

Damstra Technology

2022 Annual General Meeting

30 November 2022

Financial data is provided on a pro forma basis except where explicitly stated otherwise

CONNECT + PROTECT YOUR WORLD

Presenter:

Christian Damstra (Chief Executive Officer)

This presentation includes general information about the activities of Damstra Holdings Limited ACN 610 571 607 (Damstra) and its affiliates and related bodies corporate (as defined in the Corporations Act 2001 (Cth) (Corporations Act) (together, the Damstra Group). This presentation is current as at 30 November 2022 (unless otherwise stated herein). The information contained in this presentation is for general information purposes only.

The information contained in this presentation does not constitute investment or financial product advice (nor taxation or legal advice) and is not intended to be used as the basis for making an investment decision. It does not take into account the investment objectives, financial situation, taxation position or needs of any particular investor, which should be considered when deciding if an investment is appropriate. You must consider your own investment objectives, financial situation and needs. You should conduct and solely rely upon your own independent investigations and enquiries, including obtaining taxation, legal, financial or other professional advice in relation to the information contained in this presentation as appropriate to your jurisdiction.

This presentation should be read in conjunction with any reports, financial statements, appendices or other documents or information that accompanies this presentation or which is otherwise announced or released by Damstra on or about the same time as this presentation. This presentation should also be read in conjunction with Damstra's other periodic and continuous disclosure announcements.

While care has been taken in preparing the information in this presentation, to the maximum extent permitted by law, no representation or warranty, express or implied, is made nor any duty undertaken in favour of any person as to the currency, accuracy, reliability, completeness or fairness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, no member of the Damstra Group nor any of their respective directors, officers, employees, affiliates, partners, consultants, agents, representatives or advisers (each a Damstra Party and together, the Damstra Parties) guarantees or makes any representations or warranties, express or implied, as to or takes responsibility for, the currency, accuracy, reliability, completeness or fairness of this presentation nor the information, opinions and conclusions contained in this presentation. The Damstra Parties do not represent or warrant that this presentation is necessarily complete or that it contains all material information about the Damstra Group which a current or prospective investor may require in evaluating a current or possible investment in Damstra. To the maximum extent permitted by law, each Damstra Party expressly disclaims any and all liability (whether direct, indirect, consequential or contingent), including, without limitation, any liability arising out of fault or negligence on the part of any person, for any loss, expenses, damages or costs arising from the use of information contained in this presentation or for omissions from this presentation including, without limitation, any financial information, any estimates or projections and any other financial information derived therefrom. Whilst the Damstra Group has prepared this presentation in good faith, the information appearing in this presentation has not been independently verified or audited and may be subject to change, including via further market updates. Anyone proposing to use such information should independently verify and check the accuracy, completeness, reliability and suitability of the information and should obtain their own independent and specific advice from appropriate professionals or experts.

None of the Damstra Parties act for, or are responsible as a fiduciary to, you or any other person. Any fiduciary relationship is expressly disclaimed.

This presentation contains certain forward-looking statements. Forward-looking statements can generally be identified by the use of forward-looking words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "outlook", "upside", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions. Forward-looking statements include statements about Damstra's expectations regarding the performance of the Damstra Group's business and its plans, strategies, prospects and outlook. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements, as may be any other statements that are not based on historical or current facts. Forward-looking statements are often based on: (1) assumptions regarding the Damstra Group's financial position, business strategies, plans and objectives of management for future operations and development and the environment in which the Damstra Group will operate; and (2) current views, expectations and beliefs as at the date they are expressed, and which are subject to various risks and uncertainties.

None of Damstra, or any other Damstra Party, makes any representation or warranty as to the accuracy of any forward-looking statements contained in this presentation. Such statements speak only as of the date hereof. Except to the extent required by law, none of the Damstra Parties has any obligation to update or revise any such statements to reflect any change in events, conditions or circumstances on which any such statement is based. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Damstra Parties, which may cause actual results to differ materially from those expressed or implied in such statements. For example, the factors that are likely to affect the results of the Damstra Group include (but are not limited to) general economic conditions in Australia and globally, exchange rates, competition in the markets in which the Damstra Group does and will operate; weather and climate conditions; and the inherent regulatory risks in the businesses of the Damstra Group.

There can be no assurance that actual outcomes will not differ materially from the forward-looking statements. As such, readers are cautioned not to place undue reliance on these statements. Any statements as to past performance do not represent, and are not an indication of, future performance and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward-looking statements, forecast financial information or other forecast. Nothing contained in this presentation is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future. In addition, the Damstra Parties have not independently verified, and cannot give any assurance as to, the accuracy and completeness of any market and industry data or other information contained in this presentation that has been extracted or derived from third party sources. Accordingly, the accuracy and completeness of such information is not guaranteed, and it is merely included in this presentation for what it is worth and without endorsement by the Damstra Parties.

This presentation is not, and does not constitute, an offer to sell, or the solicitation of an offer to buy, invitation or recommendation to purchase any securities or other investment products in any jurisdiction, and neither this presentation nor any of the information contained herein, shall form the basis of any contract or commitment.

All financial amounts contained in this presentation are expressed in Australian dollars (unless otherwise stated). Any discrepancies between totals and sums of components in tables, figures and body content contained in this presentation are due to rounding. Tables, figures and body content contained in this presentation have not been amended by Damstra to correct immaterial summation differences that may arise from this rounding convention.

Damstra's results are reported under IFRS. This presentation may nevertheless include non-IFRS information and other measures such as ratios. These other measures are used internally by management to assess the performance of the business. Non-IFRS and other measures should not be considered as an indication of, or as an alternative to, an IFRS measure and accordingly you are cautioned not to place undue emphasis on any such information or measures.

This presentation may contain trademarks and trade names of third parties, which are the property of their respective owners. Third party trademarks and trade names used in this presentation belong to the relevant owners and use is not intended to represent sponsorship, approval or association by or with any of the Damstra Parties.

This presentation is made available to you on the condition that by receiving, viewing, downloading or otherwise accessing or utilising this presentation, you confirm that you understand and agree to the contents of this important notice and that you are a person to whom this presentation may lawfully be made available in accordance with laws applicable to you, including those of the jurisdiction in which you are located.

