and trademarks

Customer relationships have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method over their estimated useful lives, which vary from 2 to 6 years.

The amortisation periods used in the Financial Statements are:

Customer relationships 5 years and are fully amortised

Brands, patents and trademarks are not amortised as they have an indefinite useful life

iv. Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

v. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

vi. Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

(f) Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and the leased assets are not recognised in the Group's Statement of Financial Position. Costs incurred under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight line basis over the period of the lease.

(g) Inventories

Raw materials and stores, work in progress and finished goods are measured at the lower of cost and net realisable value. Cost comprises direct materials, direct labour, and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Impairment

i. Impairment of financial assets

AASB 9's new impairment model use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. Impairment is measured using a 12-month ECL method unless the credit risk on a financial asset has increased significantly since recognition in which case the lifetime ECL method is adopted.

Trade and other receivables

The Company has adopted a simplified approach for trade receivables with an amount equal to the full expected credit losses to be recognised. The expected loss rates are based on the Company's movement of balances from one aging category to the next to indicate increase in collection time which is an indicator of the probability of default. These loss rates are then applied to the individual aging categories to calculate an expected credit loss. Refer to Note 12 for further details.

ii. Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU.

Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (or group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i) Employee benefits

i. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due for more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

ii. Long service leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the reporting date. Consideration is given to expected future salaries and wage levels, experience of employee departures and periods of service.

Expected future payments are discounted using high quality corporate bond rates at reporting date with terms of maturity and currency that match, as closely as possible, the estimated future cash outflows.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Employee benefits (continued)

iii. Wages and salaries and annual leave

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

iv. Bonus plans

The Group recognises an expense and a liability for bonuses when the entity is contractually obliged to make such payments or where there is past practice that has created a constructive obligation.

v. Employee performance option plan

The Group has an Employee Performance Option Plan ("EPOP") available to assist in the attraction, retention, and motivation of employees, senior executives and Executive Directors of the Group. The EPOP is not available to the Non-Executive Directors of the Group. This plan has been approved with effect from 1 July 2008. No options have been granted to date.

(j) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(k) Revenue

Sales revenue is recognised on the satisfaction of each performance obligation the consolidated entity has with its customers, and is measured based on an allocation of the contract's transaction price. The consolidated entity's key performance obligation is the delivery of goods to its customers. Revenue from bill and hold sales are recognised on agreement with the customer at the date the items are available for despatch as satisfaction of the key performance obligation. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Key components of the transaction price include the price for the goods, along with stock rotation, rebates, and other similar allowances.

(l) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(m) Finance income and finance expenses

Finance income comprises interest income on funds invested and foreign currency gains that are recognised in profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, impairment losses recognised on financial assets, and foreign currency losses that are recognised in profit or loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

(n) Income tax

Income tax expense comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Income tax (continued)

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences when this does not affect either accounting or taxable profit or loss, and differences relating to investments in subsidiaries and associates and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax consolidation

The Company and its wholly-owned Australian resident entities are part of a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity. The head entity within the tax-consolidated group is Inventis Limited.

(p) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(q) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

(r) Segment reporting

The Group comprises the following main business segments:

- Furniture Division. The design, manufacture and sale of a range of commercial furniture, which includes office chairs, tables, lounges, and workstations; and
- Technology Division. The design and manufacture of custom control and market ready electronic systems, mobile computing solutions and emergency vehicle control systems.

A corporate head office function provides the Group with finance, human resources and IT services, however this corporate function does not satisfy the requirements for disclosures as a reportable segment.

Information regarding the operations of each reportable segment is included in Note 6. Performance is measured based on segment profit before income tax. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of each segment. Inter-segment pricing is determined on an arm's length basis.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Presentation of financial statements

Adoption of new accounting standards

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2018, and have been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

- The Group has adopted AASB 9: Financial Instruments from 1 July 2018. AASB 9 largely retains the existing requirements of AASB 139 for the classification and measurement of financial liabilities, however it eliminates the previously AASB 139 categories for financial assets held to maturity, receivables and available for sales.

As at 30 June 2019, the Group's financial instruments consist of cash and cash equivalents, trade and other receivables, other assets, other financial assets, trade and other payables and borrowings.

Cash and cash equivalents, trade and other receivables, other assets and other financial assets previously designated as loans and receivables under AASB 139 are now classified as amortised cost under AASB 9. The trade and other payables and borrowings are designated as other financial liabilities, which are also measured at amortised cost.

In addition, there are new impairment requirements for financial assets held at amortised cost which use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial asset has increased significantly since recognition in which case the lifetime ECL method is adopted. The Company has adopted a simplified approach for trade receivables with an amount equal to the full expected credit losses to be recognised. The expected loss rates are based on the Company's movement of balances from one aging category to the next to indicate increase in collection time which is an indicator of the probability of default. These loss rates are then applied to the individual aging categories to calculate an expected credit loss.

As the ECL assessment has resulted in an insignificant adjustment on transition, no additional impairment allowance has been recognised by the Group as at 1 July 2018. Refer to Notes 2(d) and (h) for further details.

The adoption of AASB 9 did not have a significant impact on the financial performance or position of Group as at 30 June 2019 or on as applied to the comparative period as of 30 June 2018

- The Group has adopted AASB 15 from 1 July 2018 utilising the modified retrospective approach. Under this method, the cumulative effect of initial application is recognised as an adjustment to the opening balance of retained earnings at 1 July 2018 and comparatives are not restated. In accordance with the transition guidance, AASB 15 has only been applied to contracts which are not complete as at 1 July 2018. There has not been a material impact on the adoption of this standard.

The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price.

The Group recognises revenue when it transfers control over a good to a customer which is at a point in time.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position, depending on whether an objective measure other than the passage of time is required before the consideration is due.

The adoption of AASB 15 did not have a significant impact on the financial performance or position of Group as at 30 June 2019 or on as applied to the comparative period as of 30 June. Refer to Note 7 for further details.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Presentation of financial statements (continued)

Standards and Interpretations issued not yet effective

AASB 16 standard is applicable to annual reporting periods beginning on or after 1 January 2019. When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases typically. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16.

The Group has chosen not to early-adopt AASB 16. However, the Group has conducted an assessment of the impact of this new Standard, as follows.

The company's non-cancellable operating lease commitments amount to \$1,223,114 as at the reporting date, see note 20. Of this \$1,223,114, approximately \$21,000 of short-term leases and low-value leases will be recognised as expense in profit or loss on a straight-line basis. The Company has performed an assessment and has estimated that on 1 July 2019, that the Company expects to recognise the right-of-use assets of approximately \$1,067,131 and lease liabilities of approximately \$1,067,131. Following the adoption of this new Standard, the Company's EBITDA is expected to increase by approximately \$876,620 in FY2020.

