ASX RELEASE

SERVTECH TO ACQUIRE LEADING SOFTWARE DEVELOPMENT COMPANY

Transformational acquisition to accelerate growth of existing operations

Highlights:

- Binding Agreement signed to acquire 100% of **established, revenue generating** business, Officine 8K S.r.l (to be renamed **Vection**);
- Client portfolio includes **world renowned clients** including: Lamborghini, Fendi Casa, Ferretti, Maserati, Volvo, Philip Morris **and** Bonfiglioli;
- Vection is an innovative **software development** business with **advanced Virtual Reality** and **Augmented Reality** (**VR & AR**) development capabilities and a **commercialised VR platform**, ready for global scale;
- Vection is highly complementary to ServTech's operations delivering **increased scale**, **geographical expansion**, **development capabilities** and **growing revenues** and **EBITDA**;
- Vection's management team to bring **significant technology and managerial experience** to ServTech's Board and Subsidiaries;
- Acquisition to be materially funded via ServTech's shares at a deemed issue price of **A$0.02**, with a deferred, **performance based**, consideration component based on achievement of **EBITDA targets**.

22 January 2019 | Perth, Australia

ServTech Global Holdings Limited (**ServTech** or the **Company**) is pleased to announce that it has signed a binding agreement to acquire 100% of European based software development business Officine 8K S.r.l. (to be renamed **Vection**) (the **Acquisition**).

About Vection:

Vection is an **established, European** full-service software development company with advanced Augmented Reality (**AR**) and Virtual Reality (**VR**) development capabilities, providing practical and commercial software solutions for its clients, from web and mobile applications to AR and VR.

Vection currently targets the software development market and the virtual and augmented reality market.

Client Portfolio:

Vection has identified a niche market assisting **luxury brands** and corporates to establish a direct link between its clients' products and their target consumer, turning simple buying decisions into a comprehensive experience. This is done via a simulated virtual showroom for customers to visualise and interact with products in high quality and definition.

With this offering and other related applications, Vection has built a portfolio of world-renowned clients including Ferretti (yacht building), Lamborghini (luxury vehicles), Maserati (luxury vehicles), Philip Morris (tobacco products), Volvo (luxury vehicles), Fendi Casa (luxury furniture) and many others.

Revenue Model:

Vection's historical business model involves collecting revenue from blue chip corporates for the provision of these software development solutions. Vection is expected to propel ServTech's IT development and outsourced solutions growth strategy and will make a significant contribution towards the Company's **fast-growing long-term contract revenue** base.

An additional revenue opportunity is represented by the innovative, recently launched, subscription-based **SaaS VR platform** which provides customers with an intuitive platform to access VR functionalities for a variety of industries.

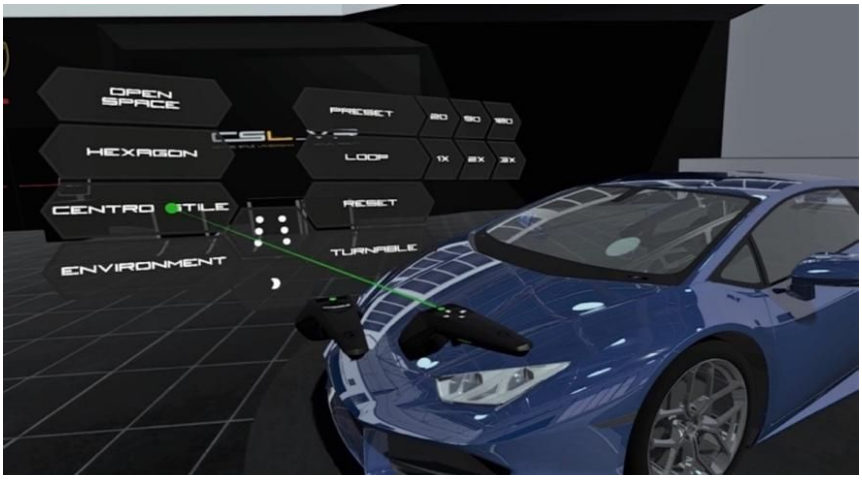

Figure 2: Screenshot of Vection's SaaS VR Platform.

Vection's competitive advantages include its market position, reputation and **proprietary technology**, ensuring solutions developed are consistently of high quality and definition.

Financial Performance:

Vection has delivered **impressive revenue and EBITDA growth,** with revenues increasing six-fold organically from $157k in its inaugural FY15 year to ~$1.1M in FY18 with a ~**20% EBITDA margin**[1].

