



ASX / Media Release

Pivotal Completes Despatch of Retail Entitlement Offer Booklet

Fremont, California and Sydney, Australia; 10 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, is pleased to announce the Retail Entitlement Offer Booklet and personalised Entitlement and Acceptance Form in connection with the 1 for 4.24 accelerated non-renounceable pro-rata entitlement offer, comprising an accelerated institutional entitlement offer and a retail entitlement offer (together, the **Entitlement Offer**) at an issue price of A\$0.49 for each new CDI to raise up to approximately A\$14.8 million (US\$10.5 million), has been despatched to Eligible Retail Securityholders today.

The retail component of the Entitlement Offer opens today, **Thursday, 10 February 2022** and is expected to close at 5.00pm (Sydney time) on **Monday, 21 February 2022**. Application monies must be received prior to this time in accordance with the Retail Entitlement Offer Booklet and the personalised Entitlement and Acceptance Form.

Eligible Retail Securityholders should carefully read and review the Retail Offer Booklet. If Eligible Retail Securityholders have questions on how to: 1. complete your personalised entitlement and acceptance form; or 2. take up the New CDIs offered to you under the Entitlement Offer, either in full or in part; or 3. take up your full Entitlement and apply for Additional CDIs, please call the share registry, Link Market Services between 8.30am and 5.30pm (Sydney time) Monday to Friday during the period from and including the date on which the Retail Entitlement Offer opens until and including the date on which it closes.

Within Australia: **1300 728 779**
Outside Australia: **+61 1300 728 779**

A letter to Ineligible Retail Securityholders notifying them of the Entitlement Offer and their ineligibility to participate has also been despatched today.

A copy of the Retail Offer Booklet and the letter to Ineligible Retail Securityholders is also attached.

THIS RELEASE DATED 10 FEBRUARY 2022 HAS BEEN AUTHORISED FOR LODGEMENT TO ASX BY RON WARRINGTON, CHIEF FINANCIAL OFFICER

- ENDS -

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If investors wish to subscribe to Pivotal Systems' email alert service for ASX Announcements, please follow this [link](#).

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' CHES 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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Accelerated Non-renounceable Entitlement Offer

Retail offer booklet

Pivotal Systems Corporation
ARBN 626 346 325

1 for 4.24 accelerated non-renounceable pro rata entitlement offer of New CDIs in the Company at a price of A\$0.49 per New CDI to raise A\$14.8 million, partially underwritten by MA Moelis Australia Advisory Pty Ltd to an amount of A\$10.4 million worth of New CDIs

**Lead managed and partially underwritten by MA Moelis Australia Advisory Pty Ltd
AFSL 345499**

Not for distribution or release in the United States

This is an important document which is accompanied by a personalised entitlement and acceptance form and both should be read in their entirety. Please call your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser or the share registry if you have any questions.

The Retail Entitlement Offer closes at 5:00pm (Sydney time) on Monday, 21 February 2022 (unless extended). Valid applications must be received before that time.

Important notice

Not for distribution or release in the United States

This Retail Offer Booklet is dated 10 February 2022 and relates to the Retail Entitlement Offer which is part of the Entitlement Offer by the Company to raise approximately A\$14.8 million.

This Retail Offer Booklet has been issued by the Company. The Retail Entitlement Offer is made pursuant to section 708AA of the Corporations Act 2001 (Cth) (Corporations Act) (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84, ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73 and ASIC Class Order 14/827). This Retail Offer Booklet is not a prospectus or product disclosure statement under the Corporations Act and has not been lodged with ASIC. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a prospectus or product disclosure statement. As a result, it is important for you to read and understand the publicly available information on the Company and the Entitlement Offer prior to deciding whether to accept your Entitlement and/or apply for Additional CDIs including the Company's announcements on ASX.

Neither the Lead Manager nor its related bodies corporate or affiliates, nor any of their respective directors, officers, partners, employees, representatives, contractors, consultants, agents or advisers (together, the **Lead Manager Parties**) has authorised, permitted or caused the issue or lodgement, submission, despatch or provision of this Retail Offer Booklet and there is no statement in this Retail Offer Booklet which is based on any statement made by the Lead Manager or by any Lead Manager Party. To the maximum extent permitted by law, each Lead Manager Party expressly disclaims all duties and liabilities (including for fault, negligence and negligent misstatement) in respect of, and makes no representations or warranties regarding, and takes no responsibility for, any part of this Retail Offer Booklet or any action taken by you on the basis of the information in this Retail Offer Booklet, and makes no representation or warranty as to the fairness, currency, accuracy, reliability or completeness of this Retail Offer Booklet.

Delaware law, Certificate of Incorporation and Bylaw

As a foreign Company registered in Australia, and incorporated in Delaware, United States, the Company is not subject to Chapters 6, 6A, 6B and 6C of the Corporations Act dealing with the acquisition of shares (including substantial shareholdings and takeovers). Under the provisions of Delaware General Corporation Law (**DGCL**), Shares are freely transferable subject to restrictions imposed by US federal or state securities laws, by the Company's certificate of incorporation or bylaws, or by an agreement signed with the holders of the shares at issue. The Company's amended and restated certificate of incorporation and bylaws do not impose any specific restrictions on transfer. However, provisions of the DGCL, the Company's Certificate of Incorporation and the Company's Bylaws could make it more difficult to acquire the Company by means of a tender offer (takeover), a proxy contest or otherwise, or to remove incumbent officers and Directors of the Company. These provisions could discourage certain types of coercive takeover practices and takeover bids that the Board may consider inadequate and to encourage persons seeking to acquire control of the Company to first negotiate with the Board. The Company believes that the benefits of increased protection of its ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure

the Company outweigh the disadvantages of discouraging takeover or acquisition proposals because, among other things, negotiation of these proposals could result in an improvement of their terms.

Note to Applicants

The information contained in this Retail Offer Booklet is not financial product advice and does not take into account the investment objectives, financial situation or particular needs of any prospective investor. It is important that you read this Retail Offer Booklet carefully and in full before deciding whether to accept your Entitlement and/or apply for Additional CDIs. In considering an investment in the Company, you should consider the risks that could affect the financial performance or position of the Company. You should carefully consider these risks in the light of your investment objectives, financial situation and particular needs (including financial and taxation issues) and seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest. Some of the risks that should be considered by prospective investors are set out in the Investor Presentation in Section 3. There may be risk factors in addition to these that should be considered in the light of your personal circumstances.

No person named in this Retail Offer Booklet, nor any other person, guarantees the performance of the Company, the repayment of capital by the Company or the payment of a return on the CDIs.

No person is authorised to give any information or make any representation in connection with the Entitlement Offer which is not contained in this Retail Offer Booklet. Any information or representation not so contained may not be relied on as having been authorised by the Company or the Directors.

Your right to acquire CDIs under the Retail Entitlement Offer is not transferrable. Eligible Retail Securityholders should carefully read and follow the instructions in Section 1 and in the accompanying personalised Entitlement and Acceptance Form (as defined below) when making the decision whether to accept your Entitlement (and apply for Additional CDIs).

Obtaining a copy of this Retail Offer Booklet

Eligible Retail Securityholders will receive a copy of this Retail Offer Booklet together with an accompanying personalised Entitlement and Acceptance Form. Eligible Retail Securityholders in Australia and New Zealand can also obtain a copy of this Retail Offer Booklet (free of charge) during the Retail Entitlement Offer period (as defined below) from the Company's website at www.pivotalsys.com or by calling the Share Registry on 1300 728 779 (from within Australia) or +61 1300 728 779 (from outside of Australia) from 8.30am to 5.30pm (Sydney time), Monday to Friday during the Retail Entitlement Offer period. Securityholders in other jurisdictions (including the United States), or who are, or are acting for the account or benefit of, a person in the United States is not entitled to access the electronic version of this Retail Offer Booklet. Eligible Retail Securityholders who access the electronic version of this Retail Offer Booklet on the Company's website should ensure they download and read the entire Retail Offer Booklet. The electronic version of the Retail Offer Booklet on the Company's website will not include a personalised Entitlement and Acceptance Form.

Statements of past performance

Past performance and pro forma financial information included in this Retail Offer Booklet is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its future financial performance or condition. Investors should note that past performance, including past CDI price performance, of the Company cannot be relied upon as an indicator of (and provides no guidance as to) the Company's future performance including future CDI price performance. The historical information included in this Retail Offer Booklet is, or is based on, information that has previously been released to the market.

Investors should also be aware that certain financial data included in this Retail Offer Booklet may be '*non-IFRS financial information*' under Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC. The Company believes this non-IFRS financial information provides useful information to users in measuring the financial performance and condition of the Company. The non-IFRS financial information does not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information and ratios (if any) included in this Retail Offer Booklet.

Financial information

The Investor Presentation sets out the financial information referred to in the Retail Offer Booklet. All dollar values are in US dollars unless noted otherwise (\$ or US\$), rounded to the nearest \$0.1 million and financial data is presented as at or for the year ended 31 December 2021 (unaudited) unless stated otherwise. Any discrepancies between totals and sums of components in tables contained in this Retail Offer Booklet are due to rounding.

As previously announced by the Company, the Company is moving from IFRS to US GAAP reporting from and including FY2021. This GAAP conversion may result in differences in the reporting of certain financial measures to those included in the Company's previous IFRS reporting. The Company has sought to disclose to investors any material differences as a result of its conversion to GAAP reporting, however, Securityholders should make their own assessment of the Company's financials and where appropriate obtain independent financial advice.

An exchange rate of AUD 1:USD 0.71 is used throughout this Retail Offer Booklet (unless otherwise specified).

Forward looking statements

This Retail Offer Booklet contains forward looking statements which are identified by words such as '*may*', '*could*', '*believes*', '*estimates*', '*expects*', '*intends*' and other similar words that involve risks and uncertainties. Any forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. Accordingly, such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management. The Company cannot and does not give any assurance that the results, performance or achievements

expressed or implied by the forward-looking statements contained in this Retail Offer Booklet will actually occur and prospective investors are cautioned against placing undue reliance on these forward-looking statements. Forward looking statements should be read in conjunction with, and are qualified by reference to, the risk factors as set out in the Investor Presentation in Section 3, as well as the other information in this Retail Offer Booklet.

The Company has no intention to update or revise forward looking statements, regardless of whether new information, future events or any other factors affect the information contained in this Retail Offer Booklet, except where required by law.

No cooling-off period

No cooling off rights apply to applications submitted under the Retail Entitlement Offer.

No entitlements trading

Entitlements are non-renounceable and cannot be traded on ASX or any other exchange nor can they be privately transferred.

Photographs and diagrams

Photographs and diagrams used in this Retail Offer Booklet (including in the Investor Presentation) that do not have descriptions are for illustration purposes only and should not be interpreted to mean that any person shown in them endorses this Retail Offer Booklet or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Retail Offer Booklet (including in the Investor Presentation) are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Retail Offer Booklet.

Company website

Any references to documents included on the Company's website at www.pivotalsys.com are for convenience only, and none of the documents or other information available on the Company's website are incorporated herein by reference.

Defined terms and time

Capitalised terms and abbreviations used in this Retail Offer Booklet have the meanings given to them in the Glossary. Unless otherwise stated or implied, references to times in this Retail Offer Booklet are to Sydney, Australia time.

Disclaimer

Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Retail Offer Booklet.

As set out in Section 1, it is expected that the New CDIs will be quoted on ASX. The Company, the Lead Manager and the Share Registry (in each case, as defined below) disclaim all liability, whether in negligence or otherwise, to persons who trade New CDIs before receiving their holding statements.

Selling restrictions

This Retail Offer Booklet does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the CDIs, or the Entitlement Offer, or to otherwise permit an offering of CDIs, in any jurisdiction outside Australia and New Zealand. The distribution of this Retail Offer Booklet outside Australia and New Zealand may be restricted by law and persons who come into possession of this Retail Offer Booklet outside Australia or New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

In particular, the CDIs have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States or to US Persons unless the CDIs are registered under the US Securities Act, or offered or sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. The CDIs to be offered and sold in the Retail Entitlement Offer will only be offered and sold outside the United States to non-US Persons in "offshore transactions", as defined and in compliance with Regulation S under the US Securities Act.

For further detail please see the Foreign Selling Restrictions set out in Section 4.4.

Privacy

By filling out the personalised Entitlement and Acceptance Form to apply for New CDIs (and Additional CDIs, if applicable), you are providing personal information to the Company through the Company's securities registry, Link Market Services, which is contracted by the Company to manage applications. The Company, and the Share Registry on its behalf, may collect, hold and use that personal information in order to process your application, service your needs as an investor, provide facilities and services that you request and carry out appropriate administration. If you do not provide the information requested in the personalised Entitlement and Acceptance Form, the Company and the Share Registry may not be able to process or accept your application.

