
ANNOUNCEMENT TO THE ASX – 25 March 2022

Inventis Limited [ASX: IVT] - Acquisition of Electronic Circuit Designs Pty Ltd

In accordance with Listing Rule 3.1, Inventis Limited is pleased to confirm that the Group has completed its due diligence on Electronic Circuit Designs Pty Ltd (**ECD**) and has today executed the Share Sale Agreement.

The purchase price for 100% of the ECD shares includes

- i) The Business Asset valued on a 3 x normalised EBITDA based on ECD's 2021 accounts, amounting to approximately \$2.2m plus net excess working capital to take into account agreed adjustments, add backs and deductions to allow for normalised trading; and
- ii) The Property Asset portion at \$2.1m.

The purchase price will be paid as to the Property Asset portion at \$2.1m on settlement and the remainder in the following tranches,

- i) 60% on settlement;
- ii) 25% after 12 months from settlement; and
- iii) 15% after 24 months from Settlement; and
- iv) A further performance earn-out to the vendor, based on a normalised EBITDA in excess of \$1m. This performance earn-out of up to \$165k, is payable on or before 31 October 2023.

Additionally, the vendor's company, R&A Investments Pty Ltd, has signed an ongoing Contractor Agreement for the provision of management services to ECD at a cost of \$150k pa.

Conditions Precedent to Completion

Completion is conditional on the following condition being fulfilled (or waived) on or before the Sunset Date:

ECD procuring that all Secured Parties provide confirmation that they will release their respective Security Interests from the PPSR at Completion, save for agreed suppliers whose Security Interests will remain in place at Completion (*benefit to Purchaser*).

Inventis Limited has now secured long-term funding through its existing funder THN Capital Solutions Pty Limited. This funding also extends the current fixed term facility, which was deemed as a current liability for the purposes of the half year accounts, to 1 July 2025. The restructured facility includes additional funding of up to \$3.6m which will be used to fund the ECD acquisition.

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