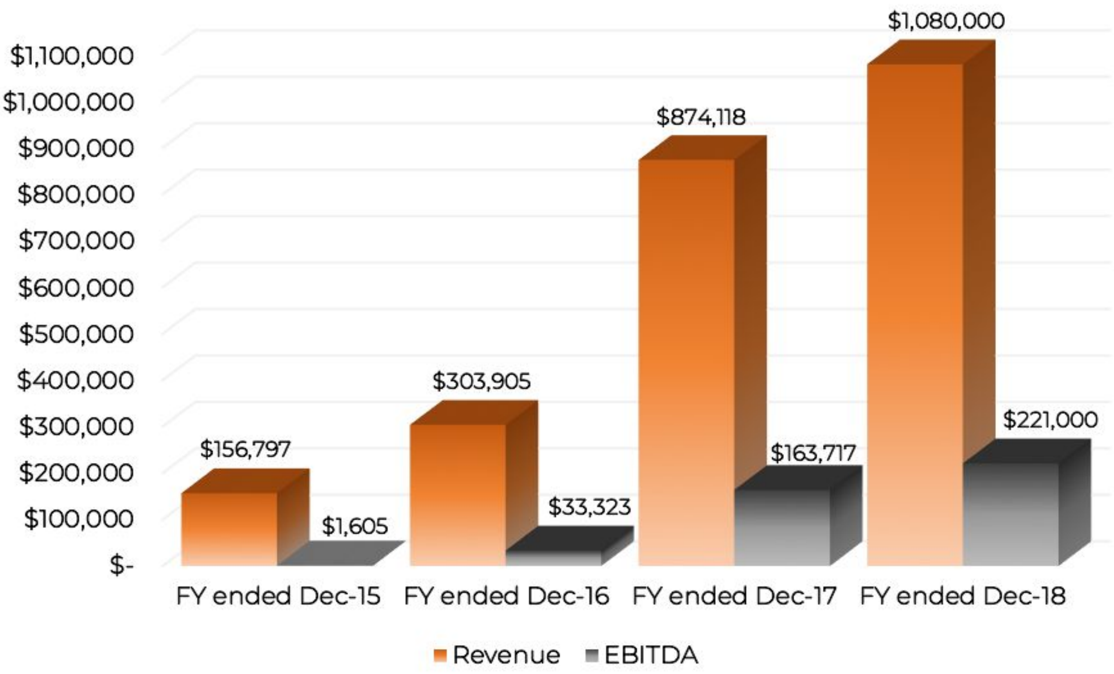

Figure 3: Vection's Financial Metrics since Incorporation in 2015[1]

These results are underpinned by an experienced management team and a growing VR&AR software development sector.

Following the Acquisition, the Company believes it is well positioned to integrate Vection into its existing operations, driving further growth and value, with the benefit of both sets of technical personnel, and synergies from shared resources and funding.

The Combined Group:

ServTech believes that the Acquisition is aligned with its overall growth strategy. There are clear synergies between the Company's core software development business unit and Vection's software development offerings. In addition to developing software for a variety of target market segments, both business units have developed Software as a Service (**SaaS**) models which are ready to be commercialised in scale, globally, leveraging the combined group's market reach.

Additional cost savings will be realised via shared resources across software development and operations, marketing, administration and management. Vection will create additional opportunities and introductions to blue chip corporates and brands for software development contracts for both business units, supported by a growing sales team and increased market outreach, cementing ServTech's position into the software development market.

[1] Financial metrics based on audited financial statements and following exchange rates: - 2015 : Exchange Rate €/AUD 1.4918 at 31/12/2015 - 2016 : Exchange Rate €/AUD 1.4573 at 30/12/2016 - 2017 : Exchange Rate €/AUD 1.54 at 29/12/2017 - 2018: Exchange Rate €/AUD 1.6241 at 31/12/2018. Unaudited 2018 Financial results Based on management accounts received by the Company from Vection and subject to third party audit of financial accounts, and hence subject to change. 2018 EBITDA is subject to a ~$41,000 adjustment in relation to a one-off capital expense for the development of Vection's SaaS VR Platform (Exchange rate from au.investing.com).

ServTech and Vection's businesses are highly aligned in relation to target clients, creating an opportunity both domestically and internationally with an expanded development offering targeted to multinational clients.
Vection's advanced AR and VR development capabilities and innovative VR SaaS platform, will create opportunities and introductions to large-scale businesses for distribution partnership development.
The Company plans to leverage Vection's existing Tier-1 clients' portfolio to generate software development and sale opportunities for the combined group, significantly increasing the group's commercial opportunities.

