

Vault Intelligence Ltd

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Vault Intelligence to add Solo worker-tracking revenues to new CARR figures

Vault Intelligence Ltd (ASX:VLT) is working towards a contracted annual recurring revenue (CARR) forecast of \$6 million by the end of the 2018-19 financial year.

The company laid out its June 2019 half-year goal in November 2018, saying it was "in its strongest position since listing on the ASX."

Vault listed on bourse on July 1, 2016, as part of its reverse takeover of Credo Resources Limited.

READ: Vault Intelligence maintains \$6 million revenue guidance

Among the company's product offering is Vault Solo, a workforce tracking ecosystem for remote workers.

Workers in the field can sign in with a browser or app.

Companies can monitor where workers are by using a Solo app on a Samsung Galaxy Watch device the employee or contractor wears on-site.

Employers can then pinpoint a worker's location to ensure their safety or track their movements.

READ: Vault Intelligence confirms Asia-Pacific distribution partner for Solo product line

The company said in October 2018 the Solo product had been successfully launched commercially in tandem with Samsung and demonstrated to South-East Asian, Australian and New Zealand markets.

The workforce safety app product was first showcased in September 2018.

The company said in November: "Vault believes with the increased momentum in V3 sales and opportunities, anticipated sales from CV3 in China, launch of the global digital sales platform and revenue from Solo sales that the original forecast of \$6 million CARR for financial year 2018-19 is achievable with strong quarters anticipated in (the) March and June quarters."

Vault reported at the time that it was funded, had a strong balance sheet and was resourced to deliver sales revenue from its pipeline.

In the September 2018 quarter, the company increased total cash receipts by 10%, on the previous record quarter, to \$1.12 million.

The gain was a 14% increase on the September 2017 quarter result.

Price: A\$0.165

Market Cap: A\$16.98M

1 Year Share Price Graph



Share Information

Code: VLT

Listing: ASX

52 week High Low
A\$0.49 A\$0.14

Sector: Tech

Website: www.vaultintel.com

Company Synopsis:

Vault Intelligence Ltd (ASX:VLT) is listed on the Australian Securities Exchange.

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Vault's CARR came solely from its Vault Enterprise (V3) sales and was \$402,000.

The company tipped revenues for the product in the December 2018 quarter, saying in the September quarterly: "Solo is now being trialled with sales expected in the upcoming quarter from a significant sales pipeline."

Vault chief executive Dave Moylan spoke to Proactive Investors about the Vault Solo workforce management ecosystem in September 2018.

He told Proactive's Stocktube video channel: "Vault Solo's been super exciting for us, it's (a) great workforce management and protection app that we've put together.

"The really cool thing about it is that we're very strong in the belief that we need to be able to manage and protect our workers out there and certainly Solo does that and plus.

"The big plus is that we also give some great productivity tools on the end of that complement and give a nice return on investment back to our people that are purchasing.

"We're very excited about the demand, demand has been through the roof and the capital raise is certainly going to assist us now to really get behind some of those areas that we'd love to expand on; in terms of capability, but also to accelerate our growth and our penetration in the marketplace."

READ: Vault Intelligence raises \$5 million from high-quality investors to fund Vault Solo roll-out

Melbourne and Christchurch-based Vault was boosted in the September and December 2018 quarters with \$5 million of funds from high-quality investors keen to see the company advance its pipeline.

Vault said the subscriptions from institutional and sophisticated investors were a sign of support for the company which planned to use the funds towards its roll-out of its Vault Solo on the Samsung Galaxy Watch.

READ: Vault Intelligence has new substantial shareholder in Regal Funds Management

A demonstration launch of the Samsung Solo watch app launch took place in New Zealand on September 6, 2018, at a government showcase attended by the former New Zealand company now headquartered in Australia.

The subsequent commercial rollout of the product in October 2018 will mean first revenues from the various international markets — South-East Asia, Australia and New Zealand — will be reflected in cash receipts for the company's upcoming December 2018 quarter activities report.

September 2018 quarter revenues

Vault broke through a ceiling in the September 2018 financial quarter, having

its first quarter of takings of more than \$1 million.

The company increased cash receipts by 10% to \$1.12 million.

Contracted annual revenue (CARR) reached \$3.72 million, with the \$402,000 of its new CARR coming exclusively from Vault Enterprise (V3) sales.

Vault reported in the September quarterly report published on October 31: "This is a good result and will be further strengthened in the upcoming quarter with CARR being generated from Vault Solo sales.

"In conjunction with Samsung's new Galaxy wearable range, Vault Solo was successfully launched in the first week of October.

"Two customer systems have already been implemented and more than 30 customer trials are underway across Asia, Australia and New Zealand."

The trials last for a minimum of four weeks, so the company was expecting sign-ups from November 2018, at least a month on from its October 4 commercial release.

The company wrote: "The successful trial and deployment of Vault Solo across the current client base and potential new large customers is expected to accelerate in financial year 2019 and provide continued strong growth in CARR."

Vault's cash holding was \$5.4 million at the end of the September quarter after the company spent \$706,000 on operating activities and \$335,000 on investing activities.

It had drawn down \$131,000 of \$321,000 in loan facilities.

Vault tipped it would spend \$2.1 million in December 2018 quarter and forecast no asset disposals.

— with **Danielle Doporto**

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