For classification within the statement of cash flows, the lease payments shall be separated into both a principal (financing activities) and interest (either operating or financing activities) component. The Company will include the repayment of the principal portion of the lease liabilities in the cash flows from financing activities, thus increasing operating cash flows and decreasing financing cash flows by approximately \$876,620.

AASB 16 will be applied by the Company from its mandatory adoption date of 1 July 2019. At this stage management anticipate the modified retrospective approach will be the Company's chosen approach, and thus the comparative amounts for the year prior to first adoption will not be restated. The right-of-use assets will be measured at the amount of the lease liability on adoption.

NOTE 4 DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the Notes specific to that asset or liability.

i. Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 5 FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- currency risk
- interest rate risk

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and its management of capital. Further quantitative disclosures are included throughout these Consolidated Financial Statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board is responsible for developing and monitoring risk management policies. Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Group does not require collateral in respect of financial assets.

Goods are sold subject to retention of title clauses, so that in the event of non-payment the Group may have a secured claim.

The Group does not require collateral in respect of trade and other receivables.

The Group holds credit risk insurance to limit the exposure to any customer and provide protection against bad debts.

The Group has established an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the Statement of Financial Position.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 5 FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

- The Group has the following finance facilities in place at 30 June 2019:
 - A debtor finance facility of \$5,000,000 with THN Capital Solutions Pty Limited, which was drawn to \$949,113 at balance date. Based upon the Groups Debtors an amount of \$132,010 was available to be drawn as at 30 June 2019; and
 - A term loan facility with THN Capital Solutions Pty Limited, a related party of the Group, of \$5,000,000, which drawn to \$4,191,828 as at balance date. An amount of \$808,172 was available to be drawn as at 30 June 2019.

The Group also has access to both short term and long loan funding from a related party (refer Note 26(iii)).

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group does not have a significant exposure to equity price risk.

The Group does not enter into derivatives. All market risk transactions are carried out within guidelines set by the Board.

Currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of Group entities, primarily the Australian dollar (AUD) and US dollar (USD). The currencies in which these transactions primarily are denominated are AUD.

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Group's Technology Division both purchases and sells internationally in USD. International sales and purchases are operated through USD bank accounts. This provides a limited natural hedge against foreign exchange risk.

Interest rate risk

The Group's fixed-rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable-rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Investments in short-term receivables and payables are not exposed to interest rate risk.

Exposure to credit, interest rate and currency risks arises in the normal course of the Group's business.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as the result from operating activities divided by total shareholders' equity.

There were no changes in the Group's approach to capital management during the year.

Neither the Company nor the Group are subject to externally imposed capital requirements.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 6 SEGMENT REPORTING

The Group comprises the following main business segments:

- Furniture Division. The design, manufacture and sale of a range of commercial furniture, which includes office chairs, tables, lounges, and workstations; and
- Technology Division. The design and manufacture of custom control and market ready electronic systems, mobile computing solutions and emergency vehicle control systems.

A corporate head office function provides the Group with finance, human resources and IT services, however this corporate function does not satisfy the requirements for disclosure as a reportable segment. During the financial year all facility and payroll related costs were transferred into share services and are no longer reported in the divisional segment results. This is consistent with the component information provided to the General Manager and Board, who are the chief operating decision makers in relation to decisions about resources allocated to each segment and its performance. Comparative information has been restated for this change to all for comparable information to be presented.

Information regarding the operations of each reportable segment is included below. Performance is measured based on segment profit before income tax. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of each segment. Inter-segment pricing is determined on an arm's length basis.

Information about reportable segments

	Furniture Division		Technology Division		Total	
	2019	2018	2018	2018	2019	2018
Total revenue	7,697,400	6,075,813	4,100,619	2,098,830	11,798,019	8,174,643
Inter-segment revenue	-	-	-	-	-	-
Total external revenue	7,697,400	6,075,813	4,100,619	2,098,830	11,798,019	8,174,643
Interest revenue	42	1,449	1,356	8	1,398	1,457
Interest expense	(315,176)	(248,333)	(78,212)	(61,910)	(393,388)	(310,243)
Depreciation	(25,450)	(40,541)	(3,520)	(10,185)	(28,970)	(50,726)
Amortisation	(1,039)	(1,149)	(311,251)	(159,632)	(312,290)	(160,781)
Goodwill impairment	-	(87,067)	-	-	-	(87,067)
Capital expenditure	-	-	-	-	-	-
Reportable segment profit before income tax	2,618,945	2,024,348	1,265,818	508,795	3,884,763	2,533,143
Other material non-cash items:						
Inventory rationalisation	(732,891)	-	(273,139)	-	(1,006,030)	-
Loss on disposal of fixed assets	-	-	-	-	-	-
Reportable segment assets	14,065,590	10,987,275	9,071,975	8,231,754	23,137,565	19,219,029
Reportable segment liabilities	(4,399,259)	(4,821,644)	(315,776)	(612,127)	(4,715,035)	(5,433,771)

<i>Other items 2019</i>	Reportable segment totals	Corporate / Eliminations	Consolidated totals
Interest revenue	1,398	8,424	9,822
Interest expense	(393,388)	(490,503)	(883,891)
Capital expenditure	-	(1,787)	(1,787)
Depreciation	(28,970)	(41,663)	(70,633)
Amortisation	(312,290)	-	(312,290)
Inventory rationalisation	(1,006,030)	-	(1,006,030)

<i>Other items 2018</i>	Reportable segment totals	Corporate / Eliminations	Consolidated totals
Interest revenue	1,457	5,463	6,920
Interest expense	(310,243)	(458,585)	(768,828)
Capital expenditure	0	(1,133)	(1,133)
Depreciation	(50,726)	(41,979)	(92,705)
Amortisation	(160,781)	-	(160,781)
Impairment of Goodwill	(87,067)	-	(87,067)

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 6 SEGMENT REPORTING (continued)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	2019	2018
Revenues		
Total revenue for reportable segments	11,798,019	8,174,643
Elimination of inter-segment revenue	-	-
Consolidated revenue from continuing operations	11,798,019	8,174,643
Profit or loss		
Total profit / (loss) for reportable segments	3,884,763	2,533,143
Shared services payroll	(4,062,724)	(4,144,544)
Shared services facilities	(836,485)	(854,050)
Share services corporate and unallocated amounts	(655,304)	(611,163)
Consolidated profit / (loss) before income tax from continuing operations	(1,669,750)	(3,076,614)
Assets		
Total assets for reportable segments	23,137,565	19,219,029
Cash and cash equivalents held in share services	406,451	392,108
Share services fixed assets	55,067	90,172
Share services intangible assets	1,283,456	1,274,834
Eliminations and other shared service assets	(18,362,934)	(12,560,279)
Consolidated total assets	6,519,605	8,415,864
Liabilities		
Total liabilities for reportable segments	(4,715,035)	(5,433,771)
Interest bearing liabilities held in shared services	(4,191,828)	(3,849,115)
Eliminations and other shared service liabilities	(686,526)	(537,738)
Consolidated total liabilities	(9,593,389)	(9,820,624)

Geographical segments

The Group predominantly operates in one geographical area (Australia).

