inventis
inspired solutions

Inventis Limited 2020 Annual Report


Inventis Limited
ABN: 40 084 068 673

Board of Directors

Tony Noun
Chairman

Peter Bobbin
Non-Executive Director

Anthony Mankarios
Managing Director

Alfred Kobylanski
Chief Financial Officer &
Company Secretary

Managers

Alfred Kobylanski
Chief Financial Officer
& Company Secretary

Jeffry Stone
General Manager
– Technology

Greg Welsh
General Manager
– Furniture

Scott Downes
Marketing / Channel
Manager

Chantelle Knight
Co-Company Secretary
& HR Manager

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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 2020 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 31 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 31 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
Managing 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 was 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:

	Board Meetings		Audit Committee Meetings		Nomination and Remuneration Committee	
Directors	**Attended**	**Available to Attend**	**Attended**	**Available to Attend**	**Attended**	**Available to Attend**
Mr Tony Noun	10	10	10	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	7	10	7	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 currently Tony Noun 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 2020 is as follows:

		Number of Ordinary Shares			
Director	**01 July 2019**	**Acquired**	**Sale / Transfer**	**Cancelled**	**30 June 2020**
T Noun	59,800,000	136,466,659	(65,066,665)	-	131,199,994
A Kobylanski	30,000,000	150,000	-	-	30,150,000
P Bobbin	242,279,986	25,893,332	(239,600,000)	-	28,573,318
A Mankarios	106,323,834	51,835,741	(51,749,917)	-	106,409,658

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 23 September 2020 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 https://www.inventis.com.au/governance/

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. The Company Secretary supports the effective operation of the Board. All Directors have access to the Group Company Secretary.

The Company Secretary is accountable to the Board through the Chair on all matters regarding the proper functioning of the Board. This includes assisting the Board and Committees members with meetings and directors' duties, advising the Board on corporate governance matters, and acting as an interface between the Board and senior executives.

(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 Written Declarations

At the end of each six monthly financial reporting period, the CEO and GFO provide a written declaration to the Board that, in their opinion, the Company's financial reports have been properly maintained in accordance with s295A of the Corporations Act and that the financial statements and the notes for the period comply with relevant accounting standards and give a true and fair view of the financial position and performance of the Company.

5.2.2 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.

5.2.3 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.

5.2.4 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 2020, 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 31 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 31 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 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.

SECTION 1 (continued)

5.4 Remuneration Report - audited (continued)

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

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)

	2020	2019	2018	2017	2016
Net (loss) / profit attributable to equity holders of the parent ($)	(292,804)	(1,669,750)	(3,076,614)	89,359	166,728
Basic (loss) / earnings per share	(0.04)c	(0.24)c	(0.46)c	0.01c	0.03c

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 $555,366 (2019: $263,746).

For the year ended 30 June 2020, 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 - Managing Director (appointed 28 October 2019)

Other Key Management Personnel:

Alfred Kobylanski – Chief Financial Officer & Company Secretary

Greg Welsh – General manager Furniture Division

Jeffry Stone – General manager Technology Division

SECTION 1 (continued)

5.4 Remuneration Report - audited (continued)

B. Details of remuneration (continued)

		Short-term					Post-employment	Other long term		Termination Pay Includes Unused Long Service Leave and unused Annual Leave		
		Salary & Fees	Other Benefits	Cash & Bonus	Non-monetary benefits	Total	Superannuation Benefits	Long service leave	Deferred Equity Awards		Total including benefits	Proportion of remuneration performance related
Company												
Non-Executive Directors												
Mr. Tony Noun - Chairman	**2020**	**7,306**	**-**	**-**	**-**	**7,306**	**694**	**-**	**-**	**-**	**8,000**	**-**
	2019	7,306	-	-	-	7,306	694	-	-	-	8,000	-
Mr. Peter Bobbin	**2020**	**3,653**	**-**	**-**	**-**	**3,653**	**347**	**-**	**-**	**-**	**4,000**	**-**
	2019	3,653	-	-	-	3,653	347	-	-	-	4,000	-
Executive Director									**-**			
Mr. Anthony Mankarios	**2020**	**166,667**	**-**	**-**	**-**	**166,667**	**-**	**-**	**-**	**-**	**166,667**	**-**
Managing Director	2019	4,000	-	-	-	4,000	-	-	-	-	4,000	-
Other Key Management Personnel									-			
Mr. Alfred Kobylanski	**2020**	**161,281**	**-**	**-**	**-**	**161,281**	**22,972**	**-**	**-**	**-**	**184,253**	**-**
Chief Financial Officer	2019	154,890	-	-	-	154,890	25,885	-	-	-	180,775	-
Mr. Jeffry Stone	**2020**	**156,487**	**-**	**-**	**-**	**156,487**	**13,042**	**-**	**-**	**-**	**169,529**	**-**
General Manager Technology – appointed 9 November 2018	2019	-	-	-	-	-	-	-	-	-	-	-
Mr Greg Welsh [2]	**2020**	**4,145**	**-**	**-**	**-**	**4,145**	**790**		**17,982**	**-**	**22,917**	**-**
General Manager Furniture-appointed 13 September 2019	2019	-	-	-	-	-	-	-		-	-	-
Mr Paul Varnich	**2020**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
General Manager resigned 06 November 2018	2019	59,009	-	-	-	59,009	5,606	-	-	2,356	66,971	
Total	**2020**	**499,539**	**-**	**--**	**-**	**499,539**	**37,845**	**-**	**17,982**	**-**	**555,366**	**-**
Total 2019	2019	228,858	-	-	-	228,858	32,532	-	-	2,356	263,746	-

Notes:

1. The Directors agreed to waive 11 months remuneration for the 2020 financial year.
2. Excludes payments made from Associates

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.

Anthony Mankarios is the Managing Director of the Group and receives remuneration in accordance with a services agreement with Starball Pty Ltd, trading as Man Investments and Consultants dated 28 October 2019, as amended from time to time by the Board. The contract operates continuously with a 12-month notice period.

Alfred Kobylanski is the Chief Financial Officer of the Group and receives remuneration in accordance with a contract of employment dated 1 October 2007 with a 3month notice period, as amended from time to time.

Jeffry Stone is the General Manager Technology of the Group and receives remuneration in accordance with a contract of employment dated 3 June 2020 with a month notice period, as amended from time to time.

Gregory Welsh is the General Manager Furniture of the Group and receives remuneration in accordance with a contract of employment dated 1 September 202 with a 6-month notice period, as amended from time to time.

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.

Share Options

Employee Performance Option Plan

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.

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.

SECTION 1 (continued)

5.4 Remuneration Report - audited (continued)

D. Additional disclosures (continued)

Share Based Compensation

a. Issue of Shares

There were no shares issued to directors or other key management personnel as part of compensation during the year ended 30 June 2020.

b. Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Nuumber of options granted	Grant Date	Vesting date and exerciseable date	Expiry Date	Exercise Price	Fair Value per option at grant Date
Directors						
Anthony Mankarios	35,200,000	29-Nov-19	29-Nov-19	28-Nov-22	0.006	-
Executive						
Greg Welsh	10,000,000	13-Sep-19	13-Sep-20	12-Sep-21	0.005	0.0025
Greg Welsh	10,000,000	13-Sep-19	13-Sep-21	12-Sep-22	0.010	0.0021
Greg Welsh	10,000,000	13-Sep-19	13-Sep-22	12-Sep-23	0.020	0.0019

Options granted carry no dividend or voting rights.

All options were granted over unissued fully paid ordinary shares in the company. Options vest based on the provision of service over the vesting period whereby the executive becomes beneficially entitled to the option on vesting date. Options are exercisable by the holder as from the vesting date. There has not been any alteration to the terms or conditions of the grant since the grant date. There are no amounts paid or payable by the recipient in relation to the granting of such options other than on their potential exercise.