FY22 RESULTS OVERVIEW

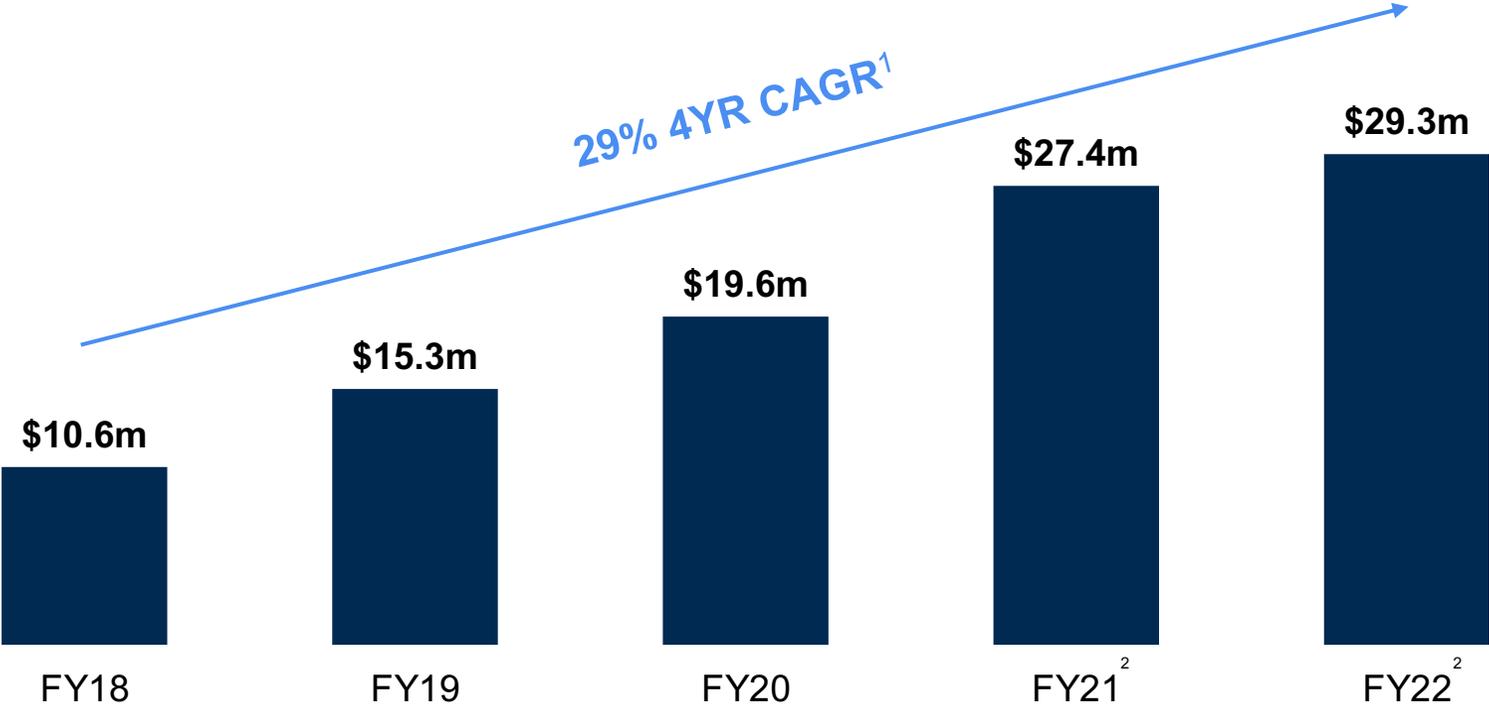
1

Key financial and operating metrics in FY22



1. Includes \$0.3m of revenue associated with equity accounted joint venture (2021: \$0.3m)
2. Presented on a proforma like-for-like basis, excluding Newmont revenue (2022: \$0.7m, 2021: \$3.1m)
3. As at 30 June 2022 or 30 June 2021, as applicable
4. Annual Recurring Revenue. Recurring portion of exit month revenue on an annualised basis
5. Calculation excludes Newmont
6. Calculated as the increase in revenue generated from the prior period cohort.
7. Calculated as prior year recurring revenue that was lost during the financial year. Includes Vault customers in 1HFY22 and FY22.
8. Before impairment of goodwill and other assets, share based payments, restructuring costs and acquisition and other costs.

Significant revenue growth since FY18



1. Compound Annual Growth Rate
2. Includes revenue associated with equity accounted joint venture (FY21: \$0.3m, FY22: \$0.3m)

FY22 was a year of transition

Executing on the turnaround story - narrowing cash burn in Q4 with pathway to positive FCF in H2 FY23



Negative impact of COVID is now behind us. Revenue was up ~25% in H2 FY22 vs H1 FY22



The US business now has anchor clients, past investment in the region is more than justified



Clear pathway to cash flow breakeven in H2 FY23



Organic growth is now returning. The loss of Newmont in FY21 will have a reduced impact going forward (Revenue: FY21 \$3.1m, FY22 \$0.7m)



Acquired 117 new clients in FY22, including organic growth and those acquired via the TIKS acquisition



Aggressive cost saving project in place, annualised target of \$8m.



Net client retention ratio has returned to positive territory



TIKS acquisition has underperformed short term revenue expectations, but recent client cross-sell demonstrates the value of the product and new vertical exposure



Technology investment resulting from prior acquisition integration has peaked, with R&D as % of revenue expected to fall in the future

Q1 FY23 FINANCIAL UPDATE

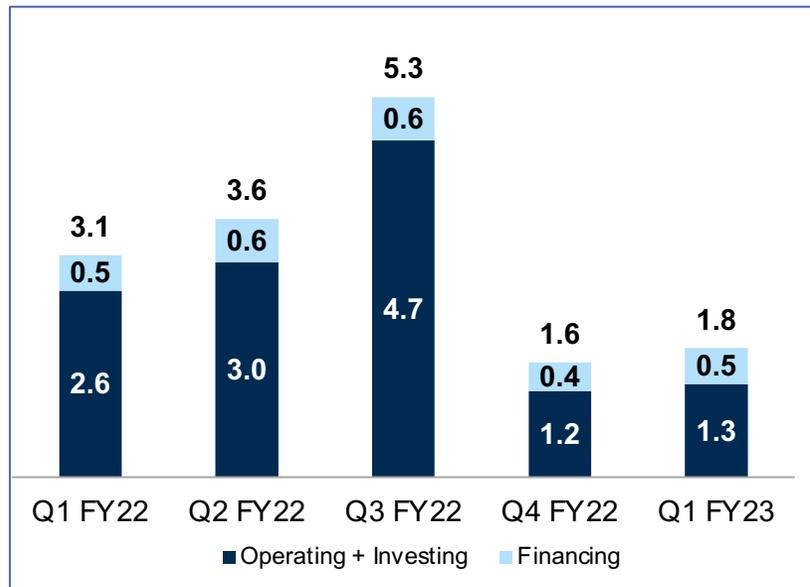
2

Financial results summary for Q1 FY23

Q1 FY23 free cash flow 47% improvement on FY22

\$m	Q1 FY23	Q1 FY22	Inc/(Dec)	%
Revenue ¹	7.4	6.3	1.1	17%
Operating Cashflow	0.3	(1.7)	2.0	nm
Free Cashflow ³	(1.8)	(3.1)	1.3	nm

Free Cash Outflow³ by Quarter (\$m)