The diagram below illustrates how Vection fits into ServTech's existing businesses:

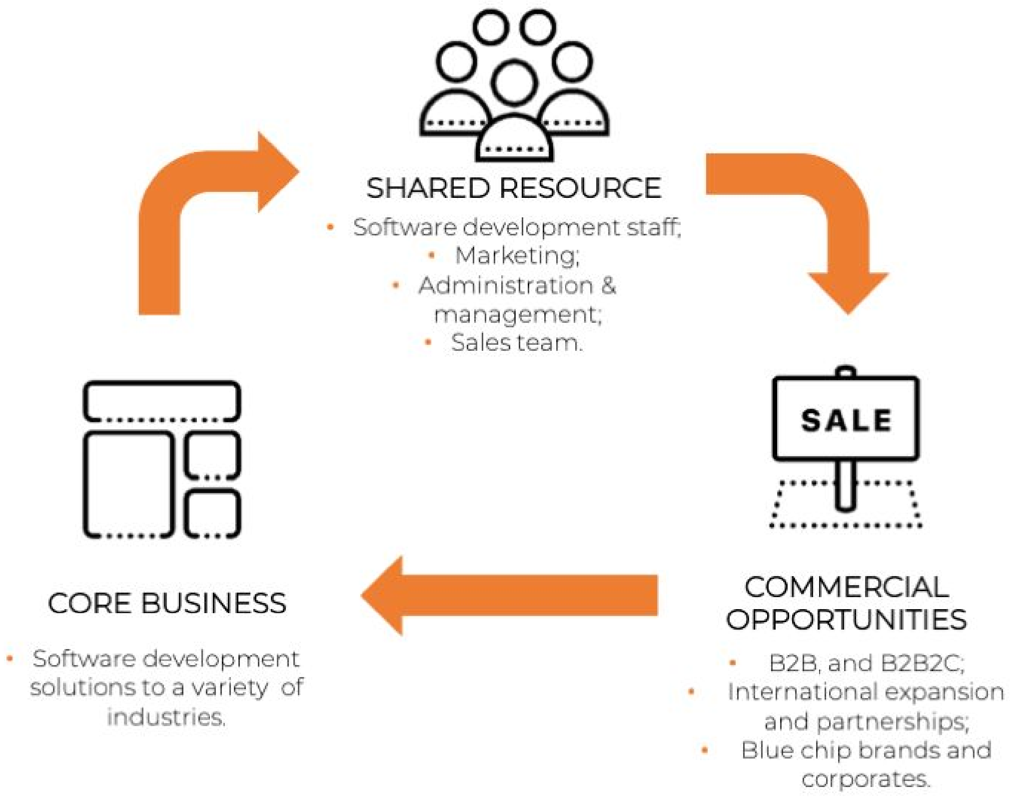

Figure 4: Combined Group's Opportunity

Following completion of the Acquisition, ServTech's software development division, will expand its geographical presence across 3 continents, being Australia, Indian Subcontinent and Europe, counting more than 40 employees world-wide.

The Company intends to utilise its combined group's geographical outreach to cross-sell its software development solutions to its existing customer base, and its existing suite of SaaS products, including Vection's SaaS VR Platform.