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

Geographical information

	2019		2018	
	Revenues	Non-current assets	Revenues	Non-current assets
Australia	11,798,019	3,228,167	8,174,643	3,604,212

Major Customer

Revenue from one customer (2018: three customers) of the Groups Technology Division represents \$2,087,657 (2018: \$678,919) of the segment's total revenue of \$4,100,619 (2018: \$2,098,830).

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 7 REVENUE FROM CONTRACTS WITH CUSTOMERS

i. Revenue recognition

Sales revenue is recognised on the satisfaction of each performance obligation the consolidated entity has with its customers, and is measured based on an allocation of the contract's transaction price. The consolidated entity's key performance obligation is the delivery of goods to its customers. Revenue from bill and hold sales are recognised on agreement with the customer at the date the items are available for despatch as satisfaction of the key performance obligation. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Key components of the transaction price include the price for the goods, along with stock rotation, rebates, and other similar allowances.

	Consolidated	
	2019	2018
Revenue from the sale of goods	11,798,019	8,174,643

ii. Disaggregation of revenue

Revenue is disaggregated by the product as this depicts how the nature, amount, timing and uncertainty of our revenue and cash flows are affected by economic factors. See further detail on revenue by product within Note 6.

NOTE 8 OTHER INCOME & EXPENSES

(i) Other Income

	Consolidated	
	2019	2018
License fees	6,000	8,794
Other net (expenses) / income	(20,280)	-
	(14,280)	8,794

(ii) Personnel expenses

	Consolidated	
	2019	2018
Wages and salaries	2,985,783	2,982,467
Other associated personnel expenses	462,807	523,317
Contributions to defined contribution plans	310,037	323,018
(Decrease) / increase in liability for annual leave	(34,022)	(74,085)
(Decrease) / increase in liability for long-service leave	20,610	(132)
	3,745,215	3,754,585

(iii) Profit / (loss) from continuing operations includes the following specific expenses

	2019	2018
Depreciation	70,633	92,705
Amortisation	312,290	160,781
Impairment of goodwill	-	87,067
Research & development	412,949	544,876
Rental expense on operating leases: minimum lease payment	671,005	705,216
Inventory rationalisation	1,006,030	-

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 9 FINANCE INCOME AND FINANCE EXPENSES RECOGNISED IN PROFIT OR LOSS

	Consolidated	
	2019	2018
Interest income on bank deposits	9,822	6,920
Net foreign exchange gain	-	8,809
Finance income	9,822	15,729
Interest expense on financial liabilities measured at amortised cost	(883,892)	(768,829)
Net foreign exchange loss	(56,089)	-
Finance expense	(939,981)	(768,829)
Net finance income / (expense)	(930,159)	(753,100)

Interest income

Interest income is recognised on a time proportionate basis that takes into account by applying the effective interest rate.

NOTE 10 INCOME TAX BENEFIT / EXPENSE

	Consolidated	
	2019	2018
Current tax benefit		
Current period	-	-
Deferred tax expense		
Origination and reversal of temporary differences	-	-
Tax losses and temporary differences derecognised for prior years	-	-
Income tax benefit / (expense)	-	-

Numerical reconciliation between tax (benefit)/expense and pre-tax net (loss)/profit

	Consolidated	
	2019	2018
Total income tax expense		
Profit / (loss) from continuing operations excluding income tax	(1,669,750)	(3,076,614)
Income tax using the Company's domestic tax rate of 27.5%	(459,181)	(922,984)
Losses not recognised	514,071	914,097
Temporary differences not recognised	(54,890)	8,887
Tax (benefit) expense	-	-

NOTE 11 CASH AND CASH EQUIVALENTS

	Consolidated	
	2019	2018
Bank balances	425,391	417,928
Cash and cash equivalents in the statement of cash flows	425,391	417,928

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 24.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 12 TRADE AND OTHER RECEIVABLES

	Consolidated	
	2019	2018
Current		
Trade receivables	1,351,404	1,751,910
Provision for expected credit losses	(10,601)	(3,966)
Other receivables	56,596	123,041
	<u>1,397,399</u>	<u>1,870,985</u>

Bad and Doubtful Trade Receivables

The Group maintains trade receivables insurance which has an excess of \$15,000 per claim and the provision for impairment loss is discussed at Note 24 which includes specific impairment provisions for bad and doubtful debt.

Other Receivables

Other receivables amount primarily comprise GST recoverable and certain balances generally arising from transactions outside the usual operating activities of the Group. Interest and /or security are not normally obtained.

Effective interest rates and credit risk

The Group's exposure to credit and currency risks and impairment losses related to trade and other receivables are disclosed in Note 24.

Other receivables

Receivables denominated in currencies other than the functional currency comprise \$4,125 of trade and other receivables denominated in US Dollars (2018: \$4,561).

The Group has adopted AASB 9 from 1 July 2018. The Group's trade and other receivables at year end and now assessed under the new impairment requirements which use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial asset has increased significantly since initial recognition in which case the lifetime ECL method is adopted.

As at 30 June 2019 current trade receivables of the Group with a nominal nil value (2018: Nil) were fully impaired.

NOTE 13 INVENTORIES

	Consolidated	
	2019	2018
Raw materials and consumables	1,344,195	2,264,160
Work in progress	43,168	42,970
Finished goods	54,220	184,386
Stock in transit	-	-
	<u>1,441,583</u>	<u>2,491,516</u>

There was an increase in the provision of \$19,500 in the provision for impairment to \$283,801 (2018: \$264,301) recognised in relation to certain obsolete inventories and is included in the amount shown for raw materials and consumables.