Values of options over ordinary shares granted, exercised and lapsed for directors and other key management personnel as part of compensation during the year ended 30 June 2020 are set out below:

Name	Value of options granted during the year	Value of options exercised during the year	Valuse of options lapse during the year	Remunneration consisting of options for the year
Directors				
Anthony Mankarios	-	-	-	0.0%
Executive				
Greg Welsh	65,330	-	-	78.5%

c. Option Holding

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Name	Balance at the start of the year	Granted	Exercised	Expired / forfeited / other	Balance at the end of the year
Directors					
Anthony Mankarios	-	35,200,000	-	-	35,200,000
Executive					
Greg Welsh	-	30,000,000	-	-	30,000,000

SECTION 1 (continued)

5.4 Remuneration Report - audited (continued)

D. Additional disclosures (continued)

Share Based Compensation (continued)

d. Shares under Option

Unissued ordinary shares of Inventis Limited under option at the date of this report are as follows:

Grant Date	Expiry Date	Exercise Price	Number under option
13-Sep-19	12-Sep-21	0.005	10,000,000
29-Nov-19	28-Nov-22	0.006	35,200,000
13-Sep-19	12-Sep-22	0.010	10,000,000
13-Sep-19	12-Sep-23	0.020	10,000,000

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

e. Shares issued on exercise of options

The were no ordinary shares of Inventis Limited issued during the year ended 30 June 2020 and up to the date of this report on the exercise of options granted.

Individual directors and executive's compensation disclosures

The Company paid interest of $667,877 (2019: $832,529), purchased information technology services of $10,055 (2019: $5,204), obtained an additional loan totalling $1,599,213 and repaid $538,994 (2019: obtained a loan of $2,548,419 and repaid $1,916,786) from / to entities associated with Tony Noun. All transactions entered into had been done on arm's length basis.

The Company paid interest of $555 (2019: Nil), obtained an additional loan totalling $94,195 and repaid $94,195 (2019: obtained a loan of Nil and repaid Nil) from / to entities associated with Anthony Mankarios. 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.

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 $6,307,754 (2019: $5,247,535).

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.

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 2019	Holding at the date of appointment	Purchases	Sales / transfers / Other	Held 30 June 2020	Direct Holdings held 30 June 2020
Directors						
Tony Noun	59,800,000	-	136,466,659	(65,066,665)	131,199,994	-
Peter Bobbin	242,279,986	-	25,893,332	(239,600,000)	28,573,318	-
Anthony Mankarios	106,323,834	-	51,835,741	(51,749,917)	106,409,658	-
Executives						
Alfred Kobylanski	30,000,000	-	150,000	-	30,150,000	709,996
Jeffery Stone	-	223,557	74,517	-	298,074	298,074
Greg Welsh	-	1,000	-	-	1,000	1,000

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 https://www.inventis.com.au/governance/

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 2020, the Company had the following female staff:

Company Name	Female Staff	Total Staff	Percentage
Corporate Division	-	4	0%
HR Services	13	46	28%

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

	2020	2019	2018	2017	2016
Net (loss) / profit / attributable to equity holders of the parent ($)	(292,804)	(1,669,750)	(3,076,614)	89,359	166,728
Basic (loss) / earnings per share	(0.04) c	(0.24) c	(0.46) c	0.01 c	0.03 c

3. FINANCIAL CONDITION

Capital structure

As at the reporting date the number of shares on issue was 936,865,819 (2019: 702,649,369) and as of the date of filing this report the number of shares on issue were 936,862,819. At the reporting date the share capital of the Group stood at $34,515,293 (2019: $33,603,584) and net (liabilities) / equity stood at ($2,437,301) (2019: ($3,073,784)).

It is noted that the group has unrecognised deferred tax assets of $4,736,513 which if recognised would have enable the Group to recognise a net equity position of $2,299,212 for the year ended 30 June 2020.

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 $556,937 (2019: $425,391).

Total current assets stood at $4,998,268 (2019: $3,291,438) and current liabilities stood at $5,808,058 (2019: $5,378,448) making the liquidity ratio 0.86 (2019: 0.61).

The Group has available to it $12.8 million in funding facilities of which $6.5 million has been activated and as at the reporting date, $6.3 million was unused.

Cash flows from operations

In the financial year net cash (outflows) / inflows of the Group from operating activities were ($1,087,928) (2019: ($509,656)).

Net cash outflows from investing activities during the financial year were $196,433 (2019: $7,920) of which $55,772 (2017: $1,787) was used for purchase of plant and equipment

Net cash inflows from financing activities during the financial year was $1,415,907 (2019: $525,039).

In the financial year there was a net increase in cash and cash equivalents of $131,546 (2019: $7,463).

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 2020 was $1,763,500 as compared to $4,100,619 for the previous financial year an decrease of 57.0%. This decrease was a direct result of the business not able to finalise transactions with overseas customers due to the travel restrictions imposed by the Covid pandemic.

EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation and excluding shared corporate costs) for the year was $102,722 as compared to $1,657,445 for the previous financial year. Note in 2020 the business commenced the reallocation of direct payroll costs instead of being accumulated in shared services and the impact in 2020 was a decrease in EBITDA of $1,176,078 as per the below table:

Normalised EBITDA	***2020***	**2019**
Reportable Segment Profit	68,217	1,265,818
Net Interest Expense	(30,749)	(76,856)
Depreciated and Amortisation	(3,756)	(314,771)
Shared Services reallocation	(1,176,078)	-
Normalised Divisional EBITDA	1,278,800	1,657,445

Forecasts for this division provide significant growth over the coming 12 months which is dependent upon the overseas travel restrictions being lifted.

Furniture Division:

The Furniture Division's continuing operations revenue for the year ended 30 June 2020 was $6,252,270 as compared to $7,697,400 for the previous financial year. The decrease in revenue was a direct result of the impacts due to the Covid pandemic which was partially offset by the acquisitions of subsidiaries during the financial year.

EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation, excluding shared corporate costs) for the year was $1,307,253 as compared to the previous financial year of $2,960,568. Note in 2020 the business commenced the reallocation of direct payroll costs instead of being accumulated in shared services and the impact in 2020 was a decrease in EBITDA of $1,831,951 as per the below table:

Normalised EBITDA	***2020***	**2019**
Reportable Segment Profit	919,466	2,618,945
Net Interest Expense	(273,481)	(315,134)
Depreciated and Amortisation	(114,306)	(26,489)
Shared Services reallocation	(1,831,951)	-
Normalised Divisonal EBITDA	3,139,204	2,960,568

Forecasts for this division provide significant growth over the coming 12 months which is dependent upon the Covid economic environment improving along with the full integration of acquired subsidiaries during 2020.

SECTION 2 (continued)

4. PRINCIPAL BUSINESSES continued

Group Results Commentary:

During the year under review, the Net Loss After Tax result of $292,804 was a continued improvement on last year's loss of $1,669,750 due to the integration of new subsidiaries and cost reductions that partially offset declines in operations due to the current Covid economy.

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. During the year the Group implement a program of reallocation and direct shared costs for payroll to the operating divisions of $3,008,029 and as result the EBITDA loss from this shared service is $516,998 before government grants as compared to $5,030,770.

Future Outlook for the Group:

The group is budgeting improvements in revenue and earnings in F21 across all divisions which is depended on the economic environment improving after Covid restrictions are lifted in the latter part of the F21.

The group plans to continue with the pursuit of 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 Group has turned the corner, management has improved business opportunities and the core business model during this period. Some opportunities are significant. We expect much of the larger revenue from existing pipeline opportunities to lift Revenue in second half of 2021.

The Group lodged the new G-Smart™ smartphone patent and launched this 3 August 2020. The G-Smart™ chair talks to your phone about your seating health and well-being. This is potentially game changing technology as it changes the way we do things in the office and work from home (WFH). G-Smart™ gives a significantly improved ergonomic experience, as it is coupled with our Dual Density MK11 patent Gregory seat technology. G-Smart™ enables better WH&S risk management as well as asset management tools in the workplace. Both HR and the CFO will love it!