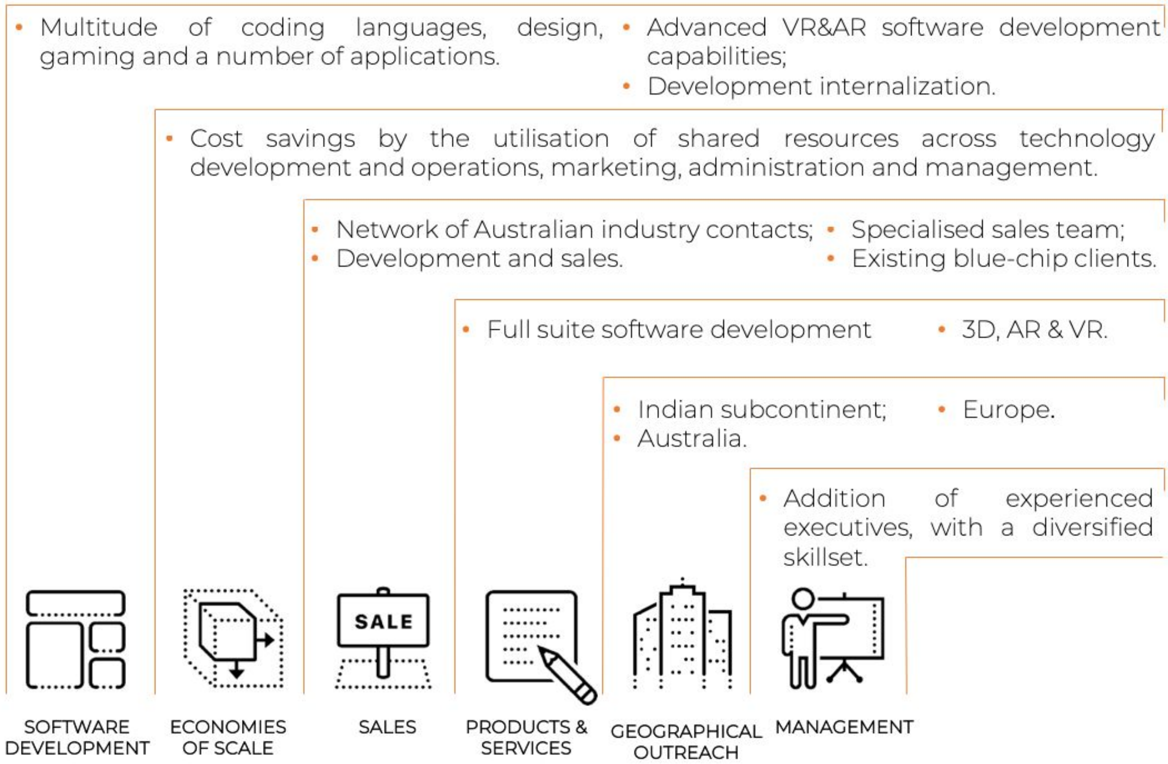

Figure 5: Combined Group's Advantages

For the 12 months ended December 2018, the combined group's proforma revenue would exceed $1.8M, with further growth anticipated for FY19:

	Unaudited Revenue for 12 months ended Dec-18 (AUD)
ServTech's contracted revenue (unaudited)	~$800,000
Vection[1] (unaudited)	~$1,080,000
Total Calendar Year 2018 (unaudited)	~$1,880,000

Leadership Team Bolstered:

Upon completion of the Acquisition, Vection's management team will join the Company's existing management team and will provide for further software technology knowledge and experience to ServTech and its subsidiaries.

In addition to this, Vection's CEO Mr Gianmarco Biagi, is proposed to join the Company's Board led by its chairman Bert Mondello, as its Managing Director. Mr Biagi is a well-regarded executive in the European high-end luxury space, having served as General Manager at Luxury Living Group, a multinational with combined revenues of over $220M AUD per annum.

Mr Biagi will join Mr Mondello and the rest of the Board, in leading the Company's expansion into new geographical markets as well as bringing with him extensive and significant relationships world-wide.

Outlook:

ServTech plans to accelerate its software development operations through its newly acquired European operation's sales network, leveraging Vection's development capabilities underpinned by its well-recognised client base. Following the acquisition of Vection, the Company will be positioned as a global software development company with expertise ranging from website and app development to Virtual and Augmented Reality and will leverage its newly acquired SaaS VR platform to drive further value across the group.

Shareholder Approval:

The Company shall convene a general meeting of shareholders to seek approval pursuant to ASX Listing Rule 11.1.2 for the Acquisition. Shareholder approval is required as the Acquisition will result in a significant change to the current scale of the Company' s activities.

The Company will also seek shareholder approval to conduct the Placement without using the Company's 15% annual placement capacity.

Bert Mondello, Chairman of ServTech, commented:

"The Board has taken the decision to expand the Company's operations into mature markets that provide significant growth opportunities and has identified Vection as a strategic and ideal fit. Vection is an established software development company, with proven, proprietary, software technology solutions, adopted by a Tier-1 customer base such as Lamborghini and Ferretti. The adoption of Vection's technologies by this portfolio of A-list clients, is an endorsement of Vection's technology and product capabilities. The board views the Acquisition as financially accretive and strategically aligned with the Company's growth strategy, complementing ServTech's current operations and expansion in new markets."

Gianmarco Biagi, CEO of Vection, commented:

"The union of the two companies is strategic in pursuing our international development strategy and is essential in ensuring the continued focus on high quality software products and services, while bolstering the combined group's notoriety and reputation globally. Notwithstanding our joint effort on generic software solutions, this transaction will provide for increased VR & AR software development focus, which is one of the few booming sectors in the software development industry. ServTech's corporate, management and financial infrastructure is ideal for Vection to expand its operations from its European foothold to Australia and the rest of the World."