NOTE 14 OTHER FINANCIAL ASSETS

	Consolidated	
	2019	2018
Non-current		
Rental deposits	9,521	9,154
Other investments	6,489	7,898
	<u>16,010</u>	<u>17,052</u>

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 15 TAX ASSETS AND LIABILITIES

i. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in in the statement of financial position for the following items:

	Consolidated	
	2019	2018
Unused tax losses	14,582,498	13,508,580
Deductible temporary differences	1,523,912	1,340,946
	<u>16,106,410</u>	<u>14,849,526</u>
Potential benefit at 27.5%	4,429,263	4,454,858

The deductible tax losses and temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits there from.

ii. Recognised deferred tax assets and liabilities

There are no deferred tax assets and liabilities

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 16 PROPERTY, PLANT AND EQUIPMENT

	2019					2018				
	Leasehold improvements	Plant and equipment	Fixtures and fittings	Motor vehicles	Total	Leasehold improvements	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
Balance at 1 July	61,747	144,510	9,708	18,385	234,350	85,622	201,735	18,054	20,511	325,922
Additions	4,770	1,787	-	-	6,557	-	1,133	-	-	1,133
Depreciation for the year	(24,352)	(42,801)	(1,596)	(1,884)	(70,633)	(23,875)	(58,358)	(8,346)	(2,126)	(92,705)
Disposals	-	-	-	-	-	-	-	-	-	0
Balance at 30 June	42,165	103,496	8,112	16,501	170,274	61,747	144,510	9,708	18,385	234,350
<i>At 30 June</i>										
Cost	124,144	1,206,921	75,891	57,663	1,464,619	119,374	1,205,134	75,891	57,663	1,458,062
Accumulated depreciation	(81,979)	(1,103,426)	(67,778)	(41,162)	(1,294,345)	(57,627)	(1,060,625)	(66,182)	(39,278)	(1,223,712)
Carrying amount	42,165	103,495	8,113	16,501	170,274	61,747	144,509	9,709	18,385	234,350
Carrying amounts										
At beginning of financial year	61,747	144,510	9,708	18,385	234,350	85,622	201,735	18,054	20,511	325,922
At end of financial year	42,165	103,495	8,113	16,501	170,274	61,747	144,509	9,709	18,385	234,350

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 17 INTANGIBLE ASSETS

	2019					2018				
	Goodwill	Patents and trademarks	Customer Relationships	Development costs	Total	Goodwill	Patents and trademarks	Customer Relationships	Development costs	Total
Balance at 1 July	2,973,867	55,000	-	323,943	3,352,810	3,060,934	55,000	-	484,724	3,600,658
Capitalisation of Project expenses	-	-	-	1,363	1,363	-	-	-	0	0
Impairment loss (Note 7 (iii))	-	-	-	-	0	(87,067)	-	-	-	(87,067)
Amortisation for the year (Note 7 (iii))	-	-	-	(312,290)	(312,290)	-	-	-	(160,781)	(160,781)
Balance at 30 June	2,973,867	55,000	-	13,016	3,041,883	2,973,867	55,000	-	323,943	3,352,810
<i>At 30 June</i>										
Cost	3,137,166	1,753,000	1,086,623	1,805,974	7,782,763	3,137,166	1,753,000	1,086,623	1,804,611	7,781,400
Accumulated amortisation and impairment	(163,299)	(1,698,000)	(1,086,623)	(1,792,958)	(4,740,880)	(163,299)	(1,698,000)	(1,086,623)	(1,480,668)	(4,428,590)
Carrying amount	2,973,867	55,000	-	13,016	3,041,883	2,973,867	55,000	-	323,943	3,352,810
Carrying amounts										
At beginning of financial year	2,973,867	55,000	-	323,943	3,352,810	3,060,934	55,000	-	484,724	3,600,658
At end of financial year	2,973,867	55,000	-	13,016	3,041,883	2,973,867	55,000	-	323,943	3,352,810

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 17 INTANGIBLE ASSETS (continued)
Amortisation and impairment charge

The amortisation is allocated as an expense to administration expense.

Any impairment loss is recognised through profit or loss and is allocated to Administration expenses for continuing operations.

Valuation of identifiable intangibles at acquisition (at fair value)

- Customer Relationships – This was valued on a discounted cash flow basis, taking into account future revenues and likely customer turnover. The discount rate was based on a weighted average cost of capital for the Company; and
- Patents and Trademarks – These were also based on a notional royalty basis and were discounted using a weighted average cost of capital for the Company.

Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group’s operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes, which is not higher than the Group’s operating segments reported in Note 6.

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

	2019	2018
Gregory Commercial Furniture Pty Limited	2,478,191	2,478,191
Impart Special Products Pty Limited	495,676	495,676
	2,973,867	2,973,867

For the following entities, the recoverable amount of the cash generating unit of each business was based on its value in use:-

- Gregory Commercial Furniture Pty Limited (“GCF”)
- Impart Special Products Pty Limited (“Impart”)

Based on management impairment test conducted as at 30 June 2019 the estimated recoverable amount of the CGU exceeds its carrying amount by approximately \$4,594,490 for Furniture and \$4,444,122 for Technology. Management has identified that a reasonably possible change in a key assumption could cause the carrying amount to exceed the recoverable amount.

The sensitivity analyses performed for the both CGU’s assuming all other factors are consistent that:

- A minimum revenue growth of 4.0% in 2020 and 5.0% thereafter plus increase in COGS by 6.0% in 2020 is calculated for the Furniture CGU’s estimated recoverable amount to be equal to the carrying amount, which is less than the forecasted revenue of 7.0%.
- A minimum revenue growth of 25.0% in 2020 and 5.0% thereafter is calculated for the Technology CGU’s estimated recoverable amount to be equal to the carrying amount, which is less than the forecasted revenue growth of 44.8%.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 17 INTANGIBLE ASSETS (continued)

Value in use was determined by discounting the future cash flows generated from the continuing use of the unit and was based on the following key assumptions:

2018 Value in use assumptions:

Cash flows were projected based on the Management approved forecasts for the financial year ending 30 June 2020 and 30 June 2021, cash flows for further 3-year period to 30 June 2024 were extrapolated using a constant growth rate and a terminal value incorporated.

	Gregory Commercial Furniture Pty Limited	Inventis Technology Pty Limited
Revenue growth in approved forecast for year ended 30 June 2020	7.0%	44.8%
Revenue growth in approved forecasts for year ended 30 June 2021	10.0%	47.9%
Annual average revenue growth per annum 2022– 2024	5.0%	4.9%
Inflation per annum	3.0%	3.0%
Average Price growth per annum (2020-2024)	5.2%	17.8%
Cost growth per annum	3.0%	3.0%
Pre-tax discount rate	18.6%	18.6%

2018 Value in use assumptions:

Cash flows were projected based on the Management approved forecasts for the financial year ending 30 June 2019 and 30 June 2020, cash flows for further 3-year period to 30 June 2023 were extrapolated using a constant growth rate and a terminal value incorporated.

