

6 March 2014

Broker Presentation

Inventis Limited
Rebuild for sustainable profits



Inventis Limited

Inventis Limited is an Australian Listed Public Company {ASX Code: IVT} marketing a range of quality products forged by the principles of “inspiration” and “innovation”.

- Diversified business
- Unique product offering
- Substantial international potential
- Innovative technology for,
 - Road
 - Rail
 - Security
 - Computing

Inventis Limited



Inventis Limited

Board of Directors



EXECUTIVE CHAIRMAN/DIRECTOR

Tony H Noun

MBA, FAIM, CFP, CIAM; DipLi, DipAll, Aff&CIP ANZIP, JP

*Non-executive from 31/08/05 to 31/12/06
Managing Director from 1/7/07 to 25/11/08
Furniture Division Managing Director since 1/7/13
Executive Chairman since 26/11/08*



Non-Executive Director

Peter Bobbin

B.Com, LLB, LLM, CTA,

since 8/02/13



Non-Executive Director

Anthony Mankarios

MBA, CFTPP, FAICD

since 9/07/13

Inventis Limited

Key Executives



**Chief Financial Officer &
Alternate Director**

Alfred Kobylanski

BBus, CPA, ACIS, ACSA

*Joined: 8/10/07
Director: 25/02/11*



**Managing Director
Inventis Technology**

Andrew Skaltsounis

MBA (Executive)

Joined: 4/10/11



**Managing Director
Gregory New Zealand**

Bruce Roberts

*Manukau Institute of Technology
ACA, Accounting & Finance*

Joined: 1/10/13



**Company Secretary &
In-house counsel**

Renuka Sharma

Solicitor, ACIS, ACSA, ATI, JP

*Joined: 1/9/06
Company Secretary since: 17/4/07*



Inventis Technology

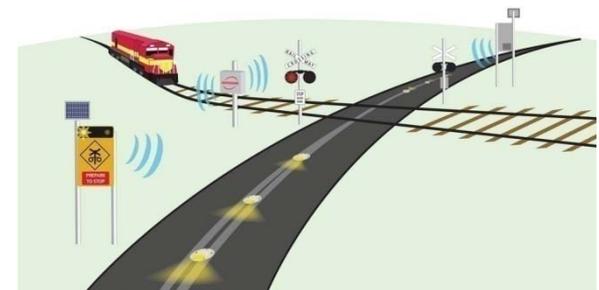
Potential multi-million dollar contract

UK SafeZone

- The Technology Division is in the final stages of securing a potential off-shore contract with a value of approximately \$35 million, over 3-4 years, commencing April 2014
- 6-year product development process completed at a cost of \$1.2 million
- Part of the United Kingdom's Network Rail's infrastructure program
- Trial site is being installed at present
- Supplied and managed through local major Civil Engineering Group:
 - revenue in excess of AUD 300 million per annum
 - Discussions underway as our exclusive partner for SafeZone range in Europe

Irish Rail

- Request for information with an opportunity to provide SafeZone solution for Irish Rail Network



Gregory Commercial Furniture AU

- Tony Noun stepped into the role of Managing Director in July 2013 and subsequently implemented a complete restructure across all areas of the Furniture Division including, but not limited to:
 - \$0.4 million in annual cost saving to date; plus
 - Significant changes in processes within the organisation such as:
 - Focus on building excellence in sales and marketing in the Furniture Division
 - Appointment of a local New Zealand Managing Director
 - Successful recruitment of additional Business Development Managers in VIC, QLD, NSW and WA in Q3 with personal sales budgets of at least \$1.5 million
 - Alignment of procurement process and product rationalisation

Gregory Commercial Furniture AU

2014 Initiatives

Sales Recovery

- Restructured, larger and strengthened sales team
- A systematic and purposeful direct to market strategy
- Headhunted from within the industry with key industry contacts
- Clear focus on recovering lost sales and developing new business opportunities

Refined Digital Marketing

- Search Engine Optimisation as an ongoing programme
- E-commerce log-in for key accounts
- Additional third party products to add to and enhance lead generation



