



# INVESTOR PRESENTATION

NOVEMBER 2019

# Important Notice & Disclaimer

This presentation ("Presentation") has been prepared by Vortiv Ltd ("VOR" or "Company"). You must read and accept the conditions in this notice before considering the information set out in or referred to in this Presentation. If you do not agree, accept or understand the terms on which this Presentation is supplied, or if you are subject to the laws of any jurisdiction in which it would be unlawful to receive this Presentation or which requires compliance with obligations that have not been complied with in respect of it, you must immediately return or destroy this Presentation and any other confidential information supplied to you by VOR. By accepting this document, you acknowledge and agree to the conditions in this notice and agree that you irrevocably release VOR from any claims you may have (presently or in the future) in connection with the provision or content of this Presentation.

## No Offer

This Presentation is not a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with ASIC) or any other law. This Presentation is for information purposes only and is not an invitation or offer of securities for subscription, purchase or sale in any jurisdiction (and will not be lodged with the ASIC). This Presentation does not constitute investment or financial product advice (nor tax, accounting or legal advice) or any recommendation to acquire shares of VOR and does not and will not form any part of any contract for the acquisition of shares of VOR.

## Summary Information

This Presentation contains summary information about VOR, its subsidiaries and their activities which is current as at the date of this Presentation. The information in this Presentation is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in VOR or that would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act. While VOR has taken every effort to ensure the accuracy of the material in the presentation, neither the Company nor its advisers have verified the accuracy or completeness of the information, or any statements and opinion contained in this Presentation.

## Not Investment Advice

Each recipient of this Presentation should make its own enquiries and investigations regarding all information in this Presentation including but not limited to the assumptions, uncertainties and contingencies which may affect future operations of VOR and the impact that different future outcomes may have on VOR. This Presentation has been prepared without taking account of any person's individual investment objectives, financial situation or particular needs. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own investment objectives, financial situation and needs and seek legal, accounting and taxation advice appropriate to their jurisdiction. VOR is not licensed to provide financial product advice in respect of VOR shares.

## Investment Risk

An investment in VOR shares is subject to known and unknown risks, some of which are beyond the control of VOR. VOR does not guarantee any particular rate of return or the performance of VOR nor does it guarantee any particular tax treatment. An investment in VOR should be considered as Highly Speculative and High Risk due to the start up nature of the Company and its proposed business.

## Forward-Looking Statements

This Presentation may contain forward looking statements. The Australian words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements are subject to risk factors associated with the Company's business, many of which are beyond the control of the Company. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You should not place undue reliance on forward-looking statements and neither VOR nor any of its directors, employees, advisers or agents assume any obligation to update such information.

## Disclaimer

None of VOR's respective advisers or any of their respective affiliates, related bodies corporate, directors, officers, partners, employees and agents, have authorised, permitted or caused the issue, submission, dispatch or provision of this Presentation and, except to the extent referred to in this Presentation, none of them makes or purports to make any statement in this Presentation and there is no statement in this Presentation which is based on any statement by any of them. To the maximum extent permitted by law, VOR and its respective advisers, affiliates, related bodies corporate, directors, officers, partners, employees and agents exclude and disclaim all liability, including without limitation for negligence or for any expenses, losses, damages or costs incurred by you as a result of your participation in an investment in VOR and the information in this Presentation being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. To the maximum extent permitted by law, VOR and its respective advisers, affiliates, related bodies corporate, directors, officers, partners, employees and agents make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of information in this Presentation. Statements made in this Presentation are made only as the date of this Presentation. The information in this Presentation remains subject to change without notice.