The scale up of the Commercial Furniture Division continues to take place with additional negotiations with various prospects. Research and development work continue on an exciting new range that meets improved Covid-19 compliance and WFH opportunities.

The new Inventis International brand was registered in December 2019 which has seen Heads of Agreements signed with a leading manufacturer of custom rugged vehicles and military vehicles. This work commenced with pipelines in excess of $40m being negotiated currently.

The completion in-house of our Automated Track Worker System is expected in the second half of 2020 which has received an EOI from a major rail supplier in the UK potentially worth multi-millions of dollars over the next few years.

Approval of the USA FCC certified WiLAS™ Emergency Alert System is targeted to be launched into the USA in 2021.

The group developed and improved its Key Performance Indicators with manufacturing lifting "Delivery In Full And On Time" to 97% during most of this year. This reflects a commitment to solid performance in manufacturing.

The group also improved its marketing and online presence with significant lifts in online traffic and SEO performance. New webpages were designed and implemented with easier orientation for B2B clients.

Whilst the Company's future looks bright there still remains uncertainty and instability in the economy as a result of Covid-19 and the financial impacts which are relatively unresolved.

The Company will seek to deliver on the opportunities above as well as take advantage of some M&A activity which it is currently negotiating.

4. PRINCIPAL BUSINESSES continued

Future Outlook for the Group: (continued)

The Board, in conjunction with executive management, is accelerating the execution of planned strategies to grow profitability for the year ending 30 June 2021 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 FY20;
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 FY21 to further augment our position as a market leader in the respective segments.

5. REVIEW OF OPERATIONS AND ACTIVITIES

Financial Review

The consolidated results for the financial year ended 30 June 2020 are:

	2020	2019
Sales Continuing Operations	8,015,770	11,798,019
Loss from Continuing Operations after tax	(292,804)	(1,669,750)
Loss after tax for the period	(292,804)	(1,669,750)

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

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 $19,300 (2019: $15,000) 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.

10. NON-AUDIT SERVICES

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

		Consolidated	
	Note	2020	2019
Audit Services			
Auditors of the Company			
BDO * :			
Audit and review of financial reports		100,000	75,500
Total Auditor's Remuneration		100,000	75,500

BDO Audit Pty Ltd has been appointed as auditor of the Company. The appointment follows the resignation of BDO East Coast Partnership, and ASIC's consent to the resignation in accordance with s329(5) of the Corporations Act 2001 ("the Act").

A change of auditor arose as a result of the BDO East Coast Partnership restructuring its audit practice whereby audits will be conducted by BDO Audit Pty Limited, an authorised audit company, rather than BOD East Coast Partnership.

A resolution will be proposed at the 2020 Annual General Meeting to confirm the appointment of the company's auditor.

Note *Includes accrued audit fees as at 30 June 2020.

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.

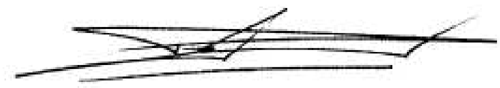
12. ROUNDING

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 27 and forms part of the Directors' Report for the financial year ended 30 June 2020.

This report is made with a resolution of the Directors:

	
Tony Noun Chairman	Anthony Mankarios Managing Director

Dated at Sydney this 30 September 2020

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Fax: +61 2 9240 9821
www.bdo.com.au

Level 11, 1 Margaret St
Sydney NSW 2000
Australia

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

As lead auditor of Inventis Limited for the year ended 30 June 2020, 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

Ryan Pollett
Director

BDO Audit Pty Ltd

Sydney

30 September 2020

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	Note	Consolidated 2020	Consolidated 2019
Continuing operations			
Revenue - Sale of Goods	*7*	8,015,770	11,798,019
Cost of sales		(3,828,988)	(7,357,121)
Gross Profit		4,186,782	4,440,898
Other (expenses) / income	*8*	917,805	(14,280)
Share of profits of associates accounted for using equity method		98,908	-
Expenses			
Manufacturing & operations		(1,136,200)	(1,387,026)
Engineering & quality assurance		(397,143)	(412,949)
Administration		(1,918,246)	(1,716,948)
Sales & marketing		(1,606,326)	(1,649,286)
Results from operating activities	*8*	145,580	(739,591)
Finance income		32,327	9,822
Finance expense		(470,711)	(939,981)
Net finance expense	*9*	(438,384)	(930,159)
Loss before income tax		(292,804)	(1,669,750)
Income tax benefit / (expense)	*10*	-	-
Loss from continuing operations		(292,804)	(1,669,750)
Loss for the period		(292,804)	(1,669,750)
Other comprehensive income			
Items that are or may be reclassified to the profit or loss			
Foreign currency translation differences for foreign operations - continuing operations		(404)	726
Other comprehensive income for the period, net of income tax		(404)	726
Total comprehensive income for the period		(293,208)	(1,669,024)
Earnings / (loss) per share			
Basic earnings per share (cents)	*23*	(0.04)	(0.24)
Diluted earnings per share (cents)	*23*	(0.04)	(0.24)
Continuing operations			
Basic earnings per share (cents)	*23*	(0.04)	(0.24)
Diluted earnings per share (cents)	23	(0.04)	(0.24)

The notes on pages 33 to 66 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 2020

Consolidated	Attributable to equity holders of the Company			
	Share capital	Foreign currency retranslation	(Accumulated losses)	Total equity
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)
Other comprehensive income				
Foreign currency translation differences for foreign operations				
- continuing operations	-	726	-	726
Total other comprehensive income	-	726	-	726
Total comprehensive loss for the period	-	726	(1,669,750)	(1,669,024)
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
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 33 to 66 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 2020

Consolidated	Attributable to equity holders of the Company				
	Share capital	Options Reserve	Foreign currency retranslation	(Accumulated losses)	Total equity
Balance at 1 July 2019	33,603,584	-	(1,095,799)	(35,581,569)	(3,073,784)
Total comprehensive income for the period					
Loss for the period	-	-	-	(292,804)	(292,804)
Other comprehensive income					
Foreign currency translation differences for foreign operations					
- continuing operations	-	-	(404)	-	(404)
Total other comprehensive income	-	-	(404)	(292,804)	(293,208)
Total comprehensive income for the period	-	-	(404)	(292,804)	(293,208)
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners					
Issue of ordinary shares	936,866		-	-	936,866
Share issue cost	(25,157)	-	-	-	(25,157)
Share based payments	-	17,982	-	-	17,982
Total contributions by and distributions to owners	911,709	17,982	-	-	929,691
Total transactions with owners	911,709	17,982	-	-	929,691
Balance at 30 June 2020	**34,515,293**	**17,982**	**(1,096,203)**	**(35,874,373)**	**(2,437,301)**

The notes on pages 33 to 66 are an integral part of these consolidated financial statements.

INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	Consolidated 2020	2019
Current Assets			
Cash and cash equivalents	*11*	556,937	425,391
Trade and other receivables	*12*	2,464,299	1,397,399
Inventories	*13*	1,961,537	1,441,583
Prepayments		15,495	27,065
Total current assets		4,998,268	3,291,438
Non-current assets			
Property, plant and equipment	*16*	154,646	170,274
Right of Use Asset	*20*	588,040	-
Investments accounted for using the equity method		98,908	-
Other financial assets	*14*	87,145	16,010
Intangible assets	*17*	3,400,746	3,041,883
Total non-current assets		4,329,485	3,228,167
Total assets		9,327,753	6,519,605
Current Liabilities			
Trade and other payables	*18*	3,963,861	3,878,532
Interest-bearing liabilities	*19*	686,713	949,113
Lease liabiity	*20*	358,530	-
Employee benefits	*21*	796,320	550,803
Provision for income tax		2,634	-
Total current liabilities		5,808,058	5,378,448
Non-current liabilities			
Interest-bearing liabilities	*19*	5,621,041	4,191,828
Lease liabiity	*20*	294,610	-
Employee benefits	*21*	41,345	23,113
Total non-current liabilities		5,956,996	4,214,941
Total liabilities		11,765,054	9,593,389
Net Liabilities		(2,437,301)	(3,073,784)
Equity			
Share capital	*22*	34,515,293	33,603,584
Reserves	*22*	(1,078,221)	(1,095,799)
Accumulated losses		(35,874,373)	(35,581,569)
Total equity		(2,437,301)	(3,073,784)

The notes on pages 33 to 66 are an integral part of these consolidated financial statements.

