



INVENTIS LIMITED

ABN: 40 084 068 673 | ASX: IVT

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ANNOUNCEMENT TO THE ASX – 18 May 2021

Inventis Limited [ASX: IVT] – Chairman’s Letter to Shareholders.

Please find attached Chairman’s Letter to Shareholders in relation to the non-renounceable Entitlement Offer for Inventis Limited Pty Ltd.

This letter has been sent to all Shareholders.

By order of the Board

Chantelle Knight
Co-Company Secretary.

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18 May 2021

Dear Fellow Shareholders,

Pro-Rata, Non-renounceable, Rights Issue

As announced on 10 May 2021, Inventis Limited [ASX: IVT] is undertaking a Pro-Rata, Non-Renounceable, Rights Issue, to all Australian Resident shareholders, on the basis of 1 share for every 2 ordinary shares held, at a price of 0.9 cents per share.

Although the closing price of the Inventis shares was \$0.01 before the announcement on 10 May 2021, the better guide used to determine the issue price is the Weighted Average Volume Price for the four months prior. This is \$0.011 per share.

A letter to shareholders was despatched to you with details of the Rights Issue. Please review this letter along with your entitlement form. If this Rights Issue is fully subscribed, we will raise approximately \$4,274,846.18.

I wanted to take this opportunity to inform you that although the offer is not underwritten, the MD and myself have entered into discussions with sophisticated investors that are interested in a take up of any remaining shortfall shares. We have elected NOT to seek an underwriter as this potential additional fee is a significant savings to the group.

The Company is well positioned to move to material profitability in the near future as this Rights Issue, if fully subscribed will be used to pay down debt with THN our funder and used for Working Capital requirements and any previous legacy issues. It will improve the net equity of the Company and provide for improved net earnings resulting from interest charge savings and enhancements to procurement that the Working Capital would allow.

The group in the last 12 months has:

- acquired a 49% interest in and formed a strategic alliance with Winya Indigenous Office Furniture Pty Ltd.
- acquired 100% of Workstations Pty Ltd.
- acquired Bassett Furniture (Australia) Pty Ltd and the brand name Bevisco.
- entered into strategic MOU's (Memorandum's of Understandings) with partnering organisations and is currently negotiating significant MOU's with international and local parties for its Technology Division IP.
- lodged both Australian / NZ and US Patents for our innovative Technology including WiLas and G-Smart Chair technology and developed design registered Access Pods and Project W chairs as well as the new ATWS (Automated Track Worker System).
- re-structured the Company's debt and added valuable equity to The Group.



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- focussed on our future Capital Management plan with a view to reduce and change the structure of our existing debt facilities. In this regard, discussions are already advanced with our primary lender to restructure/convert some or all our existing debt into suitable instruments.

The capital being raised in this Rights Issue is important in facilitating the successful implementation of the Company's plans.

From a performance perspective, the Group is forecasting an estimated Statutory Revenue of \$11.1 Million and an estimated EBITDA pre-debt re-structure of \$1.29 Million for the year ending 30 June 2021.

We expect F22 to be significantly better as a result of the improvements the Capital Raising will afford and the expanding pipeline of our business.

The Technology Division currently has over \$75 Million in sales, quote and opportunity pipeline; and similarly, the Furniture Division currently has over \$44 Million in its sales, quote and opportunity pipeline. Our current conversions of pipeline range just over 30%. Pleasingly, delivery in full and on time for our Furniture Division is currently at record high of over 97%. The Company acknowledges that whilst it aims to secure these orders, there is risk in implementation or delays associated with Covid-19, ongoing travel restrictions and other macro-economic circumstances.

We have not provided a prospectus or any offer booklet as a result to this Rights Issue.

As previously advised, the Company is continuing to seek appropriate suitable merger and acquisition opportunities to grow the business further and better utilise synergies with and for its sales force and distributor network. The group has a pipeline of potential M&A opportunities that it is in early discussions with.

The Company's brands remain solid and our strategy will see us continue to find partnering opportunities wherever possible to extend our footprint and reach. We also aim to improve overall share trading liquidity via the strategies previously outlined in recent Market Announcements that is why our Managing Director and I will selectively take up our Rights our subscription entitlements to a level as required to optimise the Strategy outlined above.

We look forward to your continued support.

Yours sincerely,

Tony Noun
Chairman
Inventis Limited

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