# Investment Highlights

- 1 Strong Financial Performance**
  - 7 consecutive quarters of positive operating cash flow
  - Operating cash flow: 

Jun '19 quarter	\$777k (delivered)
Sep '19 quarter	\$614k (delivered)
- 2 High Growth Industry**
  - Core business built on successful acquisitions in cloud and cyber security
  - Fast growing markets at 15 – 20% p.a. and estimated to reach \$10b and \$6b respectively in Australia within 3 years<sup>1</sup>
- 3 Solid Customer Base**
  - Blue chip client base: large financial institutions, utilities and government
  - Healthy repeat business with loyal client base due to strong technical expertise
- 4 “Inorganic” Growth Potential**
  - Further value-accretive and complementary acquisitions
  - Exploring R&D opportunities to develop intellectual property and solutions to solve real-life customer problems
- 5 Optionality Value in Passive Interest**
  - Additional optionality via 25% passive interest in Indian ATM managed services business, recently independently valued at \$9.8m
  - Actively seeking exit to focus on core business

# Corporate Overview

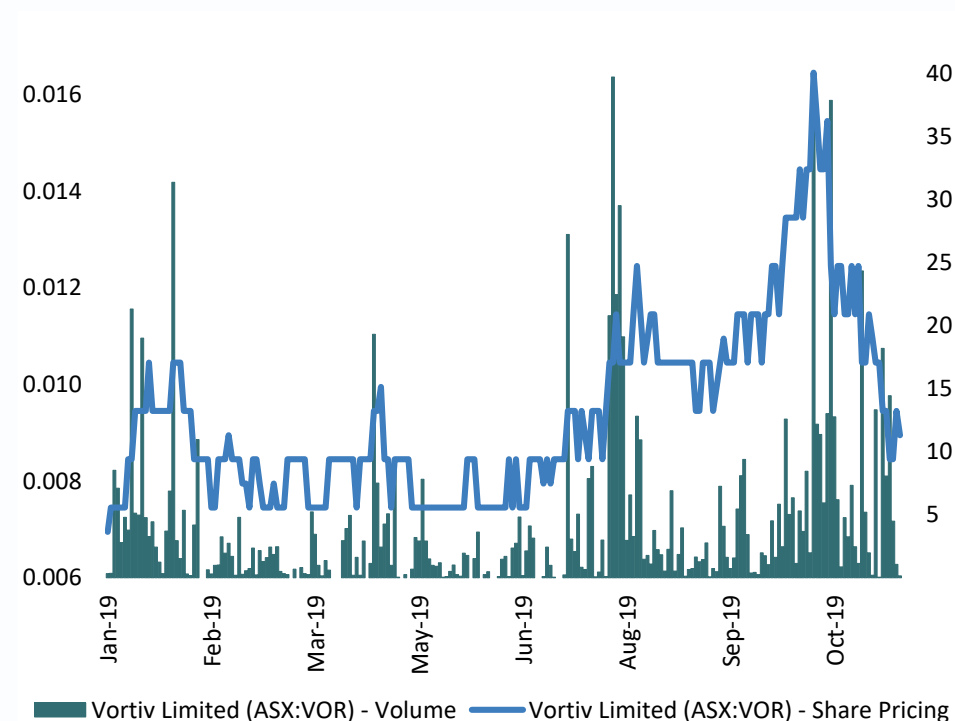
## Market Capitalisation (ASX: VOR)

Share Price (as at 26 <sup>th</sup> November 2019)	\$0.008
Total Shares On Issue	2.79 bn
Unlisted Options Outstanding	215.66 m
Market Capitalisation <sup>1</sup>	\$24.0 m
Less: Cash at Bank (as at 31 October 2019)	\$1.7 m
Add: Debt <sup>2</sup>	\$2.8 m
Enterprise Value	\$25.1 m

## Options

Expiry date	Exercise Price (Cents)	Options
7-Feb-20	1.500	12,000,000
3-Apr-20	1.700	48,181,818
3-Apr-20	2.000	5,000,000
23-Sep-20	0.851	30,375,000
21-Dec-20	1.300	59,551,478
21-Dec-20	1.500	59,551,478
6-Feb-21	1.220	1,000,000
<b>Total</b>		<b>215,659,774</b>

## Share price (\$a) / Volume history (m)



# Highly Experienced Board & Senior Management

## Board of Directors



**Gary Foster**  
Co-Founder &  
Chairman

- Chairman of VOR since Mar 2017 and previously Managing Director
- Built one of the largest Australian electronic transaction companies
- Member of the Australian Institute of Company Directors.



