



Investor Presentation

AUGUST 2020

VOR provides specialist cloud and cyber security services to long-standing institutional and government clients. The Company is profitable, with growing operating cash flows, and has a strong demand outlook, driven by rising expenditure to address escalating global cyber security concerns. VOR owns 100% of Decipher Works and Cloudten Industries, and 25% of TSI India.

Core Operating Businesses



- 100% subsidiary of Vortiv since August 2017
- Cybersecurity services, specialist in the Identity & Access Management (IAM)
- Focus primarily on financial institutions and government



- 100% subsidiary of Vortiv since January 2019
- Cloud and cloud security specialist
- Highly accredited partner (Security and Government) of Amazon Web Services (AWS)
- Trusted by government, utilities and financial services clients

Investment Asset



- Vortiv holds a 25% minority interest in TSI India
- Payments solution provider to 20 top tier banks in India
- TSI India's financial performance:
 - revenue \$51.3m
 - underlying EBITDA \$2.0m
- Independent valuation - \$5.5m

Vortiv's FY20 P&L results

\$11.5m
Revenue

\$1.4m
Profit before tax

\$2.3m
Profit after tax

\$1.7m
Operating cash flow

FY20 Balance Sheet Value

\$5.5m
Carrying value of investment/asset

Since June 2019, VOR has consistently outperformed the ASX Small Industrials index

MARKET DATA

ASX code	VOR
Ordinary shares	139.5m
Market capitalisation ¹	\$33.5m
Cash on hand (as at 30 June 2020)	\$2.4m
Listed on ASX	8 August 2001
Last price (6 August 2020)	\$0.24
52 week high	\$0.34
52 week low	\$0.06
Average daily volume	~237,460
GICS classification	IT

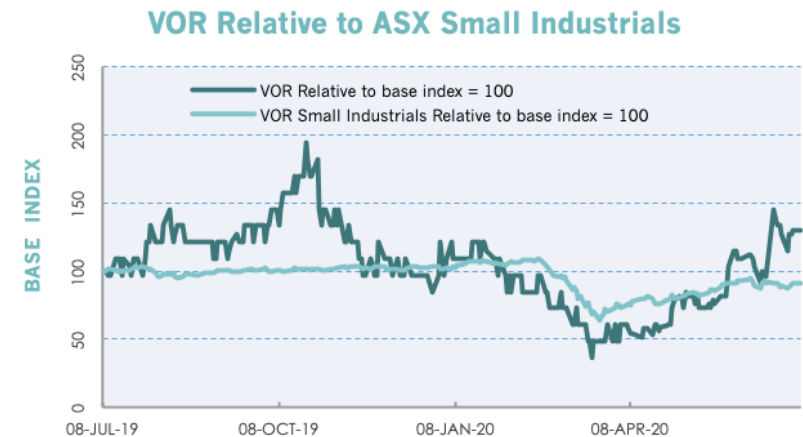
MAJOR SHAREHOLDERS

Ilwella Pty. Ltd.	8.1%
Gary Foster	5.6%
Bombora Asset Management	5.2%
Westedge Investments	3.8%
Athraustos Pty. Ltd.	3.2%
SLH Enterprises Pty. Ltd.	3.2%

SHARE PRICE PERFORMANCE



RELATIVE PERFORMANCE





STRONG OPERATING MOMENTUM

- Three successive years of revenue growth
- Revenues have grown substantially, from FY17 \$0.1m to \$11.5m in FY20
- Organic growth of business >30%, higher than industry growth



PROFITABLE

- Record profit before tax \$1.4m (from \$0.1 m)
- Profit after tax \$2.3m (from \$0.1 m)
- Operating cash flows \$1.7m (from \$0.7 m)



HIGH QUALITY CUSTOMERS

- Strong organic growth driven by blue chip client base (large financial institutions and government)
- Focusing on industries that are highest spenders in cloud and cyber security



STRONG RECURRING & REPEAT BUSINESS

- 80% of revenue from existing clients (average 4-year client relationship, \$1m p.a. each and increasing)
- Most contracts are recurring, repeat or upsell/cross-sell



STRONG DEMAND OUTLOOK

- Well placed to benefit from rising demand for cyber security services from governments and the private sector
- Australia set to spend nearly \$1 billion to boost cyber security
- Historical industry growth of 20%; and expected to be higher in the coming years



ACQUISITION TRACK RECORD

- Strong acquisition value-add track record
- Two acquisitions so far – both continued to deliver revenue and profit growth



RELATIVE VALUATION DISCOUNT

- VOR's EV/revenue multiple of 2.6x, which is a 56% discount to its ASX-listed peer group average of 5.9x
- And, profitable compared to peers



COMPETITIVE ADVANTAGES

- Highly experienced team – certified professionals for respective specialisation, with 8-10 years of experience
- Strong client relationships – average continuous relationship of 4 years



