

DTI GROUP LTD

Capital Raising Presentation

7 for 10 Non-renounceable Accelerated Entitlements Offer

14 May 2018



Broker to the Offer:

Baillieu Holst
Since 1889



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- **Monetary values:** All dollar values are in Australian dollars (\$) or A\$) unless stated otherwise.



Contents

- Transaction structure
- Business overview
- Order book and opportunity pipeline
- Strategy and outlook
- Key risks
- Other key information

TRANSACTION STRUCTURE



Capital Raising Summary

Entitlements Offer	<ul style="list-style-type: none"> A 7 for 10 non-renounceable entitlement offer to raise approximately \$6.2 million via the issue of approximately 88.7 million New Shares at an offer price of \$0.07 per New Share by way of: <ul style="list-style-type: none"> an Institutional Entitlements Offer to raise approximately \$2.05 million via the issue of approximately 29.2 million New Shares to the Underwriters at an offer price of \$0.07 per New Share a Retail Entitlements Offer to raise approximately \$4.16 million via the issue of approximately 59.5 million New Shares at an offer price of \$0.07 per New Share
Offer Price	<ul style="list-style-type: none"> The Offer price of \$0.07 per New Share is a discount of: <ul style="list-style-type: none"> 3.80% to the 15 day VWAP¹ 6.59% cent to the 30 day VWAP¹
Underwriting	<ul style="list-style-type: none"> The Entitlements Offer is fully underwritten by Finico Pty Ltd (Finico) and UIL Limited and its related entity Allectus Capital Limited (UIL) An underwriting fee of 1.0% is payable on the Underwriting Agreements
Ranking	<ul style="list-style-type: none"> The New Shares will be issued on a fully paid basis and will rank pari passu in all respects with the existing Shares on issue

¹ VWAP means the volume-weighted average price calculated by reference to the average price recorded for the trading days on which trades were recorded of DTI's shares up until 11 May 2018, being the last trading day prior to the announcement of the Entitlement Offer.

Timetable

Event	Date
Announcement of Entitlement Offer	Monday 14 May 2018
Company conducts Institutional Entitlement Offer	Tuesday 15 May 2018
Announcement of results of Institutional Entitlement Offer. Trading halt lifted and Shares trade on ex-entitlement basis	Wednesday 16 May 2018
Record Date for the Retail Entitlement Offer (7.00pm AEDT)	Wednesday 16 May 2018
Offer Booklet and Entitlement and Acceptance Form despatched to Eligible Shareholders	Monday 21 May 2018
Retail Entitlement Offer opens	Monday 21 May 2018
Retail Entitlement Offer closes (5.00pm AEDT)	Wednesday 30 May 2018
Announcement of results of the Retail Entitlement Offer	Monday 4 June 2018
Retail Entitlement Offer shares issued	Wednesday 6 June 2018
Commencement of trading of New Shares issued under the Retail Entitlement Offer	Thursday 7 June 2018

Note: Dates and times are indicative only and subject to change. DTI, in consultation with the Underwriter(s), reserves the right to extend these dates without prior notice subject to the Corporations Act, ASX Listing Rules and other applicable laws.

Use of Proceeds

- DTI has successfully grown its contracted¹ order book from \$17.4 million at December 2016 to \$48 million (inclusive of work where DTI has been advised that it is the preferred tenderer) as at March 2018. An increase of 176% over the past 15 months
- The majority of this additional work has been secured as a direct result of the significant research and development spend undertaken throughout FY16 and FY17 to develop new surveillance and passenger information system products
- Proceeds from this issue are required to provide the necessary working capital to complete these projects over the next 24 months which are primarily in the rail sector which is typically more working capital intensive than bus/tram
- The funding will be used to accelerate growth, maximise revenue streams and drive profitability via the fully underwritten \$6.2 million accelerated Entitlement Offer

Use of Proceeds	\$000
Secure existing bank facilities	625
Project working capital requirements ²	4,500
General working capital and liquidity	887
Costs of the Offer	195
Total use of proceeds	6,207

Pro forma Capital Structure (Shares)	Number
Shares currently on issue	126,671,579
Institutional and Retail Entitlement Offer – New Shares	88,670,105
Post Offer Shares on issue	215,341,684
Market capitalisation (at \$0.07 per share)	\$15,073,918

¹ Includes Letters of Authorisation (LOA) or Letters of Intent (LOI) and preferred tenderer status.

