

# VirtualArmour Reports Preliminary Q2 2018 Results; Revenue up 50% to Record \$4 Million

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CENTENNIAL, Colo., Aug. 15, 2018 (GLOBE NEWSWIRE) -- **VirtualArmour International Inc. (CSE:VAI) (3V3:F) (OTCQB:VTLR)**, a premier cybersecurity managed services provider, reported preliminary results for the second quarter ended June 30, 2018.

(\$millions)	1H-18			1H-17			Δ%			Q2-18			Q2-17			Δ%		
Managed & Prof. Services	\$2.3	\$1.1	118%	\$1.2	\$0.6	94%												
Hardware & Software Sales, Product Support Services	\$5.0	\$4.8	4%	\$2.8	\$2.1	37%												
<b>Total Revenue</b>	<b>\$7.3</b>	<b>\$5.8</b>	<b>25%</b>	<b>\$4.0</b>	<b>\$2.7</b>	<b>50%</b>												

For the second quarter of 2018, VirtualArmour expects total revenue of \$4.0 million, an increase of 50% compared to the second quarter of 2017. Managed and professional services revenue is expected to total \$1.2 million, up 94% compared to the second quarter of 2017.

For the first half of 2018, VirtualArmour expects total revenue of \$7.3 million, an increase of 25% compared to the first half of 2017. Managed and professional services revenue in the first half of 2018 is expected to total \$2.3 million, up 118% versus the first half of 2017.

"Our preliminary results indicate strong top-line growth across the board during the second quarter," said VirtualArmour CEO Russ Armbrust. "Managed and professional services were up 94% for the quarter and up 118% over the first six months, reflecting substantial growth in this higher margin segment of our business."

"We achieved these numbers through a combination of signing several multi-year recurring revenue engagements along with increasing the level of our services utilized by our existing customers," continued Armbrust. "Our latest customer additions were from multiple sectors, including healthcare, transportation, hospitality, and non-profit."

The \$1.1 million in new contracts VirtualArmour signed during the quarter involved managed and professional services combined with hardware and software. The company was engaged by a [prominent wellness brand customer](#) in partnership with Alacrinet, as well as began advancing an [expansion into the hospitality and manufacturing sectors](#). The company maintained a 100% customer retention rate, which has now continued over the last six quarters.

"We believe our industry-leading customer retention rate reflects our ongoing focus on prevention, proactive communication and investment in the best technology and personnel," added Armbrust. "Combining this with our growth in customer acquisition and an increasing number of customers on our recurring revenue model, we are well on track for another record year of financial and operational performance."

These preliminary results are subject to completion of the company's customary quarterly review process and are subject to change. VirtualArmour plans to issue its full quarterly results and file with SEDAR before the end of August 2018 as required by Canadian reporting companies.

## About VirtualArmour

VirtualArmour International is a global cybersecurity and managed services provider that delivers customized solutions to help businesses build, monitor, maintain and secure their networks.

The company maintains 24/7 client monitoring and service management with specialist teams located in its U.S. and UK-based security operation centers. Through partnerships with best-in-class technology providers, VirtualArmour delivers leading hardware and software solutions for customers that are both sophisticated and scalable, and backed by industry-leading customer service and experience. The company's proprietary CloudCastr client portal and prevention platform provides clients with unparalleled access to real-time reporting on threat levels, breach prevention and overall network security.

VirtualArmour services a wide range of clients, which include Fortune 500 companies and several industry sectors in over 30 countries across five continents. For further information, visit [www.virtualarmour.com](http://www.virtualarmour.com).

## Important Cautions Regarding Forward Looking Statements

This press release may include forward-looking information within the meaning of Canadian securities legislation and U.S. securities laws. This press release includes certain forward-looking statements concerning a service contract VirtualArmour has entered into with a current client, VirtualArmour's continued relationship with various suppliers, the future performance of our business, its operations and its financial performance and condition, as well as management's objectives, strategies, beliefs and intentions. The forward-looking information is based on certain key expectations and assumptions made by the management of VirtualArmour. Although VirtualArmour believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information as VirtualArmour cannot provide any assurance that it will prove to be correct.

Forward-looking statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-looking statements are based on the current opinions and expectations of management. All forward-looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties, including the success of the Company in performing the IT implementation and migration, performance under the contract by all parties, the ability of VirtualArmour to meet timelines, the continued availability of necessary hardware, the absence of any trade war or tariffs affecting VirtualArmour's ability to perform, competitive risks and the availability of financing. These forward-looking statements are made as of the date of this press release and VirtualArmour disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

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