	Gregory Commercial Furniture Pty Limited	Inventis Technology Pty Limited
Revenue growth in approved forecast for year ended 30 June 2019	28.4%	72.6%
Revenue growth in approved forecasts for year ended 30 June 2020	5.0%	5.0%
Annual average revenue growth per annum 2021– 2023	5.0%	5.0%
Inflation per annum	3.0%	3.0%
Average Price growth per annum (2019-2023)	4.4%	12.6%
Cost growth per annum	3.0%	3.0%
Pre-tax discount rate	18.6%	18.6%

The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external sources and internal sources (historical data).

NOTE 18 TRADE AND OTHER PAYABLES

	Consolidated	
	2019	2018
Trade payables	1,124,203	2,235,674
Other trade payables	229,107	229,000
GST Payable	194,718	120,828
PAYG Payable	1,470,212	1,160,201
Non-trade payables and accrued expenses	860,292	690,620
	3,878,532	4,436,323

The Group's exposure to currency and liquidity risks related to trade and other payables is disclosed in Note 24.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 19 INTEREST BEARING LIABILITIES

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to interest rate and foreign currency risk, see note 24.

	Consolidated	
	2019	2018
Current liabilities		
Purchase order funding	-	119,284
Debtors finance facility	949,113	1,281,903
Loan from related party (Note 26(iii))	-	3,250,000
	<u>949,113</u>	<u>4,651,187</u>
Non-current liabilities		
Loan from related party (Note 26(iii))	4,191,828	-
	<u>4,191,828</u>	<u>-</u>

Terms and debt repayment schedule

Terms and conditions of outstanding loans were as follows:

	Currency	Interest rate	Year of maturity	Face value	Carrying amount	Face value	Carrying amount
Purchase order funding	AUD	9.91%		-	-	119,284	119,284
Debtors financing facility	AUD	9.55%	2020	949,113	949,113	1,281,903	1,281,903
Interest bearing short term debt	AUD	9.75%		-	-	250,000	250,000
Interest bearing long term debt	AUD	7.75%	2020	4,191,828	4,191,828	3,000,000	3,000,000

The loans for both the current and the comparative period were secured by a mortgage over the Group's assets.

NOTE 20 OPERATING LEASES

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	Consolidated	
	2019	2018
Within one year	880,820	854,716
Later than one year but not later than five years	342,294	1,146,374
	<u>1,223,114</u>	<u>2,001,090</u>

The Group leases a of warehouse, factory facilities and offices under operating leases. The leases run for a period of between 2 and 4 years, with varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated. Some leases have an option to renew the lease after the expiry date. Lease payments are increased every year to reflect market rent.

During the year ended 30 June 2019 \$673,065 (2018: \$705,216) was recognised as an expense in the statement of profit or loss and other comprehensive income in respect of operating leases.

NOTE 21 EMPLOYEE BENEFITS

	Consolidated	
	2019	2018
Current		
Liability for annual leave	128,801	162,823
Liability for long service leave	247,960	223,700
Other employee benefits	174,042	319,828
Total employee benefits - current	<u>550,803</u>	<u>706,351</u>
Non-current		
Liability for long service leave	23,113	26,763
Total employee benefits - non-current	<u>23,113</u>	<u>26,763</u>

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 22 CAPITAL AND RESERVES

Share capital
Equity Share Capital

	Ordinary shares	
	2019	2018
On issue at 1 July	702,649,369	598,714,557
Issued for cash	-	103,934,812
Reclassification - converted to ordinary shares	-	-
On issue at 30 June	702,649,369	702,649,369

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid.

Ordinary shares

The holders of these shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at general meetings of the Company.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Dividends

The following dividends were declared and paid by the Company for the year.

<i>in AUD Dollars</i>	2019	2018
0.0 cents per non-redeemable preference share (2018: 0.0 cents)	-	-

<i>in AUD Dollars</i>	2019	2018
Dividend franking account		
Amount of franking credits available to shareholders of Inventis Ltd for subsequent financial years	1,538,743	1,538,675

Dividend franking account

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends. In accordance with the tax consolidation legislation, the Company as the head entity in the tax-consolidated group has also assumed the benefit of \$1,538,743 (2018: \$1,538,675) franking credits.

The 30 per cent franking credits are available to shareholders of Inventis Limited for subsequent financial years.

The above available amounts are based on the balance of the dividend franking account at year-end adjusted for:

- (a) Franking credits that will arise from the payment of the current tax liabilities;
- (b) Franking debits that will arise from the payment of dividends recognised as a liability at the year-end;
- (c) Franking credits that will arise from the receipt of dividends recognised as receivables by the tax consolidated group at the year-end; and
- (d) Franking credits that the entity may be prevented from distributing in subsequent years.

Capital Management

Management controls the capital of the Group in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital include ordinary share capital, convertible preference shares and financial liabilities, supported by financial assets.

The Group is not subject to any externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 23 EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share at 30 June 2019 was based on the (loss) / profit attributable to ordinary shareholders of (\$1,669,750) (2018: (\$3,076,614)) and a weighted average number of ordinary shares outstanding of 702,649,369 (2018: 661,938,106). The calculation of basic earnings per share for continuing operations at 30 June 2019 was based on the (loss) / profit attributable to ordinary shareholders for continuing operations of (\$1,669,750) (2018: (\$3,076,614)) and the same weighted average number of shares.

Weighted average number of ordinary shares

	Consolidated	
	2019	2018
Issued ordinary shares at beginning of the period	702,649,369	598,714,557
Weighted average number of ordinary shares at the end of the period	702,649,369	661,938,106

Diluted earnings per share

The calculation of diluted (loss) / earnings per share at 30 June 2019 was based on the earnings attributable to ordinary shareholders of (\$1,669,750) (2018: (\$3,076,614)) and a weighted average number of ordinary shares outstanding of 702,649,369 (2018: 661,938,106). The calculation of diluted earnings per share for continuing operations at 30 June 2019 was based on the (loss) / earnings attributable to ordinary shareholders for continuing operations of (\$1,669,750) (2018: (\$3,076,614)) and the same weighted average number of shares.

