

9 April 2018

Velpic delivers strong growth in March 2018 quarter

- 88% increase in invoiced SaaS recurring revenue (vs March 2017 quarter)
- 66% increase in Annualised Committed Monthly Revenue (vs March 2017 quarter)
- 233% increase in number of lessons completed (vs March 2017 quarter)
- First NowForce client signed for Australia and New Zealand – 3-year contract, with Velpic to receive full annual payment upfront and on each anniversary

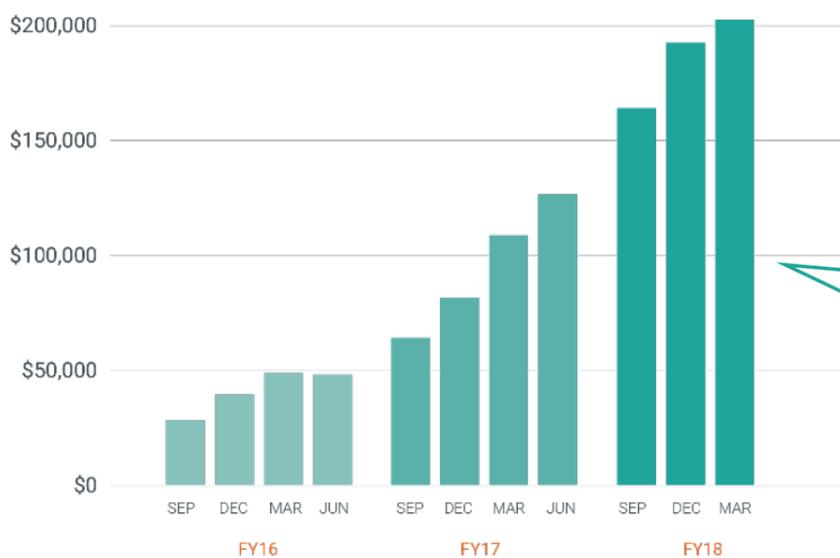
Velpic Limited (ASX: VPC) is pleased to report strong growth over the March 2018 quarter, with the Company's Learning Management System (LMS) generating strong growth in recurring revenue, contracted revenue and number of lessons completed, while the first NowForce client was also contracted.

Russell Francis, CEO Velpic, commented: *"The March 2018 quarter has been Velpic's strongest yet. Our sales strategy continues to gather momentum and deliver results. We are signing up newer and bigger clients to our Learning Management System, we've signed our first NowForce client, and revenues are rapidly increasing. Importantly, our revenues are from contracted clients, giving us forward visibility on our growth trajectory. We are excited by the opportunities we see ahead, and I look forward to updating the market on further sales success and growth."*

Over the March 2018 quarter, Velpic delivered an 88% increase in invoiced (contracted) Quarterly SaaS recurring revenue compared to the March 2017 quarter. Contracted revenue for the March 2018 quarter was \$204k, compared to \$109k during the March 2017 quarter. The increase was driven by notable new client wins across the business as the Company's sales strategy continues its momentum.

Velpic also delivered a 66% increase in Annualised Committed Monthly Revenue (ACMR) in the March 2018 quarter (compared to the March 2017 quarter). ACMR increased to \$847k compared to \$510k in the March 2017 quarter, driven by growing client numbers and a sustained trend towards larger clients.

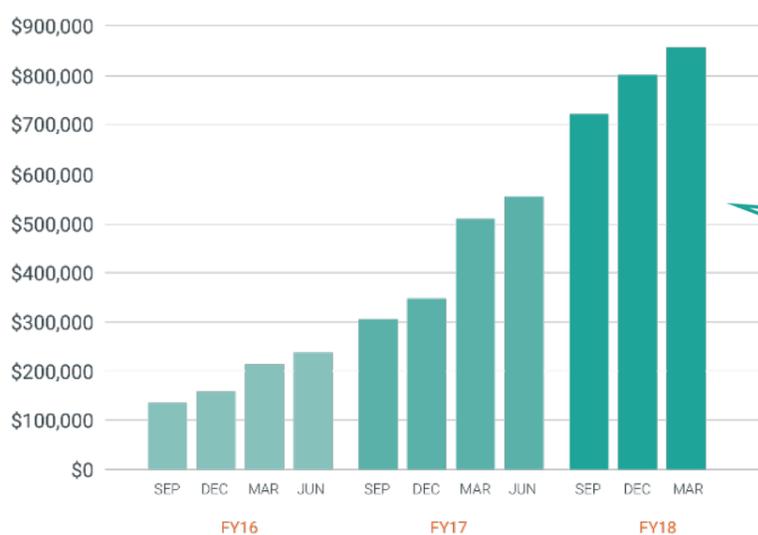
Quarter-on-Quarter Recurring SaaS Revenue Growth
(unaudited)



Quarterly SaaS Recurring Revenue: refers to the contracted recurring revenues that Velpic Limited received over the quarter for providing its software platform to clients.

88% increase in Quarterly SaaS Recurring Revenue from March 2017 quarter to March 2018 quarter.

Quarter-on-Quarter ACMR Growth
(Recurring Annualised Committed Monthly Revenue)



Annualised Committed Monthly Revenue: refers to contracted recurring monthly revenues on an annualised basis.

66% increase in ACMR from March 2017 quarter to March 2018 quarter.

February 2018 was a record month for the Company in relation to the number of Velpic lessons completed by clients with 13,669 lessons completed, up 393% compared to February 2017.

On a quarterly basis, use of Velpic's LMS platform has accelerated significantly – over 34,000 lessons were completed by paying clients in the March 2018 quarter, a 233% increase compared to the March 2017 quarter.

Velpic also secured its first client for the NowForce platform in the Company's capacity as NowForce's exclusive reseller in Australia and New Zealand (known as Velpic Safety). Threat Protect (ASX: TPS), a company that provides monitored security solutions for Australian homes and businesses 24 hours a day, 365 days a year, signed a 3-year contract. Under the contract, Velpic receives the full annual revenue subscription upfront at the beginning of the contract and on each anniversary, and there is no free trial period.

****ENDS****

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Velpic LMS

Velpic has developed a unique online platform that provides a scalable, cloud-based training, induction and education solution for businesses. The platform allows companies to create their own training lessons and distribute them to staff and contractors, who can access the Velpic Platform on all devices including mobile phones and tablets. The cloud-based platform has global potential and is set to disrupt the traditional Learning Management System (LMS) marketplace, and Velpic already has an extensive list of ASX 200 clients using the platform.



ASX: VPC

Velpic Safety

Velpic Safety is a unique platform for all organisations concerned with security of staff, clients and assets. The platform allows businesses to manage and respond to any security incidents as well as providing proactive personal security training online. Powered by NowForce, Velpic Safety provides user-friendly solutions for personal safety apps, cloud-based computer aided dispatch and mobile response tools to reduce response times, increase situation awareness and enhance communications in security and public safety situations. NowForce is an industry disrupting, one-stop solution for campus security, private security and public safety organisations and has been named as a Top 10 Homeland Security Solution Provider by govCIO in the USA.

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