



INVENTIS LIMITED

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ANNOUNCEMENT TO THE ASX – 19 March 2020

Inventis Limited [ASX: IVT] – Update on COVID-19 Response

1- Manufacturing Operations

An appropriate set of procedures covering COVID-19 guidelines and procedures as issued by the World Health Organisation (WHO) and the Australian Government has been issued to all staff.

Commencing from 18th March 2020, all senior management, including the MD, and voluntary agreeable staff taking a 20% cut in salary and fees for March 2020. This will be reviewed in April. Staff will be encouraged to take paid and long service leave during April 2020.

Appropriate relief is being sought from the partnering Supply Chain and Landlords and arrangements are being put in place with Statutory Government agencies utilising appropriate Government relief packages on offer.

2- Capital Expense Projects

Inventis has taken the decision to postpone all new unplanned Capital Expenditure projects, until such time as the Board decides otherwise.

3- Convertible Notes

Inventis are considering a current proposal to introduce an underwritten Convertible Notes Issue. Details of this will be considered by the Board and its advisors and further details will be released to Market by end of April 2020. The Company has a preliminary expression of Interest from Underwriters to secure a minimum \$3M of a proposed CN's pro-rata issue offering a fully franked Dividend yield of between 6.5%-7% pa, to Note Holders. These funds will be primarily used to pay down current debt and reduce interest bills. This is expected to increase net equity in the Company.

4- Impact on COVID-19 on 2H20 Performance

The heavily publicised world -wide pandemic, as declared by the World Health Organisation and the Australian Government will have local Economic Impact. It is too early to determine the exact extend of the overall impact. Inventis is managing the situation according to the most recent and foreseeable likely scenarios. Certainly, first quarter revenue is impacted by in excess of 25% in some certain parts of the business. Management is actively seeking to bring expenses in line with these revenues at this time. We are seeing promising results around this plan at this stage.

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5- The Future Plans and Strategies

The Company has a substantial pipeline in place including a number of international opportunities. The current level of imposed worldwide flight and travel restrictions will have an impact on the timing of the conversion of the current pipeline in this second half of FY-2020.

We have a number of important patents, which are being readied to be lodged. These include, “Smart Chair” and a new “Automated Track Worker System” (ATWS). We have received expressions of interest from overseas supply partners for the ATWS, which could potentially earn the Company multi-millions dollar sales through local and international sales channels into FY-2021 and beyond. These timeline for these R&D projects will depend on the current economic conditions being stabilised.

Inventis remains committed to manufacturing high quality Australian Commercial Office Furniture and Innovative Technology products aimed toward safety and ergonomic benefits. We are a key supply partners to Australian industry employing Australians and support Indigenous staff. Inventis remains committed to expanding the Indigenous opportunities for the benefit of the Indigenous Community and the Inventis Group by creating employment and business opportunities.

The Australian Government has issued a total \$17.5 Billion Health and Economic relief package and is soon to announce further fiscal and monetary measures. The Government has also commended efforts to support Australian made manufacturers and seek to expand their offering to Government services. This is all expected to assist the situation with our business, yet it is difficult to determine the exact impact of these measures at this time. Further announcements and updates will be made in due course.

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