

JUNE QUARTER 2020 UPDATE

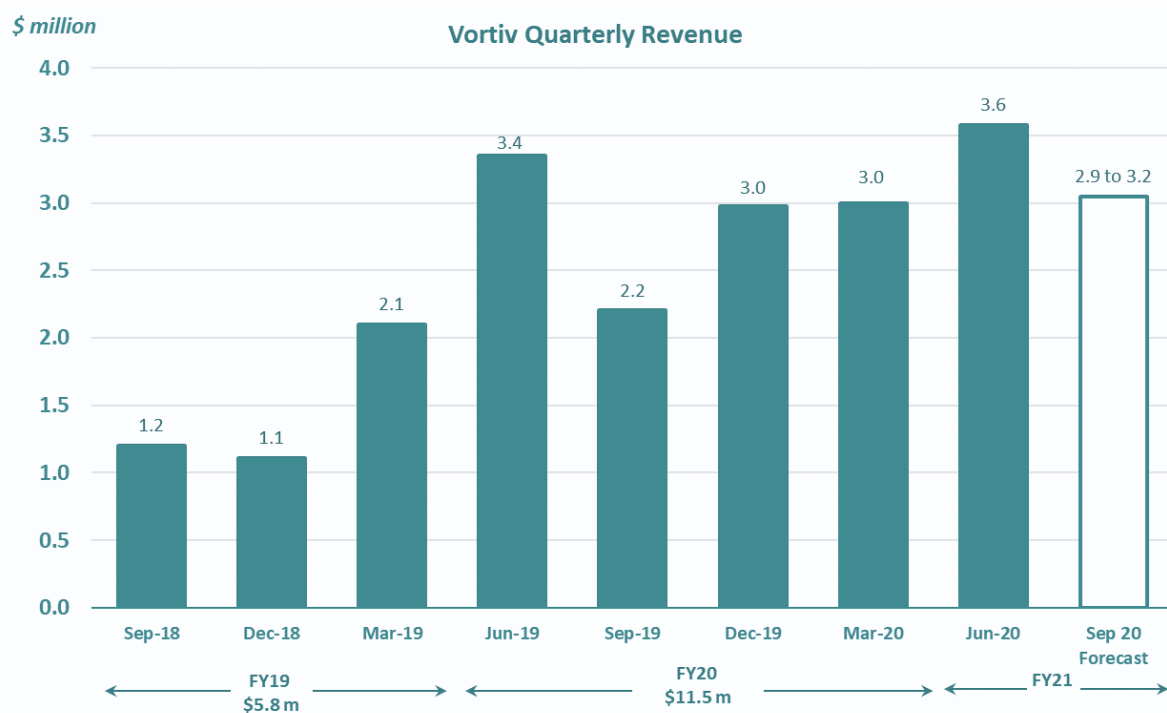
KEY HIGHLIGHTS

- **Record revenues of \$3.6 million**, highlighting resilient customer base and recurring revenues
- **Record EBIT \$0.5 million**, up 117% vs June 2019
- **Strong organic business growth**, with both volume and margin expansion
- **Cash balance of \$2.4m**
- **Strong outlook**, with cyber security an increasing global focus

For the quarter ended 30 June 2020, Vortiv Limited (ASX: VOR) (Vortiv or the Company) achieved record financial results. The Company is pleased to advise that the increase in both revenue and EBIT is a result of organic business growth and margin expansion and that the increased global focus on cyber security has contributed to Vortiv's strong outlook.