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INVENTIS LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

		Consolidated	
	Note	2020	2019
Cash flows from operating activities			
Receipts from customers		8,393,978	12,077,276
Recipts from government grants	*8*	441,883	-
Payments to suppliers and employees		(9,470,669)	(11,712,863)
Cash generated from operations		(634,808)	364,413
Interest received		17,591	9,822
Interest paid		(470,711)	(883,891)
Net cash used in operating activities	*31*	(1,087,928)	(509,656)
Cash flows from investing activities			
Purchase of fixed assets	*16*	(55,772)	(6,557)
Purchase of investments		(141,161)	-
Proceeds from the sale of fixed assets		500	(1,363)
Net cash (used in) investing activities		(196,433)	(7,920)
Cash flows from financing activities			
Proceeds from rights offer		936,866	-
Transactions costs paid		(25,157)	-
Proceeds from borrowings		1,429,213	2,441,825
Repayment of borrowings		(262,400)	(1,916,786)
Lease principal payments		(662,615)	-
Net cash from financing activities		1,415,907	525,039
Net (decrease) / increase in cash and cash equivalents		131,546	7,463
Cash and cash equivalents at 1 July		425,391	417,928
Cash and cash equivalents at 30 June	*11*	556,937	425,391

The notes on pages 33 to 66 are an integral part of these consolidated financial statements.

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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 2020 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 2020.

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
- Note 20 – Leases, incremental borrowing rate, lease period

(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 2020 the Group's current liabilities exceeded its current assets by $809,790 (2019: $2,087,010) and improvement of $1,277,220 from the previous financial year.

The Group recorded a loss for the financial year of $292,804 (2019: $1,669,750). Included in this result for 2019 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 $1,087,928 (2019: $509,656)

A waiver was obtained and as a result there was no breach of any loan covenants as at 30 June 2020.

Management has prepared detailed budgets and forecasts for the year ending 30 June 2021 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.

The detailed budgets had considered the continued impact of the Covid environment for the financial year ended 30 June 2021 after which a return to normal business conditions is anticipated for the following financial year.

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 2021 and 2022. 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 impact of Covid business environment for the year ending 2021 will be more than offset from the full year trading of the acquisitions made during the current financial year;
- 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 2020:
  - A debtor finance facility of $7,200,000 with THN Capital Solutions Pty Limited, a related party of the Group, which was drawn to $686,713 at balance date. Based upon the Group's Debtors, an amount of $852,768 was available to be drawn as at 30 June 2020; and
  - A term loan facility with THN Capital Solutions Pty Limited, a related party of the Group, of $5,600,000, which was drawn to $5,621,041 at balance date which included amounts of interest accruals totalling $56,846 and thereby reducing the drawn amount to $5,564,195; 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 in the financial year ended 2020 raised $0.9 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 2020 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.

1. Acquisitions

(a) Business Combination

Business combination occurs where an acquirer obtains control over one or more businesses. A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is obtained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not measured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognising any change to the fair value in profit and loss, unless the change in value can be identified as existing at acquisition date.

All transactions costs incurred in relation to the business combinations, other than those associated with the issue of a financial instrument, are recognised as expenses in profit and loss when incurred. The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

(b) Associates

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the consolidated entity's share of losses in an associate equal or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

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.

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’.

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.

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 and 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

The Group leases a number of assets that include property and equipment. The Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under AASB 16 the Group recognises right of use assets and lease liabilities for most of these leases.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.

On transition for these leases, the lease liabilities were measured at the present value of the remaining lease payments, discounted at the Groups borrowing rate. The Group did not recognise right of uses assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application or were low value assets. The right of use asset is depreciated on a straight-line basis over the term of the lease.

- Right-of-use assets

  A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

  Right of use assets are depreciated on a straight-line basis over the term of the lease. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

  The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

- Lease liabilities

  A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

  Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(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.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Impairment

i. Impairment of financial assets

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.

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.

Government grants are recognised as income when it is reasonably certain that the Group complies the conditions attached to them and when the right to receive payment is established. The Group has elected to recognise grant income as other income in the financial statements.

(l) 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.

(m) 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.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) 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.

(o) 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.

(p) 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.

(q) 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)

(r) Presentation of financial statements

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2020.

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.

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.

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 2020:
  - A debtor finance facility of $7,200,000 with THN Capital Solutions Pty Limited, a related party of the Group, which was drawn to $686,713 at balance date. Based upon the Group's Debtors, an amount of $852,768 was available to be drawn as at 30 June 2020; and
  - A term loan facility with THN Capital Solutions Pty Limited, a related party of the Group, of $5,600,000, which was drawn to $5,621,041 at balance date.

The Group also has access to both short term and long loan funding from a related party (refer Note 25(ii)).

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.

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. 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.

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. During the year the Group implement a program of reallocation and direct shared costs for payroll to the operating divisions of $3,008,029.

Information about reportable segments

	Furniture Division		Technology Division		Total	
	2020	2019	2020	2019	2020	2020
Total revenue	6,470,073	7,697,400	1,763,500	4,100,619	8,233,573	11,798,019
Inter-segment revenue	(217,803)	-	-	-	(217,803)	-
Total external revenue	6,252,270	7,697,400	1,763,500	4,100,619	8,015,770	11,798,019
Interest revenue	963	42	5	1,356	968	1,398
Interest expense	(274,444)	(315,176)	(30,754)	(78,212)	(305,198)	(393,388)
Depreciation	(113,322)	(25,450)	(1,942)	(3,520)	(115,264)	(28,970)
Amortisation	(984)	(1,039)	(1,814)	(311,251)	(2,798)	(312,290)
Capital expenditure	(37,732)	-	(12,600)	-	(50,332)	-
Reportable segment profit before income tax	919,466	2,618,945	68,217	1,265,818	987,683	3,884,763
Other material non-cash items:						
Share Services cost reallocation	(1,831,951)	-	(1,176,078)	-	(3,008,029)	-
Inventory rationalisation	-	(732,891)	-	(273,139)	-	(1,006,030)
Loss on disposal of fixed assets	(2,283)	-	(2,350)	-	(4,633)	-
Reportable segment assets	15,068,142	14,065,590	9,389,510	9,071,975	24,457,652	23,137,565

Other items 2020	Reportable Segment Totals	Corporate / Eliminations	Consolidated totals
Interest revenue	968	16,623	17,591
Interest expense	(305,198)	(165,513)	(470,711)
Capital expenditure	(50,332)	(5,440)	(55,772)
Depreciation	(115,264)	(559,123)	(674,387)
Amortisation	(2,798)	-	(2,798)

Other items 2019	Reportable Segment Totals	Corporate / Eliminations	Consolidated totals
Interest revenue	1,398	84,244	85,642
Interest expense	(393,388)	(490,503)	(883,891)
Capital expenditure	-	(1,787)	(1,787)
Depreciation	(28,970)	(41,683)	(70,653)
Amortisation	(312,290)	-	(312,290)
Inventory rationalisation	(1,006,030)	-	(1,006,030)

NOTE 6 SEGMENT REPORTING (continued)

