



ASX / Media Release

## Pivotal Announces Upcoming Board and Leadership Succession Plans

**Fremont, California and Sydney, Australia; 2 February 2022** – Pivotal Systems Corporation (“Pivotal” or the “Company”) (ASX: PVS), a leading provider of innovative gas flow control (GFC) solutions to the semiconductor industry, today announces several important upcoming changes to the Board of Directors and to the Senior Executive team of the Company.

### Key Points:

- Mr. John Hoffman, Pivotal’s current Executive Chairman and Chief Executive Officer (CEO) will step down from the CEO role effective 31 May 2022, and will continue with Executive Chairman responsibilities until his retirement from the Company on 31 December 2022
- Mr. Kevin Hill, Pivotal’s current Chief Operating Officer (COO) will be appointed an Executive Director and CEO of the Company, effective 1 June 2022
- Dr. Joseph Monkowski, Pivotal’s current Executive Director, President and Chief Technology Officer (CTO) has advised the Board that he will not seek re-election to the Board when his current term ends at the Company’s 2022 Annual General Meeting. Dr Monkowski will continue as President and CTO
- Mr. Cameron Worsham to be appointed Head of Worldwide Operations

Mr. Hoffman, said “These changes announced today will ensure a seamless transition in executive responsibilities and ensure Pivotal Systems continues to build on its recent achievements and focus on creating long-term value for our shareholders. I am honored to have served as CEO of Pivotal Systems since 2010. I am excited to shift focus exclusively to the Executive Chairman role later this year and am thrilled that our current COO Kevin Hill will be moving up to the CEO role on June 1st, consistent with our long term succession planning. In the recent months, our leadership team has also expanded to include CFO Ron Warrington, and new worldwide operations head Cameron Worsham. Together, this team is well prepared to drive further growth and to deepen our global customer relationships. As Executive Chairman I will place particular personal focus on our key client relationships and growth opportunities. I look forward to supporting Kevin Hill in his transition to CEO. I have known Kevin for many years and he brings tremendous industry expertise and leadership skills.”

Mr. John Hoffman continued, “Joe Monkowski’s dedication and contribution to Pivotal has been significant. Joe has been an invaluable Executive Director of the Company having been instrumental in the formulation of our overall group strategy and execution over many years. I am delighted Joe will continue to lead Pivotal’s leading-edge engineering and product development team as President and Chief Technology Officer. As Joe prepares to end his Board service in May 2022, we thank Joe for his contribution to the Board.”

Mr. Kevin Hill commented “I am honored to be appointed to the role of Pivotal CEO. Since joining Pivotal as COO, I have been impressed at the quality of our team, our global manufacturing operations and the standout performance of our products in the markets we currently serve. I am very excited to be leading Pivotal in the coming months, with 2022 shaping as another strong year of industry growth with Pivotal’s leading-edge products uniquely positioned to capitalize on this strength alongside our OEM and IDM customers.”

Mr. Hill continued “I would also like to acknowledge the enormous contribution of John Hoffman over the past decade as CEO of Pivotal Systems. John’s vision and leadership have played a significant part in building

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Pivotal Systems into the market leading company it is today. It is a privilege to have the opportunity to build on John's legacy, whilst also drawing on his insights and experiences as he continues as Executive Chairman. On behalf of the Pivotal Systems team and all stakeholders, I thank John for his contribution."

Kevin has held the COO role at Pivotal Systems since May 2020, where he has been instrumental in the delivery of Pivotal's revenue growth and material improvements in product gross margins through efficiency gains, lower manufacturing costs and improving and diversifying Pivotal's key suppliers, against a backdrop of global supply constraints as the semiconductor industry growth achieves record levels of revenue and growth. This trajectory is expected to continue through 2022.

Kevin has over 25 years of global high technology management experience. Before joining Pivotal, Kevin held senior roles within Apple (NASDAQ:AAPL), Applied Materials (NASDAQ:AMAT), IBM (NYSE:IBM), Flextronics (NASDAQ:FLEX), and Collins Aerospace (NYSE:COL). Kevin has a B.S., United States Military Academy at West Point, MSBA Boston University, and is a Certified Product Manager. A summary of the key terms of Kevin Hill's contract as CEO are set out in the Annexure.

John Hoffman will remain in his role as Executive Chairman of the Board until 31 December 2022 and will be focused on the operational and growth strategy for the business. A summary of the revised terms of John Hoffman's employment contract reflecting this change of role are set out in the Annexure.

Mr. Cameron Worsham is currently the VP Operations - Supply Chain at Pivotal. Prior to his appointment, Mr. Worsham held various management roles at Applied Materials and Lam Research with over two decades of experience within operations, engineering, manufacturing and materials. Cameron has a B.S., Engineering Management from the United States Military Academy at West Point and an MS, Technology Management from Pepperdine University.