² Includes project bonding

Balance Sheet

\$m	Interim Dec 2017	Entitlement Offer	Pro-forma Interim Dec 2017
Cash	1.2	5.4	6.6
Trade receivables	7.0		7.0
Other receivables	–		–
Inventory	6.7		6.7
Property, plant & equipment	1.3		1.3
Other receivables (bank guarantees)	–	0.6	0.6
Intangible assets	4.6		4.6
Other assets	0.4		0.4
Total Assets	21.2	6.0	27.2
Trade payables	3.9		3.9
Financial liabilities	0.3		0.3
Provisions	1.1		1.1
Total Liabilities	5.3	–	5.3
Total Equity	15.9	6.0	21.9
Net cash/(debt)	0.9	5.4	6.3
Net trade working capital	9.7	–	9.7

Underwriting and Potential Effects on Control

- Finico (and its associates) hold approximately 19.4% and UIL and its associates hold approximately 14.1% of the issued capital in DTI prior to the Entitlement Offer. Finico is a related entity of former Company Director, Chris Morris
- Finico and UIL (and its associates) have each agreed to subscribe for their full Entitlement, valued at \$1.17 million and \$0.88 million respectively under the selected Institutional Entitlement Offer to raise approximately \$2.05 million
- Finico and Allectus Capital Limited (**ACL**) (an associate of UIL) have then agreed to underwrite the Retail Entitlement Offer by entering into Underwriting Agreements with the Company to each underwrite up to 50% of the Offer (or approximately \$2.08 million each after deducting their existing Entitlements)
- For entering into the Underwriting Agreements for their Entitlement commitment and underwriting, Finico, UIL and ACL will each be paid an underwriting fee of 1.0% of the Entitlement commitment and underwriting under the Underwriting Agreement
- The effect on control of the Company and the voting power that may be held by the major Shareholders under the Entitlements Offer under several scenarios are set out in the table below

Underwriting Effect on Control	Finico & Associates)	UIL & Associates	Balance of Shareholders
Shares held at date of the Offer	24,549,506	17,879,726	83,882,347
Voting power at date of the Offer	19.4%	14.1%	66.5%
<i>Completion of Entitlement Offer:</i>			
Fully subscribed (Entitlement received only)	19.4%	14.1%	66.5%
75% taken up by other Shareholders	22.6%	17.6%	59.8%
50% taken up by other Shareholders	26.1%	21.0%	52.9%
25% taken up by other Shareholders	29.5%	24.5%	46.0%
Nil taken up by other Shareholders	33.0%	27.9%	39.1%

BUSINESS OVERVIEW



Executive Summary

DTI Overview	DTI is an ASX listed developer and manufacturer of world-leading surveillance, video analytics and passenger communication solutions and services to the global mass transit industry
Equity Raising	A 7 for 10 non-renounceable entitlement offer to raise approximately \$6.2 million via the issue of approximately 88.7 million New Shares at an offer price of \$0.07 per New Share
Underwritten Entitlement	The Entitlements Issue is fully underwritten by Finico (50%) and ACL (an associate of UIL) (50%)
Order Book & Pipeline	Current contracts on hand of \$33.8 million with a further \$14.3 million under negotiation as preferred tenderer. Within the opportunity pipeline of \$410 million, DTI has identified open tenders of which \$39 million are anticipated to be awarded over the next six months. Long-term pipeline is in excess of \$410 million identified.
Guidance	Expected FY2018 revenue of \$19–20 million, an increase of ~18–19% on FY2017. Return to EBITDA profitability in 2nd half of FY2018 (FY2017 H2 EBITDA loss of \$0.7 million)

Company Snapshot

Share Price



Major Shareholders

Chris Morris (& Associates)	19.4%
UIL Limited (& Associates)	14.1%
Board & Management	9.7%
Other Institutional	17.9%