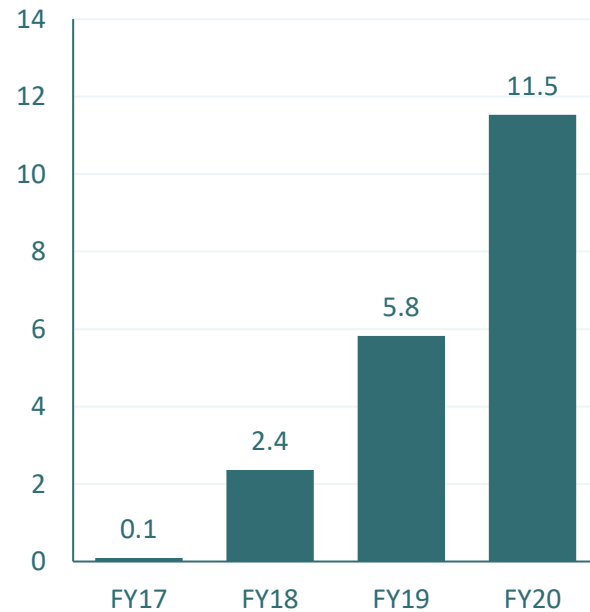
LATENT ASSET VALUE

- \$5.5m valuation for 25% interest in TSI India (written down to the bottom end of independent valuation range)
- Re-valuation to occur each year
- Potential asset divestment to realise latent value

FY20 achieved record revenues, profits, operating cash flows

Revenue

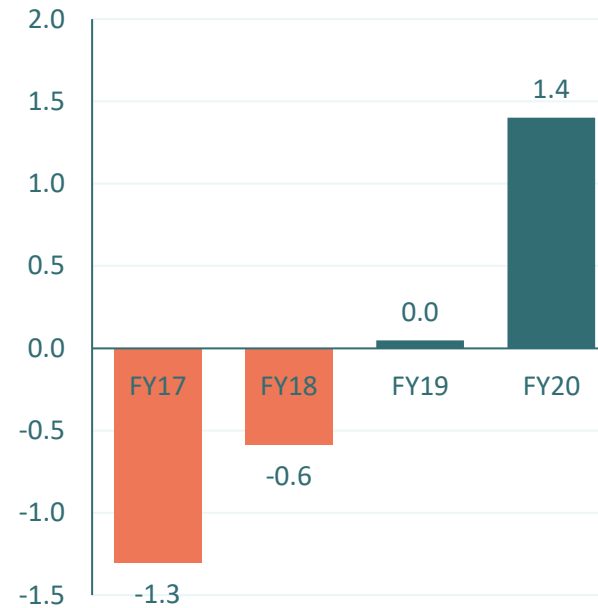
All numbers in \$ millions



Record Revenues

- Record revenues of \$11.5m in FY20
- 98% growth vs FY19 (Cloudten acquisition was completed on 1 Feb 2019)
- Strong demand in the cloud and cyber security market

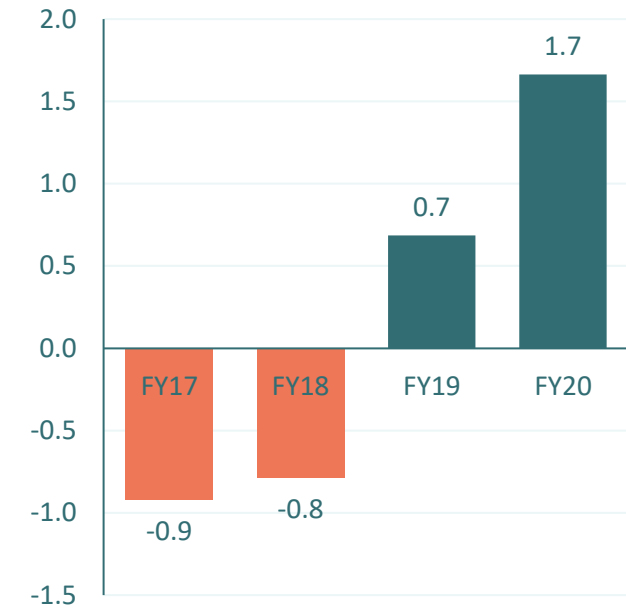
Profit before Tax



Record Profits

- FY20 \$1.4m PBT, and \$2.3m PAT
- EBITDA margins increased to 14%
- Profit and EBITDA margins expected to increase due to operational improvements and economies of scale

Operating Cash Flow



Record Operating Cash Flow

- \$1.7m operating cash flow in FY20
- Highly correlated to EBITDA trajectory highlighting quality of earnings

Cyber security risk management is a rapidly growing market, with Australia set to spend more than \$1 billion to boost cyber security to counter the increasing persistent and significant cyber threats to governments and commercial organisations in the last few years