Gregory Commercial Furniture NZ

New Managing Director – Bruce Roberts

Overview

- Extensive history in the New Zealand furniture industry
- Bruce has historically turned around underperforming businesses to positions of sustainable profit
- Develops and implements initiatives to differentiate the business and place it on a growth path; ensures all staff understand and own the organisation's strategic direction

Experience

Over 12 years in furniture – all aspects of furniture business including sales, marketing and procurement

- Founder and Director at FRONT Tier Furniture Limited for 4 years
- General Manager at Corporate Express for 6 years
- General Manager at NZ Business Supply Group for 4 years (later known as Officemax)
- GM at NZ Wines and Spirits (Lion Nathan non beer business)

Gregory Commercial Furniture NZ

2014 Initiatives

Online Shop, plus Lead Generation through Digital Marketing

- No comparable direct to customer competitor offers in the market
- Go out to over 30,000 businesses with direct offer (Damba Direct) in the first year.
- Over 100,000 businesses by years 2 and 3
- Rebuild existing Sales opportunities to recover over \$4 million per annum by 2015
- Retail purchases online for the real additional return to shareholders



Inventis Limited

Key Strategic Drivers for the next 5 years

- Strengthening the balance sheet through retirement of existing debt and increasing working capital
- Export market development to broaden customer reach
- Strategic alliances with offshore suppliers to optimise overseas procurement
- Improve customer experience with renewed focus of Business Development Managers and customer support to build customer loyalty and secure market leadership
- Wholly owned purpose built centralised facilities in Australia and New Zealand

Inventis Limited

INVENTIS GROUP CONSOLIDATED NET DEBT ANALYSIS				
<i>(In thousands of AUD)</i>				
	2011	2012	2013	2014
Facility	Actual	Actual	Actual	Unaudited Forecast*
Mortgage Loan	0	600	0	0
Loans related parties	646	0	1,056	0
Debtors finance facility	2,033	2,663	2,255	2,707
Total	2,679	3,263	3,311	2,707

Note the invoice finance facility term ends on the 28 June 2014 for Australia and this is when the termination of the facility can be requested which has a three month notice period.



Debt to Equity Ratio

- 2.61 as at 30 June 2013
- 1.12 as at 31 December 2013
- Aim to reduce this to 1.04 subsequent to CPS Offer being fully subscribed