Your personal information may also be provided to the Company's members, agents and service providers on the basis that they deal with such information in accordance with the Company's privacy policy. The members, agents and service providers of the Company may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the register of members;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing the Securityholder base and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising on, the Company's issued securities and for associated actions.

The information contained in the Company's register of members must remain there even if that person ceases to be a Securityholder. Information contained in the Company's register of members is also used to facilitate dividend payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its members) and compliance by the Company with legal and regulatory requirements. An Applicant has a right to gain access to the information that the Company and the Share Registry hold about that person, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing or by telephone call to the Company's registered office or the Share Registry's office, details of which are disclosed in the corporate directory set out on the last page of this Retail Offer Booklet.

Key Entitlement Offer Dates

Event	Date
Announcement of Entitlement Offer	3 February 2022
Institutional Entitlement Offer opens	3 February 2022
Institutional Entitlement Offer closes	3 February 2022
CDIs recommence trading ex-entitlement on ASX	7 February 2022
Record Date for the Retail Entitlement Offer	7 February 2022
Retail Entitlement Offer opens	10 February 2022
Despatch of personalised Entitlement and Acceptance Forms and this Retail Offer Booklet to Eligible Retail Securityholders	10 February 2022
Institutional Entitlement Offer settlement date	14 February 2022
Issue and quotation of New CDIs under Institutional Entitlement Offer	15 February 2022
Retail Entitlement Offer closes	21 February 2022
Issue of New CDIs under the Retail Entitlement Offer	28 February 2022
Quotation of New CDIs under the Retail Entitlement Offer	28 February 2022
Dispatch of holding statements for New CDIs	1 March 2022

Dates and times in this Retail Offer Booklet are indicative only and subject to change. All times and dates refer to Sydney time. The Company reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, to vary the dates of the Entitlement Offer without prior notice, including extending the Entitlement Offer or accepting late Applications, either generally or in particular cases, or to withdraw the Entitlement Offer or part of the Entitlement Offer without prior notice. Applicants are encouraged to submit their personalised Entitlement and Acceptance Forms as soon as possible. The commencement of quotation of New CDIs is subject to confirmation from ASX.

Enquiries

Before making a decision about investing in the Retail Entitlement Offer, you should seek advice from your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser to determine whether it meets your objectives, financial situation and needs. If you have any questions on how to:

1. complete your personalised entitlement and acceptance form; or
2. take up the New CDIs offered to you under the Entitlement Offer, either in full or in part; or
3. take up your full Entitlement and apply for Additional CDIs,

please call the Share Registry between 8.30am and 5.30pm (Sydney time) Monday to Friday during the period from and including the date on which the Retail Entitlement Offer opens until and including the date on which it closes:

Within Australia: 1300 728 779

Outside Australia: +61 1300 728 779

If you have misplaced your Entitlement and Acceptance Form and would like a replacement form, please call the applicable number above. Alternatively, if you have the Securityholder Reference Number or Holder Identification Number for your holding(s), you can download a replacement form from the Share Registry's secure website at www.linkmarketservices.com.au.

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Chairman's letter

10 February 2022

Dear Securityholder

On behalf of the Company, I invite you to participate in a 1 for 4.24 accelerated non-renounceable pro rata entitlement offer of New CDIs at an Offer Price of A\$0.49 per New CDI. The Offer Price represents a discount of approximately 31.6% to the 5-day VWAP price of A\$0.72 of the CDIs on ASX prior to announcement of the Entitlement Offer.

The Entitlement Offer comprises:

- an institutional component (**Institutional Entitlement Offer**); and
- a retail component (**Retail Entitlement Offer**).

The Institutional Entitlement Offer bookbuild was completed on 3 February 2022 with the issue of New CDIs under the Institutional Entitlement Offer to take place on 15 February 2022 which is expected to raise gross proceeds of approximately A\$8.4 million (US\$6.0 million).

The Retail Entitlement Offer is expected to raise gross proceeds of A\$0.7 million. The aggregate gross proceeds of the Entitlement Offer, expected to be approximately A\$14.8 million, will be used to fund the acceleration of the Company's growth initiatives, provide incremental working capital for general corporate purposes and cover the costs of the Offer.

This Retail Offer Booklet relates to the Retail Entitlement Offer and the New CDIs to be issued under it. The Offer Price of A\$0.49 per New CDI under the Retail Entitlement Offer is the same issue price paid by institutional investors under the Institutional Entitlement Offer. New CDIs issued under either component of the Entitlement Offer will rank equally with existing CDIs.

The Entitlement Offer, comprising the Retail Entitlement Offer and Institutional Entitlement Offer, is partially underwritten by the Lead Manager. Major securityholders, Anzu Partners and Viburnum Funds have committed to take up their full pro-rata entitlements under the Offer of A\$4.4 million (US\$3.2 million) in aggregate. The balance of A\$10.4 million (US\$7.4 million) is underwritten by the Lead Manager and is sub-underwritten by existing investors including Anzu Partners and Viburnum Funds.

Background and reasons for the Entitlement Offer

The Company sees strong positive industry tailwinds which provide an opportunity to leverage new growth opportunities in the semiconductor industry.

In FY2021, the Company delivered a second record year of revenue and new orders growth, despite component supply constraints that persisted for much of the year – a direct result of the overall strength in fab equipment spending globally which is expected to continue in FY2022 (+10% YoY).

Proceeds from the Offer will be used to accelerate the Company's growth initiatives, provide incremental working capital for general corporate purposes and cover the costs of the Offer.

Details of your Entitlement

Eligible Securityholders are entitled to subscribe for 1 New CDI for every 4.24 existing Securities held at 7:00pm (Sydney time) on the Record Date, being Monday, 7 February 2022.

Eligible Retail Securityholders may also apply for Additional CDIs at the Offer Price in excess of their Entitlement, up to a maximum of number of Additional CDIs representing 100% of their Entitlement. Additional CDIs will only be allocated to Eligible Retail Securityholders if available and if and to the

extent that the Company so determines, in its absolute discretion. The Company may elect to scale-back Applications for Additional CDIs in its absolute discretion.

Further information

Further information on the Retail Entitlement Offer is detailed in this Retail Offer Booklet and the Investor Presentation included in Section 3. You should read the entirety of this Retail Offer Booklet carefully before deciding whether to participate in the Entitlement Offer. An investment in the Company and the New CDIs, is speculative and subject to a range of risks, which are more fully detailed in the Investor Presentation in Section 3. If any of these risks or other material risks eventuate, it will likely have a material adverse impact on the Company's future financial performance and position.

On behalf of the Directors and management team of the Company, I invite you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Hoffman', with a stylized flourish extending to the right.

John Hoffman
Executive Chairman and Chief Executive Officer
Pivotal Systems Corporation

1. Details of the Retail Entitlement Offer and how to apply

1.1 The Retail Entitlement Offer

Eligible Retail Securityholders (as defined in Section 5) are being offered the opportunity to subscribe for 1 New CDI for every 4.24 existing CDIs held at the Record Date being 7:00pm (Sydney time) on Monday, 7 February 2022, at the Offer Price of A\$0.49 per New CDI.

Eligible Retail Securityholders may also apply for New CDIs in excess of their Entitlement under the Shortfall Facility up to a maximum number of New CDIs that represents 100% of their Entitlement (**Additional CDIs**). The allocation of any Additional CDIs will be limited to the extent that there are sufficient New CDIs available from Eligible Securityholders who do not take up their full Entitlement. Additional CDIs will be allocated by the Company, in its absolute discretion. The Company may apply any scale-back Applications for Additional CDIs in its absolute discretion.

New CDIs issued pursuant to the Retail Entitlement Offer will be fully paid and will rank equally with existing CDIs on issue.

Please consider the Retail Entitlement Offer in the light of your particular investment objectives and circumstances.

Please consult with your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser if you have any queries or are uncertain about any aspects of the Retail Entitlement Offer.

An investment in CDIs is subject to investment and other known and unknown risks, some of which are beyond the control of the Company, including possible loss of income and principal invested. Refer to the risks set out in the Investor Presentation in Section 3 for further details on the risks associated with an investment in the Company. The Company does not guarantee any particular rate of return or the performance of the Company, nor does it guarantee the repayment of capital from the Company or any particular tax treatment.

1.2 Underwriting

The Entitlement Offer, comprised of the Retail Entitlement Offer and Institutional Entitlement Offer, is partially underwritten by the Lead Manager, being MA Moelis Australia Advisory Pty Ltd, up to an amount of A\$10.4 million (US\$7.4 million). The Company and the Lead Manager have entered into an underwriting agreement, the key terms of which are set out in Section 2.7.

The balance of the Offer, being an amount of A\$4.4 million (US\$3.2 million), will be subscribed for by Anzu Partners and Viburnum Funds being their full Entitlements under the Institutional Entitlement Offer, pursuant to their pre-commitments (see further details in Section 2.3).

1.2 Your Entitlement

Your Entitlement is set out in the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New CDI for every 4.24 existing CDIs or Shares you held as at the Record Date. If you have more than one registered holding of CDIs or Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

New CDIs issued pursuant to the Retail Entitlement Offer will be fully paid and will rank equally with existing CDIs.

If you decide to take up all or part of your Entitlement, or apply for Additional CDIs, please refer to the personalised Entitlement and Acceptance Form and apply for New CDIs (and Additional CDIs, if applicable) pursuant to the instructions set out on the personalised Entitlement and Acceptance Form.

The Company reserves the right (in its absolute discretion) to reduce the number of New CDIs allocated to Eligible Retail Securityholders or persons claiming to be Eligible Retail Securityholders if their claims prove to be incorrect or overstated or if they fail to provide information to substantiate their claims.

1.3 Nominees

The Retail Entitlement Offer is only being made to Eligible Retail Securityholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of CDIs or Shares (e.g. for the purposes of determining whether any such persons may participate in the Retail Entitlement Offer).

Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compliant with applicable foreign laws. Any person that is in the United States or is a US Person with a holding through a nominee may not participate in the Retail Entitlement Offer and the nominee must not take up any Entitlement or send any materials into the United States or to any person it knows to be in the United States or a US Person.

The Company assumes no obligation to advise you on any foreign laws.

1.4 No Rights Trading

There will be no trading of rights on ASX, and you may not dispose of your rights to subscribe for New CDIs under the Entitlement Offer to any other party.

1.5 Risks

As with any securities investment, there are risks associated with investing in the Company. Having regard to the risks applicable to the Company and its business, Eligible Retail Securityholders should be aware that an investment in the New CDIs offered under this Retail Offer Booklet should be considered speculative and there exists a risk that you may, in the future, lose some or all of the value of your investment.

Before deciding to invest in the Company, you should read this Retail Offer Booklet in its entirety, in particular the specific risks associated with an investment in the Company (detailed in the Investor Presentation in Section 3) and should consider all factors in light of your personal circumstances and seek appropriate professional advice.

1.6 Options available to you

If you are an Eligible Retail Securityholder, you may take any one of the following options:

Option	Action
Take up all of your Entitlement	If you take up and pay for all of your Entitlement in accordance with the instructions below, before the close of the Retail Entitlement Offer, you will be issued your New CDIs on 28 February 2022.
Do nothing	If you take no action or your Application is not supported by cleared funds, your Entitlement will lapse. You should note that

	if you allow all or part of your Entitlement to lapse, then your percentage holding in the Company will be diluted by your non-participation in the Retail Entitlement Offer. Entitlements will not be able to be traded on ASX or another financial market, or otherwise privately transferred.
Take up part of your Entitlement and allow the balance to lapse	If you elect to take up and pay for part of your Entitlement in accordance with the instructions below, before the close of the Retail Entitlement Offer, you will be issued New CDIs with respect to that part of your Entitlement on 28 February 2022. The balance of your Entitlement will lapse.
Take up all of your Entitlement and also apply for Additional CDIs in excess of your Entitlement	<p>If you take up and pay for all your Entitlement, before the close of the Retail Entitlement Offer, you will be issued your New CDIs on 28 February 2022.</p> <p>If you apply for Additional CDIs in excess of your Entitlement up to a maximum number of Additional CDIs that represents 100% of your Entitlement, subject to Additional CDIs being available and the Company's discretion to scale-back your allocation of Additional CDIs, you will also be issued with these Additional CDIs on 28 February 2022. The Company's decision on the number of Additional CDIs to be allocated to you will be final.</p> <p>Other than to the extent that Additional CDIs are issued to you, any surplus Application Monies received for more than your Entitlement will be refunded after the close of the Retail Entitlement Offer on or around 21 February 2022 (except for where the amount is less than A\$5, in which case it will be donated to a charity chosen by the Company). Refunds will be made by sending a cheque in the post to the address the Company records on its share register for you on or around the Institutional Allotment Date or the Retail Allotment Date, as applicable. No interest will be paid to Eligible Retail Securityholders on any Application Monies received or refunded (wholly or partially).</p>

1.7 Eligible Retail Securityholders

The Retail Entitlement Offer is only available to Eligible Retail Securityholders, who are those holders of CDIs or Shares who:

- 1.7.1 are registered as a holder of CDIs or Shares as at the Record Date;
- 1.7.2 have an address on the Company CDI register, or US share register in Australia or New Zealand and any other jurisdiction determined by the Company as at the Record Date;
- 1.7.3 are not in the United States or a US Person or acting for the account or benefit of a person in the United States or a US Person;
- 1.7.4 did not receive an offer (other than as nominee) under the Institutional Entitlement Offer (or if such an invitation was received, it was subsequently revoked by the Company), and were not treated as an ineligible institutional Securityholder under the Institutional Entitlement Offer; and

- 1.7.5 are eligible under all applicable laws to receive an offer under the Retail Entitlement Offer without a prospectus, disclosure document, product disclosure statement or any lodgement, filing, registration or qualification.