Revenue

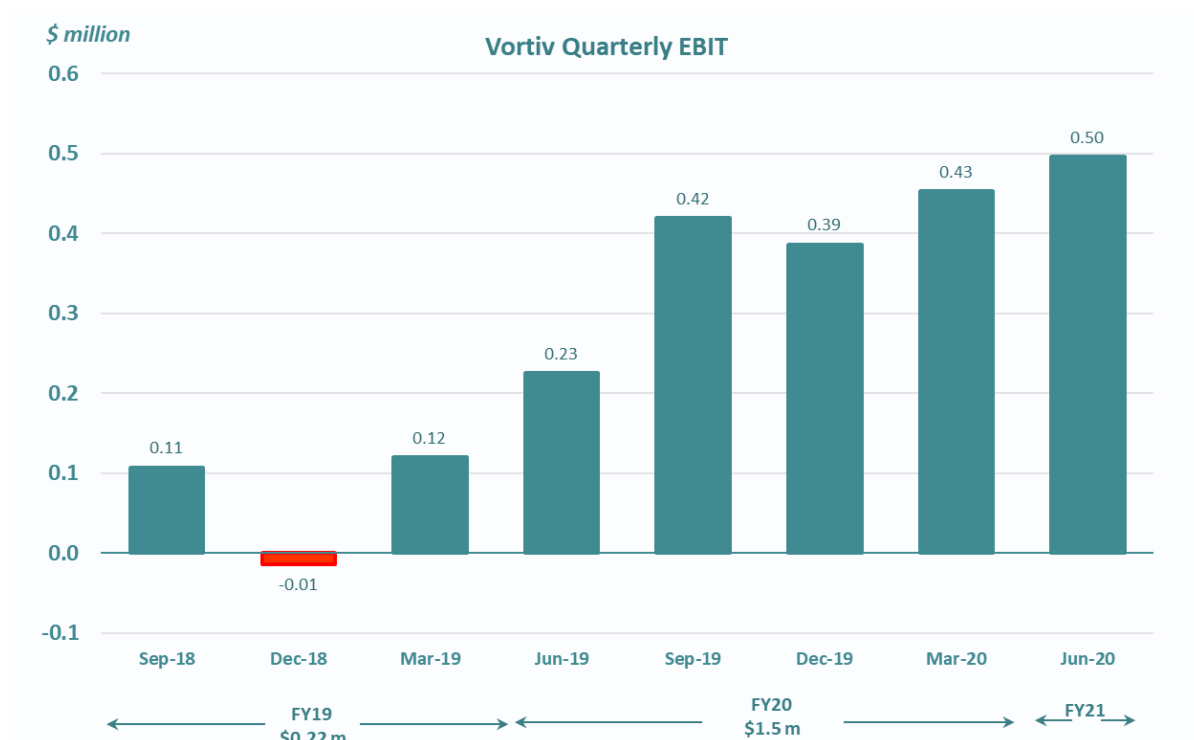
For the quarter ended 30 June 2020, Vortiv achieved record revenues of \$3.6 million, in line with previous guidance (see ASX release, "*Quarterly Update*", dated 4 May 2020). The record revenue highlights the resilience of Vortiv's loyal customer relationships and recurring revenues, despite the current challenging COVID-19 environment.



The Company expects revenues of \$2.9m to \$3.2m in the September Quarter 2020, an increase of 32% - 45% vs prior corresponding period (percentage points). See *Outlook* section for further commentary, below.

Earnings Before Interest and Tax (EBIT)

For June 2020 quarter, Vortiv achieved earnings before interest and tax (EBIT) from continuing business of \$0.50 million, ~117% increase compared to June 2019 quarter percentage points.



Strong Balance Sheet

The increase in EBIT and continued positive operating cash flow resulted Vortiv's cash balance increasing to \$2.4 million as at 30 June 2020.

New Business

During June Quarter 2020, Vortiv continued to secure new business from Enterprise-level clients in its target segments:

- Financial services,
- Government,
- Utilities, and
- Large enterprises with complex requirements.

This ongoing momentum supports the Company's confidence in its outlook.

Outlook

In FY21, the Company expects 20-30% revenue growth, margin expansion, strong organic client growth and potential acquisition opportunities.

The Company's long-standing client relationships are built on strong technical knowledge and deep understanding of the client's environment, which uniquely positions the Company for ongoing growth in recurring revenues. Furthermore, Vortiv continues to be a trusted service provider to federal and state government agencies, which have announced increased spending on cyber security programmes to counter the cyber threats currently faced by the government.

Vortiv's current sales pipeline remains strong, driven primarily by demand from the government and financial institutions. Vortiv expects to benefit from spending by clients in these sectors in the next few years.

The Company's aspiration is organic revenue growth of 20-30% in FY21. New business wins from May through July 2020 of ~\$3.6 million supports this aspiration. Given the current pipeline of customer contracts signed to date, management expects September 2020 quarter revenue to be \$2.9 to 3.2 million, a ~30-45% increase compared to \$2.2 million revenue in September 2019 quarter.

Further accretive M&A growth opportunities continue to be assessed by the Board to augment the Company's organic growth where there may be a complementary fit in terms of client base and/or skill sets.

Released with the authority of the Board.

For more information:

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About Vortiv

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

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

Forward Looking Statements

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