

ANNOUNCEMENT TO THE ASX – 31 July 2020

Inventis Limited [ASX: IVT] – Quarterly Activity Report 30 June 2020

General Operation review

During the quarter ended 30 June 2020 the Group's business and organisation structure changed which was in line with the businesses strategic plan and was reflected in the 100% acquisition of Bassett Furniture Pty Ltd (www.bassettfurniture.com.au), an Australian manufacturer of commercial soft seating and lounges. This is inline with of our strategy of being a wholly owned Australian manufacturer of commercial office seating and electronics. The Group also acquired the business trade mark of Bevisco Commercial Interiors (www.bevisco.com.au) this is now trading under our Workstations Pty Ltd business.

In addition, the Group's associate has changed its name to Winya Indigenous Office Furniture Pty Ltd and has opened up new showrooms in Canberra, Darwin and Perth during this period.

The business operations continued to respond to changes in the demand from customers, its supply chain, distribution channels and social distancing requirements as result of the COVID 19 pandemic. The businesses sales and marketing activity continues and has grown its significant pipeline for the Group during the quarter.

During this period Gregory Commercial Furniture Pty Ltd was awarded a new chair seat Patent 2019020821 (for its Dual density Mark II) and lodged a new provisional Patent 2020901303 for its "Smart Chair" technology which will be launched in early FY 21. The combination of patents will set new benchmarks in work health and safety and the risk management environment. As we move into work from home the new products will highlight benefits to WH&S professionals. Early take up is expected by major government departments.

Changes to work procedures have continued and will for the foreseeable future as a result of COVID-19 guidelines as has been previously announced. In addition, the Group is currently negotiating rental decreases for its Corporate locations going into FY 21 and beyond.

Senior management (including the MD) and all agreeable staff voluntarily to continue to take a 20% cut in salary and fees, this will remain in place whilst the Covid-19 restrictions are in place and will be reviewed periodically regardless this is subject to work availability. Notwithstanding the group continues to manage cash expenditure to bring it in line with the reduced revenue with the added assistance of Job keeper.

Related Parties

During the quarter the Group made payments to related parties have remained unchanged for example interest to a related company as they are the main provider of funding for the Group along with a company contracted to supply the services of the Groups managing Director.

Authorised for issue by the Company Secretary.

Contacts

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Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

INVENTIS LIMITED

ABN

40 084 068 673

Quarter ended ("current quarter")

30 JUNE 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,099	8,119
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,129)	(4,498)
(c) advertising and marketing	(25)	(58)
(d) leased assets	(55)	(233)
(e) staff costs	(922)	(3,711)
(f) administration and corporate costs	(139)	(721)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	15	104
1.5 Interest and other costs of finance paid	(213)	(448)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	279	279
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(90)	(1,167)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(22)	(41)
(b) businesses (see item 10)	-	(56)
(c) investments	(137)	(137)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(d) intellectual property	(41)	(41)
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(200)	(275)

275

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	502
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	2	(12)
3.5	Proceeds from borrowings	397	1,697
3.6	Repayment of borrowings	-	(613)
3.7	Transaction costs related to loans and borrowings		-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	399	1,574

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	448	425
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(90)	(1,167)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(200)	(275)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	399	1,574

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	557	557

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	557	451
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	(3)
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	557	448

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

50

-

Costs associated with the running of the board and associated services provided.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

0

-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	5,621	5,621
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

THNCS provides the loan facility to Inventis Ltd. The interest rate is 7.75%. This is an unsecured loan.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	1,400
9.3 Advertising and marketing	25
9.4 Leased assets	0
9.5 Staff costs	850
9.6 Administration and corporate costs	100
9.7 Other (provide details if material)	
9.8 Total estimated cash outflows	2,375

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	Bassett Furniture Pty Ltd	-
10.2 Place of incorporation or registration	Sydney, NSW	-
10.3 Consideration for acquisition or disposal \$'000	\$319	-
10.4 Total net assets \$'000	\$330	-
10.5 Nature of business	Manufacturing	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



(Director/Company secretary)

Date: 31/07/2020

Print name:

ALURED KOBYLANSKI

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.