
ASX ANNOUNCEMENT – Inventis Limited [ASX: IVT]
Chairman's Address to the Annual General Meeting – 27 November 2020



Tony Noun, Chairman

We started our session today by acknowledging the Darug people, Traditional Custodians of the land on which we are meeting, and paid our respects to their Elders past and present and extended our respect to Aboriginal and Torres Strait Islander peoples here today. We at Inventis firmly believe in the values of country, inclusion and diversity. For these Value are at the heart of our commitment to all of our stakeholders and include our unique relationship with Indigenous Australia through Winya.

What a year 2020 has been. COVID-19 has certainly shattered our views as to the definition of challenging. So let me start by saying thank you to our resilient and dedicated staff for their extra-ordinary efforts during these times.

A special thank you to the many staff who took voluntary pay cuts to help at a time where we experienced revenue declines in excess of 30% due to COVID-19. The shut downs, particularly in Victoria, were drastic and affected the economies and the industries we trade in. This lockdown period led to some companies within the group to be supported by Job-Keeper and some are yet to recover and consequently, they continue to qualify for Job-keeper. Nonetheless, Revenue this year-to-date is significantly up, as a result of the acquisitions and investments we made during the 2020 Financial Year.

As Australians we count our blessings when we see what is happening elsewhere in the world. We could have remained open and IVT would have likely had a great end to 2020 and a fantastic start to the 2021 Financial Year, however, that would have had a human cost that far outweighs any possible benefit.

A handwritten signature in black ink, appearing to be 'A. Noun', located at the bottom right of the page.

As a token of our appreciation to our resilient and dedicated staff, an Employee Share Bonus of 100,000 Ordinary Shares in Inventis Limited, at an Issue Price of \$0.01 per share, is being issued to each and every member of staff that joined or been working with the Inventis group, on or before 1 July 2019. This Bonus does not apply to Directors or Executives of the Company who are eligible to participate in the Company's "Employee Share Option Plan". This is due to occur on or before 18 December 2020.

Notwithstanding the significant challenges of Covid-19, our results for the year ended 30 June 2020, compared to the previous financial year, is testimony to the turn-around efforts of the group's pro-active performance-driven leadership and a can-do culture, spearheaded by our Managing Director, Anthony Mankarios, supported by our General Managers, Greg Welsh (Furniture), Jeffry Stone (Technology) and our CFO, Alfred Kobylanski. These results being,

- Revenue: \$8 Million. A reduction of 32.1% as compared to last year (FY-2019);
- Group Network Sales: \$12 Million. Up 3% as compared to last year (FY-2019);
- EBITDA: \$0.82 Million.: An improvement on last year of 330% (FY-2019); and
- Net Profit, After Tax: A loss of \$0.29 Million, which is an 82.5% improvement on last year's loss of \$1.67 Million (FY-2019). (This outcome included abnormal research and development costs and costs associated with our acquisitions of Winya, Workstations, Bassett and Bevisco, in the sum of \$0.16 Million).

Interest costs are of significance and thus a key focus for us is capital management. In this regard, we are considering alternative ways in which we are able to extend and/or reduce debt and the costs relating thereto, by looking to issue Convertible Notes with a high level of fully-franked dividends that we can offer to all our existing shareholders in the first instance. A likely release date for this is March/April 2021. Funds raised used to retire some existing debt and to provide the Company with additional working capital to facilitate its strategic imperatives. Importantly, it is expected that substantive incentives will be available to Convertible Note holders to have these convert to Ordinary Shares and thus strengthen the Company's Balance Sheet.

Our Mergers and Acquisitions programme of seeking out businesses that share our goals and values continues in earnest. In addition to the four (4) acquisitions, which we completed on favourable terms in 2020 [Winya, Workstations, Bassett and Bevisco], we are currently in advanced discussions with two interested parties in the Commercial Office Furniture space and we'll provide more information on this once we have a binding agreement in place. Our M&A strategy is already contributing to the future growth and stability of our revenue stream and uniquely places us, as a premier innovative and uniquely Australian design and manufacture Group. An example of our unique abilities and innovation is our Smart Chair technology that you will be hearing more about from Anthony (Managing Director). This is where we, a small Australian group, are leading the world in smart ergonomic seating solutions.





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Customers, Distributors/Re-Sellers and Suppliers coupled with our Staff and Shareholders, are the reason for being and the success of our Company and with that in mind, we are committed to the aim of 100% satisfaction in every aspect of our business. Thus, Corporate Governance, Procedures and Accountability and the re-enforcement of our core values and cultural statement, are all central to our program of continuous improvement, accepting responsibility and showing integrity in all that we do.

The Board believes that continuing our successful strategic plan implementation program will positively impact profitability, share price and shareholder value; and I acknowledge the continued support of our Financiers, Staff, Suppliers, Resellers and customers for their loyalty and support as we work together to achieve desired results for all stakeholders.

Thank you again, and on behalf of everyone at the Inventis Group, I wish you and yours, a very happy Christmas and a Festive Holiday Season.

Tony Noun
Chairman, Inventis Limited