

General Operational Review

During the quarter ended 31 March 2024: -

Key points

- IVT Company sales to 31 March 24 YTD -12.5% YOY.
 - Technology Division sales to 31 March YTD + 16.8% YOY.
 - L4L Business Unit head count down 23% YOY.
 - Opentec Solutions has now received supply purchase orders and deposits toward the total \$6.65 million.
 - Total Group Network purchase orders received for > \$14Million to be delivered over the next 12 months.
 - Gregory factory has now moved to 7 Holbeche Rd, Arndell Park, NSW 2148 achieving a total annualised savings on LYR Circa \$500K pa. with the Technology Division (PNE and Opentec) now moved to Matraville NSW.
 - Company debt now reduced by sale and lease back of ECD property achieving a \$2.1 Million THN Property fund debt reduction and reducing ongoing property Interest charges by \$155K pa annualised.
 - Hazavoid™ USA expansion achieves another great milestone with the first Texas school ISD issuing a purchase order.
 - Opentec pipeline achieves a significant milestone with submission of prototype designs for new Government project on customised solution valued over \$45M for 5 years
 - Hazavoid™ work on Western Sydney Airport project achieves major milestone toward factory acceptance test preparedness.
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- The consolidated cash balance stood at \$502K. with a net (\$408K) generated from operations over the 9mths to 31 March 24 and \$372K net loan facilities paid down in the last quarter. Additionally, our unused finance facilities stood at \$9.406 million as of 31 March 2024.
 - The Company raised capital through a Convertible Notes Issue. The total now raised is \$950K. The objective is to raise a total of \$4 Million, the Company is currently working with interested sophisticated Investor groups to achieving this objective.
 - The cost reduction plan put forward by management continues with a raft of additional initiatives aimed at better aligning costs with planned revenue and enhancing future returns to Shareholders.
 - The planned move of our IT systems to the cloud based operational platforms was implemented and further work is being worked on to reduce costs overall with integrated systems across all sales departments.
 - Gregory Commercial Furniture has now finalised obligations under the access and licences agreement with receivers of the premises operated at Victoria Street Wetherill Park. We have now exited the old site. Total staff head count on a L4L business unit basis is down 23% YOY.
 - Whilst the Furniture Division's Revenue remains somewhat subdued and down on last year's record sales, a large volume of tenders is currently being submitted and we are currently working on large tenders in 2024, a large QLD based Furniture contract for GCF and its associates

is currently being submitted along with large potential future pipeline opportunities with Opentec for Australian Defence.

- Senior management recently attended the largest converged US International Security Conference - ISC West and have new NDAs with interested parties for Hazavoid™ distribution nationally in USA.
- Inventis Technologies Philippines has now appointed Mr Ronaldo Alain as the new Sales Development Manager. We have now received commitment from one of ECD's major international clients to supply goods to the Philippines.
- Hazavoid has now been granted special Texas Education Department supplier status to allow it to supply accredited products and roll out across all state educational facilities. Hazavoid™ has also signed up Apex in Texas as a local distributor with Apex implementing a Hazavoid™ marketing initiative.
- Our Winya 49% associate has also successfully bid for large tenders due to start in 2H24.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Inventis Limited

ABN

40 084 068 673

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,864	11,980
1.2 Payments for		
(a) research and development	(1)	(11)
(b) product manufacturing and operating costs	(1,288)	(4,611)
(c) advertising and marketing	(4)	(23)
(d) leased assets	(175)	(540)
(e) staff costs	(1,500)	(4,871)
(f) administration and corporate costs	(597)	(1,069)
1.3 Dividends received (see note 3)		
1.4 Interest received	6	28
1.5 Interest and other costs of finance paid	(383)	(1,304)
1.6 Income taxes paid	0	0
1.7 Government grants and tax incentives	0	13
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,078)	(408)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	(53)	(119)
(c) property, plant and equipment	(3)	(4)
(d) investments	-	-
(e) intellectual property	(8)	(17)
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(64)	(140)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	0	300
3.2 Proceeds from issue of convertible debt securities	350	950
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	1,024	3,340
3.6 Repayment of borrowings	(372)	(4,487)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	1,002	103

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	642	947
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,078)	670
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(64)	(76)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,002	(899)
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	502	642

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	502	642
5.2 Call deposits		
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	502	642

Appendix 4C
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6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1: Interest on related party borrowings Interest - Director's loans Starball Pty Ltd Directors' fees Total Payments	339 12 62 413
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	9,250	6,237
7.2	Credit standby arrangements	-	-
7.3	Other (please specify) Invoice Financing including purchase order financing Working Capital short term funding – 1 Working Capital short term funding – 2 Working Capital short term funding – 3 Working Capital short term funding – 4	7,200 308 475 275 120	807 308 475 275 120
7.4	Total financing facilities	17,628	8,222
7.5	Unused financing facilities available at quarter end		9,406
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	Type	Security Lender	Interest Rate Maturity Date
	Loan	Secured THN Credit Acceptance Pty Ltd	10.00% 1 July 2025
	Mortgage	Secured THN Property Fund Pty Ltd	10.00% 1 July 2025
	Debtor Factoring	Secured THN SPV1 Pty Ltd	10.42% Ongoing
	Purchase Funding	Secured THN SPV1 Pty Ltd	10.42% Ongoing
	Working capital - 1	Unsecured Starball Pty Ltd	9.50% Ongoing
	Working capital - 2	Secured THN Property Fund Pty Ltd	15.67% 29/06/2024
	Working capital - 3	Unsecured Peter Bobbin	9.5% Ongoing
	Working capital - 4	Unsecured Richtoll Pty Ltd	9.5% Ongoing

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,078)
8.2 Cash and cash equivalents at quarter end (item 4.6)	502
8.3 Unused finance facilities available at quarter end (item 7.5)	9,406
8.4 Total available funding (item 8.2 + item 8.3)	9,908
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	9.2
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2024



Authorised by: Ben Xu (Jia Lin Xu)
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – e.g. Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

Quarterly cash flow report for entities subject to Listing Rule 4.7B

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.