Q1 FY23 highlights

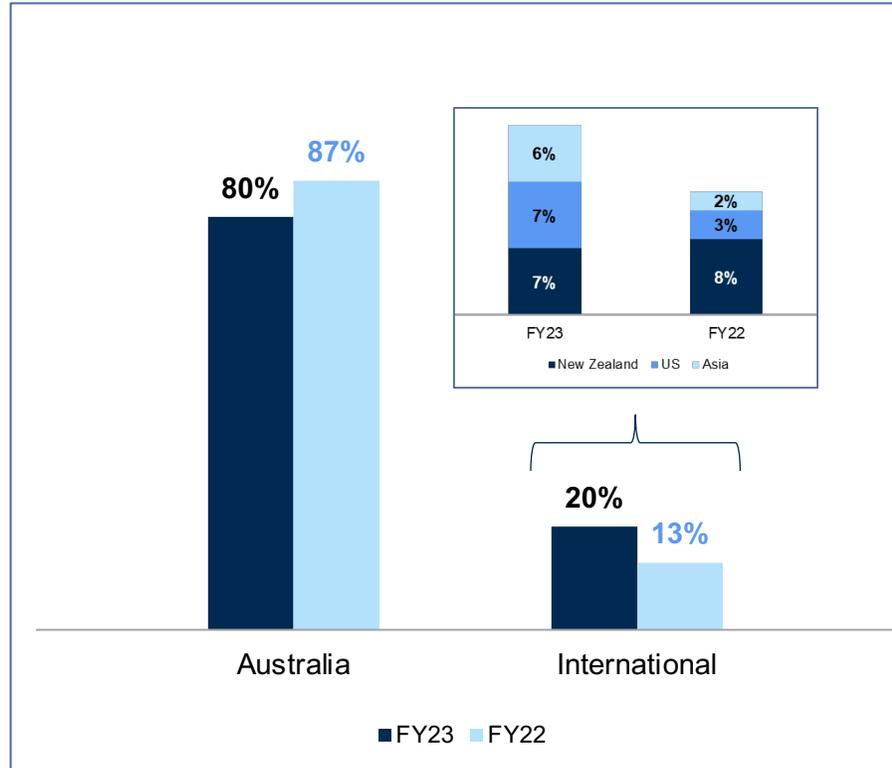
- Revenue growth of 17% vs Q1 FY22
 - 25% growth excluding Newmont²
- Operating cash inflow \$0.3m vs (\$1.7m) cash outflow in Q1 FY22
- Free cash outflow³ (\$1.8m) vs (\$3.1m) in Q1 FY22 and average of (\$3.4m) outflow in Q1-4 FY22
- Positive EBITDA⁴ with EBITDA margins %'s growing towards double digits
- Barrick Stage 1 has gone live, covering ~18,000 users over three distinct geographic regions

1. Includes \$0.1m of revenue associated with equity accounted joint venture (Q1 FY22: \$0.1m)
 2. Excludes revenue from Newmont (Q1 FY23: \$nil, Q1 FY22: \$0.4m)
 3. Free cashflow includes operating, investing, and financing activities but excludes acquisitions, drawdown/repayment of debt, other funding transactions and one-off restructuring costs (Q1FY23 \$0.2m).
 4. EBITDA before share based payments and restructuring and other costs.

Increasing international revenue mix

Projecting International Revenue to be 20% in FY23

Revenue by geography¹ (%)



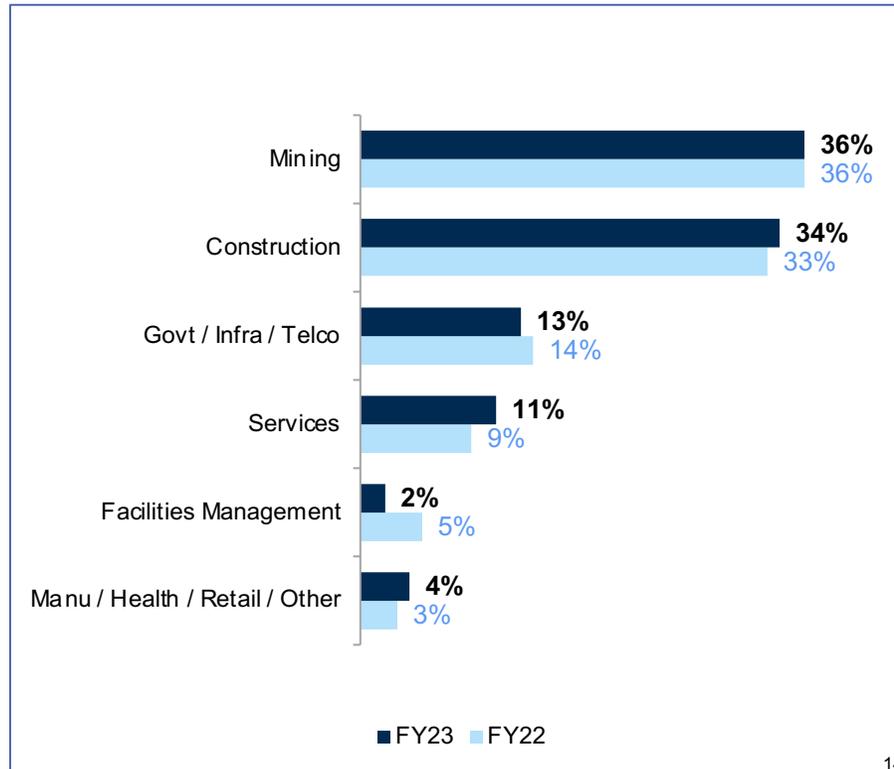
- By the end of FY23, international revenue is projected to be 20% of total revenue, up from 13% in FY22
- Increase is largely being driven by new North American clients, such as Barrick Gold and Capstone Copper.
- Both clients have signed global Master Service Agreements
- North American clients are using multiple product modules

1. FY23 based on October YTD and forward projections

Core verticals are mining, resources and civil construction

Damstra clients in core verticals are not being negatively impacted by present macroeconomic conditions

Revenue by industry^{1,2} (%)



- 15 of our Top 20 clients are in mining, resources and civil construction
- In the last 12 months we have renewed five of our top client contracts
- Large client contracts are typically 3-5 years in duration
- We are not seeing any head winds from our core clients arising from present macroeconomic conditions
- Construction, positive tail winds with numerous Federal and State-funded projects

