






23 April 2019

## Vault Intelligence Limited April Quarterly Report and Appendix 4C

### Record Quarter with Vault Reconfirming Market Guidance of \$6M CARR for FY19

Vault Intelligence Limited (**ASX:VLT**) (**Vault** or **the Company**), a leading SaaS business delivering solutions in the Risk and Safety Technology sector is pleased to provide its quarterly report for the third quarter of the 2018 - 2019 financial year (FY19).

#### April Quarter Highlights

-  **Record Net New Contracted Annualised Recurring Revenue (CARR)** growth for a quarter of **\$542k** comprising \$556k of new CARR (22% increase on the previous quarter), plus foreign exchange benefit of \$20k, minus \$34k due to customer downgrades/churn.
-  Vault has a number of **material opportunities at an advanced stage** in commercial negotiations. Given the high level of confidence in closing some of these deals the Board anticipates achieving the **market guidance of \$6M CARR** by 30 June 2019.
-  **Cash receipts** were at the **highest level for any quarter** with receipts from customers totalling \$942k and a further \$420k from Government refunds resulting in **total cash receipts** for the quarter of **\$1.36M**.
-  **Customer Retention** remains at an **excellent level** with a second successive quarter of customer retention **in excess of 99%**.
-  The qualified and well progressed **sales pipeline** generated for both the Vault Enterprise and Solo Product lines are **at record levels**. Significant opportunities have been progressed to the stage where **material sized deals** for both the **Vault Enterprise** and **Solo Platforms** are expected to be converted in Q4 and throughout the upcoming financial year.



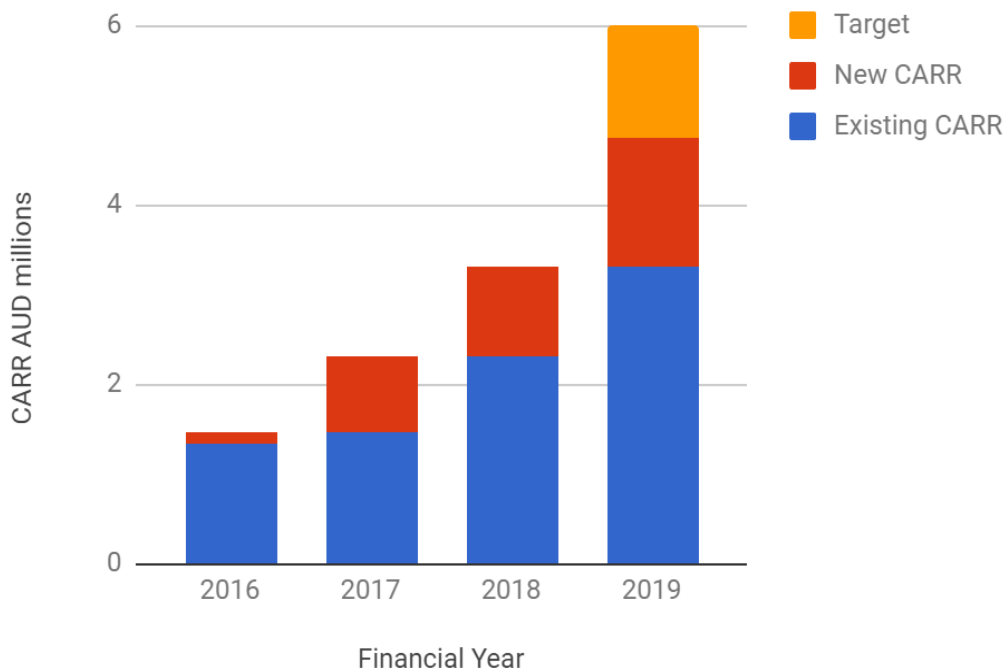


The **Vault Team** has been **strengthened** during the quarter with several key changes in the business, namely the appointment of **Ross Jenkins** (Former Xero Senior Executive) as Vault Chairman and **Stephen Mummery** (Former Samsung National Transport & Logistics Industry Enterprise Mobility Lead) as the GM Sales for Australia. Both are having a significant positive impact on strategy and execution.

## CARR Growth

**Record Net New CARR** for the Quarter of **\$542k**, comprising:

- **\$556k of new CARR** generated for the Quarter
- \$20k increase in CARR due to Foreign Exchange rate adjustment
- \$34k (<1.0% by revenue) decrease in CARR due to customer churn (8 x small customers) and a minor downgrade of services
- **Total CARR** now stands at **\$4.77M**
- Market Guidance remains **\$6M CARR** for **FY19**



## Corporate Financial Notes

The Company ended the quarter with AUD equivalent funds of \$3.53M in cash (excluding receivables of approximately \$300k) and is well positioned financially to continue the growth and development of the business.