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

	2020	2019
Revenues		
Total revenue for reportable segments	8,233,573	11,798,019
Elimination of inter-segment revenue	(217,803)	-
Consolidated revenue from continuing operations	8,015,770	11,798,019
Profit or loss		
Total profit / (loss) for reportable segments	987,683	3,884,763
Shared services payroll	18,982	(4,062,724)
Shared services facilities	(672,426)	(836,485)
Share services corporate and unallocated amounts	(627,043)	(655,304)
Consolidated profit / (loss) before income tax from continuing operations	(292,804)	(1,669,750)
Assets		
Total assets for reportable segments	24,457,652	23,137,565
Cash and cash equivalents held in shared services	415,471	406,451
Shared services fixed assets	28,324	55,067
Shared services lease assets	184,509	-
Shared services intangible assets	1,607,492	1,283,456
Eliminations and other shared service assets	(17,365,695)	(18,362,934)
Consolidated total assets	9,327,753	6,519,605
Liabilities		
Total liabilities for reportable segments	(5,790,390)	(4,715,035)
Interest bearing liabilities held in shared services	(5,621,041)	(4,191,828)
Eliminations and other shared service liabilities	(353,623)	(686,526)
Consolidated total liabilities	(11,765,054)	(9,593,389)

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

	2020		2019	
	Revenues	Non-current assets	Revenues	Non-current assets
Australia	8,015,770	4,329,485	11,798,019	3,228,167

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	
	2020	2019
Revenue from the sale of goods	8,015,770	11,798,019

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	
	2020	2019
Government Job Keeper Grant	468,675	-
Government Cash Boost Grant	112,858	-
R & D incentive	260,873	-
License fees	5,945	6,000
Other net (expenses) / income	63,036	(20,280)
Bargain on purchase of acquistion	11,051	
Loss on disposal of fixed assets	(4,633)	-
	917,805	(14,280)

(ii) Personnel expenses

	Consolidated	
	2020	2019
Wages and salaries	2,958,444	2,985,783
Other associated personnel expenses	436,861	462,807
Contributions to defined contribution plans	282,497	310,037
Increase / (decrease) in liability for annual leave	67,682	(34,022)
Increase in liability for long-service leave	52,456	20,610
	3,797,940	3,745,215

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

	Consolidated	
	2020	2019
Depreciation fixed assets	54,303	70,633
Depreciation ROU	620,083	-
Amortisation	2,798	312,290
Research & development	397,125	412,949
Net rental expense on operating leases: minimum lease payment	(13,458)	671,005

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

	Consolidated 2020	Consolidated 2019
Interest income on bank deposits	17,591	9,822
Net foreign exchange gain	13,503	-
Dividends received	1,233	-
Finance income	32,327	9,822
Interest expense on financial liabilities measured at amortised cost	(470,711)	(883,892)
Net foreign exchange loss	-	(56,089)
Finance expense	(470,711)	(939,981)

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 2020	Consolidated 2019
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 2020	Consolidated 2019
Total income tax expense		
Profit / (loss) from continuing operations excluding income tax	(292,804)	(1,669,750)
Income tax using the Company's domestic tax rate of 27.5%	(80,521)	(459,181)
Losses not recognised	134,235	514,071
Temporary differences not recognised	(53,714)	(54,890)
Tax (benefit) expense	-	-

NOTE 11 CASH AND CASH EQUIVALENTS

	Consolidated 2020	Consolidated 2019
Bank balances	556,937	425,391
Cash and cash equivalents in the statement of cash flows	556,937	425,391

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

NOTE 12 TRADE AND OTHER RECEIVABLES

	Consolidated 2020	2019
Current		
Trade receivables	1,924,351	1,351,404
Provision for expected credit losses	(19,009)	(10,601)
Other receivables	558,957	56,596
	2,464,299	1,397,399

Bad and Doubtful Trade Receivables

The Group maintains trade receivables insurance which has an excess of $15,000 per claim and the allowance for the expected credit 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 $13,107 of trade and other receivables denominated in US Dollars (2019: $4,125).

The Group's trade and other receivables at year end assessed under 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 part of this impairment review Covid had been considered but to date there has not been any. material impact on collectability.

As at 30 June 2020 current trade receivables of the Group with a nominal nil value (2019: Nil) were fully impaired.

NOTE 13 INVENTORIES

	Consolidated 2020	2019
Raw materials and consumables	1,365,908	1,344,195
Work in progress	411,245	43,168
Finished goods	182,548	54,220
Stock in transit	1,836	-
	1,961,537	1,441,583

There was a decrease in the provision of $119,223 in the provision for impairment to $164,577 (2019: $283,801) recognised in relation to certain obsolete inventories and is included in the amount shown for raw materials and consumables. The decrease was a direct result of the inventory rationalised that had occurred during the last financial year and better inventory management processes particularly taking into account the inventory requirements during the Covid economic environment.

NOTE 14 OTHER FINANCIAL ASSETS

	Consolidated 2020	2019
Non-current		
Rental deposits	81,923	9,521
Other investments	5,222	6,489
	87,145	16,010

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	
	2020	2019
Unused tax losses	16,498,122	14,582,498
Deductible temporary differences	1,719,235	1,523,912
	18,217,357	16,106,410
Potential benefit at 26.0%	4,736,513	4,429,263

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

NOTE 16 PROPERTY, PLANT AND EQUIPMENT

	2020					2019				
	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	42,165	103,495	8,113	16,501	170,274	61,747	144,510	9,708	18,385	234,350
Additions	-	35,145	6,446	-	41,591	4,770	1,787	-	-	6,557
Depreciation for the year	(24,111)	(26,696)	(2,261)	(1,235)	(54,303)	(24,352)	(42,802)	(1,595)	(1,884)	(70,633)
Disposals	-	-	-	(2,916)	(2,916)	-	-	-	-	0
Balance at 30 June	18,054	111,944	12,298	12,350	154,646	42,165	103,495	8,113	16,501	170,274
At 30 June										
Cost	124,144	1,242,066	82,337	46,481	1,495,028	124,144	1,206,921	75,891	57,663	1,464,619
Accumulated depreciation	(106,090)	(1,130,122)	(70,039)	(34,131)	(1,340,382)	(81,979)	(1,103,426)	(67,778)	(41,162)	(1,294,345)
Carrying amount	18,054	111,944	12,298	12,350	154,646	42,165	103,495	8,113	16,501	170,274
Carrying amounts										
At beginning of financial year	42,165	103,495	8,113	16,501	170,274	61,747	144,510	9,708	18,385	234,350
At end of financial year	18,054	111,944	12,298	12,350	154,646	42,165	103,495	8,113	16,501	170,274

NOTE 17 INTANGIBLE ASSETS

	2020					2019				
	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	-	13,016	3,041,883	2,973,867	55,000	-	323,943	3,352,810
Additions through business combinations	320,844	-	-	40,817	361,661	-	-	-	1,363	1,363
Amortisation for the year (Note 7 (iii)	-	-	-	(2,798)	(2,798)	-	-	-	(312,290)	(312,290)
Balance at 30 June	3,294,711	55,000	-	51,035	3,400,746	2,973,867	55,000	-	13,016	3,041,883
At 30 June										
Cost	3,458,010	1,753,000	1,086,623	1,846,791	8,144,424	3,137,166	1,753,000	1,086,623	1,805,974	7,782,763
Accumulated amortisation and impairment	(163,299)	(1,698,000)	(1,086,623)	(1,795,756)	(4,743,678)	(163,299)	(1,698,000)	(1,086,623)	(1,792,958)	(4,740,880)
Carrying amount	3,294,711	55,000	-	51,035	3,400,746	2,973,867	55,000	-	13,016	3,041,883
Carrying amounts										
At beginning of financial year	2,973,867	55,000	-	13,016	3,041,883	2,973,867	55,000	-	323,943	3,352,810
At end of financial year	3,294,711	55,000	-	51,035	3,400,746	2,973,867	55,000	-	13,016	3,041,883

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:

	2020	2019
Gregory Commercial Furniture Pty Limited	2,478,191	2,478,191
Workstations Pty Limited	320,844	-
Impart Special Products Pty Limited	495,676	495,676
	3,294,711	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 ("Furniture")
- Impart Special Products Pty Limited ("Technology")
- Workstations Pty Limited ("Workstations")

Based on management impairment test conducted as at 30 June 2020 the estimated recoverable amount of the Furniture CGU exceeds it carrying amount by approximately $5,986,606, the Workstations CGU exceeds it carrying amount by approximately $4,265,604 and $4,693,150 for Technology CGU. 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 6.0% in 2021, 28.5% in 2022 and 5.0% thereafter is calculated for the Furniture CGU's estimated recoverable amount to be equal to the carrying amount.
- A minimum revenue growth of 45.0% in 2021and 5.0% thereafter is calculated for the Workstations CGU's estimated recoverable amount to be equal to the carrying amount.
- A minimum revenue growth of 17.0% in 2021 and 5.0% thereafter is calculated for the Technology CGU's estimated recoverable amount to be equal to the carrying amount.