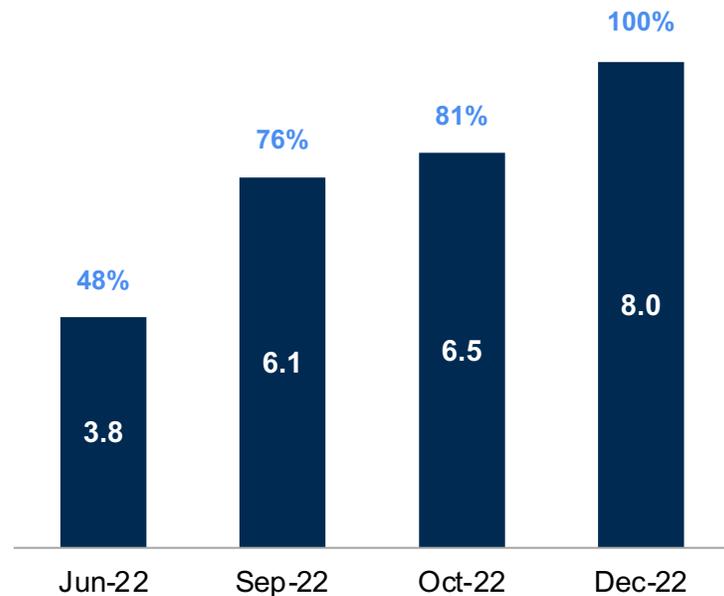
1. Data is based on the Top 50 customers representing ~75% of total sales revenue
2. FY23 based on October YTD

\$8m cost saving project to be delivered by Dec-22

Cost saving impact in Dec-22 monthly financials will be ~\$667k, total annual saving will now be reoccurring

Cost savings (annualised run-rate) (\$m)

Pro Forma Jun-22 – Dec-22



Cost savings

- Total cost savings target \$8m pa
- At the end of Oct-22, \$6.5m or 81% delivered
- Full run rate of \$8m annualised expected at the end of Dec-2022
- Cost savings profile:
 - \$5.1m in staff costs savings - largest savings being % of R&D spend, followed by executive, and then administration
 - \$2.9m on other savings across a variety of areas - including infrastructure optimisation, hosting costs, software optimisation, and office rationalisation
- Scope of savings to further increase in 2nd half FY23
- Staff culture and impact - quarterly staff NPS scores have remained positive and have improved in the last quarter versus the previous quarter

BUSINESS & PRODUCT UPDATE

3

Damstra Group is a global provider of enterprise protection solutions

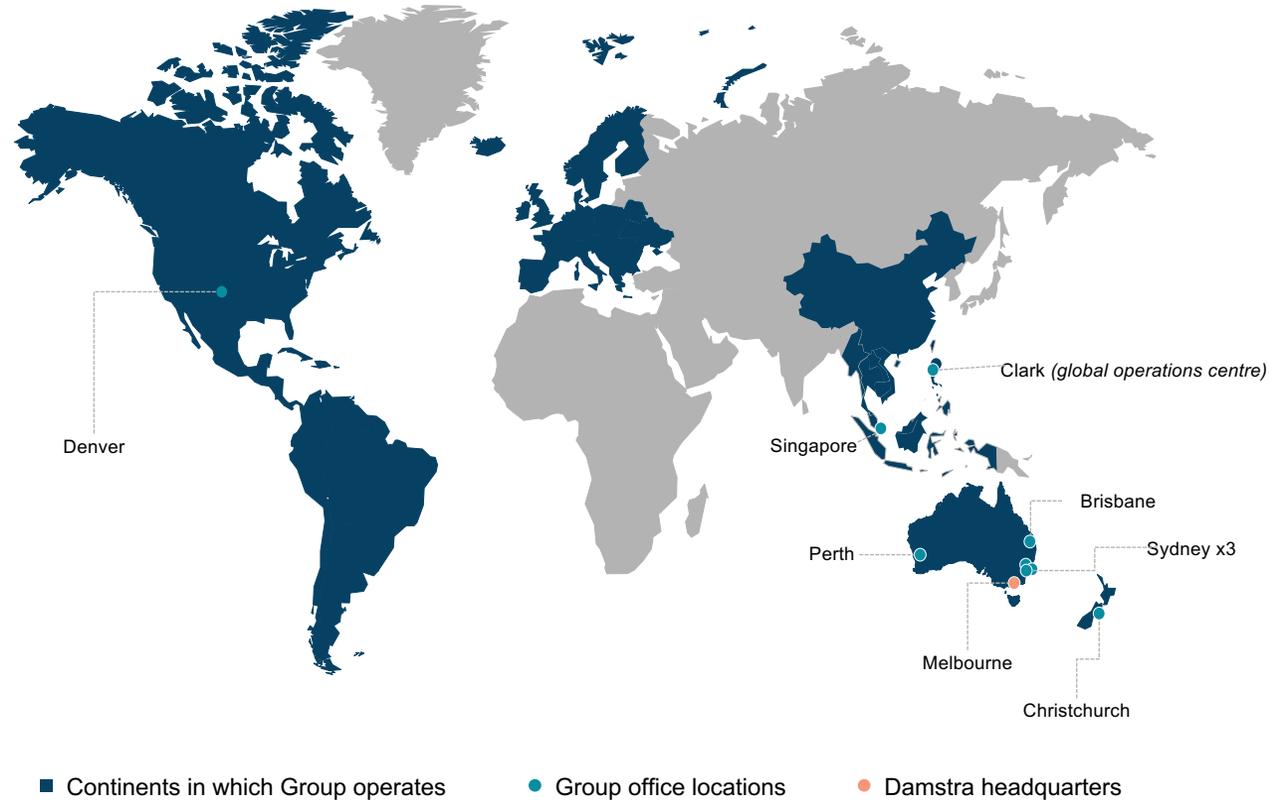
Our business profile in last 12 months has changed and will continue to evolve

Achieved year-on-year growth...

>20
countries¹
(FY21: ~20)

953
clients
(Jun-21: 724)

~800k
licences²
(Jun-21: ~737k)



...with greater efficiency and reach.

10
offices
(Jun-21: ~12)

~200
Employees
(Dec-21: ~220)

15
languages
(FY21: 1)