In addition to increasing customer cash receipts from the increase in revenue it is also anticipated that the cash position will be bolstered with additional government grants of approximately \$600k expected in Q4. A significant number of options also expire at 30 June 2019, which if exercised will result in a cash inflow of approximately \$625k.

The cash burn in this quarter (\$1.08M) was lower than the previous quarter and based on the factors outlined above cash burn for the upcoming quarter is expected to significantly decrease.

Ends.

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## About Vault Intelligence Limited

Vault Intelligence Limited (ASX: VLT) is an online/SaaS development business specialising in creating solutions in the Risk, Environment, Health and Safety (EHS) sector. Vault operates across more than 30 industries and in several parts of the world.

Vault's leading cloud-based systems provide its clients with the benefits of cost savings and the availability of real-time information to monitor, maintain and improve their businesses. Driven by a passionate team of developers and EHS industry experts, Vault delivers its enterprise-level software and mobile solutions to 1,000,000+ people across 30 industries.

To find out more about how Vault solutions can help to minimise risk and boost effectiveness in your workplace, visit [www.vaultintel.com](http://www.vaultintel.com).

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## Caution Regarding Forward Looking Statements

*This announcement may contain forward looking statements which involve a number of risks and uncertainties. These forward looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. Unless expressly stated, the Company does not provide any forecast regarding revenues that may be derived from a particular customer contract, as such revenues are generally dependent upon the extent of the usage of the Company's product suite. Any forward looking statements are made as at the date of this announcement and the Company disclaims any intent or obligation to update publicly such forward looking statements, whether as a result of new information, future events or results or otherwise.*

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

Vault Intelligence Ltd

**ABN**

15 145 040 857

**Quarter ended ("current quarter")**

31 March 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (.9..months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	942	2,947
1.2 Payments for		
(a) research and development	(30)	(90)
(b) product manufacturing and operating costs	(105)	(515)
(c) advertising and marketing	(147)	(514)
(d) leased assets	(3)	(23)
(e) staff costs	(1,156)	(3,103)
(f) administration and corporate costs	(507)	(1,591)
1.3 Dividends received (see note 3)		
1.4 Interest received	10	29
1.5 Interest and other costs of finance paid	(7)	(23)
1.6 Income taxes paid	(2)	(4)
1.7 Government grants and tax incentives	420	420
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(585)</b>	<b>(2,467)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(20)	(85)
(b) businesses (see item 10)		
(c) investments		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (.9..months) \$A'000
(d) intellectual property	(480)	(1,185)
(e) other non-current assets	-	(14)
2.2 Proceeds from disposal of:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(500)</b>	<b>(1,284)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares		5,000
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		9
3.4 Transaction costs related to issues of shares, convertible notes or options		(246)
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings	(2)	(4)
3.8 Dividends paid		
3.9 Other (provide details if material)		
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(2)</b>	<b>4,759</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	4,615	2,541
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(585)	(2,467)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(500)	(1,284)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(2)	4,759

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (.9..months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	1	(20)
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>3,529</b>	<b>3,529</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	3,217	4,405
5.2	Call deposits	412	409
5.3	Bank overdrafts	(100)	(199)
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,529</b>	<b>4,615</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

<b>Current quarter \$A'000</b>
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350
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Nil
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Includes directors' fees, salaries and superannuation. Increase on December quarter due to:

- David Rose's appointment to a salaried employee as COO. David was previously a non-executive director only.
- Payment of accrued wages to David Rose and David Moylan from the period 1 July 2018 to 31 December 2018.

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

<b>Current quarter \$A'000</b>
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Nil
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Nil
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8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	336	(100)
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Variable interest rate overdraft facility with Westpac secured with a term deposit.

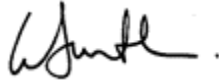
9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	(30)
9.2 Product manufacturing and operating costs	(75)
9.3 Advertising and marketing	(150)
9.4 Leased assets	(17)
9.5 Staff costs	(1,211)
9.6 Administration and corporate costs	(510)
9.7 Other (provide details if material)	
<b>9.8 Total estimated cash outflows</b>	<b>(1,993)</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		



**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: .....  
(Company secretary)

Date: 23 April 2019

Print name: Graeme Smith

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.