Retail Securityholders who do not satisfy each of these criteria (other than those who received an offer under the Institutional Entitlement Offer) are Ineligible Retail Securityholders. See Section 1.8 for further details on Ineligible Foreign Securityholders.

The Company may (in its absolute discretion) extend the Retail Entitlement Offer to any Securityholder in other foreign jurisdictions (subject to compliance with applicable laws).

The Company, in its absolute discretion, reserves the right to determine whether a Securityholder is an Eligible Retail Securityholder and is therefore able to participate in the Retail Entitlement Offer, or an Ineligible Retail Securityholder and is therefore unable to participate in the Retail Entitlement Offer. The Company disclaims all liability to the maximum extent permitted by law in respect of any determination as to whether a Securityholder is an Eligible Retail Securityholder or an Ineligible Retail Securityholder.

The Retail Entitlement Offer is not being extended to any Securityholders outside Australia and New Zealand, unless otherwise determined by the Company. By returning a completed Entitlement and Acceptance Form or making a payment by BPAY, you will be taken to have represented and warranted that you satisfy each of the criteria listed above. Eligible Retail Securityholders who are nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

The Company may (in its absolute discretion) extend the Retail Entitlement Offer to any institutional Securityholder that was eligible to participate in the Institutional Entitlement Offer but was not invited to participate in the Institutional Entitlement Offer (subject to compliance with relevant laws).

1.8 Ineligible Foreign Securityholders

The Company has decided that it is unreasonable to make offers under the Retail Entitlement Offer to retail Securityholders who are holders of CDIs or Shares and who have registered addresses outside Australia and New Zealand (**Ineligible Foreign Securityholders**), having regard to the number of such holders in those places and the number and value of CDIs that they would be offered and the cost of complying with the relevant legal and regulatory requirements in those places. As a result, these Securityholders will not be able to participate in the Offer, unless otherwise determined by the Company.

1.9 How to apply

If you decide to take up all or part of your Entitlement, or take up all of your Entitlement and also apply for Additional CDIs in excess of your Entitlement, please:

- 1.9.1 pay your Application Monies via BPAY; or
- 1.9.2 complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies, by following the instructions set out on the personalised Entitlement and Acceptance Form.

The Company will treat you as applying for as many New CDIs as your payment will pay for in full up to your full Entitlement. Amounts received by the Company in excess of your full Entitlement (**Excess Amount**), will be treated as an application for as many Additional CDIs as your Excess Amount will pay for in full, subject to the maximum cap on Additional CDIs that you may apply for (being 100% of your Entitlement) and any scale-back that the

Company may determine to implement in its absolute discretion in respect of Additional CDIs.

To participate in the Entitlement Offer, your payment must be received no later than the close of the Retail Entitlement Offer, being 5:00pm (Sydney time) on 21 February 2022. Eligible Securityholders who wish to pay via cheque, bank draft or money order will need to also ensure that their completed personalised Entitlement and Acceptance Form is also received by that time using the reply-paid envelope provided with this Retail Offer Booklet or otherwise.

1.10 Payment methods

1.10.1 Payment by BPAY

For payment by BPAY, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the biller code and your unique Customer Reference Number (**CRN**)). You can only make a payment via BPAY if you are the holder of an account with an Australian financial institution that supports BPAY transactions. Please note that should you choose to pay by BPAY:

- (a) you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations on that personalised Entitlement and Acceptance Form; and
- (b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New CDIs as is covered in full by your Application Monies.

When completing your BPAY payment, please make sure to use the specific biller code and unique CRN provided on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form (i.e., where you have multiple holdings), please only use the CRN specific to the Entitlement on that form. If you inadvertently use the same CRN for more than one of your Entitlements when paying by BPAY, you will be deemed to have taken up your Entitlement and applied for Additional CDIs over and above your Entitlement on that holding to which that CRN applies and your applications in respect of your other CRNs will be deemed to have been rejected and will lapse.

Should you choose to pay by BPAY it is your responsibility to ensure that your BPAY payment is received by the Share Registry by no later than 5.00pm (Sydney time) on 21 February 2022. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. The Company takes no responsibility for any failure to receive Application Monies or payment by BPAY before the Retail Entitlement Offer closes arising as a result of, among other things, delays in postage or processing of payments by financial institutions.

1.10.2 Payment by cheque, bank draft or money order

Should you choose to pay by cheque, bank draft or money order it is your responsibility to ensure that your payment is received by the Share Registry by no later than 5.00pm (Sydney time) on 21 February 2022. Cash payments will not be accepted. Receipts for payment will not be issued.

1.10.3 Confirmation of your Application and managing your holding

You may access information on your CDI holding, including your Record Date balance and the issue of New CDIs or Additional CDIs from this Entitlement Offer, and manage the standing instructions the Share Registry records on your holding on the share registry website www.linkmarketservices.com.au. To access the share registry, you will need your Security Reference Number (**SRN**), or Holder Identification Number (**HIN**) as shown on your Issuer Sponsored or CHES statements and you will need to pass the security requirements on the site. To log into the Share Registry the Securityholder will need to use the username and password that they have already established. If they do not have one, they can contact the Share Registry by phone fax or mail to update details, but identification processes will need to be gone through.

Mail

To participate in the Retail Entitlement Offer, your payment must be received no later than the close of Retail Entitlement Offer, being 5:00pm (Sydney time) on 21 February 2022. If you make payment via cheque, bank draft or money order, you should mail your completed personalised Entitlement and Acceptance Form together with Application Monies to:

Pivotal Systems Corporation
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

A reply-paid envelope is supplied.

Entitlement and Acceptance Forms and Application Monies will not be accepted at the Company's corporate offices, or other offices of the Share Registry.

1.11 ASX quotation and trading

The Company will apply for quotation of the New CDIs under the Retail Entitlement Offer on ASX on 28 February 2022. While the Company is not aware of any reason why quotation would be denied, there is no assurance that the application will be granted. If quotation is not granted, New CDIs under the Retail Entitlement Offer will not be issued, and Application Monies will be refunded to Applicants without interest.

The fact that ASX may grant quotation of the New CDIs is not to be taken in any way as an indication of the merits of the Company, or the New CDIs issued under the Entitlement Offer.

It is expected that the quotation and trading of New CDIs issued under the Retail Entitlement Offer will commence on or about 28 February 2022 (on a normal settlement basis).

Confirmation of issue of New CDIs is expected to be sent in accordance with ASX Listing Rules on or around 1 March 2022. It is the responsibility of each Applicant to confirm their holding before trading in New CDIs. Any Applicant who sells New CDIs before receiving their confirmation of issue will do so at their own risk. The Company, the Share Registry and the Lead Manager disclaim all liability in tort (including negligence), statute or otherwise, to any person who trades in New CDIs before receiving their confirmation of issue, whether on the basis of a confirmation of issue provided by the Company, the Share Registry or the Lead Manager, or otherwise.

1.12 CHES

The New CDIs will participate from the date of commencement of quotation in the Clearing House Electronic Sub-Register System (**CHES**), operated by ASX Settlement Pty Limited.

These securities must be held in uncertificated form (i.e., no certificate will be issued) on the CHESSE sub-register under sponsorship of a sponsoring participant (usually a broker) or on the issuer-sponsored sub-register. Arrangements can be made at any subsequent time following quotation to convert your holdings from the issuer-sponsored sub-register to the CHESSE sub-register under sponsorship of a sponsoring participant or vice versa, by contacting your sponsoring participant.

1.13 FOR U.S. designation

In order to ensure that U.S. Persons do not purchase any New CDIs that have been issued under the Offer except in circumstances where the resale of the New CDIs is registered under the U.S. Securities Act or an exemption is available, a number of procedures governing the trading and clearing of the New CDIs will be implemented, including the application to the New CDIs of the status of Foreign Ownership Restriction securities under the ASX Settlement Operating Rules and the addition of the notation "FOR US" to the New CDI description on ASX trading screens and elsewhere, which will inform the market of the prohibition on U.S. Persons acquiring New CDIs.

1.14 No withdrawal or cooling-off rights

You cannot withdraw your Application once it has been accepted. Cooling-off rights do not apply to an investment in New CDIs.

The Company reserves the right to withdraw the Retail Entitlement Offer at any time before the issue of New CDIs to Eligible Retail Securityholders, in which case the Company will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest being payable to applicants.

1.15 Warranties made on acceptance of the Retail Entitlement Offer

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY you will be deemed to have acknowledged, represented and warranted that you, and each person on whose account you are acting:

- 1.15.1 acknowledge that you have fully read and understood both this Retail Offer Booklet and your Entitlement and Acceptance Form in their entirety and you acknowledge the matters and make the warranties and representations and agreements contained in this Retail Offer Booklet and the Entitlement and Acceptance Form;
- 1.15.2 agree to be bound by the terms of the Entitlement Offer, the provisions of this Retail Offer Booklet and the Company's bylaws and Certificate of Incorporation;
- 1.15.3 authorise the Company to register you as the holder(s) of New CDIs issued to you;
- 1.15.4 declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- 1.15.5 declare you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- 1.15.6 acknowledge that once the Company receives your Entitlement and Acceptance Form or any payment of Application Monies via BPAY, you may not withdraw your Application or funds provided except as allowed by law;
- 1.15.7 agree to apply for and be issued with up to the number of New CDIs specified in the Entitlement and Acceptance Form, or for which you have submitted payment of

any Application Monies via BPAY, including, in each case, any Additional CDIs, at the Offer Price per New CDI;

- 1.15.8 authorise the Company, the Lead Manager, the Share Registry and any of their respective officers or agents to do anything on your behalf necessary for New CDIs to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your Entitlement and Acceptance Form;
- 1.15.9 declare that you were the registered holder(s) at the Record Date of the CDIs or Shares indicated on the Entitlement and Acceptance Form as being held by you on the Record Date;
- 1.15.10 acknowledge that the information contained in this Retail Offer Booklet and your Entitlement and Acceptance Form is not investment advice or financial product advice nor have they been prepared taking into account your investment objectives, financial circumstances or particular needs or circumstances;
- 1.15.11 acknowledge that this Retail Offer Booklet and your Entitlement and Acceptance Form is not a recommendation that New CDIs are suitable for you given your investment objectives, financial situation or particular needs;
- 1.15.12 acknowledge that you have read and understood risks set out in the Investor Presentation in Section 3 and that investments in the Company are subject to a high degree of risk;
- 1.15.13 acknowledge that none of the Company, the Lead Manager, or their respective related bodies corporate, affiliates or respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantee the performance of the Company, nor do they guarantee the repayment of capital;
- 1.15.14 agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of CDIs or Shares on the Record Date;
- 1.15.15 authorise the Company to correct any errors in your Entitlement and Acceptance Form or other form provided by you;
- 1.15.16 represent and warrant (for the benefit of the Company, the Lead Manager and their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee (or if you did receive such an invitation, it was subsequently revoked by the Company), and that you are not an Eligible Institutional Securityholder under the Institutional Entitlement Offer;
- 1.15.17 represent and warrant that the law of any place does not prohibit you from being given this Retail Offer Booklet and the Entitlement and Acceptance Form, nor does it prohibit you from making an Application for New CDIs (or Additional CDIs); and
- 1.15.18 represent and warrant that your acceptance of the Entitlement Offer does not breach any laws in a jurisdiction outside Australia or New Zealand or any other applicable jurisdiction.

