



ASX RELEASE

ServTech reports strong performance from new Vection business

Following on from completion of the acquisition (**Acquisition**) of leading Software Development/Virtual Reality Company – Officine 8k S.r.l. (to be renamed '**Vection**'), ServTech Global Holdings Limited (**ServTech** or the **Company**) (**ASX:SVT**) is pleased to report the results and an update on the business of Vection in the March 2019 quarter.

Highlights:

- Acquisition of Vection completed including an **experienced management team** in the technology space to ensure continued growth and performance, enhancing the existing ServTech business;
- \$2 million private placement run concurrently with the Acquisition, received **overwhelming support from new and existing shareholders**;
- In the March 2019 quarter, Vection delivered **continued revenue growth**, well in excess of the corresponding period last year. Key metrics (unaudited) include:
 - **~90% revenue increase** (over Q1 CY2018);
 - **~270% pipeline increase** (over Q1 CY2018);
- Vection finalising the **global launch strategy** for its **FrameS VR Platform**;
- Expansion of **key relationships** contributing to underlying performance including software development for **Fendi Casa & Ferretti Yachts**.

16 April 2019 | Perth, Australia

On 12 April 2019, the Company announced the completion of the Acquisition of Vection. Vection is an established, European based full-service software development company with advanced Augmented Reality (**AR**) and Virtual Reality (**VR**) development capabilities, providing practical and commercial software solutions to **enable transformational innovation across all industries**.

Prior to the Acquisition, Vection continued to trade, business-as-usual and maintained its trend of posting growing revenues.

Following on from revenue results of ~\$1M during calendar year 2018, during the March 2019 quarter, Vection posted unaudited revenue showing a ~90% increase over the prior corresponding March 2018 quarter. With the first quarter completed well in excess of the corresponding period, Vection is well on track to again deliver increased revenue in calendar 2019, this time under the banner of ServTech.

Vection continues to build up a pipeline of new clients over multiple industries. The current pipeline of near-term contracts stands at ~\$320,000, over and above the existing client base and ~270% higher than the corresponding CY2018 period. With the addition of ServTech's existing relationships and the upcoming global launch of the **FrameS VR platform**, it is anticipated that Vection's pipeline will be further bolstered.

Continued Delivery of Innovative Services to its Tier 1 Client base

During the quarter, Vection continued to successfully deliver software solutions to Tier 1 clients, including international luxury automotive manufacturer **Volvo**, international luxury furniture manufacturer **Fendi Casa** and international luxury yacht manufacturer **Ferretti**.

Software solutions developed by Vection, aim to enable adoption of new technologies to transform products, processes, and people:

- **Go to Market Strategy:** VR&AR software to unlock communication with customers;
- **Product Development:** VR software to reduce time to market (and associate costs);
- **Supply Chain Management:** AR software to enable efficient workflow procedures, resulting in reduced costs;
- **Learning & Development:** VR&AR software to reduce costs associated with learning;
- **Risk Management:** VR software to ensure personnel safety through improved training procedures.

Volvo

Volvo Cars is a Swedish luxury vehicles company with a production output of 571,577 vehicles (2017). Vection assisted Volvo with its marketing and communication AR software to target their audience and boost brand awareness.

Volvo has recognised the **effectiveness of AR software-focused marketing campaigns** to engross and engage existing & potential customers.

Vection collaborated on an AR software to enable Volvo to demonstrate its **automotive safety features**, such as complete airbag system and safety cage features, on hybrid models. AR has been chosen as the ideal solution to visualise car components that are not visible to the naked eye, ensuring customer engagement and more effective communication.

This software solution is currently utilised by Volvo at its **Volvo Studio in Milan, Italy**.