***THIS RELEASE DATED 2 FEBRUARY 2022 HAS BEEN AUTHORISED FOR LODGEMENT TO ASX BY THE BOARD OF DIRECTORS OF PIVOTAL SYSTEMS.***

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### **Safe Harbor Statement**

This press release contains forward-looking statements, which address a variety of subjects including, for example, our statements regarding expected growth rates, expected product offerings, product development, marketing position and technical advances. Statements that are not historical facts, including statements about our beliefs, plans and expectations, are forward-looking statements. Such statements are based on our current expectations and information currently available to management and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those described in the forward-looking statements. The Company's management believes that these forward-looking statements are reasonable as and when made. However, you should not place undue reliance on any such forward-looking statements because such statements speak only as of the date when made. We do not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law or the ASX Listing Rules. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results, events and developments to differ materially from our historical experience and our present expectations or projections.

### **About Pivotal Systems Corporation (ASX: PVS)**

Pivotal Systems Corporation (ARBN 626 346 325), is a company incorporated in Delaware, USA, whose stockholders have limited liability. Pivotal Systems provides the best-in-class gas flow monitoring and control technology platform for the global semiconductor industry. The Company's proprietary hardware and software utilizes advanced machine learning to enable preventative diagnostic capability resulting in an order of magnitude increase in fab productivity and capital efficiency for existing and future technology nodes. For more information on Pivotal Systems Corporation, visit <https://www.pivotalsys.com/>.

### **Notice to U.S. persons: restriction on purchasing CDIs**

Pivotal Systems is incorporated in the State of Delaware and its securities have not been registered under the U.S. Securities Act of 1933 or the laws of any state or other jurisdiction in the United States. Trading of Pivotal Systems' CHESS Depositary Interests ("CDIs") on the Australian Securities Exchange is not subject to the registration requirements of the U.S. Securities Act in reliance on Regulation S under the U.S. Securities Act and a related 'no action' letter issued by the U.S. Securities and Exchange Commission to the ASX in 2000. As a result, the CDIs are "restricted securities" (as defined in Rule 144 under the U.S. Securities Act) and may not be sold or otherwise transferred except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. For instance, U.S. persons who are qualified institutional buyers ("QIBs", as defined in Rule 144A under the U.S. Securities Act) may purchase CDIs in reliance on the exemption from registration provided by Rule 144A. To enforce the transfer restrictions, the CDIs bear a FOR Financial Product designation on the ASX. This designation restricts CDIs from being purchased by U.S. persons except those who are QIBs. In addition, hedging transactions with regard to the CDIs may only be conducted in compliance with the U.S. Securities Act.

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## Annexure

### Kevin Hill Key Terms of Employment

<b>Commencement Date as Executive Director and Chief Executive Officer</b>	1 June 2022
<b>Term</b>	Ongoing
<b>Position</b>	Full Time
<b>Fixed Remuneration</b>	US\$360,000
<b>Short Term Incentives</b>	Annual performance bonus under Pivotal's STI Plan at a target level of 50% of fixed remuneration at the end of the relevant calendar year. Payment is based on performance criteria determined by the Board.
<b>Long Term Incentives</b>	<p>Grant of 800,000 options to acquire shares of common stock under the Company's 2012 Equity Incentive Plan subject to shareholder approval at the 2022 AGM.</p> <p>The options will vest over 48 equal monthly instalments commencing on 1 January 2022 subject to Mr Hill's continued employment with the Company. Vesting of the options will accelerate in the event of a change of control of the Company.</p>
<b>Termination</b>	<p>The employment is "at will" meaning that it can be terminated at any time by either party. Mr Hill is required to give 60 days' notice to terminate the agreement.</p> <p>If the employment is terminated by the Company without "cause" or for "good reason", subject to certain releases being provided in favour of the Company, Mr Hill will be entitled to a termination payment equal to his annual base salary plus target bonus and certain health insurance benefits.</p>

## John Hoffman Changes to Key Terms of Employment

<b>Retirement as CEO</b>	31 May 2022
<b>Term</b>	Mr Hoffman will continue in his role as Executive Chairman until 31 December 2022, when he will retire from this position (unless his role is terminated earlier by the Company).
<b>Fixed Remuneration</b>	1 June – 31 August 2022 - US\$25,000 per month 1 September (or later date determined by the Board) – 31 December 2022 – US\$18,750 per month.
<b>Short Term Incentives</b>	Mr Hoffman will be eligible to receive a discretionary performance bonus of up to a maximum of US\$800,000 subject to the achievement of performance hurdles.
<b>Long Term Incentives</b>	Grant of 200,000 options to acquire shares of common stock under the Company's 2012 Equity Incentive Plan subject to shareholder approval at the 2022 AGM.  The options will vest over 12 equal monthly instalments commencing on 1 January 2022 subject to Mr Hoffman's continued employment with the Company (unless terminated by the Company without "cause"). Vesting of the options will accelerate in the event of a change of control of the Company.
<b>Termination</b>	The employment is "at will" meaning that it can be terminated at any time by either party.  Subject to certain releases being provided in favour of the Company, Mr Hoffman will be entitled to a termination payment equal to two months of his base salary as at his 31 December 2022 and certain health insurance benefits. If the Company terminates Mr Hoffman's employment prior to 31 December 2022, he will be entitled to certain benefits including an amount equal to his base salary for the remainder of the period to 31 December 2021.