**Jeffrey Lai**  
Managing Director  
And Group CEO

- Joined VOR in Mar 2017, 30 years in the technology sector
- Previously Managing Director of Accenture and Arthur D. Little
- Bach of Engineering (Uni of Melb) and MBA (INSEAD)



**Howard Digby**  
Independent Non-  
Executive Director

- 25 years of experience managing technology businesses
- Experienced ASX Independent Director
- Advisor and investor in technology companies
- Bachelor of Engineering (UWA)



**Gregg Taylor**  
Independent Non-  
Executive Director

- 20 years of experience in Financial Markets
- Experienced ASX Independent Director
- Advisor and investor in technology companies
- Bachelor of Commerce (UOW) and CFA

## Leadership



**Michael Leonard**  
Founder of Decipher  
Works

- 20 years of IT security experience, and expertise in Identity and Access Management
- Specialises in banking and insurance sectors
- Broad skills in security strategy, architecture and solutioning



**Stefan Halvarsson**  
Founder of Decipher  
Works

- 20+ years of IT security experience, primarily in Identity and Access Management
- Specialises in financial services sector
- Deeply skilled in delivering solutions for large and highly complex environment



**Malcolm Duncanson**  
Founder of Cloudten

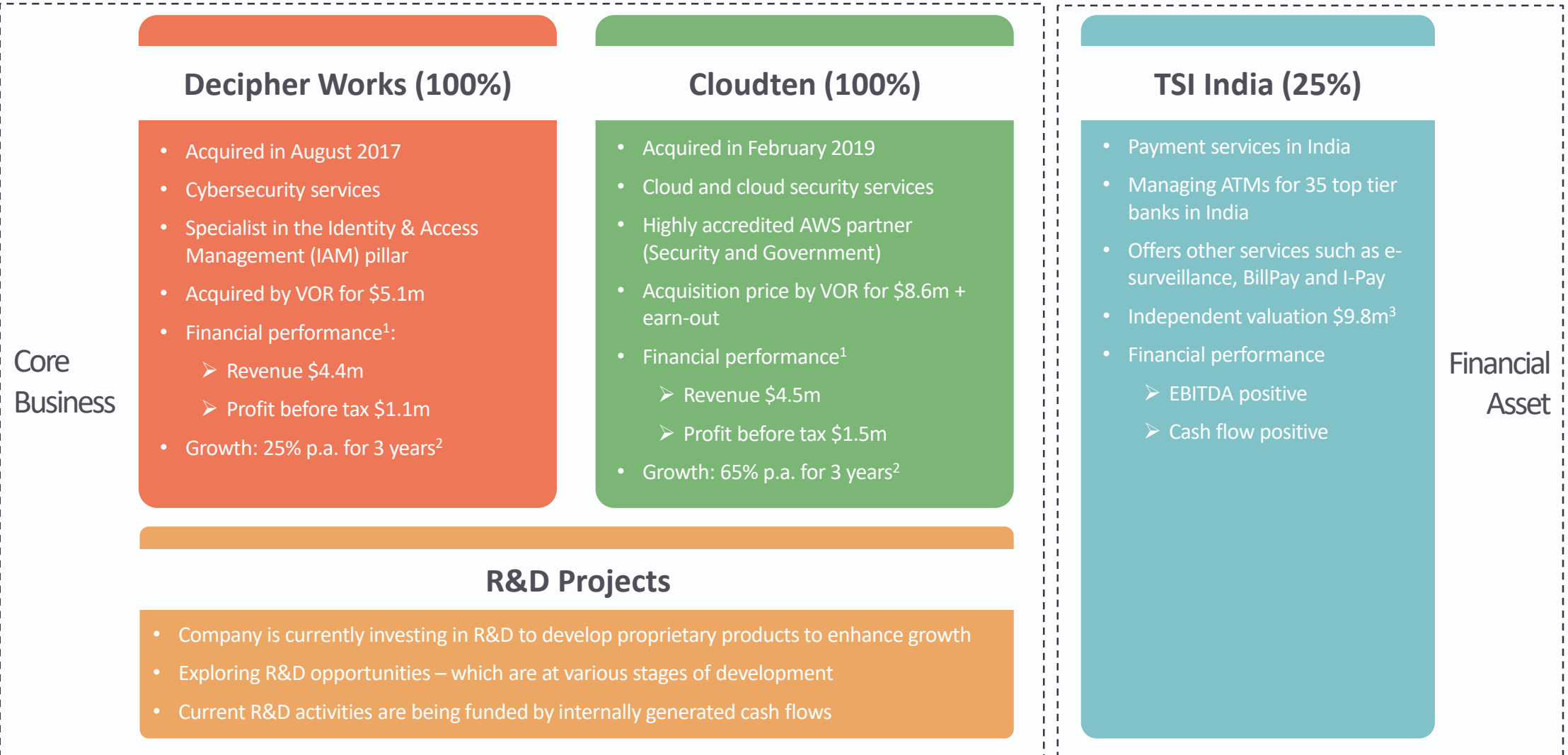
- 20+ years of experience in IT design and architecture
- Specialises in cloud and security
- Prior to founding Cloudten, held architect roles with various large, global financial institutions in London