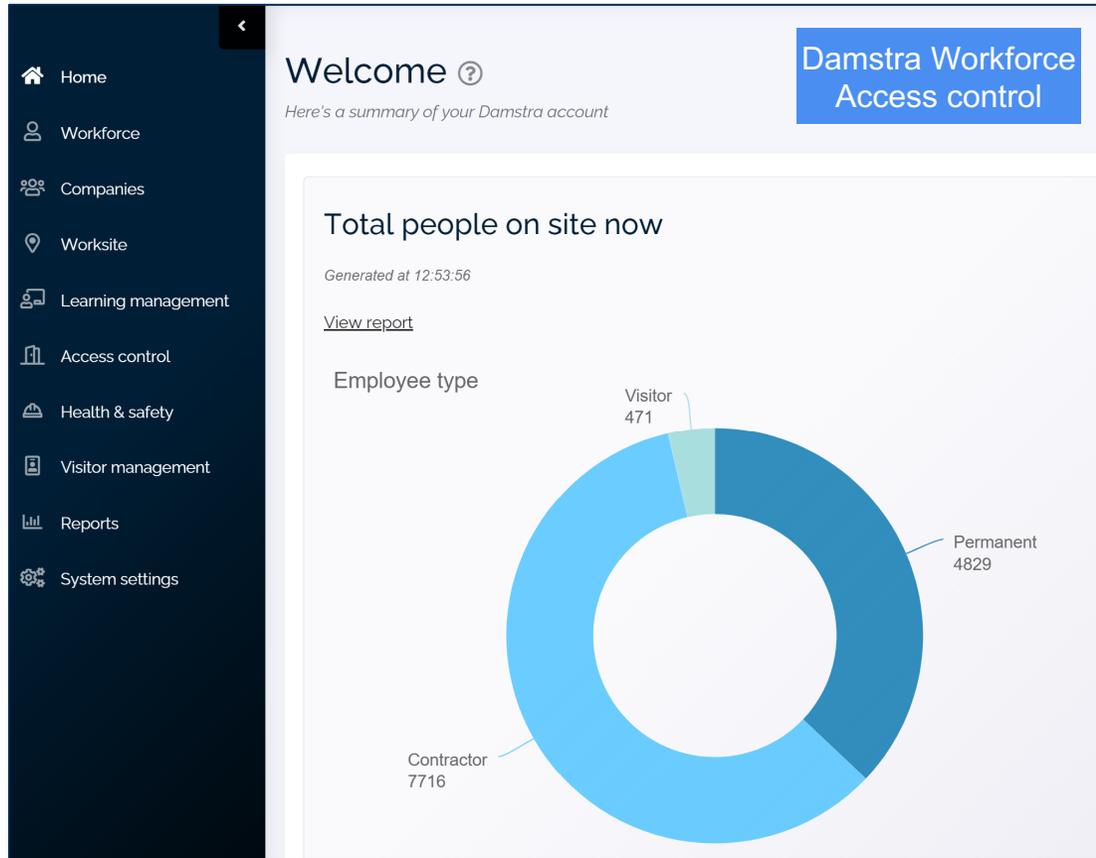
1. Countries where Damstra products are presently used
2. Estimated as at 30 June 2022, excludes TIKS acquisition

Strategy for FY23

Core strategy for FY23 focuses on these twelve areas

 <p>Geography</p>	<p>North America</p> <p>Implement new clients and continue to grow, heading towards cash flow positive</p>	<p>Asia</p> <p>Material client opportunities exist - intent to make Asia a growth corridor</p>	<p>Users</p> <p>Construction clients are accelerating across the business and continue to expand. Renewable transition is a real opportunity</p>
 <p>Verticals</p>	<p>New verticals</p> <p>Facilities Management opportunities exist globally, and significant progress is being made</p>	<p>Smaller clients</p> <p>Cross-sell opportunities in Forms, Safety and Learning modules</p>	<p>Partners</p> <p>Local and global partnerships continue to evolve</p>
 <p>Product</p>	<p>New Products</p> <p>New initiatives underway, such as company portal, digital cards..</p>	<p>Unlocking value</p> <p>Retiring legacy platforms and deeper integration of products into EPP</p>	<p>EPP</p> <p>EPP proposition offering deeper functionality while increasing usability</p>
 <p>Financial</p>	<p>Free Cash Flow</p> <p>Pathway to Free cash flow in H2 FY23</p>	<p>Cost optimisation</p> <p>Full run rate target of \$8m to be achieved by Dec-22</p>	<p>Operating Leverage</p> <p>EBITDA and cashflow expands with increased revenue and achievement of cost savings</p>

FY23 focus is on monetising the integrated and modular EPP



Welcome ? Damstra Workforce Access control

Here's a summary of your Damstra account

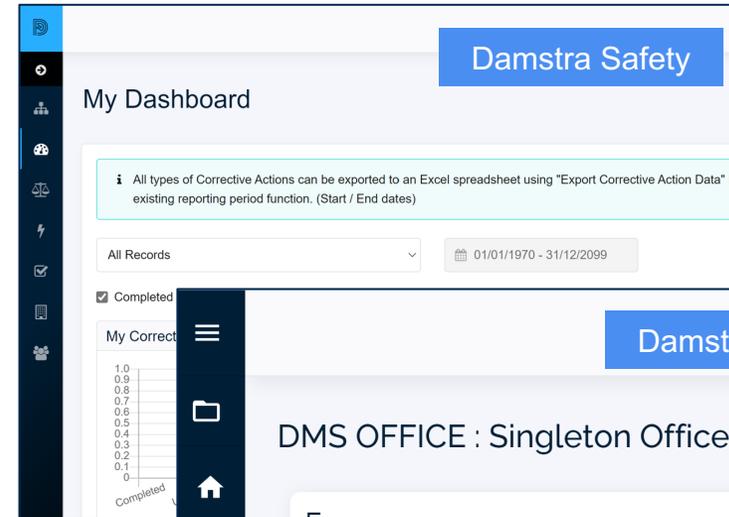
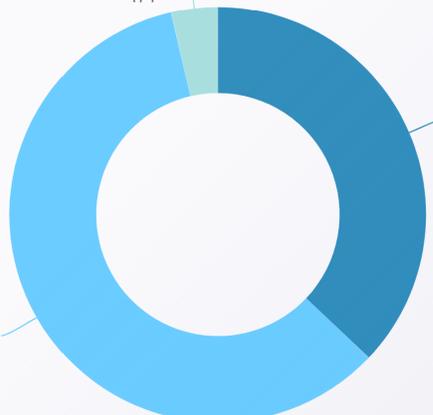
Total people on site now

Generated at 12:53:56

[View report](#)

