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



Anthony Mankarios, Managing Director

Thank you, Tony. Good Morning and Welcome to the Inventis Limited 2020 Annual General Meeting.

I am pleased to report that this Financial Year 2021 to date, we are ahead of our net earnings forecast. This is despite the impacts of the COVID-19 worldwide pandemic, which caused significant uncertainty and delays to Corporate and Government planned project execution and/or commencement timelines. This, together with inter-state and international travel restrictions affected our ability to close opportunities, particularly overseas, which are now expected to be reviewed in the second half of FY2021.

Year to date management numbers, as at 31 October 2020,

- Net Earnings after tax is (\$140K). This is a 64.9% improvement on last year's loss and 14.3% below the budgeted loss;
- EBITDA of \$325K this is up 183% from same period last year of an EBITDA loss of \$391.6K;
- Revenue of \$3.15Million up 46.9% on the same period like for like last year and slightly below budget by -0.5% (due to timing of orders);
- Group Network Sales is \$5.1Million which is 6.6% up on the same period like for like last year and +1% above budget; and
- Our current pipeline opportunities and tender values are in currently in excess of \$131 million.

The overall Pipeline including negotiated opportunities increased YoY by a factor of over 4.3 times and we are experiencing strong signs of post Covid-19 demand from both Government and Education sector tenders to start coming through from second quarter of the 2021/2022 FY.

Since the end of this 2020 financial year, we have introduced the new G-Smart™ Smartphone technology Chair - Patent lodged with the official product launch scheduled for February 2021. This technology can be incorporated into any one of the many Gregory "MyChair" range and





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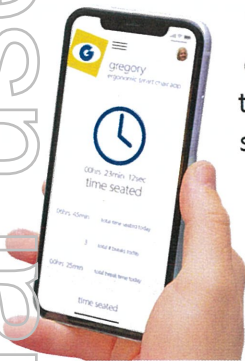
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allows Smart Chair to talk to your phone, with both android and apple apps available. This is potentially game changing technology as it changes the way we do things in the office and work from home, allowing a significantly improved ergonomic experience. It will factor into how we better manage Work Health and Safety risk and allow for better asset management tools in the workplace.



To be clear this added ergonomic technology brings about a new level of pro-active compliance for Work, Health and Safety practitioners and an ability for corporates to better manage their asset deployment and information system, while at the same time benefit from enhanced staff well-being and staff productivity.

It is worth noting that Gregory Chairs are recognised as the pinnacle of quality Ergonomic Australian manufactured seating solutions and one that maintains the highest level of independent NATA quality certification, AFRDI "Australasian Furnishing Research and Development Institute" accreditation and, as well as the GECA "Good Environmental Choice Australia" - eco tick of approval.

The change in direction for the Company with Gregory Chairs, from being recognised as Australia's Task Chair manufacturer, to a larger scale all-inclusive Commercial Furniture Division, continues to take place with further M&A opportunities being explored on an ongoing basis. This is evidenced by the four (4) acquisitions we completed in the Financial Year ended 30 June 2020.



The group has become proficient in developing first to market innovation and technology. Gregory recently launched its first and only Wheelchair accessible "Gregory -Access Pod", a first for an Australian Company. This innovation ticks many WH&S boxes in Government and Corporate workplaces with added benefits like UV air purifiers and sliding door mechanisms that is an Australian Registered Design

The new "Inventis International" subsidiary was registered in December 2019. A Heads of Agreements has now been exchanged with a leading Manufacturer of custom rugged and military vehicles. Negotiations are now underway with a revenue potential in excess of \$40 million.

The completion of the in-house designed built Automated Track Worker System (ATWS) is expected be completed before the end of this Financial Year. The good news about this is that we have already received an expression of interest from a major rail supplier in the UK, which is potentially worth multi-millions of dollars and access into the European rail market.



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Our new USA- WiLAS™ Australian provisional Patent for the new FCC certified Emergency Alert System, is expected to be launched into the USA in this next 6 months.

In October 2020, Bassett Furniture Australia (Acquired April 2020) was relocated from its premises in Punchbowl NSW, to our Eastern Creek facility. The move retained all staff, brings about cost-savings and efficiency gain as well as over \$0.3 Million pa from a reduction in occupancy costs.

Our Winya associate held their official opening for their new Darwin Showroom yesterday with Hon James Kirby The NT Minister of Small business (amongst a number of other portfolios) doing the honours along with over 50 VIP's. The level of interest received so far from the wider design and architectural community is encouraging.

The group continued to develop and improve its Key Performance Indicators (KPI's) culminating in a lift to "delivery, in full and on time" (DIFOT) to 97%. This together with initiatives in Marketing and SEO performance is a significant improvement will stand us in good stead as we strive to meet and exceed stakeholder expectations.

Whilst the Company's future looks bright, there still remains a certain level of uncertainty caused by Covid-19 and its financial impacts. We remain confident that due to the size of the pipeline developed, Financial Year 2021 will be a good year that should see us achieve,

1. Revenue Circa \$14.5- \$15.1 Million (FY20 \$8.2M)
2. Group Network Sales Circa \$21M (FY20 \$12M)
3. EBITDA Circa \$1.9M (FY20 \$822.7K)

In support of our objectives, our financing facilities have been extended to July 2022 with an increased headroom to \$7.2Million.

The Company has already indicated it will continue to deliver the opportunities above as well as take advantage of some M&A activity, whilst seeking to pay down up to \$5.56 Million of its current fixed loan debt by way of a potential \$9 million pro-rata Convertible Note issue scheduled for March / April 2021.

Thank you to all stakeholders for their continued support.

Anthony Mankarios
Managing Director, Inventis Limited