

29 July 2019

## Vault Intelligence Limited June Quarterly Report and Appendix 4C

### Vault Targets \$10M CARR in FY20 Following Record Quarter Levels of CARR Growth and Cash Receipts

Vault Intelligence Limited (**ASX:VLT**) (**Vault** or **the Company**), a leading SaaS business delivering solutions in the Risk and Safety Technology sector is pleased to provide its quarterly report for the fourth quarter of the 2018 - 2019 financial year (FY19).

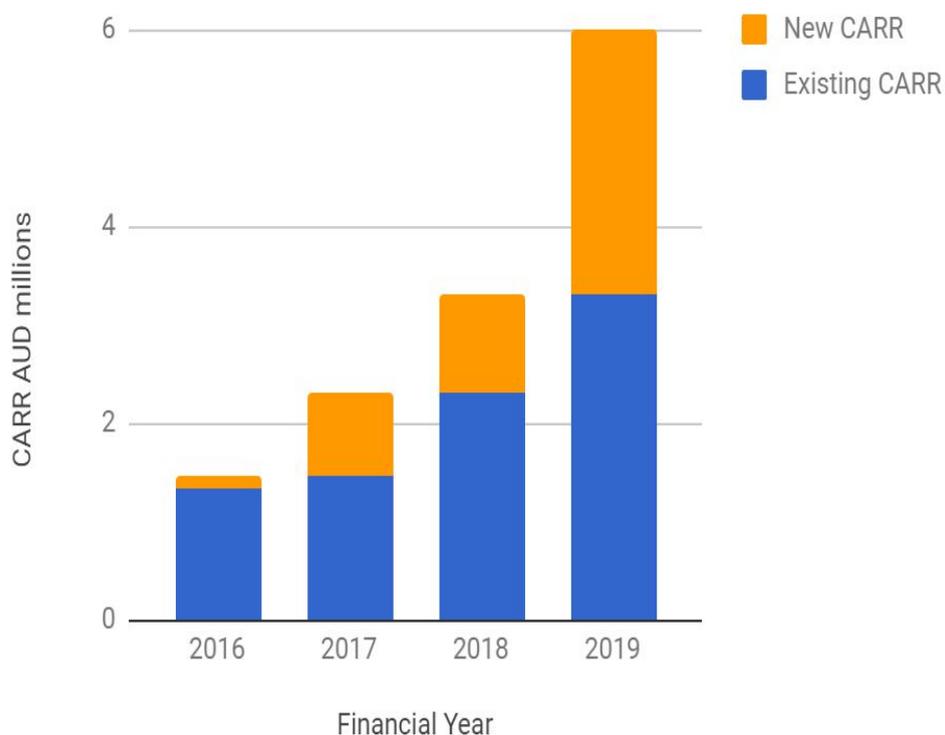
#### Highlights

-  **Record Net New Contracted Annualised Recurring Revenue (CARR)** for the quarter of **\$1.25M** representing **growth of 130%** on the prior quarter
-  **CARR Market Guidance of \$6.02M achieved** and confirmed as at the end of FY19. The achievement of the \$6.02m CARR represents **82% YoY growth**
-  **CARR Target** for the upcoming **FY 20 has been set at a minimum of \$10M CARR** given acceleration in momentum in Q4 and significant pipeline growth
-  **Record Customer cash receipts** at the **highest level for any quarter** with receipts from customers totalling **\$1.62M**
-  **Total net cash receipts** for the quarter was **\$1.97M** and **total net cash receipts** for the year was **\$5.33M**
-  **Customer Retention** remains at an **excellent level** being **in excess of 98%** for the quarter

## CARR Growth

**Record Net New CARR** for the quarter of **\$1.25M**, which represents a **130% increase** over the prior quarter (which was also a record). Key points:

- **Total CARR** now stands at **\$6.02M** with **annual growth of 82% YoY** and **accumulative growth of 26% QoQ** for the FY
- **FY19 Market Guidance of \$6M AUD CARR achieved**



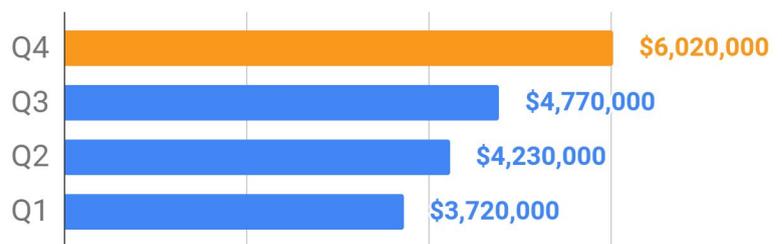
- **Quarterly Net New CARR** was **\$1.25M**, representing a **significant growth of 130%** compared to the previous quarter