- ENDS -

For more information:

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About ServTech (ASX:SVT):

ServTech is a software company developing technologies utilised to disrupt traditional, self-limiting business models through the implementation of specialised software solutions, allowing companies to focus on their core revenue-generating businesses, reducing overheads and improving efficiency and scalability. ServTech operates on an Enterprise business model based on bespoke fees and on a Software as a Service (SaaS) business model based on recurrent subscription revenue.

www.servtechglobal.com.au

ANNEXURE A

Acquisition Terms:

Purchase price structure:

- Consideration of 292,556,186 ServTech ordinary shares (**Shares**) at a deemed issue price of $0.02 per Share, to be issued to Vection shareholders;
- Upfront cash consideration of ~$69,000[2];
- Deferred, performance based, consideration of up to 150,000,000 Shares, to be issued to the shareholders of Vection in three (3) equal tranches of 50,000,000 shares subject to the achievement of milestones;
- The 3 milestones for which deferred consideration is payable are upon ServTech achieving:
  - Adjusted EBITDA of $500,000 (excluding EBITDA from existing ServTech businesses) on or before 24 (twenty-four) months from settlement of the Acquisition;
  - Audited revenue of $1,500,000 (excluding revenue from existing ServTech businesses) on or before 24 (twenty-four) months from settlement of the Acquisition;
  - A Share price of minimum $0.03 within 36 (thirty-six) months from settlement of the Acquisition, on a 7-day VWAP basis; and
  - Each tranche subject to shareholder approval.

Outstanding Conditions Precedent:

The Acquisition is subject to the following outstanding conditions precedent:

- The Company conducting the Placement on or about the 20th day of February 2019 (or such other date as may be agreed by the Parties In writing);
- The Company receiving all necessary regulatory approvals required under the ASX Listing Rules and Corporations Act, receipt of shareholder approval to issue the securities referred to in this announcement, and a private placement of Shares (see below) by the Company;
- The Company procuring employment or contracting agreements for Mr Gianmarco Biagi and Mr Lorenzo Biagi;
- The Company reimbursing Vection of incurred cash expenses relating to due diligence endeavours, including, but not limited to, audit, legal and accounting, in the amount of $105,000 within five business days from execution of the Binding Agreement;
- Appointment to the board of directors of the Company of Mr Gianmarco Biagi and Mr Lorenzo Biagi; and
- The Company making a payment to Vection of ~$69,000[2] .

Indicative Timetable:

Event	Date
Execution of Binding Terms Sheet for acquisition of Vection	Monday, 21 January 2019
Date of Notice of General Meeting	Monday, 11 February 2019
Dispatch of Notice of General Meeting	Monday, 11 February 2019
Date of General Meeting	Monday, 11 March 2019
Date of Placement (see below)	Monday, 25 March 2019
Completion of Vection Acquisition	Friday, 29 March 2019

Supporting Placement:

In order to fund the continued operations of Vection and the Company's ongoing commercial activities, the Company intends to issue a further 111,111,111 Shares (**Placement**) at $0.018 (**10% discount**) to sophisticated and professional investors to raise an additional **$2,000,000** before costs.

The Company will seek shareholder approval at the General Meeting to conduct the Placement without using the Company's 15% annual placement capacity.

[2] Subject to exchange rate fluctuations and based on a consideration of €42,500 (exchange Rate €/AUD 1.6241 at 31/12/2018 - https://au.investing.com).

Proforma Capital Structure:

	Shares	Options[3]	Consideration Rights[4]
Current issued capital	213,373,944	2,500,000	10,000,000
Vection vendors consideration[5]	292,556,186		150,000,000
Placement	111,111,111		
Total	**617,041,241**	**2,500,000**	**160,000,000**

[3] Unquoted, exercisable at $0.30 on or before the date that is three years following admission of ServTech on the ASX.
[4] Existing Performance Rights:
Class A (subject to escrow for 24 months from commencement of official quotation of ServTech);
Class B (subject to escrow for 24 months from commencement of official quotation of ServTech);
Class C (subject to escrow for 24 months from commencement of official quotation of ServTech);
Class D (subject to escrow for 24 months from commencement of official quotation of ServTech); and
Class E (subject to escrow for 24 months from commencement of official quotation of ServTech).
[5] 292,556,186 to be issued pursuant to the Proposed Transaction and up to 150,000,000 performance right may be issued, subject to the achievement of milestones, as detailed elsewhere in this announcement.