Employee type

Employee type	Count
Permanent	4829
Contractor	7716
Visitor	471



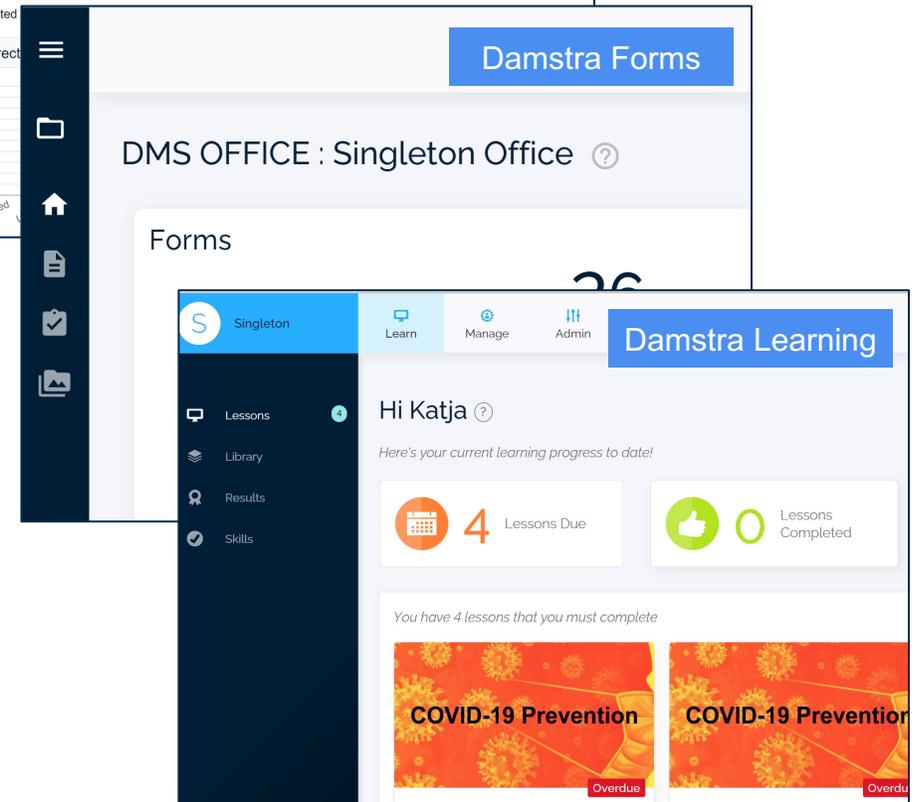
My Dashboard Damstra Safety

All types of Corrective Actions can be exported to an Excel spreadsheet using "Export Corrective Action Data" button existing reporting period function. (Start / End dates)

All Records 01/01/1970 - 31/12/2099

Completed

Completed
1.0
0.9
0.8
0.7
0.6
0.5
0.4
0.3
0.2
0.1
0



DMS OFFICE : Singleton Office ? Damstra Forms

Forms

36

Singleton Learn Manage Admin Damstra Learning

Hi Katja ?

Here's your current learning progress to date!

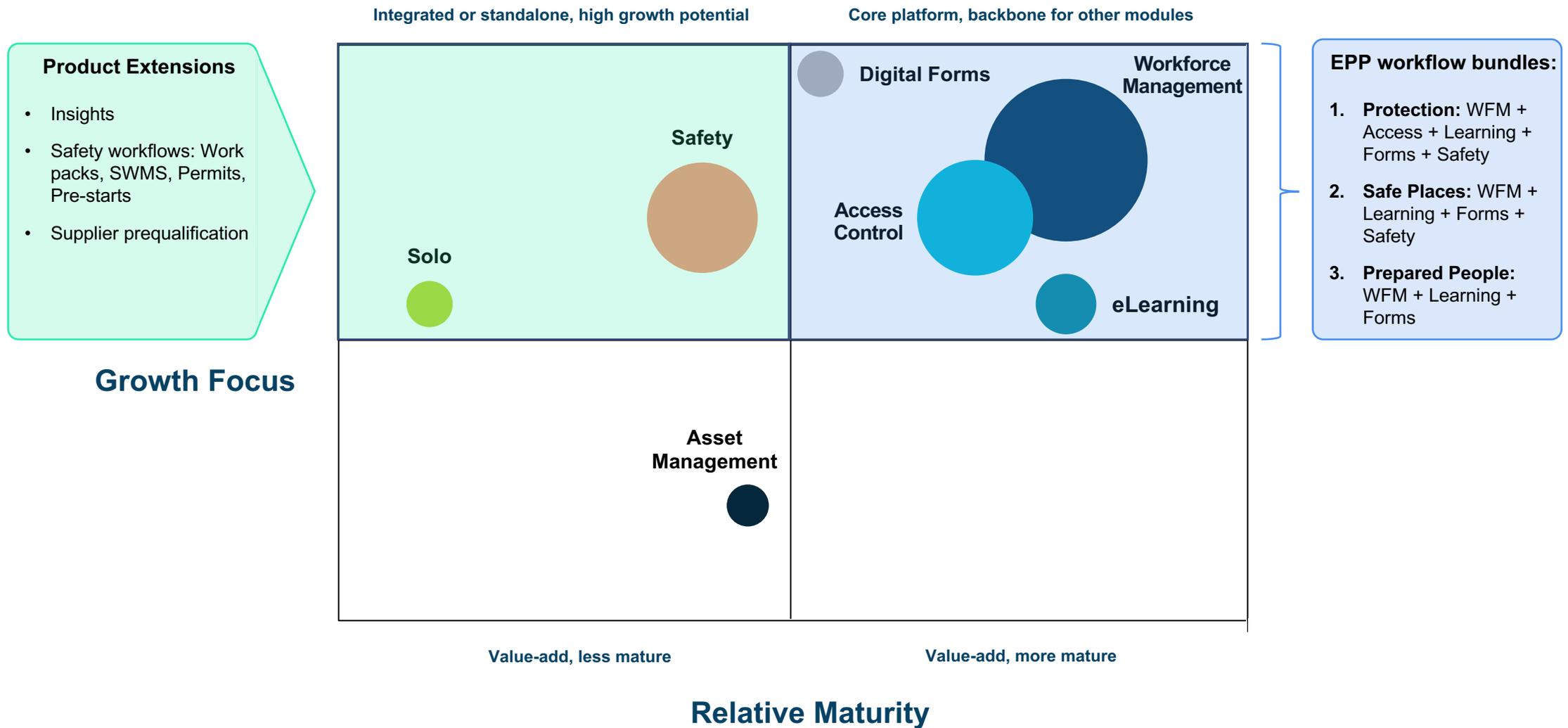
Lessons Due	Lessons Completed
4	0

You have 4 lessons that you must complete



New go-to-market strategy to drive FY23 revenue growth

Bundling core product modules to simplify adoption and introducing value add-on modules



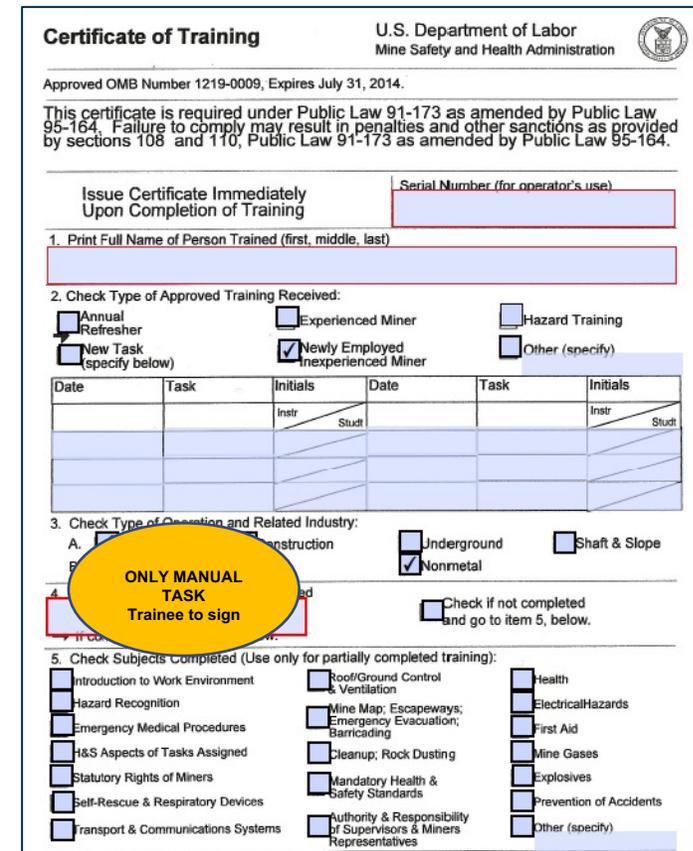
Solving a North American compliance issue in the mining sector

