

ASX / Media Release

Chairman's Address to 2022 Annual Meeting and Presentation

Fremont, California and Sydney, Australia; 19 May 2022 – Pivotal Systems Corporation (“Pivotal” or the “Company”) (ASX: PVS), a leading provider of innovative gas flow control (GFC) solutions to the semiconductor industry, today will be holding its virtual Annual Meeting of Shareholders at 2:00 pm (AEST) today (9:00 pm, Wednesday, 18 May 2022 PDT). Investors wishing to join the virtual meeting can do so by following this link: <https://meetings.linkgroup.com/PVS22>.

A copy of the Chairman's address to the 2022 Annual Meeting and Investor Presentation are attached to this release.

THIS RELEASE DATED 19 MAY 2022 HAS BEEN AUTHORISED FOR LODGEMENT TO ASX BY THE BOARD OF DIRECTORS OF PIVOTAL SYSTEMS.

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If investors wish to subscribe to Pivotal Systems' email alert service for ASX Announcements, please follow this [link](#).

Safe Harbor Statement

This press release and the accompanying presentation contains forward-looking statements, which address a variety of subjects including, for example, our statements regarding expected growth rates, expected product offerings, product development, marketing position and technical advances. Statements that are not historical facts, including statements about our beliefs, plans and expectations, are forward-looking statements. Such statements are based on our current expectations and information currently available to management and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those described in the forward-looking statements. The Company's management believes that these forward-looking statements are reasonable as and when made. However, you should not place undue reliance on any such forward-looking statements because such statements speak only as of the date when made. We do not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law or the ASX Listing Rules. In addition, forward-looking statements are subject to certain risks and

uncertainties that could cause actual results, events and developments to differ materially from our historical experience and our present expectations or projections.

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 Depositary 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.

Chairman's Address to the 2022 Annual Meeting

Fremont, California - 18 May 2022 and Sydney, Australia - 19 May, 2022

Good evening for our US Investors and good morning for our Australian Investors.

My name is John Hoffman and I am the Executive Chairman and Chief Executive Officer of Pivotal Systems Corporation. On behalf of the Pivotal Board, it is my pleasure to address the shareholders at Pivotal's 2022 Annual Meeting, our fourth as a publicly listed Company on the Australian Securities Exchange.

Today we are very pleased to welcome those of you attending in person here in Sydney and those participating online through our virtual meeting platform provided by our share registrar Link Market Services Limited. We are delighted to be able to come back to Australia to hold this meeting with our loyal shareholders in person.

However, due to ongoing circumstances relating to COVID-19, we are undertaking this Annual Meeting as a hybrid meeting where Security Holders can attend either in person or electronically via webcast and an online voting platform.

It is now 9:00pm in Fremont, California on 18 May and correspondingly 2:00pm in Sydney on 19 May. The Notice of the meeting was duly given and the meeting has been properly convened. We will turn to resolutions later in the meeting. Please note that only shareholders, proxy holders or shareholder company representatives may vote today.

I have been advised that a quorum is present for the matters to be considered at this meeting. I therefore declare this Annual Meeting of shareholders of Pivotal Systems open and welcome each of you to the virtual platform.

Before I proceed with the business of the Meeting, I would like to introduce my fellow Directors who are either in person here today or joining us online. In person, I am delighted to welcome:

- Peter McGregor; Independent Non-Executive Director; and
- Jason Korman; Non-Executive Director

And joining us online we have:

- Ryan Benton; Independent Non-Executive Director;
- Kevin Landis; Non-Executive Director;
- David Michael; Non-Executive Director;
- Dr Joseph Monkowski, our President and Chief Technology Officer, and an Executive Director who will be retiring from the Board of Directors at the conclusion of today's meeting;

Also present today is Mr Kevin Hill, who is the current Pivotal Chief Operating Officer, and from 1 June 2022 will commence as Pivotal's CEO and Executive Director following my retirement as CEO on 31 May 2022.

Kevin is a highly qualified executive with over 25 years of global high technology management and leadership experience at Apple, Applied Materials, IBM, Flextronics and Collins Aerospace. Kevin has successfully navigated the Company through a period of strong revenue growth, despite persistent supply chain pressures that have impacted pretty much all of our competitors, while Pivotal has continued to manufacture and meet our customer needs and expectations. Welcome Kevin.

In addition, we have Ron Warrington our Chief Financial Officer in the room today. Welcome Ron. Finally, we have Jeremy Wotton, from the Company's Auditor, BDO USA LLP who is joining us online. Jeremy will be available to answer questions you may have about the conduct of the audit and the auditor's report.

In relation to the procedure for the meeting, I will give a short address as Chairman and will then provide more detailed information on Pivotal's performance for the year and outlook via a slide presentation.

Voting on the resolutions will be conducted by way of poll.

Please note that shareholders will be able to vote online during the AGM and ask questions of Directors, Management and the Company's auditor. However, holders of CDIs will not be able to vote during today's AGM but will be able to ask questions. Please refer to the virtual annual meeting online portal guide or use the help line specified.

Following the voting, general business questions will be taken. Security holders participating online through the virtual meeting website - please click on 'Ask Question' button, type your question and click submit. I encourage Securityholders attending online, and who have questions, to send their questions through as soon as possible. Securityholder questions received prior to the meeting will be addressed during the general business questions.