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:

2020 Value in use assumptions:

Cash flows were projected based on the Management approved forecasts for the financial year ending 30 June 2021 and 30 June 2022, cash flows for further 3-year period to 30 June 2025 were extrapolated using a constant growth rate and a terminal value incorporated.

The Covid environment has been factored into calculations for the financial year ended 2021 thereafter normal trading conditions are anticipated.

Cash Generating Unit ("GCU")	**Furniture**	**Workstations**	**Technology**
Revenue growth in approved forecast for year ended 30 June 2021	6.0%	151.4%	78.5%
Revenue growth in approved forecasts for year ended 30 June 2022	67.1%	5.0%	11.5%
Annual average revenue growth per annum 2023– 2025	5.0%	5.0%	5.0%
Inflation per annum	3.0%	3.0%	3.0%
Cost growth per annum 2022 -2025	3.0%	3.0%	3.0%
Pre-tax discount rate	18.6%	18.6%	18.6%

2019 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%

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	
	2020	**2019**
Trade payables	1,538,605	1,124,203
Other trade payables	442,733	229,107
GST Payable	203,996	194,718
PAYG Payable	1,183,449	1,470,212
Non-trade payables and accrued expenses	595,078	860,292
	3,963,861	3,878,532

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

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 2020	2019
Current liabilities		
Debtors finance facility	686,713	949,113
Loan from related party (Note 25(ii))	-	-
	686,713	949,113
Non-current liabilities		
Loan from related party (Note 25(ii))	5,621,041	4,191,828
	5,621,041	4,191,828

Terms and debt repayment schedule

Terms and conditions of outstanding loans were as follows:

Consolidated				2020		2019	
	Currency	Interest rate	Year of maturity	Face value	Carrying amount	Face value	Carrying amount
Debtors financing facility	AUD	9.30% -11.75%	2021	686,713	686,713	949,113	949,113
Interest bearing long term debt	AUD	7.75%	2022	5,621,041	5,621,041	4,191,828	4,191,828

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

NOTE 20 LEASES

Transition approach

The Group has adopted AASB 16 using the modified retrospective approach and has not restated comparative amounts. The Group has followed the simplified option whereby it has measured its lease liabilities at the present value of the remaining lease payments, discounted using the appropriate incremental borrowing rate as of 1 July 2019 of 4.63%.

The associated right-of-use-assets were recognised as of 1 July 2019 as an amount equal to the lease liability, using the prevailing incremental borrowing rate at 1 July 2019, adjusted for accrued lease payments relating to that lease which were recognised in the statement of financial position immediately before 1 July 2019 of $72,364.

As a result, there was no impact on opening retained earnings from the adoption of the standard.

	Consolidated		
	Lease Property	Lease Equipment	Total
Right of Use Asset	699,541	13,696	713,237
Current Lease liability	(665,328)	(4,806)	(670,134)
Non-current Liease liability	(105,197)	(10,270)	(115,467)
	(70,984)	(1,380)	(72,364)

AASB 16 for the 12 months ended 30 June 2020:

- Depreciation expense increased by $655,352 relating to the depreciation of additional assets recognised;
- Rental expense decreased by $624,288 relating to previous operating leases;
- Finance costs increased by $38,328 relating to the interest expense on additional lease liabilities recognised; and
- Cash outflows from operating activities decreased by $624,288 and cash outflows from financing activities increased by the same amount, representing the payments for the principal portion of the recognised liabilities.

Finance lease payments	Consolidated 2020	2019
Within one year	330,440	880,820
Later than one year but not later than five years	329,841	342,294
	660,281	1,223,114

NOTE 21 LEASES (continued)

	Consolidated 2020
Reconciliation of Right of Use Assets	
Right of use assets recognised upon transition - 1 July 2019	713,237
Right of use assets through business combinations	530,155
Amortisation expense	(655,352)
Balance as at 30 June 2020	588,040
Reconciliation of Lease Liability	
Lease liability recognised on transition – 01 July 2019	(785,601)
Lease liability recognised through business combinations	(530,155)
Interest expense and cash payments	662,616
Balance as at 30 June 2020	(653,140)

NOTE 21 EMPLOYEE BENEFITS

	Consolidated	
	2020	2019
Current		
Liability for annual leave	196,484	128,801
Liability for long service leave	282,185	247,960
Other employee benefits	317,651	174,042
Total employee benefits - current	796,320	550,803
Non-current		
Liability for long service leave	41,345	23,113
Total employee benefits - non-current	41,345	23,113

NOTE 22 CAPITAL AND RESERVES

Share capital
Equity Share Capital

	Ordinary shares	
	2020	2019
On issue at 1 July	702,649,369	702,649,369
Issued for cash	234,216,450	-
Reclassification - converted to ordinary shares	-	-
On issue at 30 June	936,865,819	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.

in AUD Dollars	2020	2019
0.0 cents per non-redeemable preference share (2019: 0.0 cents)	-	-
	-	-

In AUD Dollars	2020	2019
Dividend franking account		
Amount of franking credits available to shareholders of Inventis Ltd for subsequent financial years	1,538,743	1,538,743

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 (2019: $1,538,743) 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.

NOTE 23 EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share at 30 June 2020 was based on the (loss) / profit attributable to ordinary shareholders of ($292,804) (2019: ($1,669,750)) and a weighted average number of ordinary shares outstanding of 817,389,056 (2019: 702,649,369). The calculation of basic earnings per share for continuing operations at 30 June 2020 was based on the (loss) / profit attributable to ordinary shareholders for continuing operations of ($292,804) (2019: ($1,669,750)) and the same weighted average number of shares.

Weighted average number of ordinary shares

	2020	2019
Issued ordinary shares at beginning of the period	702,649,369	702,649,369
Weighted average number of ordinary shares at the end of the period	817,389,056	702,649,369

Diluted earnings per share

The calculation of diluted (loss) / earnings per share at 30 June 2020 was based on the earnings attributable to ordinary shareholders of ($292,804) (2019: ($1,669,750)) and a weighted average number of ordinary shares outstanding of 817,389,056 (2019: 702,649,369). The calculation of diluted earnings per share for continuing operations at 30 June 2020 was based on the (loss) / earnings attributable to ordinary shareholders for continuing operations of ($292,804) (2019: ($1,669,750)) and the same weighted average number of shares.

