



INVENTIS LIMITED

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## Inventis Limited [ASX: IVT]

### Chairman's Address to the Annual General Meeting – 15 December 2023

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Dear Shareholder,

As you are aware from the AGM correspondence, I am retiring by rotation and not offering myself up for re-election. Consequently, this is my last Chairman's Address. I will shortly be handing over to Mr Peter Bobbin as the incoming Chair, but before I do, I would like to thank our shareholders, and all our other stakeholders, especially our staff and suppliers, for their support during my time with the Company.

I would like to acknowledge and thank the Managing Director, Mr Anthony Mankarios, who stepped into the role in late 2019, for his dedication and strong leadership of the management team during a difficult period, and in particular, the Covid years and the many challenges he and the management team faced along the way to take Inventis and the Winya associate from a total \$8 million total networks sales in 2020, to over \$30 million during the 2023 financial year. Statutory Income was \$16.2 Million in FY-2023, which is a year-on-year growth of 40%.

In FY-2023 there were several one-off costs associated with the due diligence undertaken as part of the aborted OPG Group acquisition, and the set-up costs relating to the global expansion. These have impacted the results, but pleasingly however, IVT has built a solid and larger pipeline of open quotes during this period.

The integration of the Electronic Circuit Designs Pty Ltd (ECD), our business over at Matraville, was completed and this saw a contribution of \$2.44 million to top line revenue and an unadjusted EBITDA of \$1 million during the FY-2023 year.

The Technology Division grew over 100% pa and set a pathway to even larger future growth by securing large orders into FY-2024 and FY-2025. The confirmed estimates for FY-2025 for Opentec Solutions alone, exceeds \$7 million.

The Hazavoid patents and Technology is one of the foundations for the anticipated solid future growth, especially in the USA. The team led by Mr Jeffry Stone has an open quote book in the USA of more than \$1 million thus far with confirmations of contract confirmations in the USA expected to start in the December / January period.

The Business has many positive and significant opportunities moving forward, especially with the recent growth plans for the USA. The Company is working through capital management solutions, and subject to approval today, it will be offering Convertible Notes with a view to raise up to \$4 Million to assist with its plans.

The Convertible Note is part of the capital management plan outlined to address the financial needs of the group, and we encourage sophisticated investors to look at supporting the Convertible Notes, which pay a solid coupon rate equal to RBA rates + 6.5% [Currently this equals 10.85%] paid bi-annually. There is also a bonus option for early conversion.

On the 2 October 2023, we issued within our annual report, plans outlining potential future work with GDK Group at Victoria Street Wetherill Park to achieve two outcomes:

- i) Phase 1 -Lease unit 1 in the same complex for Commercial Furniture manufacturing to move into to next year; and

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- ii) Seek to gain further synergy in phase 2 and work together with potential cost benefits.

These plans cannot take place now due to GDK Group being placed in liquidation.

Negotiations with various landlords to finalise plans for the move of the Commercial Furniture Division. Thus, there may be slight delays in final timelines, however, The Company is still expecting an overall savings and on 11 December 2023, we received a written offer from Global Projects Pty Ltd, for an opportunity to have Gregory Commercial Furniture produce a range of cabinetry product over the next two years. This is a significant multi-million dollar offer to supply them, and we are currently exploring this opportunity with the Company's funders and staff.

In closing, I am told the company has also received a formal written offer for its Matraville property of \$2.95 million and we are working to finalise this in the first half of 2024. This transaction will potentially reduce current debt by up to \$2.1 million and improve the balance sheet.

Once again, I would like to thank everyone for their contributions and support, and I wish the team every success into the future.



Dr Tony Noun, Chairman (Retired)

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