**Richard Tomkinson**  
Founder of Cloudten

- 20+ years of experience in delivering large, complex IT programs
- Specialises in cloud and infrastructure security
- Prior experience with large corporations

# Vortiv's Businesses

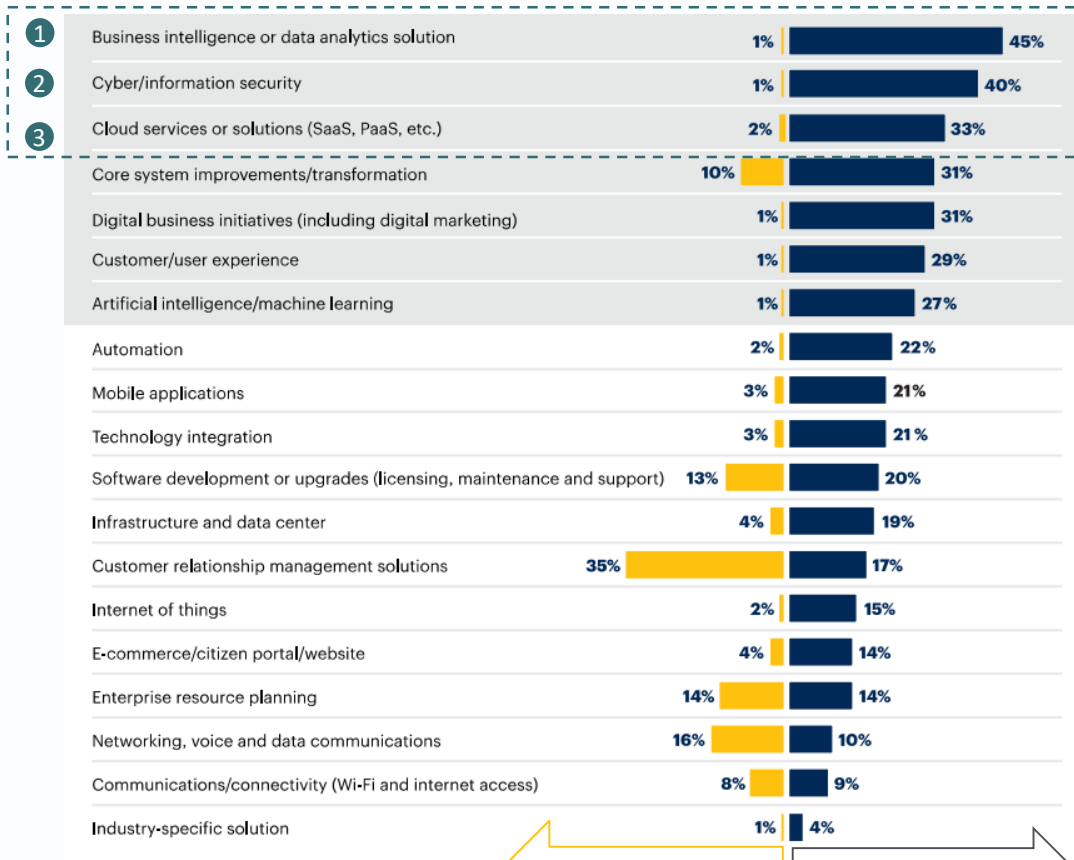


Notes:

1. Net revenue and normalised profit before tax for 12 months ended 30 June 2019
2. 3-year CAGR (Compounded Annual Growth Rate) of revenue
3. Independent valuation conducted by Top 5 global accounting firm in May 2019 – value represents preferred value based on sum of the parts methodology

# Cloud & Cybersecurity Market

Cybersecurity and Cloud are amongst the Top 3 areas where enterprises are expected to increase IT spending in 2019...