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

	Consolidated	
	2020	2019
Net (loss) / profit from continuing operations attributable to ordinary shareholders (basic)	(292,804)	(1,669,750)
Net (loss) / profit from continuing operations attributable to ordinary shareholders (diluted)	(292,804)	(1,669,750)

Weighted average number of ordinary shares (diluted)

	Consolidated	
	2020	2019
Weighted average number of ordinary shares (basic)	817,389,056	702,649,369
Weighted average number of ordinary shares (diluted) at 30 June	817,389,056	702,649,369

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

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:

		Consolidated	
	Note	2020	2019
Cash and cash equivalents	*11*	556,937	425,391
Trade and other receivables	*12*	2,464,299	1,397,399
		3,021,236	1,822,790

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

		Consolidated	
	Note	2020	2019
Australia		1,867,436	1,304,646
Malaysia		33,084	25,035
New Zealand		-	16,123
USA		23,831	5,524
China		-	76
	12	1,924,351	1,351,404

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

	Note	2020	2019
End user customer		1,429,554	706,417
Distributors		129,990	143,445
Government		364,807	501,542
	12	1,924,351	1,351,404

Impairment Losses

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

Consolidated	Gross 2020	Impairment 2020	Gross 2019	Impairment 2019
Current	1,168,663	-	1,049,802	-
Past due 30 days	604,912	-	252,095	-
Past due 60 days	122,871	-	24,957	-
Past due 90 days and over	27,905	19,009	24,550	10,601
	1,924,351	19,009	1,351,404	10,601

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

	Note	2020	2019
Balance 1 July		10,601	3,966
Impairment (reversal) / loss recognised		8,408	6,635
Balance at 30 June		19,009	10,601

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 2020.

However, the Group maintained an impairment loss provision of $19,009 (2019: $10,601) 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.

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	Consolidated EUR	Consolidated USD
30 June 2020				
Trade receivables		-	-	13,107
Trade payables		(20,073)	-	(30,133)
Net exposure		(20,073)	-	(17,026)
Estimated forecast sales		25,000	-	1,310,000
Estimated forecast purchases		-	-	(2,581,600)
Gross Exposure		4,927	-	(1,288,626)
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	(152,500)	(2,183,179)

The following rates applied during the year:

	Average rate 2020	Average rate 2019	Reporting date spot rate 2020	Reporting date spot rate 2019
NZD 1.00 = AUD	0.9485	0.9219	0.9343	0.9219
USD 1.00 = AUD	1.4913	1.2950	1.4571	1.2950

Sensitivity Analysis

Consolidated	30-Jun-20 Equity	30-Jun-20 Profit or loss	30-Jun-19 Equity	30-Jun-19 Profit or loss
NZD	(749,649)	(1,731)	(812,953)	(1,898)
EURO	-	-	-	311
USD	-	(2,308)	-	(9,559)
Total	**(749,649)**	**(4,039)**	**(812,953)**	**(11,146)**

Interest rate risk

Profile

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

	Note	2020	2019
Fixed rate instruments			
Financial assets			
Cash and cash equivalents	*11*	405,923	397,732
Financial liabilities			
Secured Loan	*19*	(5,621,041)	(4,191,828)
Total fixed rate instruments		(5,215,118)	(3,794,096)
Variable rate instruments			
Financial assets			
Cash and cash equivalents	*11*	150,989	27,659
Financial liabilities			
Debtors financing facility	*19*	(686,713)	(949,113)
Total variable rate instruments		(535,724)	(921,454)

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 2019.

	Note	Increase 100bp $	Decrease 100bp $
30 June 2020			
Variable rate instruments		(63,078)	63,078
30 June 2019			
Variable rate instruments		(9,491)	9,491

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	2020							2019						
	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	10.53%	686,713	686,713	-	-	-	-	9.55%	949,113	949,113	-	-	-	-
Lease Liabilities	4.63%	653,140	240,655	117,875	180,132	114,478	-		-	-	-	-	-	-
Loan from related party	7.75%	5,621,041	-	-	-	5,621,041	-	7.75%	4,191,828	-	-	4,191,828	-	-
Carrying amount		6,960,894	927,368	117,875	180,132	5,735,519	-		5,140,941	949,113	-	4,191,828	-	-

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	2020		2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Trade and other receivables	2,464,299	2,464,299	1,397,399	1,397,399
Cash and cash equivalents	556,937	556,937	425,391	425,391
Trade and other payables	(3,963,861)	(3,963,861)	(3,878,532)	(3,878,532)
Debtors financing facility related party	(686,713)	(686,713)	(949,113)	(949,113)
Lease liabilities	(653,140)	(653,140)	-	-
Related Party Loan	(5,621,041)	(5,621,041)	(4,191,828)	(4,191,828)

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 2020	Consolidated 2019
Short term employee benefits		499,539	228,858
Other long term benefits		17,982	-
Post-employment benefits		37,845	32,532
Termination benefits		-	2,356
		555,366	263,746

i. Transactions with Key Management Personnel

The Company paid interest of $667,877 (2019: $832,529), purchased information technology services of $10,055 (2019: $5,204), obtained an additional loan totalling $1,599,213 and repaid $538,994 (2019: obtained a loan of $2,548,419 and repaid $1,916,786) from / to entities associated with Tony Noun. All transactions entered into had been done on arm's length basis.

The Company paid interest of $555 (2019: Nil), obtained an additional loan totalling $94,195 and repaid $94,195 (2019: obtained a loan of Nil and repaid Nil) from / to entities associated with Anthony Mankarios. 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 $6,307,754 (2019: $5,247,535).

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.

NOTE 26 ACQUISITION OF SUBSIDIARIES AND ASSOCIATES

i. Workstations Pty Ltd

On the 1 November 2019 the Group member Vibe Furniture Pty Limited acquired all the of the shares in Workstations Pty Ltd for a total consideration amount of $1.10. The company provides for the planning, design, supply and installation workstation systems and commercial office furniture.

Due to the timing of the acquisition, the accounting for the acquisition has been determined in accordance with AASB 3 Business Combinations'

The acquired business contributed revenues of $1,319,505 and profit after tax of $241,941 to the consolidated entity for the period from 1 November 2019 to 30 June 2020. If the acquisition occurred on 1 July 2019 the full-year contributions would have been revenues of $1,857,834 and profit after tax of $62,748.

The acquisition of Workstations Pty Ltd had the following effect on the Group's assets and liabilities on acquisition date:

	Recognised *on Acquistion*
Cash and cash equivalents	1,268
Trade and other receivables	172,290
Inventories	118,095
Right of use asset	497,103
Other financial assets	52,901
Trade and other payables	(300,034)
Interest-bearing liabilities / leases	(795,154)
Employee benefits	(64,251)
Provision for Income tax	(3,061)
Net identifiable assets and Liabilities	(320,843)
Goodwill on Acquisition	320,844
Consideration paid	1

ii. Bassett Furniture Pty Ltd

On the 1 April 2020 the Group member Vibe Furniture Pty Limited acquired all the of the shares in Basset Furniture Pty Ltd for a total consideration amount of $319,251. The company manufactures and supply's commercial soft furniture.

Due to the timing of the acquisition, the accounting for the acquisition has been in accordance with AASB 3 Business Combinations'

The acquired business contributed revenues of $317,035 and profit after tax of $107,078 to the consolidated entity for the period from 1 April 2020 to 30 June 2020. If the acquisition occurred on 1 July 2019 the full-year contributions would have been revenues of $1,279,501 and loss after tax of $6,960.

The acquisition of Bassett Furniture Pty Ltd had the following effect on the Group's assets and liabilities on acquisition date:

	Recognised *on Acquistion*
Cash and cash equivalents	177,250
Trade and other receivables	181,736
Inventories	83,249
Property, plant and equipment	28,423
Other financial assets	19,500
Trade and other payables	(94,023)
Employee benefits	(65,833)
Provision for Income tax	
Net identifiable assets and Liabilities	330,302
Net Gain on acquistion	11,051
Consideration paid	319,251

iii. Winya Indigenous Furniture Pty Ltd

On the 13 September 2019 the Group's member Vibe Furniture Pty Limited acquired 49% of the shares in Winya Indigenous Furniture Pty Ltd for a total consideration amount of $1.10. Winya Indigenous Furniture Pty Ltd is a majority Indigenous owned and controlled business, supplying workstations, sit-stand desks, task seating, lounges and storage, lockers and boardrooms.

The Group has determined it has significant influence over Winya and hence has applied equity accounting in accordance with AASB 128 Investments in associates and joint ventures.