- CARR at the end of FY19 totaled **\$6.02M** representing a **growth rate of 82% YoY**

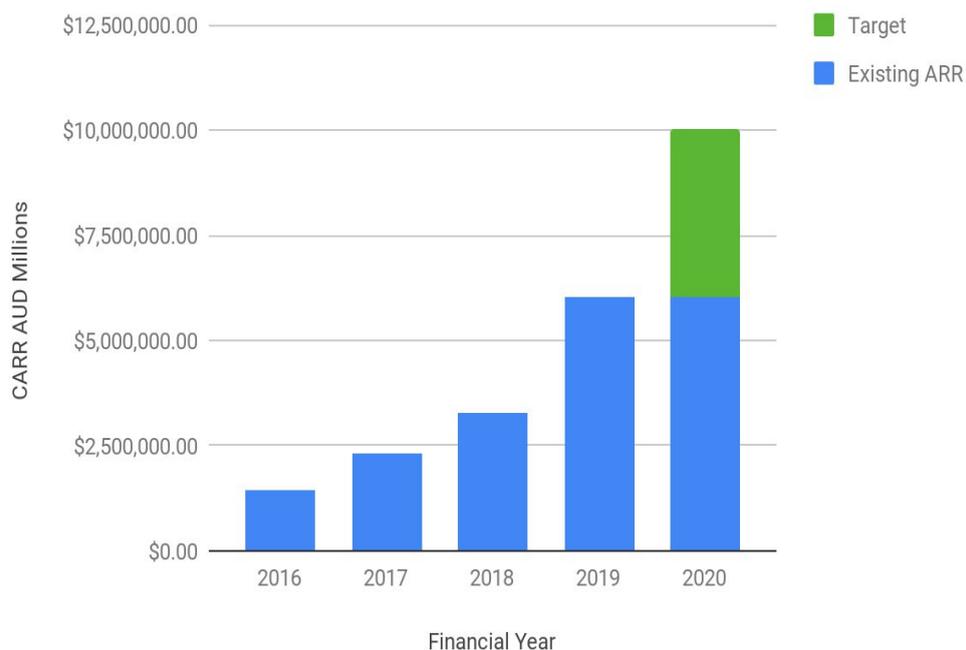


- This quarter's result added an **additional 26% to the Overall CARR**



### CARR Forecast FY20

With the **acceleration in sales** as a result of **focused growth initiatives**, customer driven product development (particularly in the **Solo product line**) and a significant qualified pipeline of new opportunities, Vault is pleased to provide a **target of \$10M CARR** to be delivered by **30 June 2020**.



## Cash Receipts

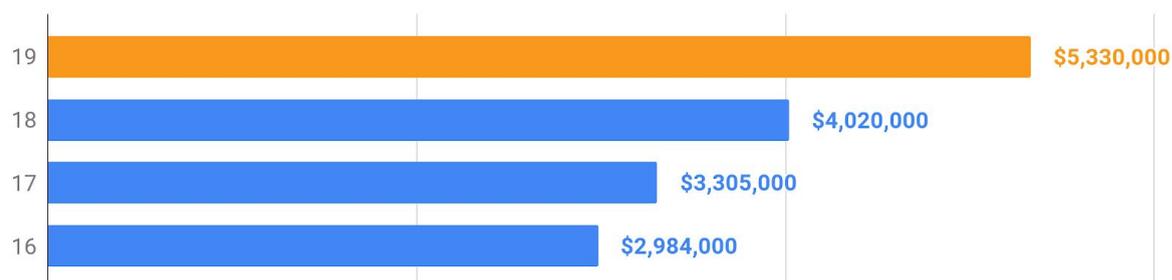
Vault delivered **record results in the quarter for cash receipts** with business breaking through the \$1.5M barrier for the first time based on revenue from Vault Enterprise product and Vault Solo.

Key results on performance for cash receipts are as follows:

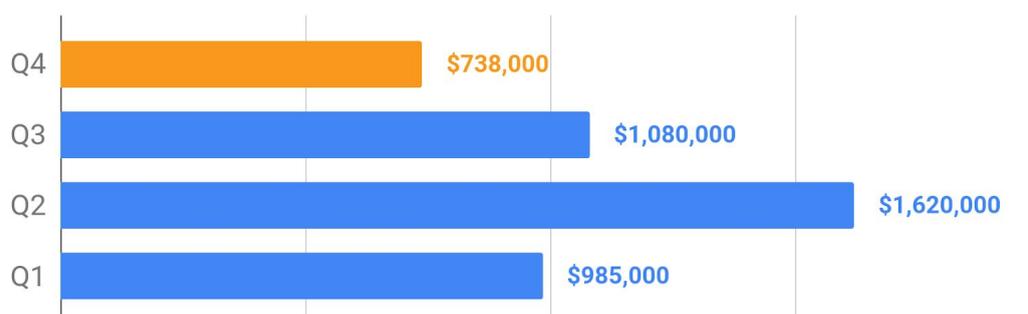
- **Customer Cash receipts** for Q4 of FY19 totaled **\$1.62M**, representing a **growth rate of 72%** on prior quarter