Inventis Group Annualised Saving

2013 Restructure Program

Technology Division

- Headcount \$135k

Furniture Division

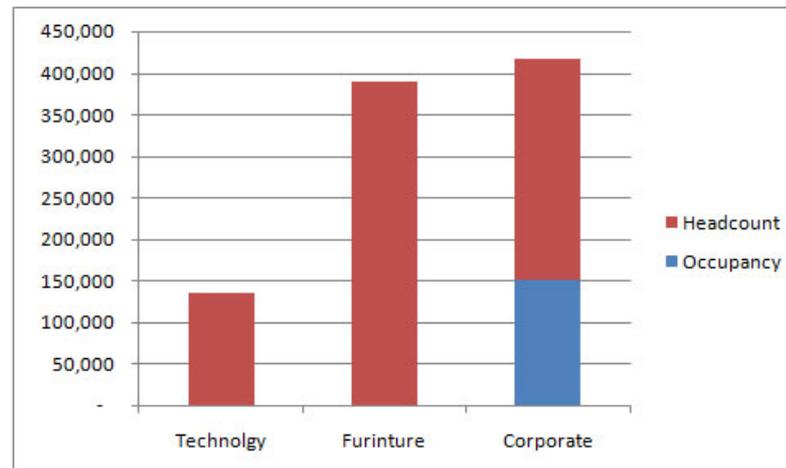
- Headcount \$390k

Corporate Office

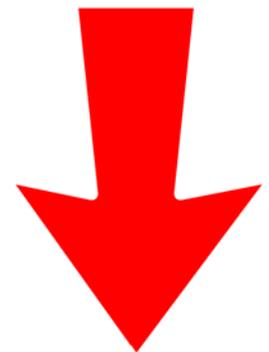
- Headcount \$267k
- Occupancy \$150k

Total Annualised Savings

- \$942k



HEADCOUNT



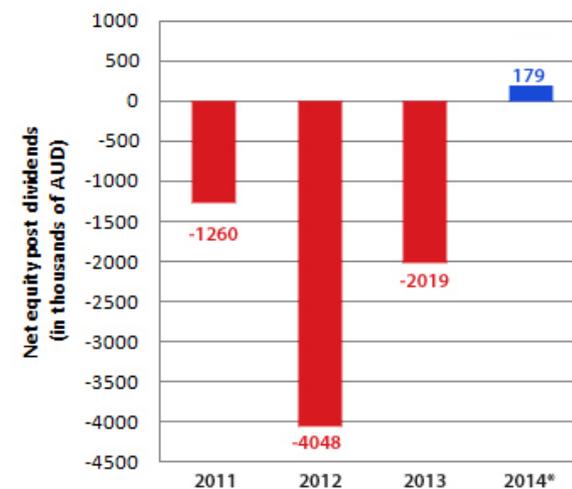
Operational Highlights

Return to Profitability	Inventis Group's profitability improved in 2013 by \$1.0 million over the previous financial year, even though revenue was 5% lower.
Les Bleus Finalisation	The Les Bleus Group of companies were finally deregistered and the net deficiency of net assets was able to be reversed in the accounts in the sum of \$5 million.
Capital Raising	The Group has undertaken a capital raising for \$3.78 million in the form of Convertible Preference Shares (CPS). The take up to date is in excess of \$2.80 million.
Strong Demand	The Group currently has forward order books totalling \$3.5 million.
Export Markets	The Technology Division has established relationships in Europe, particularly the United Kingdom, and will re-focus on the Americas in the next financial year.
Restructuring	The Group has now finalised its Corporate office restructure.
Strengthened Team and Structure	A stable, cohesive, effective streamlined management team is now in place. The evolving structure allows for divisions and regions to more effectively tailor strategies and plans for the local environment.
Process Improvements	Key overseas supplier agreements and pricing practice processes have been improved.

Financial performance

INVENTIS GROUP CONSOLIDATED FINANCIAL SUMMARY CONTINUING OPERATIONS					
<i>(In thousands of AUD)</i>	Full Year 2011 Actual	Full Year 2012 Actual	Full Year 2013 Actual	Half Year to 31 December 2013	Full Year 2014 Unaudited Forecast
Net Revenue	27,074	21,597	20,517	7,847	21,471
EBT	(1,940)	(2,643)	(1,573)	(930)	499
NPAT \$	(1,260)	(4,048)	(2,019)	(930)	499
Dividends Paid to 30% CPS holders not converted	-	-	-	-	51
Ordinary Dividend Distribution 60%	-	-	-	-	269
Net equity post dividends	(1,260)	(4,048)	(2,019)	(930)	179

- 519,660,061 Total number of ordinary shares on issue as at 14th January 2014
- Deferred tax write backs occurred in 2012 (\$2.0 million) and 2013 (\$0.5 million)



Revenue results to 28 February 2014			
	2014	2013	Var %
January	\$1.11m	\$0.97m	14.4%
February	\$1.82m	\$1.21m	50.4%

Performance

- 6 month results to 31 December 2013 impacted by cash-flow constraints
- Initial CPS Capital Raising of \$2.8m:
 - Available December 2013
 - Majority of funds applied to reduce interest bearing debt
- Balance CPS Capital Raising of \$0.95m to be used to fund growth strategies
- Inventis Technology
 - Potential for substantive improved performance
 - UK National Rail contract
 - International marketing strategy for SafeZone, EAS and Opentec
- Gregory Commercial Furniture
 - New stable management
 - Streamlined operations
 - Significant growth expected over the second half of financial year

Convertible Preference Share (CPS) - Summary

- CPS shortfall offer closing date extended to 6 May 2014
- CPS to raise \$3.78 million in the form of approximately 125 million CPS, to enhance procurement pipeline, strengthen marketing resources and reduce additional statutory debt
- Capital Raised on Pro-rata basis for CPS Issue = \$2.66 million as at 10 December 2013
- Total Capital Raised from CPS Issue = \$2.8 million being 74% of the Issue as at 13 December 2013
- Number of Ordinary Shares currently on Issue 519,660,061
- Number of CPS On Issue = 14,544,953