NOTE 27 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	
			2020	2019
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 HR Services Pty Limited	Australia	100	100
	Inventis Properties Pty Limited	Australia	100	100
	Vibe Furniture Pty Limited	Australia	100	100
Vibe Furniture Pty Limited	Bassett Furniture Pty Limited	Australia	100	-
	Workstations Pty Limited	Australia	100	-
	Winya Indigenous Office Furniture Pty Limited *	Australia	49	-

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

* Equity accounted as an associate as the Group has significant influence.

NOTE 28 PARENT ENTITY DISCLOSURES

As at, and throughout, the financial year ended 30 June 2020 the parent company of the Group was Inventis Limited.

	Company	
	2020	2019
Results of the parent entity		
Loss for the period	(1,974,755)	(4,031,887)
Other Comprehensive income	-	-
Totat comprehensive (loss) for the period	(1,974,755)	(4,031,887)
Financial position of parent entity at year end		
Current assets	8,766,658	6,356,101
Total assets	9,294,565	8,222,029
Current liabilities	(353,334)	(417,454)
Total liabilities	(5,974,375)	(3,856,774)
Total equity of the parent entity comprising of:		
Share Capital	43,475,705	42,546,016
Accumulated losses	(40,155,515)	(38,180,761)
Total equity	3,320,190	4,365,255

NOTE 29 SUBSEQUENT EVENTS

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 30 AUDITOR'S REMUNERATION

	Note	Consolidated 2020	2019
Audit Services			
Auditors of the Company			
BDO Audit Pty Ltd			
Audit and review of financial reports		100,000	75,500
		100,000	75,500
Other services		-	-
Total Auditor's Remuneration		100,000	75,500

Note * Reflects accrued audit fees as at 30 June 2020

The BDO entity performing the audit of the Group transitioned from BDO East Coast Partnership to BDO Audit Pty Limited on 4th August 2020. The disclosure includes amounts received or due to be receivable by BDO East Coast Partnership, BDO Audit Pty Ltd and their respective related entities.

NOTE 31 RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	Consolidated 2020	2019
Cash flow from operating activities		
Loss after tax	(292,804)	(1,669,750)
Adjustment for non-cash items:		
Depreciation / amortisation of ROU	674,386	70,633
Amortisation of intangible assets	2,798	312,290
Inventory rationalisation	-	1,006,030
Unrealised foreign exchange gains / (losses)	4,231	(12,785)
Loss on sale of property plant and equipment	4,633	-
Gain on acquistion of subsidiary	(11,051)	
Share of profits of assocites accounted for uising equity method	(98,908)	-
Operating loss before changes in working capital	283,285	(293,582)
(Increase) / decrease in trade and other receivables	(1,066,900)	473,586
Decrease in prepayments	11,569	4,158
(Increase) / decrease in inventories	(519,953)	43,903
Decrease in trade and other payables	(59,677)	(578,523)
Increase / (decrease) in employee benefits	263,748	(159,198)
Net cash (ouflow) / intflow from operating activities	(1,087,928)	(509,656)

DIRECTORS' DECLARATION

1. In the opinion of the directors of Inventis Limited ('the Company'):

   a. the financial statements and notes set out on pages 28 to 66 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 2020 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 2020.

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 Managing Director

Dated at Sydney this 30 September 2020

Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Level 11, 1 Margaret St
Sydney NSW 2000
Australia

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 2020, 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 2020 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 (including Independence Standards)* (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

Key audit matter	*How the matter was addressed in our audit*
As disclosed in Note 17 of the financial report Goodwill amounted to $3,294,711 at 30 June 2020. 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.	Our audit procedures included, amongst others: • Evaluating and challenging the assumptions used in the discounted cash flow analysis, in particular the key assumptions regarding revenue growth, gross margin and expenses; • 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; • Using our valuations specialists, to create our own independent expected range of discount rates, taking into consideration local market risk; and • Evaluating the adequacy of the disclosures in Note 17 pertaining to 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.

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 2020, 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:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.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 18 of the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Inventis Limited, for the year ended 30 June 2020, 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 Audit Pty Ltd

BDO
Ryan Pollett

Ryan Pollett
Director

Sydney, 30 September 2020

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 11 September 2020)

Substantial Shareholders

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

Shareholder	Number Held
MRS DEBRA ANN NOUN	239,600,000
INNOVATIVE MANAGEMENT PTY LIMITED	125,333,327
RICHTOLL PTY LIMITED	85,029,916
TOVEKEN PROPERTIES PTY LTD	68,999,889
DR DAVID REX GEORGE LITTLEJOHN	40,444,420

2. Voting rights

Ordinary shares

Every ordinary share is entitled to one vote when a poll is called, otherwise each member present t 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	370,240
5,001-10,000	476,676
10,0001-100,000	3,574,657
100,001-9,999,999,999	932,428,072
Rounding Total	**936,865,819**

The number of shareholders holding less that a marketable parcel of ordinary shares is 240 as at 11 September 2019.

Unmarketable Parcels

	Minimum Parcel Size	Holders	Units
A below minimum $500.00 parcel at $0.0080 per unit	62,500	240	2,443,002

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.

4. Twenty largest shareholders

Rank	Name	Units at 11 September 2020	% of Units
1	MRS DEBRA ANN NOUN	239,600,000	25.57
2	INNOVATIVE MANAGEMENT PTY LIMITED	125,333,327	13.38
3	RICHTOLL PTY LIMITED	85,029,916	9.08
4	TOVEKEN PROPERTIES PTY LTD	68,999,889	7.36
5	DR DAVID REX GEORGE LITTLEJOHN	40,444,420	4.32
6	BASELINE PROFESSIONAL SERVICES PTY LTD	29,440,004	3.14
7	MR BRIAN PAUL HERMANN & WAIKATO TRUSTEE SERVICES LTD	26,666,665	2.85
8	BOBBIN ED PTY LTD	25,373,330	2.71
9	LOG-IT PTY LTD	24,560,000	2.62
10	AUSTRALIAN PERPETUAL PROPERTIES PTY LTD	22,241,607	2.37
11	FALAFEL INVESTMENTS PTY LIMITED	17,498,592	1.87
12	NICHOLAS P S OLISSOFF	15,000,000	1.60
13	STARBALL PTY LTD	14,880,162	1.59
14	PETFERN CONSULTANTS PTY LTD	13,399,999	1.43
15	RUSSELL ROY MALONEY	12,499,998	1.33
16	JOELBESU INVESTMENTS PTY LTD	10,152,734	1.08
17	M & D LITTLEJOHN PTY LIMITED	9,955,545	1.06
18	MR PAUL ANTHONY FLORO	9,799,992	1.05
19	SEYONE PARTNERS PTY LIMITED	8,500,000	0.91
20	BALDMAN INVESTMENTS PTY LIMITED	8,101,883	0.86
	Totals: Top 20 holders of Ordinary Fully Paid Shares	**807,478,063**	**86.19**
	Total Remaining Holders Balance	**129,387,756**	**13.81**

5. Offices and Officers

Tony H Noun, Chairman

Peter Bobbin, Non-Executive Director

Anthony Mankarios, Managing Director

Alfred Kobylanski, Chief Financial Officer

Jeffery Stone, General Manager Technology

Gregory Welsh, General Manager Furniture

6. Company Secretary

Alfred Kobylanski

7. Co-Company Secretary

Chantelle Knight

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 Audit Pty Ltd

Level 11, 1 Margaret Street

Sydney NSW 2000

Solicitors

Eakin McCaffery Cox

Level 28, I Market Street

Sydney NSW 2000

Performance Culture and awards

inventis
inspired solutions

inventis
technology

GREGORY
innovating ergonomic seating

opentec

EAS

impart

PNE

SAFEZONE

bevisco
intelligent by design

Bassett furniture
FINE UPHOLSTERY

WORKSTATIONS.COM.AU

Winya*

*49% shareholder of Winya