

## CORPORATE UPDATE

- **Restructuring of international operations to result in \$500k annual savings**
- **Block trade of 124 million shares to long term holders and management**
- **Share consolidation to attract broader investor base**

### CLOUDTEN'S INTERNATIONAL OPERATIONS

The Board of Vortiv Limited (ASX: VOR) (Vortiv or the Company) advises that, following a review of the Cloudten operations in the United Kingdom, it will not be pursuing the establishment of the business in the UK and Singapore at this time. This will enable the Company to focus on its growth strategy in Australia and to build on the strong market presence and customer base of Decipher Works and Cloudten in this market.

Vortiv and Mr Malcolm Duncanson, co-founder of Cloudten responsible for the UK operations, have mutually agreed to a separation arrangement and commenced the process of closing down the international operations which is expected to be completed within the next 4 to 6 weeks

The restructuring of the international operations will result in estimated cost savings of \$500,000 per annum, with minimal revenue impact.

### BLOCK TRADE TRANSACTION

Vortiv advises that it has facilitated the sale of a block of 124 million VOR shares held by an institutional investor to a group of long-term investors consisting of:

- existing long-term shareholders (including Ilwella and Bombora) amounting to 74 million shares; and
- management (Cloudten's founder Richard Tomkinson and Vortiv's Managing Director, Jeffrey Lai) amounting to 50 million shares.

The block trade enabled the orderly transfer of the shares to a number of shareholders who are committed to the long-term success of the Company.

### SHARE CONSOLIDATION

The Board of Vortiv is proposing to consolidate the Company's issued capital on the basis of one (1) new share for every twenty (20) shares currently on issue, subject to shareholder approval.

The capital structure of the Company, with 2,789,180,264 shares on issue, is considered to be unnecessarily high and unwieldy for its current market capitalisation. The share consolidation should result in a reduction in share price volatility and help to attract a broader investor base.

Given that Vortiv has delivered positive cash flow, profitability and revenue growth in the last 24 months, the Board does not believe that any material disadvantage will arise for shareholders as a result of the proposed consolidation.

Further details of the consolidation will be set out in the notice of meeting to be dispatched to shareholders shortly as well as in the ASX appendix 3A.3.

## CONVERTIBLE NOTES

The Company previously announced (16 December 2019) the extension of 6 convertible notes with a face value totalling \$590,000, subject to shareholder approval at a meeting to be held by 28 February 2020. The noteholders have agreed to date of the meeting to be extended to 31 March 2020. The notice of meeting, scheduled to be held 30 March 2020, will be dispatched shortly.

### For more information:

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### About Vortiv

Vortiv Ltd (formerly Transaction Solutions International) is a technology-based company focused on cybersecurity and cloud infrastructure and security. The Company has a 100% ownership of Decipher Works, a Sydney-based cybersecurity specialist that provides consulting and managed services to its loyal client base of financial institutions and large corporations. In addition, Vortiv owns 100% of Cloudten Industries, a cloud and cloud security specialist that assists the government, financial institutions and large corporations migrate, secure and manage their infrastructure in the cloud.

Vortiv also holds a 24.89% interest in TSI India, a company having 400 employees, which has created a scalable operation in the field of e-transactions and payments in India. TSI India owns and manages ATMs for over 30 major banks and offers Bill Payment services to a number of utility companies in India.

### Forward Looking Statements

Certain statements contained in this document constitute forward looking statements. Such forward-looking statements are based on a number of estimates and assumptions made by the Company and its consultants in light of experience, current conditions and expectations of future developments which the Company believes are appropriate in the current circumstances. These estimates and assumptions while considered reasonable by the Company are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, achievements and performance of the Company to be materially different from the future results and achievements expressed or implied by such forward-looking statements. Forward looking statements include, but are not limited to, statements preceded by words such as “planned”, “expected”, “projected”, “estimated”, “may”, “scheduled”, “intends”, “anticipates”, “believes”, “potential”, “could”, “nominal”, “conceptual” and similar expressions. Investors are cautioned that forward looking information is no guarantee of future performance and accordingly, investors are cautioned not to place undue reliance on these forward-looking statements.