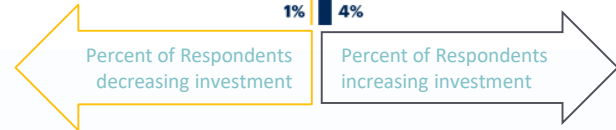
Decipher Works

Cybersecurity Specialist in  
Identity & Access Management



Cloud, Security & Data  
Analytics Specialist

... and VOR is precisely positioned to capture this



# Decipher Works | Cybersecurity



## Overview

- Specialist in Identity, Access, Governance & Federation
- Facilitates appropriate access into various enterprise IT systems to authorised users in order to enforce strong security
- Highly attractive market, growing at 8 – 10% pa
  - Expected to continue due to increasing threats, exposure, risk awareness and regulations
- Loyal client base of blue-chip financial institutions
- Strong capability enables DWX to consistently secure new clients resulting in 35% growth compared to previous year

## Clients<sup>1</sup>



## Services



Cyber Security Consulting



Integration Services



Managed Services and Support



Identity Governance



Access Management



Enterprise Security

## Partners



Notes:

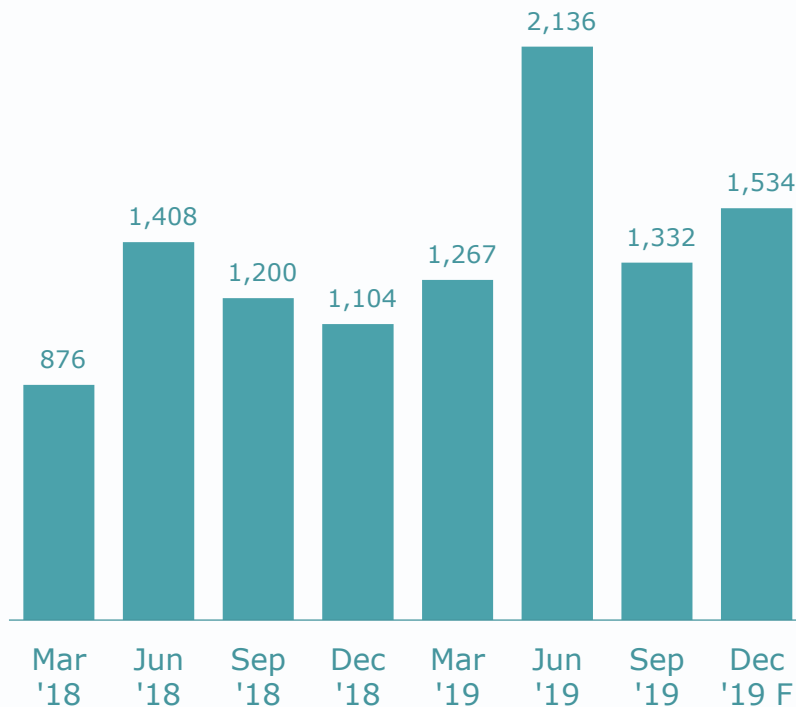
1. Selected clients served in the last 12 months.



# Decipher Works – Revenue Growth



DWX Gross Revenue ('000)



- Overall growth trend for DWX due to:
  - Recurring/repeat business from existing customers
  - Acquisition of new clients
  - Growth in Financial Services opportunities stemming from Open Banking legislation.
- Revenue growth of 37% in 2019 compared to 2018
- DWX's has built a strong sales pipeline for the next few quarters
- Target to deliver ~40% growth in FY20
- Increasing focus on the Government sector leveraging off the experience and network of Cloudten.