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY, you will also be deemed to have acknowledged, represented and warranted on your own behalf and on behalf of each person on whose account you are acting that you are an Eligible Retail Securityholder (as defined in the *'Additional information'* section) or otherwise eligible to participate in the Entitlement Offer and:

- 1.15.19 you are not in the United States or a US Person;
- 1.15.20 you and each person on whose account you are acting are not in the United States or a US Person, and are not otherwise a person to whom it would be illegal to make an offer of or issue of Entitlements or New CDIs under the Entitlement Offer and under any applicable laws and regulations;
- 1.15.21 the New CDIs have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States, and, accordingly, the New CDIs may not be offered or sold in the United States or to US Persons, except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- 1.15.22 understand and acknowledge that the New CDIs may only be sold outside the United States to non-US Persons in 'offshore transactions' (as defined in and in compliance with Regulation S under the US Securities Act);
- 1.15.23 you and each person on whose account you are acting have not and will not send any materials relating to the Retail Entitlement Offer to any person in the United States or any US Person, or a person that is acting for the account or benefit of a person in the United States or a US Person, or elsewhere outside Australia or New Zealand;
- 1.15.24 if in the future you decide to sell or otherwise transfer the New CDIs, you will only do so subject to FOR U.S. designations applicable to the New CDIs, in regular transactions on ASX where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States or a US Person; and
- 1.15.25 if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form (i) is resident in Australia or New Zealand and (ii) is not in the United States or a US Person, or elsewhere outside Australia or New Zealand.

2. Purpose and Effect of the Entitlement Offer

2.1 Use of proceeds

The Company is seeking to raise up to A\$14.8 million under the Entitlement Offer (with approximately A\$8.4 million of that amount being raised under the Institutional Entitlement Offer) before fees and costs of the Entitlement Offer.

The gross proceeds of the Entitlement Offer, expected to be approximately A\$14.8 million, will be used to fund the acceleration of the Company's growth initiatives, provide incremental working capital for general corporate purposes and cover the costs of the offer. Further details of the use of proceeds are set out in the Investor Presentation in Section 3.

2.2 Capital structure

A table setting out the effect of the Entitlement Offer on the capital structure of the Company is set out below:

	As at the Record Date	As at the Record Date (fully diluted) ¹	On completion of the Entitlement Offer	On completion of the Entitlement Offer (fully diluted) ¹
CDIs	128,546,316	145,264,607	158,863,843	175,582,134
Options	16,718,192	16,718,192	16,718,192	16,718,192
RBI Preferred Stock	11,528	11,528	11,528	11,528

General Note: Assuming all Shares were held in the form of CDIs. As at 4 February 2022 there were a total of 128,546,316 Shares on issue of which 123,921,281 were represented by CDIs

Note 1: Noting that the exercise price on the Options has been adjusted in accordance with the Company's Equity Incentive Plan as a result of the pro rata offer under the Offer.

2.3 Pre-commitments

Major securityholders Anzu Partners, and Viburnum Funds have committed to take up their full Entitlements under the Offer of A\$4.4 million (US\$3.2 million) worth of New CDIs. Below is a table setting out the securityholdings of Anzu Partners and Viburnum Funds following completion of the Offer based on them taking up their pre-committed Entitlements and no shortfall allocation to these investors other than as has already been allocated to them following the bookbuild for the Institutional Entitlement Offer shortfall.

	Existing Holding as at the Record Date	Holding post completion of the Institutional Entitlement Offer – Entitlement only ¹	Holding post completion of the Institutional Entitlement Offer – Entitlement plus allocation following institutional bookbuild ²
Viburnum Funds	20,879,495 CDIs 16.2%	25,803,905 CDIs 17.7%	32,261,477 CDIs 20.3%
Anzu Partners	17,685,574 CDIs 13.8%	21,856,700 CDIs 15.0%	28,314,272 CDIs 17.8%

Note 1: Impact of investor taking up its full pro-rata Entitlement under the Offer.

Note 2: Investor takes up its full pro-rata Entitlement under the Offer, its allocation under the sub-underwriting following the Institutional Offer bookbuild and receives no further allocation from any shortfall under the sub-underwriting arrangements (discussed in Section 2.4 below).

2.4 Sub-underwriting arrangements

In addition to their pre-commitments (noted in Section 2.3 above), certain existing securityholders including Anzu Partners and Viburnum Funds have agreed to sub-underwrite any shortfall under the Institutional Entitlement Offer and the Retail Entitlement Offer. Anzu Partners and Viburnum Funds were each allocated New CDIs under the bookbuild for the Institutional Entitlement Offer shortfall.

The sub-underwriters have entered into sub-underwriting arrangements with the Lead Manager under which the Lead Manager will pay the sub-underwriters a fee equal to 2% of the sub-underwritten amount. It is intended that any shortfall allocation between the sub-underwriters would be as follows (subject to any further determination by the Lead Manager):

	% allocation of shortfall
Viburnum Funds	47.5%
Anzu Partners	47.5%
Other	5%

If the Lead Manager exercises its termination rights under the Underwriting Agreement, these sub-underwriting agreements will also be terminated.

Please refer to the Investor Presentation in Section 3 for further details on these sub-underwriting arrangements and the underwriting arrangements with the Lead Manager.

Below is a table setting out the maximum securityholdings of the major securityholders Anzu Partners and Viburnum Funds following completion of the Offer based on them taking up their pre-committed Entitlements and receiving their maximum shortfall allocations under the Offer.

	Existing Holding as at the Record Date	Holding post completion of the Institutional Entitlement Offer shortfall bookbuild ¹	Maximum holding at completion of the Offer ²	Maximum holding at completion of the Offer on a fully diluted basis ²
Viburnum Funds	20,879,495 CDIs 16.2%	32,261,477 CDIs 20.3%	35,883,371 CDIs 22.6%	35,883,371 20.4%
Anzu Partners	17,685,574 CDIs 13.8%	28,314,272 CDIs 17.8%	31,936,166 CDIs 20.1%	31,936,166 18.2%

Note 1: Investor takes up its full pro-rata Entitlement under the Offer and received its allocation under the sub-underwriting following the Institutional Offer bookbuild .

Note 2: Investor takes up its full pro-rata Entitlement under the Offer, under the sub-underwriting following the Institutional Offer bookbuild and is allocated the maximum amount from any further shortfall under the sub-underwriting arrangements

2.5 Effect on control

Eligible Retail Securityholders should note that if they do not participate in the Entitlement Offer, their holdings will be diluted.

If all Entitlements were accepted by Eligible Securityholders to the full extent, then the Entitlement Offer would not result in any material change to the control of the Company.

However, following the Institutional Entitlement Offer, as certain institutional investors including Firsthand Venture Investors (**Firsthand**), did not take up their Entitlement this will result in dilution to their securityholding and may result in the increase of the sub-underwriters' holdings as noted above. As Firsthand is a substantial shareholder, the table below sets out the dilution to Firsthand's securityholding as a result of not taking up its Entitlement.

	Existing Holding as at the Record Date	Holding post completion of the Institutional Entitlement Offer	Holding post completion of the Offer
Firsthand Venture Investors	42,239,506 CDIs 32.8%	42,239,506 CDIs 29.0%	42,239,506 CDIs 26.6%

As investors will recall, prior to the Company's listing on the ASX in 2018, the Company entered into an agreement with Firsthand whereby Firsthand was granted the right to nominate a director to the Board for so long as Firsthand holds 30% or more of the issued share capital of the Company, with such right expiring four years after the date of listing on the ASX (ie. expiring after 4 July 2020). As a result, Firsthand no longer has a right to nominate a director to the Board of the Company unless its securityholding increases to 30% or more.

The potential effect the Entitlement Offer will have on the control of the Company and the consequences of that effect will depend on a number of factors, including the extent to which Eligible Retail Securityholders take up their Entitlements and any Additional CDIs and the allocation of any shortfall under the Entitlement Offer. However, given the structure of the Entitlement Offer being a pro rata entitlement offer together with the Company having received binding commitments from certain institutional Securityholders of the Company to take up \$4.4 million worth of CDIs under the Entitlement Offer with the balance being underwritten by the Lead Manager, other than as noted above, the issue of New CDIs under the Entitlement Offer is not expected to have a material effect on the control of the Company and therefore no subsequent consequences for the Company.

2.6 Risks

There are a number of risks associated with an investment in the Company which may affect its financial performance, financial position, cash flows, growth prospects and CDI price. The key risk factors are set out in the Investor Presentation included in Section 3.

2.7 Underwriting

The Entitlement Offer is lead managed and partially underwritten by the Lead Manager up to an amount of \$10.4 million worth of New CDIs pursuant to an underwriting agreement dated 3 February 2022 (**Underwriting Agreement**).

A summary of the key terms of the Underwriting Agreement is provided in Page 27 of the Investor Presentation.

The Underwriting Agreement contains certain customary:

- conditions precedent that must be satisfied or waived before the Lead Manager is obliged under the Underwriting Agreement to, among other things, underwrite the Entitlement Offer;
- representation and warranties relating the Entitlement Offer and the Company's operations, in favour of the Lead Manager;
- undertakings in favour of the Lead Manager including in relation to providing updates to the Lead Manager of any material new information which may impact the Offer.

The Underwriting Agreement is subject to generally customary termination events, with the key termination events summarised in Page 27 of the Investor Presentation. If the Lead Manager terminates the Underwriting Agreement in accordance with its terms, the Lead Manager will be released from its obligations under the Underwriting Agreement.

The Lead Manager will receive:

- a management fee of A\$0.4 million;
- an underwriting fee of 3%% of the Institutional Offer Proceeds less those proceeds received from Viburnum Funds and Anzu Partners pursuant to them subscribing for their Entitlements pursuant to their pre-commitments,

on the Institutional Settlement Date.

The Lead Manager will also receive:

- a management fee of 3% of the sum of the Retail Offer Proceeds; and
- an underwriting fee of 3% of the Retail Offer Proceeds,

on the Retail Settlement Date.

The Lead Manager will also be reimbursed by the Company for certain expenses incurred in relation to the Entitlement Offer. The Company has also agreed to indemnify the Lead Manager and certain affiliated parties from any losses suffered by those parties in connection with the Entitlement Offer.

As noted in section 2.4 above, the Lead Manager has entered into sub-underwriting agreements with certain existing investors including Anzu Partners and Viburnum Funds in relation to the shortfall under the Institutional Entitlement Offer and the Retail Entitlement Offer (**Sub-underwriting Agreements**). Under the Sub-underwriting Agreements, these existing Securityholders have agreed to underwrite the shortfall arising under the Offer and sub-underwriting automatically terminates upon the Underwriting Agreement terminating.

2.8 Reporting and disclosure obligations

The Company is a disclosing entity for the purposes of the Corporations Act and is therefore subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. These obligations require ASX to be notified periodically and on a continuous basis of information about specific events and matters as they arise for the purpose of ASX making the information available to the financial market operated by it.

In particular, the Company has an obligation under ASX Listing Rules (subject to certain limited exceptions) to notify ASX immediately of any information concerning the Company, of which it becomes aware, which a reasonable person would expect to have a material effect on the price or value of the Company's securities. The Company is also required to prepare and lodge with ASIC and ASX both yearly and half-yearly financial statements accompanied by a Directors' declaration and report, and an audit or review report and is also required to prepare and lodge with the ASX quarterly cash flow and activity reports.

2.9 Rights and liabilities attaching to Shares underlying CDIs

Immediately after issue and allotment, the New CDIs being offered under the Retail Entitlement Offer will be fully paid CDIs and will rank *pari passu* with the CDIs currently on issue. Each CDI represents one underlying Share.

Detailed provisions relating to the rights attaching to the Shares are set out in the Company's Bylaws and Certificate of Incorporation and the Delaware General Corporation Law. A copy

of the Company's Bylaws and Certificate of Incorporation can be inspected during office hours at the registered office of the Company and Securityholders have the right to obtain a copy of the Company's Bylaws and Certificate of Incorporation, free of charge.

The rights attaching to Shares may be varied with the majority approval of Shareholders.

2.10 Delaware law, Certificate of Incorporation and Bylaw

As a foreign Company registered in Australia, and incorporated in Delaware, United States, the Company will not be subject to Chapters 6, 6A, 6B and 6C of the Corporations Act dealing with the acquisition of shares (including substantial shareholdings and takeovers). Under the provisions of Delaware General Corporation Law (**DGCL**), Shares are freely transferable subject to restrictions imposed by US federal or state securities laws, by the Company's certificate of incorporation or bylaws, or by an agreement signed with the holders of the shares at issue. The Company's amended and restated certificate of incorporation and bylaws do not impose any specific restrictions on transfer. However, provisions of the DGCL, the Company's Certificate of Incorporation and the Company's Bylaws could make it more difficult to acquire the Company by means of a tender offer (takeover), a proxy contest or otherwise, or to remove incumbent officers and Directors of the Company. These provisions could discourage certain types of coercive takeover practices and takeover bids that the Board may consider inadequate and to encourage persons seeking to acquire control of the Company to first negotiate with the Board. The Company believes that the benefits of increased protection of its ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure the Company outweigh the disadvantages of discouraging takeover or acquisition proposals because, among other things, negotiation of these proposals could result in an improvement of their terms.