Corporate Details

ASX Code	DTI
Closing Share Price (11 May 2018)	\$0.061
Current Market Capitalisation	\$7.73 million
Issued Shares	126,671,579
New Shares to be issued	88,670,105
Post Offer Issued Shares	215,341,684

Board and Management

Neil Goodey	Chairperson
Peter Tazewell	Managing Director
Richard Johnson	Executive Director
Glyn Denison	Non-Executive Director
Jeremy King	Non-Executive Director



DTI's Business

- **Our business:** DTI designs, develops and installs world-leading surveillance, video analytics and passenger information solutions and services to the global mass transit industry
- **Our target markets:** Rail, bus, taxi, law enforcement, high-value freight
- **Our products and services:**

Proprietary Data Recording Hardware	Supplementary Hardware	Proprietary Software	Managed Services	Our Customers	Our Major Markets
<ul style="list-style-type: none"> • Bus mobile digital recorders (MDR) • Train data recorder unit (TDR) • Hybrid MDRs for other target markets 	<ul style="list-style-type: none"> • CCTV cameras • GPS tracking • Passenger counting • Driver displays • Passenger information systems • Network switches 	<ul style="list-style-type: none"> • Fleet manager • Vehicle monitoring • CCTV managed systems • Route adherence • Remote live view • Video analytics (eg Pantograph) 	<ul style="list-style-type: none"> • Full service bureau offering • Maintenance 	<ul style="list-style-type: none"> • Municipal Authorities • Rail and bus OEMs (original equipment manufacturers) • Private transit operators 	<p>Our major markets:</p> <ul style="list-style-type: none"> • United States • Australia • European Union • United Kingdom • South Africa

DTI seeks to leverage its engineering capabilities to provide customers with increased functionality, products and services

DTI's Business Case

Mass Public Transportation Sector	Mass Transit Operator Challenges	Mass Transit Surveillance Solutions	Technology Advances
<p>Sector to continue to grow throughout the world:</p> <ul style="list-style-type: none">• significant investment planned in bus, rail and light rail in major cities in the world	<p>Mass transit operators face wide range of challenges including:</p> <ul style="list-style-type: none">• acts of terrorism• crime• public disturbance• safety• liability• customer service• passenger load• service reliability• Improved passenger experience	<p>Mass transit operators require surveillance solutions which are:</p> <ul style="list-style-type: none">• high quality• reliable• easily recoverable	<p>Technology advances continue to improve surveillance and services:</p> <ul style="list-style-type: none">• Intelligent Transportation Systems• Next Bus• Smart City• Anomaly detection systems• Machine learning and artificial intelligence• Predictive fault management

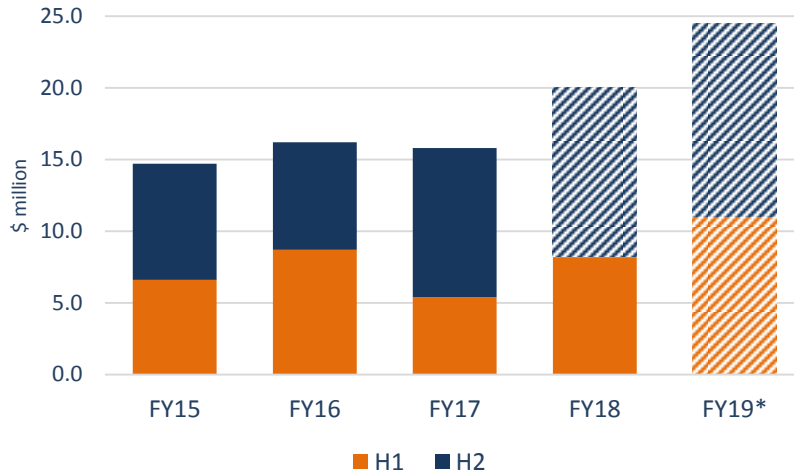
DTI's Business Model

Opportunity for exponential growth driven by on-ground contracted positioning and recurring revenue

