



ASX / Media Release

Pivotal Systems successfully completes Institutional Entitlement Bookbuild

Fremont, California and Sydney, Australia; 7 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 successful completion of the institutional component of the 1 for 4.24 pro-rata accelerated non-renounceable entitlement offer to raise approximately A\$14.8 million (US\$10.5 million¹) (“Offer”).

Approximately A\$8.8 million (US\$6.3 million¹) of commitments were received during the Institutional Entitlement Offer for a total of 18.0 million new CHESS Depositary Interests (“CDIs”) representing shares of common stock in the Company (“New Securities”). The Institutional Entitlement Offer is now closed.

Major securityholders Anzu Partners, and Viburnum Funds committed to take up their full pro-rata entitlements of A\$4.4 million (US\$3.2 million¹) and agreed to sub-underwrite any shortfall under the Institutional Entitlement Offer and the retail component of the Offer (“Retail Entitlement Offer”). Other securityholders including Directors John Hoffman and Joseph Monkowski also took up their full pro-rata entitlements under the Institutional Entitlement Offer.

The Retail Entitlement Offer opens on Thursday, 10 February 2022. As stated above, Pivotal has received sub-underwriting commitments for the Retail Entitlement Offer and institutional shortfall of A\$6.0 million (US\$4.3 million¹), for a total of 12.2 million New Securities.

Under the Offer, Pivotal will issue approximately 30.3 million New Securities at an offer price of A\$0.49 (US\$0.35¹) per New Security. Eligible securityholders are entitled to subscribe for 1 New Security for every 4.24 CDIs or shares of common stock (“Securities”) held at the record date for the Entitlement Offer.

The proceeds of the Offer will be used to accelerate Pivotal’s growth initiatives, provide incremental working capital for general corporate purposes and cover the costs of the Offer.

Mr John Hoffman, Chairman and CEO of Pivotal Systems commented “The increase in demand for Pivotal’s products and engineering services from key blue-chip, global OEM and IDM customers in 2021 has meant a requirement for additional equity capital, predominately to fund working capital increases in inventory and accelerated business development initiatives driving leading-edge product development and launches, to meet our growth opportunities in 2022 and into 2023. We thank our Australian and US based institutional investors for supporting this equity raising, which will see our total cash increase to approximately US\$14.0 million, when considered in conjunction existing cash on hand as at 31 December 2021.”

The New Securities issued under the Institutional Entitlement Offer are expected to settle on Monday, 14 February 2022, with allotment expected to occur on Tuesday, 15 February 2022. New Securities issued will rank equally with existing Pivotal CDIs from the date of issue.

¹ An exchange rate of AUD 1:USD 0.71 is used throughout this announcement.

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Retail Entitlement Offer

Eligible Retail Securityholders have the opportunity to invest in New Securities at the Offer Price, on the terms and conditions that will be set out in the Retail Offer Booklet to be sent to Eligible Retail Securityholders on Thursday, 10 February 2022.

Please note that Securityholders with a registered address outside Australia or New Zealand on the Record Date are generally ineligible to participate in the Retail Entitlement Offer unless otherwise specified in the Retail Offer Booklet. Securityholders who are on the register on the Record Date will be notified by Pivotal if they are ineligible to participate in the Entitlement Offer. Eligible Retail Securityholders will receive a Retail Offer Booklet, including a personalised entitlement and acceptance form, which will provide further details of how to participate in the Retail Entitlement Offer.

Under the Retail Entitlement Offer, Eligible Retail Securityholders who take up their full entitlement may also apply for additional New Securities in excess of their entitlement at the Offer Price (subject to scaleback, at Pivotal's discretion). The maximum amount of additional New Securities that an Eligible Retail Securityholder can apply for is 100% of their entitlement.

The Retail Entitlement Offer opens on Thursday, 10 February 2022 and closes on Monday, 21 February 2022.²

Other information

MA Moelis Australia Advisory Pty Limited has been appointed as Sole Lead Manager and Underwriter in respect to the Offer ("Lead Manager").

Further details are contained in the investor presentation released to the ASX on Thursday, 3 February 2022 ("Investor Presentation"). The Investor Presentation contains important information including a business update, key risks of Pivotal's business, details of the Equity Raising and foreign selling restrictions applying to the Equity Raising.

THIS RELEASE DATED 7 FEBRUARY 2022 HAS BEEN AUTHORISED FOR LODGEMENT TO ASX BY THE BOARD OF DIRECTORS

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² These are indicative dates and are subject to change.



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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 Depository 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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