3. Investor Presentation

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PIOTAL

S Y S T E M S

BUSINESS UPDATE / EQUITY RAISING –
INVESTOR PRESENTATION
3 February 2022

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The information in this presentation is an overview and does not contain all information necessary for investment decisions. The information in this presentation should be read together with the Company's financial results for the half year ended 30 June 2021 released on the ASX announcement platform together with other announcements and information about the Company released on its ASX announcement platform and on its website at <https://www.pivotalys.com/>. The information in this presentation does not constitute investment or financial product advice (nor taxation or legal advice) or a recommendation to acquire securities in Pivotal and is not intended to be used as the basis for making any investment decision in any jurisdiction. This presentation does not take into account your individual investment objectives, financial situation or particular needs. In making investment decisions in connection with any acquisition of securities, investors or potential investors should rely on their own examination of the assets and financial position of the Company and should consult their own legal, business and/or financial advisers before making any investment decision.

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Non IFRS financial measures

Pivotal uses certain measures to manage and report on its business that are not recognised under Australian Accounting Standards, IFRS or

US GAAP. These measures are collectively referred to in this document as 'non-IFRS financial measures' under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC. Management uses these non-IFRS financial measures to evaluate the performance and profitability of the overall business. The principal non-IFRS financial measure that is referred to in this document is EBITDA. EBITDA is earnings before interest, tax, depreciation and amortisation and significant items. Management uses EBITDA to evaluate the operating performance of the business prior to the impact of significant items, the non-cash impact of depreciation and amortisation and interest and tax charges.

Although Pivotal believes that these measures provide useful information about the financial performance of Pivotal, they should be considered as supplements to the income statement measures that have been presented in accordance with the Australian Accounting Standards and IFRS and in relation to FY21 in accordance with US GAAP and not as a replacement for them.

Financial data

All dollar values are in US dollars (US\$) unless as otherwise presented.

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Pivotal Systems is incorporated in the State of Delaware and its securities have not been registered under the U.S. Securities Act of 1933 (US Securities Act) or the laws of any state or other jurisdiction in the United States. Trading of Pivotal Systems' CHES 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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This document does not constitute an offer of new shares of CDIs of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the CDIs may not be offered or sold, in any country outside Australia except to the extent permitted below.

Korea

See page 25

New Zealand

See page 25

United Kingdom

See page 25

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Executive Summary

FINANCIALS¹

- Financial reporting standards changed from AASB/IFRS to U.S. GAAP from FY2021
- Record unaudited FY2021 revenue of **US\$29.2m**, **34.4%** increase on pcp³ (FY2020: US\$21.8m) driven by strong demand from existing Original Equipment Manufacturer (OEM) and Integrated Device Manufacturer (IDM) customers
- Record unaudited FY2021 New orders of **US\$33.4m**, **57%** increase on pcp (FY2020: US\$21.2m) driven by strong demand from OEM and IDM customers
- Pivotal has now shown 7 quarters of consecutive revenue growth²
- Full year FY2021 unaudited gross margins expanded significantly to **31.3%**, up from **1.6%** in the pcp³
- Pivotal projects FY2022 Revenues of US\$34m–US\$40m

BUSINESS UPDATE

- Successful completion of Non-Recurring Engineering (NRE) agreement with leading Japanese Original Equipment Manufacturer (OEM) for next generation Atomic Layer Deposition (ALD) product
- Successfully integrated and installed GFCs on a tool at South 8 Technologies, Inc., in the reported period, following the Memorandum of Understanding (MOU) signed in Q3 2021
- Current Chief Operating Officer (COO) **Kevin Hill to be appointed as Chief Executive Officer (CEO)** from 1 June and will also be appointed to the Board
- John Hoffman will remain in existing role as Executive Chairman. Joe Monkowski will not seek re-election as a director at the forthcoming AGM but will continue in his role as President and Chief Technology Officer

EQUITY RAISING

- 1 for 4.24 pro-rata **accelerated non-renounceable entitlement offer** to raise approximately **A\$14.8m** (US\$10.5m⁴) at **A\$0.49** (US\$0.35⁴) per New CDI (**Equity Raising**)
- Will comprise an accelerated Institutional Entitlement Offer and a Retail Entitlement Offer to eligible shareholders
- Proceeds from the equity raising will be used to accelerate Pivotal's growth initiatives, provide incremental working capital for general corporate purposes and cover the costs of the offer
- Major shareholders Anzu Partners and Viburnum Funds have committed to take up their full pro-rata entitlement of **A\$4.4m** (US\$3.2m⁴). The balance of **A\$10.4m** (US\$7.4m⁴) is underwritten by MA Moelis and will be sub-underwritten by investors including Anzu Partners and Viburnum Funds
- Directors and senior management including John Hoffman and Joseph Monkowski have committed to participate for A\$0.3m of their entitlements

¹ Pivotal's FY2021 results referred to in this presentation are preliminary and unaudited. Pivotal will release its full year CY2021 results to the market on 28 February 2021. All figures presented are under U.S. GAAP except where expressly noted otherwise
² Based on International Financial Reporting Standards ("IFRS"). The Company is moving from IFRS to US GAAP reporting from FY2021
³ On a U.S. GAAP basis. See page 10 for an unaudited comparison of the result under both IFRS and U.S. GAAP with associated commentary
⁴ AUD/USD of 0.71 as at 2 February 2022

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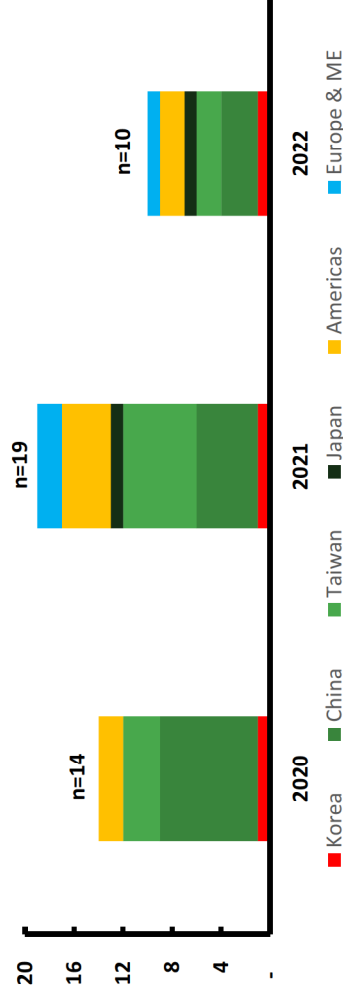
BUSINESS UPDATE

Sector update

INDUSTRY UPDATE

- SEMI expects global fab equipment spending for front end facilities to rise 10% YoY in 2022 to a new all-time high of over US\$98bn, marking a third consecutive year of growth (+17% and +39% in 2020/21 respectively)
- Investments in the digital infrastructure buildout and secular trends across multiple end markets are expected to continue to fuel the healthy sector growth in 2022
- The foundry sector is expected to account for 46% of total spending in 2022, a 13% YOY increase, followed by memory at 37%, a slight dip from 2021
- 19 new fabrication (Fab) plants commenced construction in 2021, with a further 10 planned in 2022 with 2-4 years to reach full capacity

NEW FABS STARTING CONSTRUCTION (2020-2022)¹



1 World Fab Forecast Report, 2021 Update, Published by SEMI

SUPPLY CHAIN

- Pivotal continues to experience semiconductor chips supply shortages. This bottleneck is global in nature and has impacted several different industries, including the Wafer Fab Equipment (WFE) market
- However, Pivotal's team once again successfully navigated these constraints in Q4 FY2021 to deliver another quarter of growth
- Importantly, based on numerous supplier discussions, the supply of chips is anticipated to improve in FY2022 although near term visibility remains unclear

PIVOTAL OPPORTUNITY

- There is clear positive momentum in the industry evidenced by the existing semiconductor chip shortage and resulting development capex (i.e., new Fabs) being spent to expand capacity
- While Pivotal (alongside its competitors) is currently impacted by supply chain issues, these shortages have been effectively managed in the past and will continue to be going forward
- Overall, the Company sees strong positive industry tailwinds which provide an opportunity to leverage new growth opportunities in the semiconductor industry

Operational update

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OPERATIONAL UPDATE FOR Q4 FY2021

- Successfully completed NRE agreement with leading Japanese OEM for next generation Atomic Layer Deposition (ALD) product
 - Pivotal has now fulfilled all the OEM's requirements by having exclusively developed a next generation gas flow control product for incorporation into their semiconductor production equipment in ALD
- Successfully integrated and installed GFCs on a tool at South 8 Technologies, Inc. following the Memorandum of Understanding (MOU) signed in Q3 2021
- Orders for advanced GFCs for operation at temperatures up to 70C that do not require remote electronics were shipped during Q4 with immediate application in challenging high temperature gas applications
- The Company's China and Korea based Contract Manufacturers (CMs) continue to operate at a capacity of 4,000 units per month based on a 5-day, 2 shift production, enabling Pivotal the ability to effectively react to supply chain disruptions
- During Q4 2021, the Company continued to experience supply shortages, particularly attributable to semiconductor chips utilized in the manufacture of printed circuit boards used in Pivotal GFCs.
 - The Company expects that impacts from supply shortages may impact delivery of some customer orders in 1H FY22 before moderating in H2 FY22



PIVOTAL

Board & Management update

- The Board is pleased to announce that current Chief Operating Officer (COO) **Kevin Hill** will be appointed as Chief Executive Officer (CEO) and Executive Director, effective 1 June 2022
- Kevin is a highly qualified executive with over 25 years of global high technology management and leadership experience at Apple, Applied Materials, IBM, Flextronics and Collins Aerospace
- John Hoffman will remain in his current role as Executive Chairman and will continue to oversee the operational and growth strategy of the Company until his retirement from the Company on 31 December 2022
- Joe Monkowski has confirmed that he does not intend to seek re-election as a director at the forthcoming AGM but will continue in his role as President and Chief Technology Officer (CTO)
- The Board also intends to conduct a broader review of its composition and skills to support its future growth plans
- As previously announced, Jason Korman was appointed as a Non-Executive Director (as representative of major shareholder Viburnum Funds) in December 2021
- Cameron Worsham, who recently joined Pivotal Systems from Lam Research will be appointed at Head of Worldwide Operations

CREDENTIALS



Kevin Hill
Current
Chief Operating Officer

- >25 years of global high technology management experience
- Apple New Product Operations, and leadership roles at: Applied Materials, IBM, Flextronics, and Collins Aerospace
- B.S., United States Military Academy at West Point, MSBA Boston University, and Certified Product Manager



John Hoffman
Current
Chief Executive Officer

- >30 years of global high technology management experience
- 18 years at Applied Materials, Officer
- B.S., United States Military Academy at West Point and an Executive MBA (AEA), Stanford University



PIVOTAL

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Financial update

UNAUDITED FINANCIAL UPDATE FOR YEAR ENDING 31 DEC 2021¹

- Despite global supply shortages impacting the Wafer Fab Equipment (WFE) market, management was able to successfully navigate these constraints and achieve strong Q4 2021 unaudited sales of US\$7.9m, up 38% vs. pcq
- Record unaudited full year new orders of **US\$33.4m** for FY2021. Represents **57%** new order growth YoY
- Pivotal expects to record unaudited full year revenue of **US\$29.2m**, a **34.4%** increase on the prior period³ (FY2020: US\$21.8m) driven by strong demand from existing OEM and IDM customers
- Pivotal has now shown 7 quarters of consecutive revenue growth²
- Full year FY2021 unaudited gross margins are expected to expand significantly to **31.3%**, up from 1.6% in the prior corresponding period (pcp)³
- Backlog (confirmed orders not yet shipped) as at 31 December 2021 was **US\$3.9m** versus US\$2.6m at 30 September 2021, driven by strong quarterly bookings
- As announced on 23 December, reporting standards have been changed from AASB//IFRS to U.S. GAAP from FY2021