- **Total Net Cash Receipts** for FY19 totaled **\$5.33M**, representing a **growth rate of 33% YoY**



- **Cash burn** for the quarter was **significantly lower** at **\$738k**, representing a **reduction of 32%** on prior quarter



## Corporate Financial Notes

The Company ended the quarter with AUD equivalent funds of **~\$2.8M in cash** (excluding net receivables of ~\$330k) and is well positioned financially to continue the growth and development of the business.

In addition to increasing customer cash receipts from the increase in revenue, it is anticipated the cash position will be bolstered with **R&D government grants** expected in FY20 Q2.

The **cash burn was significantly lower** this quarter with a **32% reduction in cash burn** (\$738k).

The qualified and well progressed **sales pipeline** generated for both the Vault Enterprise and Solo Product lines are **at record levels**. Significant opportunities have been progressed to the stage where new **material sized deals** for both the **Vault Enterprise** and **Solo Platforms** are expected to be converted in Q1/Q2 and throughout the upcoming financial year.

Ends.

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## About Vault Intelligence Limited

Vault Intelligence Limited (ASX: VLT) is an online/SaaS development business specialising in creating solutions in the Risk, Environment, Health and Safety (EHS) sector. Vault operates across more than 30 industries and in several parts of the world.

Vault's leading cloud-based systems provide its clients with the benefits of cost savings and the availability of real-time information to monitor, maintain and improve their businesses. Driven by a passionate team of developers and EHS industry experts, Vault delivers its enterprise-level software and mobile solutions to 1,000,000+ people across 30 industries.

To find out more about how Vault solutions can help to minimise risk and boost effectiveness in your workplace, visit [www.vaultintel.com](http://www.vaultintel.com).

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## Caution Regarding Forward Looking Statements

*This announcement may contain forward looking statements which involve a number of risks and uncertainties. These forward looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. Unless expressly stated, the Company does not provide any forecast regarding revenues that may be derived from a particular customer contract, as such revenues are generally dependent upon the extent of the usage of the Company's product suite. Any forward looking statements are made as at the date of this announcement and the Company disclaims any intent or obligation to update publicly such forward looking statements, whether as a result of new information, future events or results or otherwise.*

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

Vault Intelligence Ltd

**ABN**

15 145 040 857

**Quarter ended ("current quarter")**

30 June 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (.12..months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,618	4,565
1.2 Payments for		
(a) research and development	(23)	(113)
(b) product manufacturing and operating costs	(116)	(631)
(c) advertising and marketing	(213)	(727)
(d) leased assets	(3)	(26)
(e) staff costs	(1,057)	(4,160)
(f) administration and corporate costs	(717)	(2,308)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	31
1.5 Interest and other costs of finance paid	(13)	(36)
1.6 Income taxes paid	6	2
1.7 Government grants and tax incentives	348	768
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(168)</b>	<b>(2,635)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(15)	(100)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (.12..months) \$A'000
(d) intellectual property	(534)	(1,719)
(e) other non-current assets	(19)	(33)
2.2 Proceeds from disposal of:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) 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)		
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(568)</b>	<b>(1,846)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	5,000
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	9
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	(2)	(6)
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(2)</b>	<b>4,757</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	3,529	2,541
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(168)	(2,640)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(568)	(1,846)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(2)	4,757

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (.12..months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	(10)	(31)
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>2,781</b>	<b>2,781</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	2,442	3,217
5.2	Call deposits	411	412
5.3	Bank overdrafts	(72)	(100)
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,781</b>	<b>3,529</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

<b>Current quarter \$A'000</b>
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225
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Nil
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Includes directors' fees, salaries and superannuation

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

<b>Current quarter \$A'000</b>
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Nil
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Nil
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8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	335	(72)
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

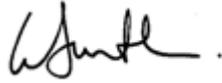
Variable interest rate overdraft facility with Westpac secured with a term deposit.

9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	(23)
9.2 Product manufacturing and operating costs	(101)
9.3 Advertising and marketing	(172)
9.4 Leased assets	(3)
9.5 Staff costs	(1,339)
9.6 Administration and corporate costs	(564)
9.7 Other (provide details if material)	
<b>9.8 Total estimated cash outflows</b>	<b>(2,202)</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

**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.



29 July 2019

Sign here: .....  
(Company secretary)

Date: .....

Print name: Graeme Smith

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.