# Cloudten | Amazon Cloud Specialist



Cloud Specialist &  
Cloud Security Specialist

## Overview

- Cloud and cloud security services provider
- Assists large enterprises and government agencies migrate to the cloud
- >100% y-on-y revenue growth over past three years
- Advanced consulting partner of Amazon Web Services (AWS), the dominant infrastructure-as-a-service provider globally
- Highly accredited by AWS, with specific competencies in Government and Security

## Cloudten's AWS Journey & Achievements

- **2015** Admitted as AWS Standard Consulting Partner
- **2016** Advanced Consulting Partner status
- **2017** Admitted into Public Sector Partner program
- **2018** The first and only Australian Consulting Partner to achieve Government Competency
- **2018** One of three Australian Consulting Partners to achieve Security Competency
- **2019** Under consideration for Premier Consulting Partner status and DevOps Competency



## Services



Cloud Migration



AWS Security &  
Compliance



Elastic Managed  
Cloud



Devops & Automation



Custom Development  
Alexa, Lambda & AI



AWS Optimisation

## Partners

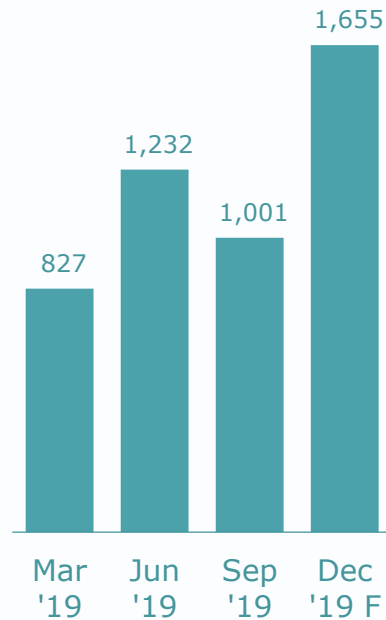


aws competency



# Cloudten – Revenue Growth

Cloudten Gross Revenue ('000)



Selected Clients



- Cloudten is expected to continue its quarter-on-quarter growth trend for the December quarter:
  - Recurring/repeat business from existing customers
  - Launching 1<sup>st</sup> protected data solution into AWS Cloud for a Federal Government Department in Australia
  - Ongoing customer success in the transport sector
- Expected to deliver \$4.7m revenue in 2019
- Building capabilities and product solutions in data analytics due to significant growth potential
- With the AWS Whole of Government Agreement and Federal Government's Cloud First strategy, Cloudten is experiencing an unprecedented pipeline of opportunities for further Government projects in the next 12 months.

# TSI India Update | Vortiv is actively pursuing exit strategy



## ATM

- YTD Cash Positive
- This is despite one-time cost of ATM site closure and related compliances

- In process of complying with ATM security guidelines issued by RBI
- Obtaining debt financing to support the upgrades and replacement of 7,000 ATMs and the deployment of 3000+ E-Surveillance units



## E-Surveillance

- TSI India has gained new business from existing clients as well as added new clients on its E-surveillance offering
- Currently managing 1500+ units
- On half year ending September 2019, revenue up +68% YoY from PcP
- Order in hand to deploy an additional 3500+ E-surveillance units, expected to be executed by March 2019