(Loss) / profit attributable to ordinary shareholders (diluted)

(Loss) / profit attributable to ordinary shareholders – continuing operations (diluted)

	Consolidated	
	2019	2018
Net (loss) / profit from continuing operations attributable to ordinary shareholders (basic)	(1,669,750)	(3,076,614)
Net (loss) / profit from continuing operations attributable to ordinary shareholders (diluted)	(1,669,750)	(3,076,614)

Weighted average number of ordinary shares (diluted)

	Consolidated	
	2019	2018
Weighted average number of ordinary shares (basic)	702,649,369	661,938,106

There were no options outstanding which have a dilutionary effect on the weighted average number of ordinary shares.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 24 FINANCIAL INSTRUMENTS

Exposure to Credit Risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The maximum exposure to credit risk at reporting date was:

	Note	Consolidated	
		2019	2018
Cash and cash equivalents	10	425,391	417,928
Trade and other receivables	12	1,397,399	1,870,985
		<u>1,822,790</u>	<u>2,288,913</u>

The Group's maximum exposure to credit risk for trade receivables at the reporting date by geographical region was:

	Note	Consolidated	
		2019	2018
Australia		1,304,646	1,694,026
Malaysia		25,035	44,577
New Zealand		16,123	13,307
USA		5,524	-
China		76	-
	12	<u>1,351,404</u>	<u>1,751,910</u>

The Group's maximum exposure to credit risk for trade receivables at the reporting date by customer type was:

	Note	2019	2018
End user customer		706,417	614,160
Distributors		143,445	284,463
Government		501,542	853,287
	12	<u>1,351,404</u>	<u>1,751,910</u>

Impairment Losses

The Group's receivable ageing at the reporting date was as follows:

Consolidated	Gross 2019	Impairment 2019	Gross 2018	Impairment 2018
Current	1,049,802	-	1,147,596	-
Past due 30 days	252,095	-	478,806	-
Past due 60 days	24,957	-	20,529	-
Past due 90 days and over	24,550	10,601	104,979	3,966
	<u>1,351,404</u>	<u>10,601</u>	<u>1,751,910</u>	<u>3,966</u>

The movement in the allowance for impairment in respect of trade receivables in the consolidated group during the year was as follows:

	Note	2019	2018
Balance 1 July		3,966	4,619
Impairment (reversal) / loss recognised		6,635	(653)
Balance at 30 June		<u>10,601</u>	<u>3,966</u>

The Group has adopted a simplified approach for the impairment of trade receivables based upon the adoption of AASB 9 with an amount equal to the full expected credit losses to be recognised. The expected loss rates are based on the Company's movement of balances from one aging category to the next to indicate increase in collection time which is an indicator of the probability of default. These loss rates are then applied to the individual aging categories to calculate an expected credit loss as at 30 June 2019.

However, the Group maintained an impairment loss provision of \$10,601 (2018: \$3,966) that had been determined after specific review of all outstanding amounts greater than 90 days taking into account any likely debtors insurance claims.

The Group believes that no further impairment allowance is necessary in respect of trade receivables than that already identified and provided for.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 24 FINANCIAL INSTRUMENTS (continued)

Currency risk

Exposure to currency risk

The Group's exposure to foreign currency risk at reporting date was as follows, based upon notional amounts:

	Note	Consolidated		
		NZD	EUR	USD
30 June 2019				
Trade receivables		-	2,145	6,033
Trade payables		(22,253)	-	(81,212)
Net exposure		(22,253)	2,145	(75,179)
Estimated forecast sales		26,000	-	244,800
Estimated forecast purchases		-	(152,500)	(2,352,800)
Gross Exposure		3,747	(150,355)	(2,183,179)
30 June 2018				
Trade receivables		-	-	4,561
Trade payables		(698)	-	(242,048)
Net exposure		(698)	-	(237,487)
Estimated forecast sales		114,975	-	579,142
Estimated forecast purchases		-	(64,935)	(3,260,958)
Gross Exposure		114,277	(64,935)	(2,919,303)

The following rates applied during the year:

	Average rate		Reporting date spot rate	
	2019	2018	2019	2018
NZD 1.00 = AUD	0.9380	0.9219	0.9558	0.9172
USD 1.00 = AUD	1.3986	1.2950	1.4259	1.3530

Sensitivity Analysis

Consolidated	30-Jun-19		30-Jun-18	
	Equity	Profit or loss	Equity	Profit or loss
NZD	(812,953)	(1,898)	(780,071)	(59)
EURO	-	311	-	89
USD	-	(9,559)	-	(27,959)
Total	(812,953)	(11,146)	(780,071)	(27,929)

Interest rate risk

Profile

At the reporting date the interest rate profile of the Group's interest bearing financial instruments was:

	Note	2019	2018
Fixed rate instruments			
<i>Financial assets</i>			
Cash and cash equivalents	10	397,732	395,436
<i>Financial liabilities</i>			
Secured Loan	18	(4,191,828)	(3,250,000)
Total fixed rate instruments		(3,794,096)	(2,854,564)
Variable rate instruments			
<i>Financial assets</i>			
Cash and cash equivalents	10	27,659	22,482
<i>Financial liabilities</i>			
Debtors financing facility	18	(949,113)	(1,281,903)
Purchase order finance	18	-	(119,284)
Total variable rate instruments		(921,454)	(1,378,705)

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 24 FINANCIAL INSTRUMENTS (continued)

Cash flow sensitivity analysis for variable rate instruments.

A change of 100 basis points on the interest rates charged would have increased / (decreased) the profit or loss by the amounts shown below which is also the net cash flow effect. The analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2018.

	<i>Note</i>	Increase 100bp \$	Decrease 100bp \$
30 June 2019			
Variable rate instruments		(9,491)	9,491
30 June 2018			
Variable rate instruments		(11,254)	11,254

Effective interest rates and repricing analysis

In respect of interest-bearing financial liabilities, the following tables indicate their average effective interest rates at the reporting date and the periods in which they mature or, if earlier, re-priced.