KEY FY2021 FINANCIALS (UNAUDITED)¹

Revenue:
US\$29.2m
FY2020: US\$21.8m

Gross Margin:
31.3%
FY2020: 1.6%

New Orders:
US\$33.4m
FY2020: US\$21.2m

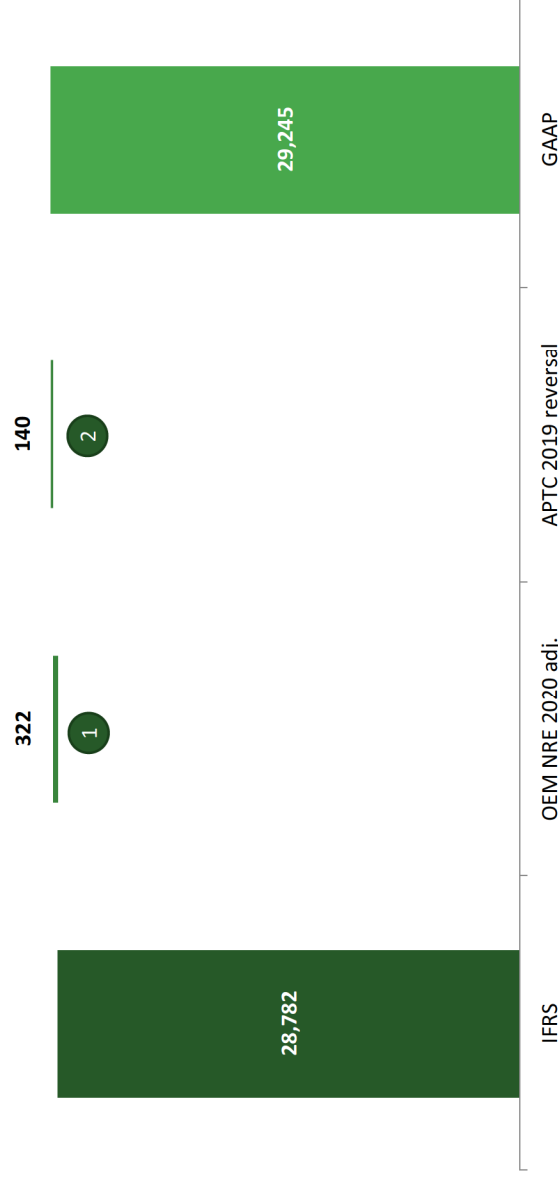
Backlog:
US\$3.9m
Sep-21: US\$2.6m

- ¹ Pivotal's FY2021 results referred to in this presentation are preliminary and unaudited. Pivotal will release its full year CY2021 results to the market on 28 February 2021
- ² Based on International Financial Reporting Standards ("IFRS"). The Company is moving from IFRS to US GAAP reporting from FY2021
- ³ On a U.S. GAAP basis. See page 10 for an unaudited comparison of the result under both IFRS and U.S. GAAP with associated commentary

IFRS to U.S. GAAP bridge

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UNAUDITED IFRS TO U.S. GAAP REVENUE FOR YEAR ENDING 31 DEC 2021¹



COMMENTARY

- 1 Contract Non-Recurring Engineering (NRE) revenue for leading Japanese OEM re-allocated from Dec-20 to Jan-21
- 2 Adaptive Plasma Technology (APTC) revenue write-off in FY2021 reallocated to original FY2019 sales date

¹ Pivotal's FY2021 results referred to in this presentation are preliminary and unaudited. Pivotal will release its full year CY2021 results to the market on 28 February 2021

2022 Outlook

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CONTINUED STRONG PRODUCT DEMAND DESPITE ONGOING SUPPLY CHAIN UNCERTAINTY

- In FY2021, Pivotal delivered a second record year of revenue and new orders growth, despite component supply constraints that persisted for much of the year – a direct result of the overall strength in fab equipment spending globally which is expected to continue in FY2022 (+10% YoY)
- However, Pivotal expects to continue experiencing semiconductor chips supply shortages in the near-term, with constraints constantly being effectively managed
- Pivotal projects FY2022 Revenues of US\$34m-US\$40m
- Pivotal continues to explore the option of a Nasdaq listing





EQUITY RAISING

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Equity raising summary

Equity Raising Structure	<ul style="list-style-type: none"> 1 for 4.24 pro-rata accelerated non-renounceable entitlement offer to raise approximately A\$14.8m (US\$10.5m³) (Equity Raising) Equity Raising will comprise an accelerated Institutional Entitlement Offer and a Retail Entitlement Offer (together, the Entitlement Offer)
Pricing	<ul style="list-style-type: none"> The Equity Raising will be conducted at A\$0.49 (US\$0.35³) per New CDI (Offer Price), representing a: <ul style="list-style-type: none"> 25.2% discount to the last traded price of A\$0.66 on Monday, 31 January 2022 31.6% discount to the 5-day VWAP price of A\$0.72¹ 21.4% discount to TERP of A\$0.62²
Use of Proceeds	<ul style="list-style-type: none"> Proceeds from the equity raising will be used to accelerate Pivotal's growth initiatives, provide incremental working capital for general corporate purposes and cover the costs of the offer
Retail Entitlement Offer	<ul style="list-style-type: none"> The Retail Entitlement Offer will open on Thursday, 10 February 2022 and close on Monday, 21 February 2022 Eligible existing retail CDI holders have the opportunity to apply for additional New CDIs up to 100% of their entitlement under a "Top-up Facility" (subject to scale back at the Company's discretion)
Ranking	<ul style="list-style-type: none"> Each New CDI issued under the Equity Raising will rank equally with existing fully paid ordinary CDIs on issue
Underwriting	<ul style="list-style-type: none"> Major shareholders Anzu Partners, and Viburnum Funds have committed to take up their full pro-rata entitlement of A\$4.4m (US\$3.2m⁴). The balance of A\$10.4m (US\$7.4m⁴) is underwritten by MA Moelis Australia and will be sub-underwritten by existing investors including Anzu Partners and Viburnum Funds
Director Participation	<ul style="list-style-type: none"> Directors and senior management including John Hoffman and Joseph Monkowski have committed to participate for A\$0.3m of their entitlements

1 5-day Volume Weighted Average Price (VWAP) to 31 January 2022

2 TERP means the 'theoretical ex-rights price' at which PVS CDIs should trade immediately after the ex-date of the Equity Raising. TERP is a theoretical calculation only and the actual price at which PVS's CDIs trade at that time will depend on many factors and may not be equal to the TERP

3 AUD/USD of 0.71 as at 2 February 2022

Proposed use of funds

Sources of proceeds	A\$m	US\$m ¹	%
Equity Raising proceeds	14.8	10.5	100%
Total sources of proceeds	14.8	10.5	100%

Uses of proceeds	A\$m	US\$m ¹	%
Working capital (principally inventory) to support expected strong growth in the WFE market through 2022/23	11.3	8.0	76%
Capital Expenditures relating to additional tooling required to support the manufacture of next generation GFCs for OEM customers	1.4	1.0	10%
Business Development initiatives designed to accelerate existing NRE agreements with existing OEMs and new NRE	1.4	1.0	10%
Costs of the offer	0.7	0.5	5%
Total use of proceeds	14.8	10.5	100%

1 AUD/USD of 0.71 as at 2 February 2022

PIVOTAL

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Equity raising timetable

Key event	Date 2022
Announcement of the Entitlement Offer	Thursday, 3 February
Institutional Entitlement Offer opens	Thursday, 3 February
Institutional Entitlement Offer closes	Thursday, 3 February
Announcement of results of Institutional Entitlement Offer	Monday, 7 February
Trading halt lifted and trading re-commences on an ex-entitlement basis	Monday, 7 February
Record date for determining entitlement to subscribe for New CDIs	7:00pm Monday, 7 February
Retail Entitlement Offer opens and retail offer booklet despatched	Thursday, 10 February
Settlement of New CDIs issued under the Institutional Entitlement Offer	Monday, 14 February
Allotment and trading of New CDIs issued under the Institutional Entitlement Offer	Tuesday 15 February
Retail Entitlement Offer closes	Monday, 21 February
Settlement of New CDIs issued under the Retail Entitlement Offer	Friday, 25 February
Announcement of results of Retail Entitlement Offer	Monday, 28 February
Allotment and trading of New CDIs issued under the Retail Entitlement Offer	Monday, 28 February
Expected despatch of holding statements for New CDIs issued under the Retail Entitlement Offer	Tuesday, 1 March

1 All dates and times are indicative only and subject to change. Unless otherwise specified, all times refer to AEDT.



Thank You

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APPENDIX A: KEY RISKS

Key risks – Specific risks of an Investment in Pivotal

This section sets out some of the key risks associated with any investment in Pivotal, which may affect the value of Pivotal CDIs. The risks set out below are not listed in order of importance and do not constitute an exhaustive list of all risks involved with an investment in Pivotal. Before investing in PVS, you should be aware that an investment in Pivotal has a number of risks, which are specific to PVS and some of which relate to listed securities generally, and some of which are beyond the control of Pivotal.

Before investing in Pivotal CDIs, you should consider whether the investment is suitable for you. Potential investors should consider publicly available information on Pivotal (such as that available on the websites of Pivotal and ASX), carefully consider their personal circumstances and consult their stockbroker, solicitor, accountant or other professional adviser before making an investment decision.

Specific risks of an investment in PVS	
Lack of formal customer contracts	Pivotal and end-user customers generally do not enter into formal written contractual purchase commitments but rather end-user customers order products via purchase orders on an ad hoc basis. If a major end-user customer or significant number of Pivotal's end-user customers discontinued purchasing or began to use competing products, sales would decrease significantly. As a result, Pivotal's operating performance may vary from year to year and may fluctuate significantly in the future.
Supply chain disruption risk	Pivotal relies on certain manufacturers and suppliers to manufacture and supply critical components used in its GFC solutions. A disruption to supply of these components could have a material adverse effect on the Company's ability to generate revenue, or result in increased costs. Supply chain disruptions have been exacerbated in certain circumstances as a result of COVID related disruptions to supply chains.
Reliance on a small number of key customers to derive majority of revenue	A significant proportion of the Company's net revenue is derived from Applied Materials and Ichor Systems, which is a systems integrator for Applied Materials. Applied Materials and Ichor Systems accounted for approximately 75% and 79% (in aggregate), of Pivotal's net revenue for the years ended 31 December 2019 and 2020 respectively, and approximately 74% of Pivotal's net revenue for the year ended 31 December 2021. Pivotal cannot be certain that Applied Materials and Ichor Systems will continue to generate significant revenue in the future or if customer relationships will continue to develop.
Dependent on capital spending in Semiconductor and Consumer Electronic Industries	Pivotal's business depends upon the capital expenditures of semiconductor device manufacturers, which in turn depends upon the demand for semiconductors. Capital expenditures in consumer electronics can also have a significant impact on the business, financial condition and operating results. The semiconductor and consumer electronics industries have historically experienced cyclical variations in product supply and demand. The timing, severity and duration of these market cycles are difficult to predict, and Pivotal may not be able to respond effectively to these cycles.

Key risks – Specific risks of an Investment in Pivotal (cont.)

Specific risks of an investment in PVS	
Limited market with small number of end users	The semiconductor capital equipment market is dominated by a small number of large corporations. The ability to increase the number of end-user customers that purchase Pivotal products is limited by the nature of the semiconductor capital equipment market. As a result, the ability to be profitable and expand business operations is constrained by the nature of the market that can generate demand for Pivotal products.
Ability to retain existing end-user customers and grow demand from new customers	The ability to grow and generate revenue depends on the ability to maintain and grow relationships with existing end-user customers and to have them increase their usage of our products. The capacity to attract new end-user customers is dependent on many factors including the capability, cost-effectiveness, customer support and value compared to competing products.
Reliance on OEMs for revenue	Pivotal's primary source of revenue is through sales to semiconductor capital equipment OEMs, including systems integrators, who include our product offerings as a component of their products. As a result, Pivotal's revenues are largely contingent upon a consistent level of demand for OEMs' products as well as a reliance on OEMs to include our products into their future products.
Loss of invested time and costs due to cancellation or delay of orders	Customers often require substantial time to qualify our flow control products and make purchase decisions. Customers often perform, or require us to perform, extensive configuration, testing and evaluation of our products before committing to purchasing them, which can require significant upfront investment. If we fail to anticipate the likelihood of, or the costs or timing associated with, purchases of our products, or the cancellation or rescheduling of orders for these products, our business and operating results would be adversely impacted.
Fluctuations in financial performance	Variations in timing of sales can cause significant fluctuations in Pivotal's quarterly sales and financial performance. Our operating results for a particular period may be adversely affected if our end-user customers, particularly our largest end-user customers, cancel or reschedule orders or if we cannot fill orders in time due to capacity constraints or various unexpected delays in manufacturing, testing, shipping etc.

Key risks – Specific risks of an Investment in Pivotal (cont.)

Specific risks of an investment in PVS	
Protection of intellectual property	The value of Pivotal's products depends on its ability to protect its intellectual property. Pivotal may be unable to detect the unauthorised use of its intellectual property rights in all instances, and actions taken to protect intellectual property may not be adequate or enforceable and actions taken to enforce its intellectual property rights may be costly and time consuming.
Ability to attract or retain key and highly skilled personnel	Loss of key members of the management team or inability to recruit new personnel with the required technical skills may adversely affect Pivotal's ability to implement its strategies and may also adversely affect the Company's future financial performance.
Failure to effectively manage growth	If the Company is not able to expand its manufacturing capacity and invest in systems and processes to support the development of the business, it may negatively impact the Company's financial performance.
Failure to realise benefits from research and development costs	An important element of Pivotal's business strategy is to continue to make investments in innovation and related product opportunities. Pivotal may not, however receive significant revenues from these investments for several years, or may not realise such benefits at all.
Tariffs and other trade restrictions of foreign jurisdictions	Trade tensions between the United States and China have increased substantially in recent years resulting in significant tariff increases, additional sanctions against specified entities and the broadening of restrictions and licence requirements for specified uses of products. These regulations have resulted in additional tariffs on shipments of Pivotal's products, parts and supplies, loss of business, increased administrative burdens and increased risks of inadvertent violations of US export control and sanctions laws. There can be no assurances that the current regulations and tariffs, or additional ones, will not have a material adverse effect on our business.
Concentration of shareholding	Prior to this offering, the Company's directors, substantial holders (holders of over 10% of voting stock) and their respective affiliates own (in aggregate) approximately 65% of Pivotal's voting stock and upon closing of this offering, these persons will own (in aggregate) up to approximately 72% of the voting stock. As a result, even after this offering, these stockholders have will (in aggregate) have the ability to influence Pivotal through this ownership position. These stockholders may be able to determine all matters requiring stockholder approval.
Operational factors	While the Company implements measures and procedures to manage operational risk, the Company's profitability will continue to be subject to a variety of strategic and business decisions (including any future acquisitions and operational risks arising from inadequate or failed internal processes, people and systems, or external events) including workplace safety, business continuity and crisis management, information systems integrity, to name a few.