Digitisation and automation of the MSHA compliance process – we have been advised by our client that ours is the only automated industry solution in existence

- The Mine Safety and Health Administration (MSHA) agency of the United States Department of Labor administers the provisions of the Federal Mine Safety and Health Act of 1977 to enforce compliance
- The client requires an efficient MSHA training process that can cater for large number of miners (300+ per session)
- Attendees will need to complete checklists and assessments in two parts during the training
- Solution also addresses need for trainees to request/book training, record attendance, and access forms
- MSHA 5000-23 form is required as proof of training and is audited by MSHA on site



Example of a digitised and automated MSHS certificate, with 99% of the form populated automatically



Certificate of Training U.S. Department of Labor
Mine Safety and Health Administration

Approved OMB Number 1219-0009, Expires July 31, 2014.

This certificate is required under Public Law 91-173 as amended by Public Law 95-164. Failure to comply may result in penalties and other sanctions as provided by sections 108 and 110, Public Law 91-173 as amended by Public Law 95-164.

Issue Certificate Immediately Upon Completion of Training

1. Print Full Name of Person Trained (first, middle, last)

2. Check Type of Approved Training Received:

<input type="checkbox"/> Annual Refresher	<input type="checkbox"/> Experienced Miner	<input type="checkbox"/> Hazard Training
<input checked="" type="checkbox"/> New Task (specify below)	<input checked="" type="checkbox"/> Newly Employed Inexperienced Miner	<input type="checkbox"/> Other (specify)

Date	Task	Initials	Date	Task	Initials
		Instr Studt			Instr Studt

3. Check Type of Operation and Related Industry:

<input type="checkbox"/> Surface Construction	<input type="checkbox"/> Underground	<input type="checkbox"/> Shaft & Slope
<input checked="" type="checkbox"/> Nonmetal		

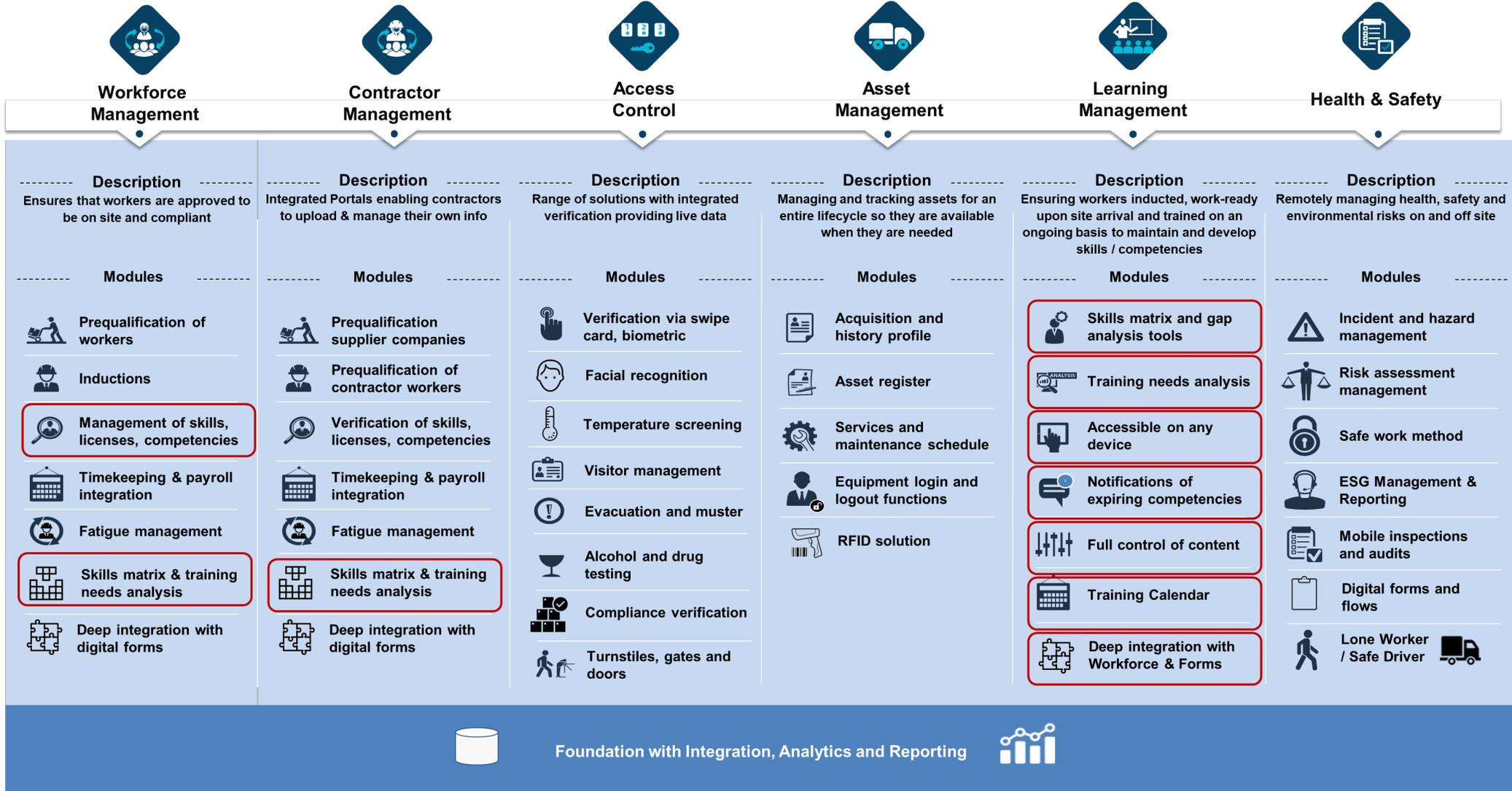
4. Check if not completed and go to item 5, below.

