



INVENTIS LIMITED

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Inventis Limited [ASX: IVT]

MD Address to the Annual General Meeting – 13 December 2024

Dear Shareholder,

Without doubt the past few years have been very challenging. Accepting the MD role from Tony Noun in late 2019, who would have envisaged shortly after finding ourselves go through Covid and its unprecedented various national lock downs etc, only to come out of them and see a financial crisis like the one we are experiencing, with inflation pressure causing 13 straight RBA interest increases since May 2022. The current drop in consumer spending is sending alarm signals across the Nation with over 2000 building contractor collapses during this last year alone, creating unprecedented cost escalation on projects, raw material increases, project delays and a general finance sector squeeze.

If that is not enough, we had to deal with the “mass resignation” period and followed by re-setting of WFH culture and managing employee expectations during this escalating cost of living nightmare.

Without doubt we are all trading currently in a difficult environment. I wish to also acknowledge the great people at Inventis, whilst we have lost a few along the way we have retained most. A special mention to Mr Jeffry Stone, General Manager at Inventis Technology who has assisted with managing divisional sales and profit growth for the Technology division and helping with our global expansion plans. Jeff was instrumental in winning and managing large Opentec orders in F23, F24 and F25, and his team in assisting with the move to Matraville for their new Technology base.

Our Chief Operating Officer, Mr Michael Green has assisted me as my 2ic with various restructuring and process renewal within the Group during the year. Our current Financial Manager Mr Ben Xu who acts as the interim CFO is a fine young man who is developing well.

Thank you to Ms Chantelle Knight who also commenced as Company Secretary and for her work administrating Human Resources, and Mr Scott Downes who has stepped into a National Sales and Marketing Manager role for the furniture division. Also, the two new managers at the 49% investment Winya team, Mr Ben Jacka as General Manager and Mr Elie Kazzi as Commercial Finance Manager who have started implementing sound commercial policy in line with the Winya board direction to help lift the businesses gross profit and improve future profitability after a long period of investing in growth by the previous GM.

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As Peter pointed out we oversaw a tremendous number of changes with two factory moves, a restructure of staff and a systems change with the Company arranging the move to new ERP systems currently. I feel the team has risen to this challenge and we have in large seen across the board improvements in this area. We are currently monitoring this carefully and are looking to better align our cost base with our revenue. We are very mindful that we want to deliver long term Shareholder wealth. We have since already shaved over \$1M in annual labour costs across the Group on an annualised basis and have in the past few months shaved another \$465,000 in employment costs. We have also saved over \$500K pa in manufacturing site rents and implemented a global expansion of our Hazavoid™ which is looking promising and created more efficient teams in manufacturing and engineering.

These changes meant we undertook one -off costs, non-cash stock provision write-offs and impairment in goodwill under the accounting standards for Workstations. We also undertook large one-off end of lease moving costs with freight, make good and fit out expenses. We managed to also revise our IT infrastructure and add sound policy and implement better cyber security measure in line with world best practice. These measures were necessary but had an adverse impact on the balancesheet of over \$1.5 million.

We are always reviewing our cost base and efficiency and seeking to lower our overall cost base and improving our talent and sales team performance in these difficult periods with generous performance incentives.

To help fund these structural changes and pay down significant debt of \$2.1M we sold 11/30 Perry Street for a record price and raised \$950K in CN's. We see that the capital structure is essential to the future success of Inventis, who is shifting toward a technology focus and global sales growth strategy currently.

Growth into the largest consumer market in the world, the USA. We established Hazavoid TX, LLC now in Texas USA, a state that has people fearful of gun violence and increasing rates of mass shootings in general. The local Governor's support of safety initiatives and education director's endorsement for safer schools has opened significant opportunity there with our patent and wireless mass notification and alert system Hazavoid. There are over 9000 schools and educational facilities just in Texas. We have estimated a very conservative 2.5% annual uptake of our technology and have the whole country to distribute to as part of this plan. We are also in the Philippines and have opened an office in BGC Manila with opportunity presenting themselves with Hazavoid, ECD and Opentec. Much of this investment was taken up in F23 and had adversely affected our bottom line as a result. Interest has been confirmed with sales commencing in the US.

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Currently, we will seek to capitalise on the large off balancesheet opportunities. We received a valuation for Hazavoid seed capital raise in the USA circa \$13 Million USD. (independent valuer Acquisition Hub). We plan to build on our sales team and seek collaborative national and international distributor partnerships. The board is focussed on unlocking the hidden balancesheet potential.

I take this opportunity to wish everyone a Merry Christmas and a happy holiday period and thank the board for their ongoing contribution and support with finalising our plans.

Mr Anthony Mankarios, Managing Director

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