Key risks – General and Equity Raising risks

General and Equity Raising risks	
Economic conditions	<p>General economic conditions, introduction of tax reform, new legislations, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.</p> <p>Deterioration in the general economic conditions, including factors that impact negatively on disposable income of consumers, could affect client expenditure, which may adversely affect the Company's profitability.</p>
Underwriting Risk	<p>The Company has entered into an underwriting agreement with the Underwriter under which the Underwriter has agreed to partially underwrite the Equity Raising, subject to the terms and conditions of the underwriting agreement (Underwriting Agreement).</p> <p>Prior to the completion of the Equity Raising, there are certain events which if they were to occur (e.g. market disruptions, defects in the offer documents, material adverse changes experienced by the Company, breaches of the Underwriting Agreement by the Company, etc.), may lead to the Underwriter terminating the Underwriting Agreement.</p> <p>If the Underwriting Agreement is terminated for any reason, the Company may not receive the full amount of the proceeds expected under the Equity Raising, its financial position might change and it might need to take other steps to raise capital, including by raising additional debt.</p>
Market Conditions	<p>Share market conditions may affect the value of the Company's CDIs regardless of the Company's operating performance. Share market conditions are affected by many factors such as, general economic outlook, interest rates, inflation rates, exchange rates, changes in investor sentiment toward particular market sectors, to name but a few factors.</p> <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and industrial stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Liquidity Risk	<p>The Company is a listed entity. Therefore the ability to sell CDIs will be a function of the turnover of the CDIs at the time of sale. Turnover itself is a function of the size of the Company and also the cumulative investment intentions of all current and possible investors in the Company at any one point in time. The Company does not guarantee liquidity of its CDIs. The Company's top 3 shareholders currently represent approximately 63% of its share capital and, if the sub-underwriting were to be taken up in full for the Equity Raising, they would hold 69%. As a result, there may continue to be limited liquidity in the Company's CDIs.</p>

Key risks – General and Equity Raising risks (cont.)

General and Equity Raising risks	
Access to equity and debt funding	<p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further funding in addition to amounts raised under the Offer . Volatility in the financial markets could have a material adverse effect on the Company's ability to equity or debt fund its business operations or future acquisitions. The Company's ability to raise additional funds will be subject to, among other things, factors beyond the control of the Company and its Directors, including cyclical factors affecting the economy and share markets generally.</p> <p>If the Company is unable to obtain additional funding as needed, or is unable to do so on acceptable terms, it may be required to reduce the scope of its operations and scale back its growth plans as the case may be.</p>
Dilution	<p>Current Securityholders who do not participate pro rata in the Offer will have their percentage holding in the Company diluted. Investors may also have their investment diluted by future capital raisings or issues of new equity securities by the Company.</p> <p>The Company may issue new equity securities in the future to finance acquisitions or pay down debt which may, under certain circumstances, dilute the value of a Securityholder's interest in the Company.</p>

Key risks – General and Equity Raising risks (cont.)

General and Equity Raising risks	
Taxation changes	There is the potential for major changes to United States tax laws. Any change to the current rates of tax imposed on the Company is likely to affect returns to Securityholders. In addition there may be changes to the rates of tax imposed in overseas jurisdictions in which the Company may operate or tax legislation which generally may affect the Company and its Securityholders.
Accounting Standards	U.S GAAP Accounting Standards are set by the FASB and are outside the control of the Company. There is a risk that interpretations of existing U.S GAAP Accounting Standards, including those relating to the measurement and recognition of key income statement and balance sheet items, such as revenue and receivables, may differ. Changes to U.S GAAP Accounting Standards issued by the FASB or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in the Company's consolidated financial statements.
Force majeure events	Events may occur within or outside Australia (including the United States) that could impact on the Australian economy, the United States economy, the global economy, the operations of the Company, the price of the CDIs and the Company's ability to pay dividends. The events include but are not limited to acts of terrorism, an outbreak of war or other international hostilities, natural disasters, outbreaks of disease or other natural or manmade events or occurrences that could have an adverse effect on the demand for the Company's services and its ability to conduct its business. The Company has only a limited ability to insure against some of these risks.
Impact of COVID-19	Pivotal's business and operations are exposed to the effects of COVID-19. COVID 19 poses significant risks of disruption to the business and supply chain, impaired financial performance, as well as potential impacts on the wellbeing of personnel. The long-term impacts of COVID-19 on the general economy, the semiconductor industry and Pivotal are uncertain and the future financial and operational performance of Pivotal may continue to be adversely impacted by adverse impacts from COVID-19.

APPENDIX B: INTERNATIONAL OFFER RESTRICTIONS

International Offer Restrictions

This document does not constitute an offer of CDIs of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the CDIs may not be offered or sold, in any country outside Australia except to the extent permitted below

International offer restrictions	
Korea	<p>The Company is not making any representation with respect to the eligibility of any recipients of this document to acquire the CDIs under the laws of Korea, including, without limitation, the Foreign Exchange Transaction Act and regulations thereunder. The CDIs have not been, and will not be, registered under the Financial Investment Services and Capital Markets Act of Korea ("FSCMA") and therefore may not be offered or sold (directly or indirectly) in Korea or to any resident of Korea or to any persons for re-offering or resale in Korea or to any resident of Korea (as defined under the Foreign Exchange Transaction Act of Korea and its enforcement decree), except as permitted under the applicable laws and regulations of Korea.</p> <p>Accordingly, the CDIs may not be offered or sold in Korea other than to "accredited investors" (as defined in the FSCMA).</p>
New Zealand	<p>This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").</p> <p>The CDIs are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.</p> <p>Other than in the entitlement offer, the CDIs may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:</p> <ul style="list-style-type: none">• is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;• meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;• is large within the meaning of clause 39 of Schedule 1 of the FMC Act;• is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or• is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act. <p>Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the CDIs.</p> <p>The CDIs may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.</p> <p>Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the CDIs has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.</p> <p>In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.</p>
United Kingdom	

APPENDIX C: UNDERWRITING AGREEMENT

Underwriting Agreement

Pivotal has entered into an underwriting agreement with the Lead Manager (**Agreement**) under which the Lead Manager has agreed to partially underwrite the Entitlement Offer up to an amount of A\$10.4m worth of CDIs, on the terms and conditions of the Agreement.

On settlement, the Company will pay the Lead Manager the following fees (a) in relation to the Institutional Entitlement Offer, an underwriting fee equal to 3% of the Institutional Offer Proceeds less proceeds raised from certain existing institutional securityholders taking up their pre-committed entitlements and a management fee equal to A\$0.4m, and (b) in relation to the Retail Entitlement Offer, an underwriting fee equal to 3% of the Retail Offer Proceeds and a management fee equal to 3% of the Retail Offer Proceeds.

The Agreement contains customary representations and warranties and indemnities in favour of the Lead Manager for an agreement of this nature.

The Lead Manager's obligations under the Agreement, including to manage and underwrite the Entitlement Offer, are conditional on certain matters, including Pivotal delivering certain shortfall certificates, reports, sign-offs and opinions and meeting timetable requirements. Further, if certain events occur, some of which are beyond the control of Pivotal, the Lead Manager may terminate the Agreement. Termination of the Agreement would have a materially adverse impact on the total amount of proceeds that could be raised under the Entitlement Offer.

Capitalised terms in this summary have the meaning given to them in the Agreement unless otherwise defined in this Presentation.

The Lead Manager may terminate its obligations under the Agreement if certain events, including but not limited to any of the following events, occur prior to the relevant settlement dates for the Entitlement Offer by giving notice to the Company where:

Termination events – Non-qualified	
Index Fall- Institutional Settlement Date	As at the close of the trading date prior to the Institutional Settlement Date, the S&P/ASX 300 Index is 10% or more below its level as at the close of trading on the Business Day immediately preceding the date of this Agreement
Index Fall – Retail Settlement Date	Prior to the Retail Settlement Date, the S&P/ASX 300 Index falls by 10% or more below its level as at the close of trading on the Business Day immediately preceding the date of this Agreement and remains at or below that level for at least two consecutive Business Days or closes at that level on the Business Day immediately prior to the Retail Settlement Date.
Cleansing Notice	The Cleansing Notice becomes defective within the meaning of the Corporations Act.
ASX Admission	ASX announces that the Company's securities will be delisted, removed from quotation, withdrawn from admission to trading status or suspended from quotation.
Quotation approvals and conditional trading	ASX does not agree to grant official quotation of the Offer CDIs or grants conditional quotation based on conditions unacceptable to the Company and the Lead Manager.
Withdrawal	The Company withdraws the Offer or indicates that it does not intend to or is unable to proceed with the Offer.
Unable to allot and issue Offer Securities	The Company is, or becomes, unable to issue or allot the Offer CDIs.
Insolvency	The Company becomes Insolvent or there is an act or omission which will or is likely to result in the Issuer becoming Insolvent.
Termination events – subject to the event having a material adverse effect on the Offer	
Material adverse change	An event occurs which is or is likely to give rise to a material adverse change in the assets, liabilities, financial position, performance, forecasts or nature of the business.
Various matters relating to the Company	Certain events relating to the Company occur such as commencement of legal proceedings against the Company, change in Company management, amongst others
Various matters out of the control of the Company	An event such as changes to regulations or laws, material disruption in certain financial markets, hostilities commence in various jurisdictions, amongst others

Sub-underwriting arrangements

Existing investors including Anzu Partners and Viburnum Funds have entered into agreements to sub-underwrite the shortfall arising from both the Institutional Entitlement Offer and the Retail Entitlement Offer, in addition to taking up their full pro-rata entitlement in the Entitlement Offer.

Sub-underwriters will be paid a fee equal to 2% of the proceeds raised from investors introduced by that sub-underwriter.

If the Lead Manager exercises their termination rights as a result of a termination event listed on the previous slide, the above sub-underwriting arrangements with the relevant Directors and senior executives will also be terminated.

PRO FORMA SUBSTANTIAL SHAREHOLDING POST COMPLETION OF THE OFFER

Shareholder	Existing Holding (%)	Holding Post Completion of the Offer assuming no shortfall allocation ¹	Max. holding ²
Viburnum Funds	16.2%	16.2%	22.6%
Anzu Partners	13.8%	13.8%	20.1%

1. Investor takes up their full pro-rata entitlement under the offer and receives no allocation from any shortfall under the sub-underwriting arrangement
2. Investor takes up full pro-rata entitlement under the offer and is allocated the maximum amount from any shortfall under the sub-underwriting arrangement

4. Additional Information

4.1 Not investment advice or financial product advice

The information in this Retail Offer Booklet is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs or circumstances. The Company is not licensed to (and does not) provide financial product advice in respect of the New CDIs or Additional CDIs.

The information in this Retail Offer Booklet does not take into account the investment objectives, financial situation or needs of you or any particular investor. Before deciding whether to apply for New CDIs or Additional CDIs, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. You should conduct your own independent review, investigation and analysis of New CDIs, the subject of the Retail Entitlement Offer. If, after reading this Retail Offer Booklet, you have any questions about the Retail Entitlement Offer, you should contact your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser.

4.2 Past performance

Past performance and pro-forma historical financial information given in this Retail Offer Booklet is provided for illustrative purposes only and is not, and should not be relied upon as, an indication of future performance. The historical information in this Retail Offer Booklet is, or is based upon, information that has been released to the market. For further information, please see past announcements released to ASX which can be accessed at www.asx.com.au.

4.3 Notice to nominees and custodians

Nominees and custodians who hold CDIs or Shares as nominees or custodians will have received, or will shortly receive, a letter in respect of the Retail Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to Eligible Institutional Securityholders who were invited to participate in the Institutional Entitlement Offer (whether they accepted their entitlement or not), institutional Securityholders who were treated as ineligible institutional investors under the Institutional Entitlement Offer and Ineligible Retail Securityholders.