5. Check Subjects Completed (Use only for partially completed training):

<input type="checkbox"/> Introduction to Work Environment	<input type="checkbox"/> Roof/Ground Control & Ventilation	<input type="checkbox"/> Health
<input type="checkbox"/> Hazard Recognition	<input type="checkbox"/> Mine Map; Escapeways; Emergency Evacuation; Barricading	<input type="checkbox"/> Electrical Hazards
<input type="checkbox"/> Emergency Medical Procedures	<input type="checkbox"/> Cleanup; Rock Dusting	<input type="checkbox"/> First Aid
<input type="checkbox"/> H&S Aspects of Tasks Assigned	<input type="checkbox"/> Mandatory Health & Safety Standards	<input type="checkbox"/> Mine Gases
<input type="checkbox"/> Statutory Rights of Miners	<input type="checkbox"/> Authority & Responsibility of Supervisors & Miners Representatives	<input type="checkbox"/> Explosives
<input type="checkbox"/> Self-Rescue & Respiratory Devices		<input type="checkbox"/> Prevention of Accidents
<input type="checkbox"/> Transport & Communications Systems		<input type="checkbox"/> Other (specify)

Barrick - Damstra Enterprise Protection Platform (EPP)

Barrick solution only uses part of Damstra overall module solutions



Barrick successful implementation now planning for stage 2, solution has implications for other North American miners

Arrangements

- Signed 3-year Global Master Service Agreement with Barrick
- Barrick one of world largest gold and copper mines
- Have operations in 13 countries across 20+ mine sites
- Secured Barrick after the they undertook a global review to find a provider who could solve their operational/compliance issues
- Contract value for first 3 sites over 3 years \$USD 1.2m
- Implemented the Damstra Enterprise Protection Platform for Training and Learning Management solution across the Barrick mining sites. Forms was also be integrated as building block for the solution
- Out of scope
 - Workforce management
 - Access control

Present and Future status

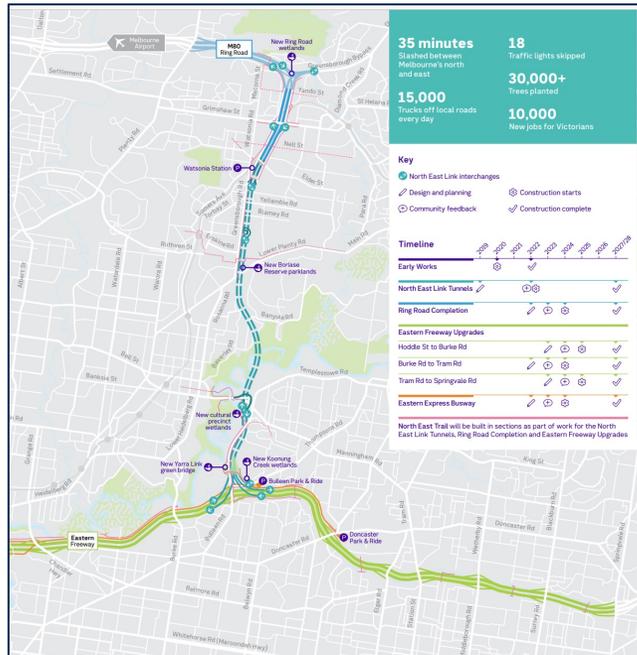
- Have gone live at 3 locations; Nevada, USA, Republic of Congo, West Africa, Dominican Republic, Caribbean
- Have created an automated & digitised solution for compliance that has not existed in the industry before
- In present discussions with Barrick to finalise next 5 mine sites, with implementation planned early Q3
- In parallel discussion with Barrick for certain mine sites to look at previously out of scope modules
- Goal is to have Barrick fully rolled out by end of CY23



Construction vertical is in focus, two present Damstra projects

Victoria - North East Link Project

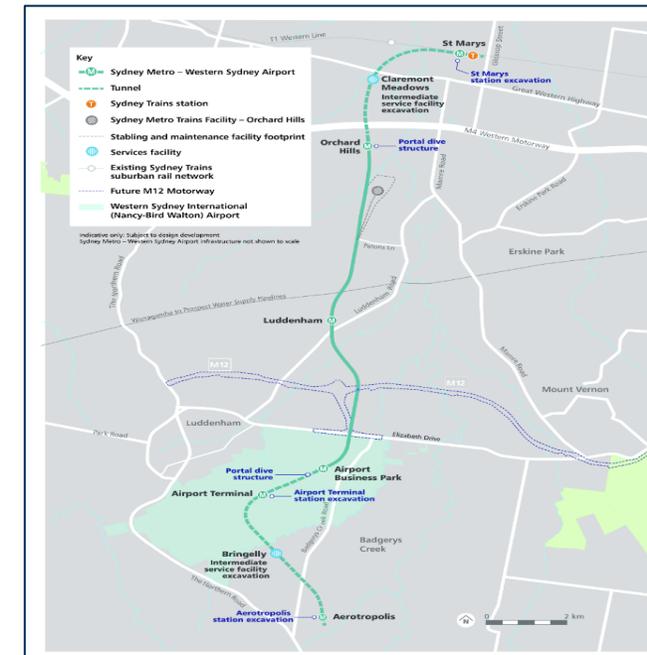
- Includes five major sub-projects and will completion 2027+
- Victoria's longest twin road tunnels will fix the missing link in Melbourne's freeway network, complete the ring road in Greensborough, overhaul the Eastern Freeway, dedicated bus way, 34km of footpaths in 16 suburbs
- 500,000 Victorians live within 2km of a planned interchange. The project will bring road, bus and bike networks together
- The Spark consortium has been awarded the contract to deliver the NorthEast Link Tunnels. The Spark consortium includes; WeBuild, CPB Contractors, and China Construction Oceania.



Note: information from bigbuild.vic.gov.au

Sydney Metro – Western Sydney Airport

- New metro rail will become the transport spine for Greater Western Sydney, connecting communities in the growing region with the new Western Sydney International Airport
- The project, from St Mary's through to the new airport and the Western Sydney Aerotropolis, is supporting more than 14,000 jobs during construction phase
- The Australian and NSW governments awarded two of the three major contracts. The metro line tunnelling contract awarded in Dec 2021 to CPB Contractors and Ghella
- March 2022, contract to deliver ~10km' of elevated viaduct, rail bridge over M12 motorway, rail bridge within the airport, awarded to CPB Contractors and United Infrastructure



Note: information from sydnymetro.info

FY23 OUTLOOK

4

FY23 outlook – previous guidance reaffirmed

Revenue guidance of \$32m - \$34m

FY23 Guidance	
Revenue	\$32m - \$34m
EBITDA Margin	14% – 18%
Free Cash Flow ¹	(\$2.5m) – (\$0.5m)

Key Assumptions

- No material change in market conditions (such as the re-emergence of COVID restrictions);
- Cost optimisation project of \$8m is delivered as planned;
- Client retention % and client churn % no worse than FY22;
- No deterioration in working capital efficiency.

1. Defined as operating, investing, and financing activities but excluding acquisitions, drawdown/repayment of debt and other funding transactions.



THANK YOU