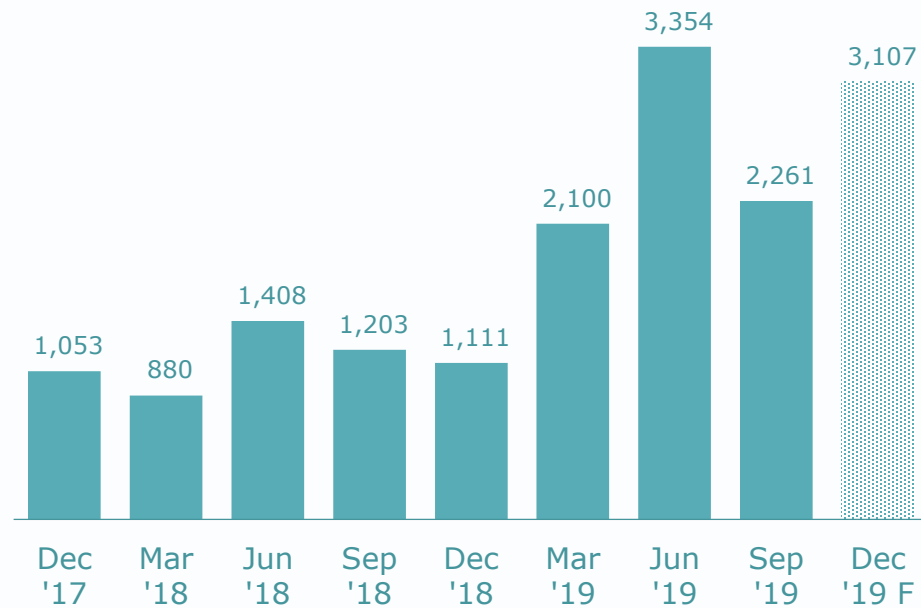


## I-Pay

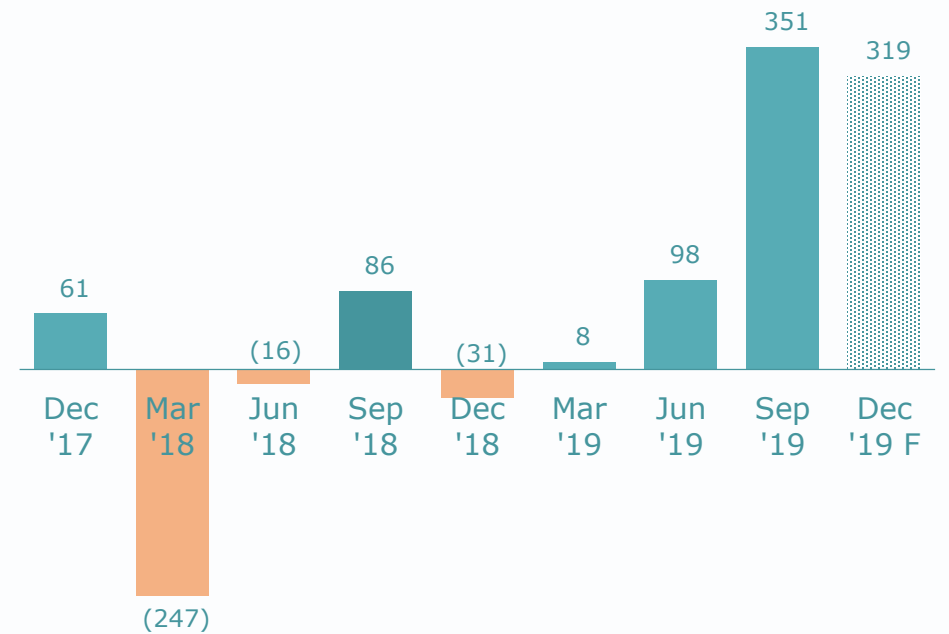
- I-Pay is TSI India's homegrown platform offering services like Domestic Money Transfer, Aadhar Enabled Payment Services (AEPS), Bharat Bill Pay Services (BBPS), Prepaid Recharge, Cash-drop Services, etc.
- Network of 5,000 merchants across India offering I-Pay services
- Gross Transaction Value of more than INR 450 million

# Growth Trajectory

Group Quarterly Revenue ('000)



Group Quarterly PBT ('000)



Note: Group Revenue has eliminated intra-group revenue which has been recorded in both Cloudten and DWX's P&L

# Growth Strategy

1

## Deliver profitable organic growth

Through:

- Building deep expertise in identify access management and cloud security – one of Australia’s leaders
- Focusing on repeat business with a few large financial institutions, utilities and government
- Growing new markets within Australia (Melbourne, Brisbane) and UK
- Potential synergies, including cross-selling to respective client base
- Building on strong historical growth – Cloudten 65% p.a. and DWX 25% p.a. for the last 3 years
- Cloudten and DWX to continue delivering net profit margin (before tax) of 25% to 30% (excl. corporate cost)

2

## Develop new products to create new, recurring revenue stream

- R&D to build IP for new product offering (to bundle/complement service offering)
- Proof-of-concept and pilot testing for 3 new products

3

## Complementary, value-accretive acquisitions

## Evaluate opportunities to monetise investment in TSI India

4