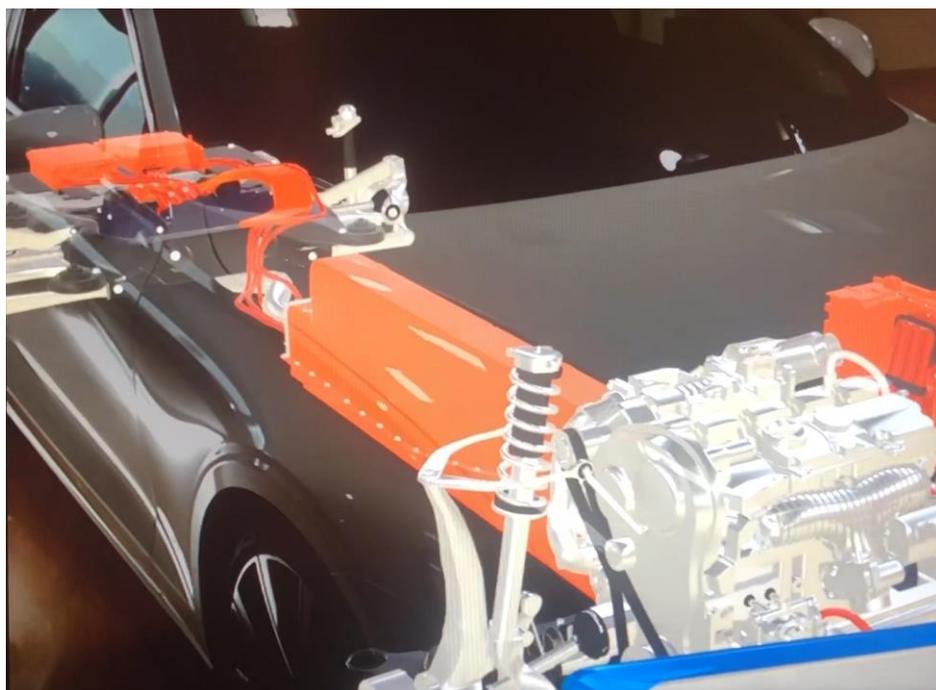


Figure 1: Vection's AR Volvo's software solution



Figure 2: Vection's VR Sales software for Ferretti.



Figure 3: Vection's 3D/AR Configurator for Fendi

Ferretti

Ferretti Yachts is an Italian multinational shipbuilding company which specialises in the design, construction and sale of luxury motor yachts.

As part of its continued engagement, Vection provided its **Virtual Reality sales-focussed software** solution to Ferretti, to enable an unlimited, high definition, 360° visualisation tool to drive sales globally.

Fendi Casa

Vection continues collaborating with Fendi Casa on the **3D/AR Fendi product configurator**, implementing new features and products and optimising the existing technical infrastructure.

FrameS – SaaS Virtual Reality Platform

Vection has continued the implementation of new features on its **FrameS - SaaS Virtual Reality Platform**, incorporating valuable feedback from its current Tier 1 clients.

Based on Vection's VR technology, FrameS is considered to be the **ultimate software visualisation tool**, allowing users dislocated world-wide to interact real-time in a multi-user virtual environment on a shared project. SMEs can collaborate on the same 3D model in the FrameS virtual environment, generating efficiencies on marketing & communication, design & prototyping, product development and training, and, hence, reducing costs relating to these activities.

Vection will look to leverage its unrivalled market knowledge in this field and the growing adoption of innovative technologies by companies worldwide **to offer FrameS widely to manufacturers and other companies interested in the field.**

ServTech will shortly finalise a global launch strategy for FrameS and appoint distribution and reselling partners. This is an important initiative for the Company and its aspirations to make FrameS a leading and widely used SaaS platform.

Gianmarco Biagi, Managing Director of ServTech, commented:

"Vection has demonstrated significant growth since incorporation, aligned with the VR/AR software adoption trends world-wide. Leveraging ServTech's existing network and international presence, and Vection's Tier 1 client portfolio, we believe FrameS has the potential of being significantly adopted by the global market."

Bert Mondello, Chairman of ServTech, commented:

"ServTech is working closely with the team at Vection, to ensure an efficient integration process, and to leverage its existing infrastructure to assist Vection in its marketing efforts. Vection's growth trend underpins the Company's decision on pursuing this transaction and we will do our utmost to ensure that shareholders who have eagerly supported the transaction, are rewarded accordingly."

For more information:

Bert Mondello

Non-Executive Chairman

📞 +61 8 6380 2555

🌐 bmondello@regencycorporate.com.au

For media enquiries:

MMR Corporate Services

📞 +61 2 9251 7177

🌐 media@mrmrcorporate.com

About ServTech (ASX:SVT):

ServTech is a software company developing technologies utilised to disrupt traditional, self-limiting business models through the implementation of specialised software solutions, allowing companies to focus on their core revenue-generating businesses, reducing overheads and improving efficiency and scalability. ServTech operates on an Enterprise business model based on bespoke fees and on a Software as a Service (SaaS) business model based on recurrent subscription revenue.

www.servtechglobal.com.au