MAJOR CYBER ATTACKS

'Sophisticated state-based' cyber attack hits Australian government, businesses in major breach

www.9news.com.au/national/cyber-attack-australia-scott-morrison-government-private-sector-breach-of-security/e621ae47-f810-4fa7-9c11-3caa3b09f4dc



GOVT SPENDING INCREASE

Tough cyber security rules loom for business as attacks surge

www.afr.com/politics/federal/tough-cyber-security-rules-loom-for-business-as-attacks-surge-20200621-p554nj



GOVT SPENDING INCREASE

Australia to spend nearly \$1 billion to boost cyber security

www.reuters.com/article/us-australia-cyber-idUSKBN2410JB



Serving a loyal base of blue-chip clients

Revenue from top 10 clients: 80%

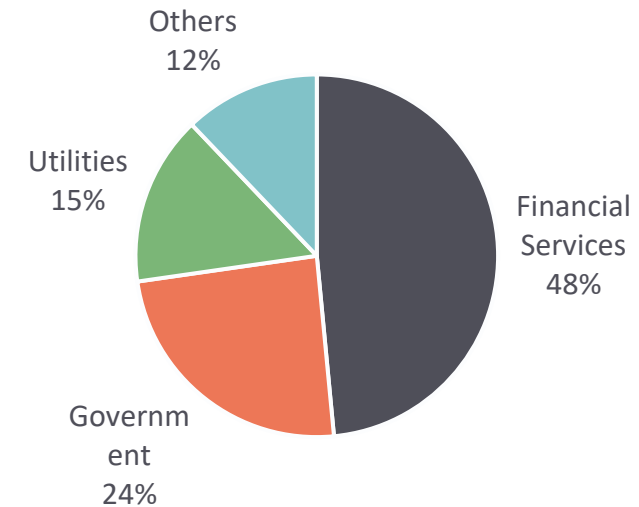
Average revenue per client: \$1m p.a.

Ave. relationship with top 10 clients: 4 years

Business with top 10 clients includes:

- Multi-year retainer contracts
- Repeat business
- Contract extensions
- Cross-selling, upselling

REVENUE BREAKDOWN BY INDUSTRY



SELECTED CLIENTS*



VOR has a 25% interest in TSI India, which has been written down to the low end of its independent valuation range



STRONG FINANCIALS*

- \$51.3m FY20 revenue
- \$2.0m underlying FY20 EBITDA



STRONG OUTLOOK

- Executing profit improvement programmes to increase profit over the next 2 years



CONSERVATIVE VALUATION

- VOR's holding in TSI India is revalued annually.
- The Board wrote down the book value of TSI India from \$9.75m to \$5.5m (the lower end of the independent accountant's valuation range of \$5.5m to \$8.9m).



Facilitate 500 million transactions p.a.

- ATM market transactions continue to grow at 8% in India
- ATM network comprises new ATMs deployed in the last 12 months



Own/operate or manage 12,000 ATMs

- Provide multiple services to customers
- Potential for global outsourcing of ATMs to India
- Exploring inorganic growth opportunities to grow ATM network



Serve 20 major banks + 4 major utilities

- Serving some of the largest banks in India
- Own, operate and manage 300+ payment kiosks



Manage 2,000 e-surveillance units

- Proprietary technology for security monitoring of ATMs and branches
- Developing video analytics and artificial intelligence technologies to transform e-surveillance offering



Provide services to 5,000 i-Pay merchants

- Launched new i-pay platform to offer on cash-to-digital payment solution to customers
- Broadening service offering and merchant network



With 700 staff

- Located in 10 offices across India to broaden coverage

Notes on treatment of TSI India in Vortiv's financial statement:

- TSI India is treated as a financial asset in Vortiv's Balance Sheet.
- TSI India's revenue and profit are not consolidated into Vortiv's P&L.
- Annual revaluation of TSI India is reflected below the Profit after Tax line as Comprehensive Income/Loss

In FY21, VOR expects:

- Revenue growth
- Margin expansion
- Profit growth
- Strong organic client growth
- Strong sector demand outlook
- Potential latent value asset realisation
- Potential opportunistic, accretive acquisitions



Strong demand for cyber security in the next few years

- Heightened focus on cyber risk management by government and private sector, following recent cyber attacks



Latent asset value realisation

- TSI India written down to conservative value, despite strong underlying performance
- Interest from strategic acquirers



Value-accretive acquisitions

- High growth, proven businesses
- Complementary services, complementary clients



Organic growth of 25-30%

- Continued focus on large clients in target industries: banks, insurance, government, utilities and education
- Cross-selling and deeper penetration into key accounts
- Expanding geographic presence in Victoria and Canberra

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 TEAM



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)



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



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



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

Important Notice & Disclaimer

This presentation ("Presentation") has been prepared by Vortiv Ltd ("VOR" or "Company") and is authorised for release by the Company's Managing Director, Jeff Lai. 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.