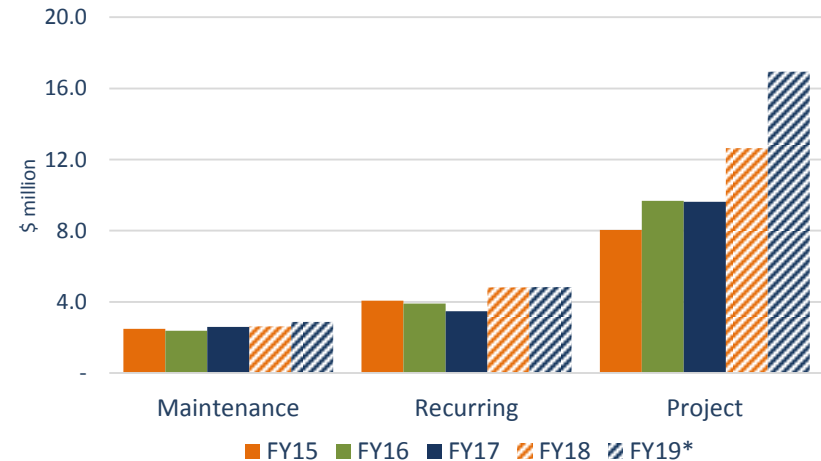
Solution Development (R&D)	Business Development & Marketing	Prospects	Contracts	Recurring Revenue
Maintain market-leading position by continued investment in product development and product expansion, eg passenger communication solutions, pantograph with leading software solutions	Product development supported by committed investment in business development and marketing	Grow prospects by investing in business development and marketing	Prospects converted to contracts by offering customised advanced surveillance solutions	Ongoing orders from customers for new vehicle procurements; maintenance agreements; DTI solutions specified in long-term procurements; framework agreements with major suppliers

Revenue

Revenue Growth



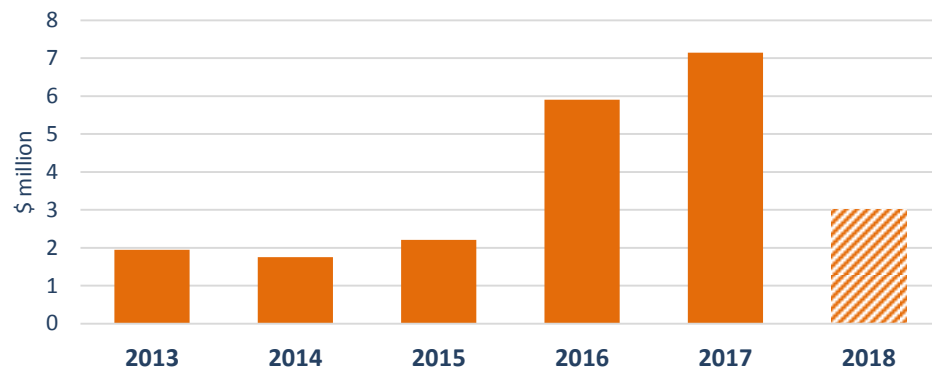
Revenue Categories



* FY19 forecast revenue based on Company estimates and known contract work at the date of the Offer

- Strong revenue increase from prior corresponding periods
- Weighting to second half (H2) expected to continue
- Contracted revenue for FY19 of \$17 million, being approximately 85% of FY18 forecast revenue
- Increased revenue across all categories
- Strong increase in recurring revenue driven by US bus sales
- Project revenue continues to drive overall growth

Technology and R&D Spend



- DTI has invested in R&D to create industry-leading product solutions for the global mass transit market
- R&D cycle peaked in FY17 with the development of new products to meet the standards of the rail sector
- Contracted order book¹ has grown by 176% (to \$48 million) over the past 15 months



DTI is focused on building recurring revenue from contracted work and on-ground positioning with clients

¹ Includes LOA or LOI and preferred tenderer status

Key Drivers

R&D Investment

R&D investment has allowed DTI to grow its contracted order book¹ by 176% from \$17.4 million to \$48 million over the past 15 months

Relationship with OEMs

Strengthen relationships with OEMs to allow DTI to participate in the design and implementation phase of project tenders