Consolidated	2019							2018						
	Average interest rate	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years	Average interest rate	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Variable rate														
Debtors financing facility	9.55%	949,113	949,113	-	-	-	-	9.91%	1,281,903	1,281,903	-	-	-	-
Purchase order funding	0.00%	-	-	-	-	-	-	9.95%	119,284	119,284	-	-	-	-
Loan from related party	7.75%	4,191,828	-	-	4,191,828	-	-	9.91%	3,250,000	-	3,250,000	-	-	-
Carrying amount		5,140,941	949,113	-	4,191,828	-	-		4,651,187	1,401,187	3,250,000	-	-	-

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 24 FINANCIAL INSTRUMENTS (continued)

Effective interest rates and repricing analysis (continued)

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, are as follows:

Consolidated	2019		2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Trade and other receivables	1,397,399	1,397,399	1,870,985	1,870,985
Cash and cash equivalents	425,391	425,391	417,928	417,928
Trade and other payables	(3,878,532)	(3,878,532)	(4,436,323)	(4,436,323)
Debtors financing facility related party	(949,113)	(949,113)	(1,281,903)	(1,281,903)
Purchase order funding related party	-	-	(119,284)	(119,284)
Related Party Loan	(4,191,828)	(4,191,828)	(3,250,000)	(3,250,000)

NOTE 25 RELATED PARTIES

Key management personnel compensation

The key management personnel compensation included in 'personnel expenses' (see Note 8 (i)) is as follows:

	Note	Consolidated	
		2019	2018
Short term employee benefits		228,858	247,463
Other long term benefits		-	-
Post-employment benefits		32,532	34,247
Termination benefits		2,356	13,600
		<u>263,746</u>	<u>295,310</u>

i. Transactions with Key Management Personnel

The Company paid interest of \$832,529 (2018: \$652,964), purchased information technology services of \$5,204 (2018: \$1,793), obtained an additional loan totalling \$2,548,419 and repaid \$1,916,786 (2018: obtained a loan of \$1,067,777 and repaid \$949,373) from / to entities associated with Tony Noun.

Apart from the details disclosed in this note, no director has entered into a material contract with the Group since the end of the previous financial year and there were no material contracts involving directors' interests existing at year-end.

ii. Loans from key management personnel and their related parties

Loan amounts owed to an entity associated with Tony Noun as at the reporting date were \$5,247,535 (2018: \$4,651,187).

iii. Other key management personnel transactions -

From time to time, key management personnel of the Group, its subsidiaries or their related entities, may purchase goods from the Group. These purchases are on the same terms and conditions as those entered into by other Group employees or customers and are trivial or domestic in nature.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 26 GROUP ENTITIES

Significant subsidiaries

The consolidated financial statements incorporate the assets, liabilities, and results of the following subsidiaries in accordance with the accounting policy described in Note 3.

Parent Entity	Significant Subsidiaries	Country of Entity	% Interest	
			2019	2018
Inventis Limited	Gregory Commercial Furniture Pty Limited	Australia	100	100
	Inventis Technology Pty Limited	Australia	100	100
	Opentec Solutions Pty Limited	Australia	100	100
	Inventis (NZ) Limited	New Zealand	100	100
	Inventis HR Services Pty Limited	Australia	100	100
	Inventis Properties Pty Limited	Australia	100	100

The proportion of ownership interest is equal to the proportion of voting power held.

NOTE 27 PARENT ENTITY DISCLOSURES

As at, and throughout, the financial year ended 30 June 2019 the parent company of the Group was Inventis Limited.

	Company	
	2019	2018
Results of the parent entity		
Loss for the period	(4,031,887)	(4,765,737)
Other Comprehensive income	-	-
Total comprehensive (loss) for the period	(4,031,887)	(4,765,737)
Financial position of parent entity at year end		
Current assets	6,356,101	7,369,650
Total assets	8,222,029	12,609,009
Current liabilities	(417,454)	(4,211,866)
Total liabilities	(3,856,774)	(4,211,866)
Total equity of the parent entity comprising of:		
Share Capital	42,546,016	42,546,016
Accumulated losses	(38,180,761)	(34,148,873)
Total equity	4,365,255	8,397,143

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 28 SUBSEQUENT EVENTS

The Group entered into a strategic alliance and acquired a 49% shareholding in Winya Indigenous Furniture Pty Ltd on 13 September 2019. In addition, subject to IVT Shareholders ratifying the issue of 30,000,000 IVT Options to Winya Shareholders, at its next General Meeting. This condition, must be met or waived prior to 30 November 2019. The Options are exercisable as follows:

- o 10,000,000 between 12 to 24 months at \$0.005;
- o 10,000,000 between 24 to 36 months at \$0.01; and
- o 10,000,000 between 36 and 48 months at \$0.02; and

No other conditions precedent other than the ratification of the share options by shareholders are in operation for this strategic alliance to proceed.

The supply agreement of the alliance has a potential of increasing revenue for the Furniture Division by approximately \$1.0 million for its core product range.

Apart from the above there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

NOTE 29 AUDITOR'S REMUNERATION

	Note	Consolidated	
		2019	2018
Audit Services			
Auditors of the Company			
BDO East Coast Partnership			
Audit and review of financial reports		75,500	69,500
		75,500	69,500
Other services		-	-
		75,500	69,500

Note * Reflects accrued audit fees as at 30 June 2019

NOTE 30 RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES



	Consolidated	
	2019	2018
Cash flow from operating activities		
Loss after tax	(1,669,749)	(3,076,614)
<i>Adjustment for non-cash items:</i>		
Depreciation	70,633	92,705
Amortisation of intangible assets	312,290	160,781
Inventory rationalisation	1,006,030	-
Impairment of goodwill	-	87,067
Unrealised foreign exchange gains / (losses)	(12,786)	(14,544)
Loss on sale of property plant and equipment	-	-
Income tax expense	-	-
Operating loss before changes in working capital	(293,582)	(2,750,605)
Decrease in trade and other receivables	473,586	552,233
(Increase) / decrease in prepayments	4,158	(17,260)
Decrease in inventories	43,903	75,005
(Decease) / increase in trade and other payables	(578,523)	1,089,151
Decrease in employee benefits	(159,198)	(39,727)
Net cash (outflow) / inflow from operating activities	(509,656)	(1,091,203)

**INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

DIRECTORS' DECLARATION

1. In the opinion of the directors of Inventis Limited ('the Company'):
 - a. the financial statements and notes set out on pages 31 to 61 and the Remuneration report in section 5.4 of the Directors' report, are in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the Group's financial position as at 30 June 2019 and of its performance, for the financial year ended on that date; and
 - ii. complying with Australian Accounting Standards and the Corporations Regulations 2001; and
 - b. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
2. The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer and chief financial officer for the financial year ended 30 June 2019.
3. The directors draw attention to note 2(a) to the financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:

	
Tony Noun Chairman	Anthony Mankarios Director

Dated at Sydney this 30 September 2019

INDEPENDENT AUDITOR'S REPORT

To the members of Inventis Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Inventis Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 *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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying Value of Goodwill

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>As disclosed in Note 17 of the financial report Goodwill amounted to \$2,973,867 at 30 June 2019.</p> <p>This was determined to be a key audit matter as the determination of the "Value in Use" of each cash generating unit (CGU) and whether or not an impairment charge is necessary, involved judgements by management about the future growth rates of the business in each CGU, discount rates applied to future cash flow forecasts for each CGU and sensitivities of inputs and assumptions used in the cash flow models. Furthermore, the goodwill balance is material.</p>	<p>Our audit procedures included, amongst others:</p> <ul style="list-style-type: none"> • Evaluating and challenging the assumptions used in the discounted cash flow analysis, in particular the key assumptions regarding revenue growth and gross margin; • Applying a sensitivity analysis on the Group's discounted cash flow models for each cash generating unit to assess whether changes in the assumptions made would result in impairment; • Assessing the historical accuracy of management's forecasts in the context of the value in use model; and • Evaluating the adequacy of the disclosures in Note 17 about those assumptions to which the outcomes of the impairment test are most sensitive, that is, those that will have the most significant effect on the determination of the recoverable amount.