CPS DIVIDEND PAYMENT DATES AND RECORD DATE	
Dividend Record Date	Dividend Payment Date
10 June 2014	20 June 2014
10 December 2014	20 December 2014
10 June 2015	20 June 2015
10 December 2015	20 December 2015
10 June 2016	20 June 2016
10 December 2016	20 December 2016

CPS Benefits for Investors

- CPS provide investors with a fixed rate (8.50% per annum), semi-annual, discretionary, noncumulative dividends, which are expected to be fully franked
- Preference over ordinary shares for dividends and/or on winding up
- Incentive to convert CPS into ordinary shares as early as possible due to sliding scale of conversion to a compulsory 1 for 1 at 30 December 2016
- The Board has adopted a Dividend Policy under which, the Company is committed to distributing to its shareholders 60% of its net profit after tax.

MAXIMUM DIVIDEND PAYMENT AND FRANKING CREDITS UTILISED		
- Assuming that No CPS is Converted until Maturity Date		
Date of Dividend Payment	DIVIDEND	Franking Credit
20/06/2014	\$169,828.00	\$72,783.00
20/12/2014	\$161,908.00	\$69,389.00
20/06/2015	\$161,028.00	\$69,012.00
20/12/2015	\$161,908.00	\$69,389.00
20/06/2016	\$161,908.00	\$69,389.00
20/12/2016	\$161,908.00	\$69,389.00
30/12/2016	Automatic Conversion to 1 Ordinary Share per IVT CPS	

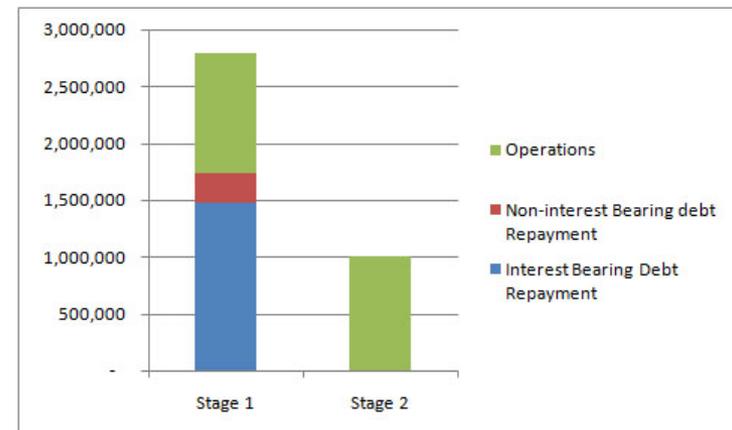
CONVERSION OF 100 IVT CPS TO ORDINARY SHARES		
Date on which request is received by the Company from an IVT CPS Holder	OSP	Therefore, Expected Ordinary Shares to be issued against 100 IVT CPS
At the time of Allotment of CPS – 6 May 2014	\$0.010	300
On or before 6 June 2014	\$0.012	250
On or before 6 December 2014	\$0.015	200
On or before 6 June 2015	\$0.018	167
On or before 6 December 2015	\$0.021	142
On or before 6 June 2016	\$0.024	125
On or before 6 December 2016	\$0.027	111
Compulsory Conversion on 30 December 2016	\$0.030	100

Key Highlights

A fully funded CPS will

- Support the continuing operations' return to profitability with an expected \$2.3 million turn around during the current financial year (Based on Net Profit Before Tax)
- Realisation on key long term multimillion dollar overseas contract
- Reduction in debt by \$1.7 million to a sustainable level resulting in reduced debt servicing expenditure
- Rationalisation of procurement to increase gross profit margins by up to 5%
- Payment of franked dividends:
 - 8.5% to CPS holders (paid ½ yearly); and
 - 60% of NPAT to ordinary shareholders

Use of Capital



Disclaimer

Disclaimer

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