4.4 Option holders

Existing optionholders will not be entitled to participate in the Entitlement Offer unless they:

- 4.4.1 have become entitled to exercise their existing options under the terms of their issue and do so, so that they are registered holders of Shares / CDIs prior to the Record Date; and
- 4.4.2 participate in the Entitlement Offer as a result of being a holder of Shares / CDIs registered on the Company register at the Record Date.

4.5 Foreign jurisdictions

The Retail Entitlement Offer is only being extended to Securityholders with a registered address in Australia and New Zealand (unless otherwise determined by the Company). This document (and the accompanying Entitlement and Acceptance Form) does not constitute an offer of securities in the Company in any jurisdiction in which such an offer would be illegal.

The distribution of this document (and the accompanying Entitlement and Acceptance Form) (including electronic copy) outside Australia and New Zealand may be restricted by law. If you come into possession of this information, you should observe such restrictions and should seek your own advice on such restrictions.

Any non-compliance with these restrictions may contravene applicable securities laws.

To the extent that a Securityholder holds CDIs or Shares on behalf of another person outside Australia or New Zealand, it is that Securityholder's responsibility to ensure that any acceptance complies with all applicable foreign laws.

New Zealand

The New CDIs are not being offered to the public within New Zealand other than to existing securityholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

4.6 Governing law

The information in this Retail Offer Booklet, the Retail Entitlement Offer and the contracts formed on acceptance of the Retail Entitlement Offer pursuant to the personalised Entitlement and Acceptance Forms are governed by the law applicable in New South Wales, Australia. Each Securityholder who applies for New CDIs and Additional CDIs submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

4.7 Taxation

You should be aware that there may be taxation implications associated with participating in the Retail Entitlement Offer and receiving New CDIs (and Additional CDIs).

The Company does not consider it appropriate to give Securityholders advice regarding the taxation consequences of subscribing for New CDIs (and Additional CDIs) under the Retail Entitlement Offer. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to New CDIs.

Securityholders should consult their professional tax adviser in connection with subscribing for New CDIs (and Additional CDIs) under this Retail Offer Booklet.

5. Glossary

Term	Meaning
Additional CDIs	Has the meaning given in Section 1.1
Applicant	An Eligible Retail Securityholder who validly applies for New CDIs (and, if applicable, Additional CDIs) under the Retail Entitlement Offer in accordance with the Retail Offer Booklet
Application	An application made on a personalised Entitlement and Acceptance Form to apply for New CDIs (and, if applicable, Additional CDIs) under the Retail Entitlement Offer in accordance with this Retail Offer Booklet
Application Monies	Money submitted by Applicants under the Entitlement Offer
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ABN 98 008 624 691), or the financial market operated by it, as the context requires
ASX Listing Rules	The official listing rules of ASX, as amended or waived from time to time
ASX Settlement	ASX Settlement Pty Limited (ABN 49 008 504 532)
AUD, A\$, \$ or Australian dollar or cent	The lawful currency of the Commonwealth of Australia cent Australian Accounting Standards
Australian Accounting Standards	Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board and Urgent Issues Group Interpretations
Board	The board of directors of the Company from time to time
Bylaws	The bylaws of the Company
CDI	A fully paid ordinary CHESS Depositary Interest over a share of common stock in the Company
Certificate of Incorporation	The Company's certificate of incorporation
CHESS	Clearing House Electronic Subregister System operated in accordance with the Corporations Act
Company	Pivotal Systems Corporation ARBN 626 346 325
Corporations Act	<i>Corporations Act 2001</i> (Cth)
CRN	Customer Reference Number
Director or Directors	A member of the Board from time to time
Eligible Retail Securityholders	Retail Securityholders with a registered address in Australia or New Zealand as at the Record Date and who otherwise satisfy the eligibility criteria under Section 1.7
Eligible Institutional Securityholders	Institutional Securityholders who (i) if they are in Australia are either a sophisticated investor or a professional investor within the meaning of section 708(8) or 708(11) of the Corporations Act, respectively or (ii) if they are outside of Australia they otherwise satisfy the applicable criteria in certain jurisdictions
Entitlement	The number of New CDIs that an Eligible Retail Securityholder is entitled to apply for under the Retail Entitlement Offer, as determined

	by the number of CDIs held by that Eligible Retail Securityholder on the Record Date
Entitlement and Acceptance Form	The relevant personalised form accompanying this Retail Offer Booklet which Eligible Retail Securityholders may use to apply for New CDIs (and, if applicable, Additional CDIs)
Entitlement Offer	The accelerated non-renounceable entitlement offer of New CDIs in the ratio of 1 New CDI for each 4.24 CDIs or Shares held on the Record Date
Foreign Selling Restrictions	Refer to Section 4.4
Group	The Company, its subsidiaries and affiliates
HIN	Holder Identification Number
IFRS	International Financial Reporting Standards
Ineligible Foreign Securityholders	Retail Securityholders who are in the United States or are a US Person, or have registered addresses outside Australia and New Zealand (unless otherwise determined by the Company).
Ineligible Retail Securityholders	Retail Securityholders who do not satisfy each of the criteria under section 1.7 including Ineligible Foreign Securityholders.
Institutional Allotment Date	The allotment date of the New CDIs issued under the Institutional Entitlement Offer
Institutional Entitlement Offer	The institutional component of the Entitlement Offer
Institutional Offer Proceeds	All proceeds received under the Institutional Entitlement Offer
Investor Presentation	The investor presentation included in Section 3 of this Retail Offer Booklet
Lead Manager	MA Moelis Australia Advisory Pty Ltd ACN 142 008 446
New CDIs	The CDIs offered under either component of the Entitlement Offer which will rank equally with existing CDIs from the date of issue
Offer Price	The price payable for a New CDI (or Additional CDI, if applicable) under the Retail Entitlement Offer, being A\$0.49 per New CDI
Record Date	The record date for the Retail Entitlement Offer, being 7:00pm (Sydney time) on Monday, 7 February 2022
Retail Allotment Date	The date New CDIs are allotted under the Retail Entitlement Offer, being Monday, 28 February 2022
Retail Entitlement Offer	The retail component of the Entitlement Offer
Retail Offer Proceeds	All proceeds received under the Retail Entitlement Offer
Securityholder	The registered holder of a CDI
Securityholding	The number and value of CDIs held by a Securityholder
Share	A fully paid share of common stock in the Company
Shareholder	The registered holder of a Share
Shareholding	The number and value of Share(s) held in the Company
Share Registry	Link Market Services Limited ACN 083 214 537

Shortfall	New Shares that are not taken up by Eligible Shareholders under the Entitlement Offer
Shortfall Facility	Eligible Retail Shareholders may apply for New CDIs in excess of their Entitlement under the Shortfall Facility
SRN	Security Reference Number
US Person	US Person as defined in Rule 902(k) of Regulation S under US Securities Act
U.S. Securities Act	United States Securities Act of 1933, as amended

Corporate directory

Address

48389 Fremont Blvd. Suite 100
Fremont, California, 94538
United States

Registered office

United States

Incorporating Services Ltd
3500 South Dupont Highway
Dover, Delaware, 19901
United States

Australia

Company Matters Pty Limited
Level 12, 680 George Street
Sydney, New South Wales, 2000
Australia

Directors

John Hoffman	Executive Chairman and Chief Executive Officer
Joseph Monkowski	Executive Director
Ryan Benton	Non-Executive Director
Kevin Landis	Non-Executive Director
Peter McGregor	Non-Executive Director
David Michael	Non-Executive Director
Jason Korman	Non-Executive Director

Company corporate office phone

+1 (510) 770 9125

Website

www.pivotalsys.com

Stock exchange listing

Company's CDIs are listed on ASX (code 'PVS')

Lead Manager

MA Moelis Australia Advisory Pty Ltd
Level 27, Brookfield Place
10 Carrington Street
Sydney NSW 2000

Australian legal adviser

Maddocks
Level 27, Angel Place
123 Pitt Street
Sydney NSW 2000

Share Registry

United States

American Stock Transfer & Trust Company LLC

6201 15th Avenue
Brooklyn, NY 11219
United States

Australia

Link Market Services
Level 12
680 George Street
Sydney NSW 2000

Offer information line

Australia 1300 728 779

International +61 1300 728 779

Open 8.30am to 5.30pm (Sydney time) Monday to Friday (during the Entitlement Offer period)

ENTITLEMENT AND ACCEPTANCE FORM



10 February 2022

Dear Securityholder

ACCELERATED NON-RENOUNCEABLE PRO RATA ENTITLEMENT OFFER NOTIFICATION TO INELIGIBLE SECURITYHOLDERS

On 3 February 2022, Pivotal Systems Corporation ARBN 626 346 325 (**Pivotal** or **Company**) announced that it was conducting a capital raising by way of a 1 for 4.24 accelerated non-renounceable pro-rata entitlement offer, comprising an accelerated institutional entitlement offer (**Institutional Entitlement Offer**) and a retail entitlement offer (**Retail Entitlement Offer**) (together, the **Entitlement Offer**) at an issue price of A\$0.49 for each new CDI (**New CDI**) to raise up to approximately A\$14.8 million (US\$10.5 million). The Entitlement Offer also entitles Eligible Securityholders to take up New CDIs in addition to their Entitlement, up to a maximum number of additional New CDIs equal to 100% of their Entitlement.

This is a letter to inform you that you are not an Eligible Securityholder (as defined below) for the purposes of the Retail Entitlement Offer. This letter is not an offer to issue New CDIs to you, nor an invitation to apply for New CDIs. **You are not required to do anything in response to this letter.**

Retail Entitlement Offer

The Retail Entitlement Offer is being made under an offer booklet in accordance with section 708AA of the Corporations Act 2001 (Cth) (**Corporations Act**) (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84, ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73 and ASIC Class Order 14/827) (**Offer Booklet**). The Company lodged the Offer Booklet on the ASX market announcements platform on 10 February 2022. Capitalised terms used but not defined in this letter, have the meanings given to them in the Offer Booklet. ASIC

The Entitlement Offer is partially underwritten and lead-managed by MA Moelis Advisory Pty Limited ABN 72 142 008 446.

The Offer Booklet for the Retail Entitlement Offer will be mailed to Eligible Securityholders (as defined below) on or around 10 February 2022. The New CDIs issued under the Retail Entitlement Offer will rank equally with all existing fully paid CDIs in Pivotal already on issue.

Eligibility criteria

Securityholders who are eligible to participate in the Retail Entitlement Offer (**Eligible Securityholders**) are those persons who:

- (a) are registered as holders of fully paid CDIs or shares of common stock in Pivotal (**Shares**) as at 7.00pm (Sydney time) on 7 February 2022 (**Record Date**);
- (b) have a registered address on the Pivotal CDI register, or US share register in Australia or New Zealand or any other jurisdiction determined by the Company as at the Record Date;

Pivotal Systems Corporation
ARBN 626 346 325
48389 Fremont Blvd. Suite 100, Fremont, CA, 94538
Phone +1 (510) 770 9125, Fax +1 (510) 770 9126
Web / <https://www.pivotalsys.com>

- (c) are not in the United States, or a US Person (as defined in Rule 902(k) of Regulation S under the US Securities Act of 1933 (**US Securities Act**) or acting for the account or benefit of a person in the United States or a US Person;
- (d) did not receive an offer under the Institutional Entitlement Offer (or if such an invitation was received, it was subsequently revoked by the Company), and were not treated as an ineligible institutional Securityholder under the Institutional Entitlement Offer; and
- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without a prospectus, disclosure document, product disclosure statement or any lodgement, filing, registration or qualification.

Securityholders who are not Eligible Securityholders are **Ineligible Securityholders**.

Pivotal has determined, pursuant to section 9A of the Corporations Act and ASX Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers under the Retail Entitlement Offer to investors who have registered addresses outside Australia and New Zealand (i.e. Ineligible Securityholders), having regard to the number of such holders in those places, the number and value of New CDIs that they would be offered and the cost of complying with the relevant legal and regulatory requirements in those places.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Securityholder as stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Corporations Act, Pivotal wishes to advise you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New CDIs under the Retail Entitlement Offer. You will not be sent the documents relating to the Retail Entitlement Offer or be able to subscribe for New CDIs under the Retail Entitlement Offer.

Treatment of ineligible securityholders' entitlements

Ineligible Securityholders are not eligible to participate in the Retail Entitlement Offer. As the Retail Entitlement Offer is non-renounceable (entitlements cannot be assigned or transferred to any other person), you will not receive any payment or value for any entitlement in respect to New CDIs that would have been offered to you if you were eligible to participate in the Retail Entitlement Offer.

You are not required to do anything in response to this letter

If you have any questions in relation to any of the above matters please contact:

Australia	1300 728 779
International	+61 1300 728 779

On behalf of Pivotal, we regret that you are not eligible to participate in the Retail Entitlement Offer and thank you for your continued support.

Yours faithfully



Ron Warrington, Chief Financial Officer



Not an offer in the United States

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