Revenue Recognition

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>Refer to Note 7 of the financial report.</p> <p>The Group's management focuses on revenue as a key driver by which the performance of the Group is measured.</p> <p>This area was a key audit matter due to the volume of transactions and the total balance of revenue, in particular around year end. Furthermore, the group has 'bill and hold' arrangements in place with some customers which require additional judgement in assessing when revenue should be recognised.</p>	<p>Our audit procedures included, amongst others:</p> <ul style="list-style-type: none"> • Performing cut-off testing to ensure that revenue transactions around year end have been recorded in the correct reporting period; • Completing analytical procedures to understand movements and trends in revenue for comparisons against expectations; • Testing the operating effectiveness of internal controls surrounding the existence of revenues; • Assessing the revenue recognition policy for compliance with AASB 15 <i>Revenue from Contract with Customers</i>; and • Assessing the adequacy of the Group's disclosures within the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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 the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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.

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 at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.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 17 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Inventis Limited, for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company 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.

BDO East Coast Partnership

BDO


Ryan Pollett
Partner

Sydney, 30 September 2019

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES

ASX ADDITIONAL INFORMATION

ASX Additional Information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below

1. Shareholdings (as at 19 September 2019)

Substantial Shareholders

The number of shares held by substantial shareholders and their associates are set out below:

Shareholder	Number Held
REN Nominees Pty Limited and Associates	239,600,000
Richtoll Pty Ltd	51,749,971
Toveken Properties Pty Ltd	51,749,971
Tony Hassan Noun and Associates	48,800,000
David Rex George Littlejohn and Associates	30,333,328

2. Voting rights

Ordinary shares

Every ordinary share is entitled to one vote when a poll is called, otherwise each member present at the meeting or by proxy has one vote on a show of hands.

Distribution of equity security holders

Category	Ordinary Shares
1 -1,000	16,174
1,001 – 5,000	371,240
5,001-10,000	481,275
10,0001-100,000	3,114,726
100,001-9,999,999,999	698,665,954
Rounding Total	702,649,369

The number of shareholders holding less than a marketable parcel of ordinary shares is 296 as at 17 September 2019.

Unmarketable Parcels

	Minimum Parcel Size	Holders	Units
A below minimum \$500.00 parcel at \$0.0030 per unit	166,667	296	8,599,822

3. Unquoted equity securities

Securities Exchange

The Company is listed on the Australian Securities Exchange. The home exchange is Sydney.

Other information

Inventis Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares. All ordinary shares are listed on the Australian Securities Exchanges.

On-market buy-back

There is no current on-market buy back.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES

ASX ADDITIONAL INFORMATION

4. Twenty largest shareholders

Rank	Name	Units at 19 September 2019	% of Units
01	REN NOMINEES PTY LTD <RN FAMILY A/C>	119,800,000	17.05
02	REN NOMINEES PTY LTD <EN FAMILY A/C>	119,800,000	17.05
03	TOVEKEN PROPERTIES PTY LTD	51,749,917	7.36
04	RICHTOLL PTY LIMITED	51,749,917	7.36
05	MR TONY HASSAN NOUN	48,800,000	6.95
06	DR DAVID REX GEORGE LITTLEJOHN	30,333,328	4.32
07	BASELINE PROFESSIONAL SERVICESPTY LIMITED <KOBYLANSKI SUPER FUND A/C>	29,440,004	4.19
08	MR BRIAN PAUL HERMANN & WAIKATO TRUSTEE SERVICES LTD CLYDE	20,000,000	2.85
09	FALAFEL INVESTMENTS PTY LIMITED <GRANT SUPER FUND A/C>	17,498,592	2.49
10	NICHOLAS P S OLISSOFF	15,000,000	2.13
11	RUSSELL ROY MALONEY	12,499,998	1.78
12	LOG-IT PTY LTD <FALCON FIRE SUPER FUND A/C>	10,920,000	1.55
13	MR PAUL ANTHONY FLORO	9,799,992	1.39
14	PETFERN CONSULTANTS PTY LTD <PETFERN SF A/C>	8,399,999	1.20
15	BALDMAN INVESTMENTS PTY LIMITED <RICHARDS FAMILY A/C>	8,101,883	1.15
16	SEYONE PARTNERS PTY LIMITED <SEYONE SUPER FUND A/C>	8,000,000	1.14
17	M & D LITTLEJOHN PTY LIMITED <M & D LITTLEJOHN S/F A/C>	7,466,660	1.06
18	HIMMELBERG INVESTMENTS PTY LTD <HIMMELBERG SUPER FUND A/C>	7,124,693	1.01
19	JOELBESU INVESTMENTS PTY LTD <TEMBO SUPER FUND A/C>	6,953,670	0.99
20	TREASURE ISLAND HIRE BOAT COMPANY PTY LTD <STAFF SUPER FUND ACCOUNT>	6,342,866	0.90
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES		589,781,519	83.94
Total Remaining Holders Balance		112,867,850	16.06

5. Offices and Officers

Tony H Noun, Chairman

Peter Bobbin, Non-Executive Director

Anthony Mankarios, Non-Executive Director

Alfred Kobylanski, Chief Financial Officer

Paul Vranich, General Manager (Resigned 06 November 2018)

6. Company Secretary

Alfred Kobylanski

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES CORPORATE DIRECTORY

Principal Registered Office

Inventis Limited

Unit 4, 2 Southridge Street
Eastern Creek NSW 2766
Telephone: +61 2 8808 0400
Facsimile: +61 2 9631 2488

Location of Share Registries

Link Market Services Limited
Level 12, 680 George Street
SYDNEY NSW 2000
Telephone: +61 1300 554 474
Facsimile: +61 2 9287 0303

Auditors

BDO East Coast Partnership
Level 11, 1 Market Street
Sydney NSW 2000

Solicitors

Eakin McCaffery Cox
Level 28, 1 Market Street
Sydney NSW 2000