As Chairman of the Annual Meeting today, I have been appointed as proxy for shareholders entitled to vote on the resolutions today. I will vote, where authorised, all undirected proxies in favour of each resolution.

The result of the polls will be declared and released to the ASX as soon as possible after the conclusion of the business of this Annual Meeting.

Turning now to a brief recap of Pivotal's 2021 Financial Year to 31 December 2021.

The continuing COVID-19 pandemic has shown the resilience of the semiconductor industry and has in fact accelerated the digital transformation of technologies across the globe, which led to increasing demand in 2021. Indeed, the semiconductor equipment sales were forecast to have grown by 44% to approximately US\$88 billion in the 2021 calendar year. Towards the latter end of the year, we saw some supply bottlenecks that hampered equipment manufacturers (OEMs) ability to meet demand from end customers, notably the Integrated Device Manufacturers (IDMs). Pivotal's range of gas flow controllers (GFCs) continue to provide our customers significant benefits in speed and precision versus other competitive offerings and our newer GFCs perform at the leading edge of semiconductor chip manufacturing.

In 2021, Pivotal reaped the benefits of its new contract manufacturer (CM) in Korea and the Company established Transformation Center recorded a full year contribution to Pivotal's operating results. and commenced product shipment of all released Pivotal products. Pivotal was able to maintain all manufacturing activity in China, Korea, and the United States during the reported period. Despite COVID-19 and the emergence of component supply shortages in the second half, we successfully navigated through with our exceptionally talented operations team.

We continued to diversify our customer base within all major regions to include Japan, Europe, Taiwan, China, North America, and Korea.

During the year some of our major customer highlights included:

- o Signed Two Memorandum of Understandings (MOUs) with South 8 Technologies and Forge Nano
- o US\$1 million Non-Recurring Engineering or NRE agreement with a Leading Japanese OEM
- o Establishment of Scientific Advisory Board and Appointment of Professor Stacey Bent
- o Multiple repeat orders for the standard GFC with the market share leader in Atomic Layer Deposition or ALD
- o Standard GFC for etch applications initiated qualification with a leading Japanese OEM.

In FY21, Pivotal commenced a strategic initiative to develop new market opportunities for the Company's leading edge flow technology, based on the continued success and growth of Pivotal GFCs products within the semiconductor industry, the largest of all the market for annual global demand of GFCs. Flow controllers are used in a wide range of industries including semiconductor, oil and gas, clean energy, battery production and pharmaceuticals, along with many others market segments to accurately control the flow rate of gases and liquids.

Recognizing the Company's new market vertical development programs, and continued investment into leading edge ALD and Atomic Layer Etch (ALE) products, which are expected to outpace growth in the overall GFC market by a significant margin, Pivotal established a new Scientific Advisory Board during the year, consisting of internationally recognized experts who will bring depth of experience and leadership to the Company. Pivotal appointed Professor Stacey F. Bent as the founding member of the Advisory Board. Professor Bent has brought considerable scientific insight and expertise in the field of ALD to assist the Company.

The pace of digital transformation brought on by the COVID-19 pandemic and the resultant and seismic increase in demand for semiconductor chips, which positively impacts equipment manufacturers as new fabrication plants are built and tools installed. For Pivotal, we continue to believe in the long term durability of the current up cycle in semi, which will see increased demand for Pivotal's products and services moving forward. When these organic aspects are overlaid with new government spending initiatives which constitute several hundred billion dollars of potential spend in Korea, Japan, the United States and Europe to secure or expand domestic manufacturing capacity, the future looks very bright indeed for our business.

Pivotal is therefore uniquely placed with industry leading technology and products to capitalize on the overall growth in the market in subsequent periods.

From a governance perspective, we were pleased to announce the appointment of Jason Korman to the Pivotal Board of Directors in November 2021. Jason has over 10 years' experience in private equity and investment management across Australia, Singapore and the USA at BGH Capital, Argand Partners and CHAMP Private Equity.

In February 2022, we also announced a restructure of the Board, which as mentioned earlier includes myself stepping down as CEO from 31 May and as Chairman on 31 December 2022, and Kevin Hill assuming the role of CEO and Executive Director, alongside the retirement of Dr Joe Monkowski from the Board. Joe will continue to lead Pivotal's leading-edge engineering and product development team as President and Chief Technology Officer, and I would like to thank him personally for his contribution to the Pivotal Board over many years.

We also strengthened the Company's balance sheet with an accelerated non-renounceable pro-rata entitlement offer that raised approximately A\$14.8 million (US\$10.5 million), which was cornerstoned by major shareholders Viburnum and Anzu Partners. We thank all shareholders for their support of this raise.

On behalf of our Board of Directors, I would like to thank the Pivotal team around the world who have worked diligently to achieve the growth and numerous development milestones we delivered in 2021 against the continued backdrop of COVID-19 and the effects of the recovery on global supply chains generally.

It has been a pleasure to serve our shareholders as CEO and Chairman, with the Company remaining in very capable hands with Kevin Hill moving into the CEO role this year. As mentioned, I will remain as Chairman until I retire at the end of the 2022 financial year.

We look forward to another year of solid growth in 2022 and thank shareholders for their support.

Thank you.

John Hoffman

Executive Chairman & CEO
Sydney, Australia
19 May 2022 (18 May 2022 PDT)