Public Safety

Increased awareness of public safety by all stakeholders as terrorism remains a critical global threat

Operator Efficiencies

Mass transit operators seeking efficiencies from operations to drive bottom line profitability and improvements in passenger experience

Maintenance & Support

Build on ground strategic relationships with global integrators to allow DTI to develop and service maintenance and recurring revenue streams

Growing Global Demand

Expand revenue streams from existing customers by leveraging DTI's technology and support from existing contracted transit locations

¹ Includes LOA or LOI and preferred tenderer status

Key Milestones Achieved

- **Strategic focus** on major rail projects has resulted in continued revenue growth
- **Significant R&D investment** of \$19 million over past five years has created industry leading product solutions for the global mass transit market
- **Future monetisation** of the R&D investment to be derived from executing DTI's contracted order book¹ of \$48 million
- **Increased maintenance and recurring revenue** by 23% in FY18 to \$7.5 million (from \$6.1 million in FY17)
- **Strong validation** of product suite through increased level of contracts awarded
- **Unique product offering** covering:
 - complete mass transit solutions combining hardware and software
 - tailored product offerings for customers delivering full turn key solutions
- **Operating cost base** restructured
- **Focus** on project execution and margin management

¹ Includes LOA or LOI and preferred tenderer status

Global Project Execution



- DTI has a successfully demonstrated its ability to secure and execute projects globally
- Strong validation of world-class product suite by spread of global project success
- Ability to roll-out product on a global scale

Operational Update

Americas

- Sales of \$3.5 million, up 46.7% from \$2.4 million in prior period¹
- Continues to enjoy strong support from the US transit market with key transit operators, including SEPTA, SFMTA, SamTrans, Long Beach Transit and Broward County
- Awarded contract installation of CCTV solution on 115 LRVs for Dallas Area Rapid Transit (options 1–4)
- Completing deliveries to Siemens for SFMTA of first rail rated CCTV solution using TDR6
- Successfully commissioned equipment trial for a major US transit authority
- Pipeline of \$107 million identified, weighted 89% to rail

EMEA

- Sales of \$2.2 million, up 19.4% from \$1.9 million in prior period¹
- Successfully completed the major multi-party live look-in CCTV solution for UK rail
- Continues to work with key partners in UK
- Continued revenue growth from bus and tram market in Poland and France
- Commenced solution design for key PRASA contract
- Completed delivery of first 68 vehicles for Oman Bus Contract
- Pipeline of \$233 million identified, weighted 77% to rail
- Opportunities in new countries identified in Oman, Tanzania, Denmark, Bulgaria and Spain

Australasia

- Sales of \$8.9 million, up 86.1% from \$4.8 million in prior period¹
- Maintained strong market position with sales to wide range of customers, across bus and rail
- Ongoing deliveries to Sydney Metro project which are on schedule
- Commenced preliminary design for major rail refurbishment in Melbourne
- Bus and rail contracts in Perth, Brisbane, Sydney, Melbourne and Adelaide
- Ongoing maintenance opportunities to leverage off DTI's existing resources and facilities
- Pipeline of \$77 million identified, weighted 96% to rail
- Opportunities in new markets identified in Singapore and India

¹ Sales across all regions represent actuals for the nine months to 31 March 2018

Key Customers

OEMs

ALSTOM
SIEMENS

BOMBARDIER
VOLGREN

NEW FLYER

GILLIG
AnsaldoSTS

Municipal Authorities

DART

BRISBANE CITY

SEPTA

BART
ba
MTA

مواصلات
MWASALAT

Government of Western Australia
Public Transport Authority

MTA New York City Transit
MMU

Transit Operators

Dyson
GROUP
OF COMPANIES

SBB CFF FFS

RTM

Virgin
trains

BORDEAUX
MÉTROPOLE

london midland

Merseyrail
More than just a journey

Iarnród Éireann
Irish Rail

Integrators

KRATOS
PUBLIC SAFETY & SECURITY SOLUTIONS, INC.

DELATIM

ESG
DESIGNED TO DELIVER

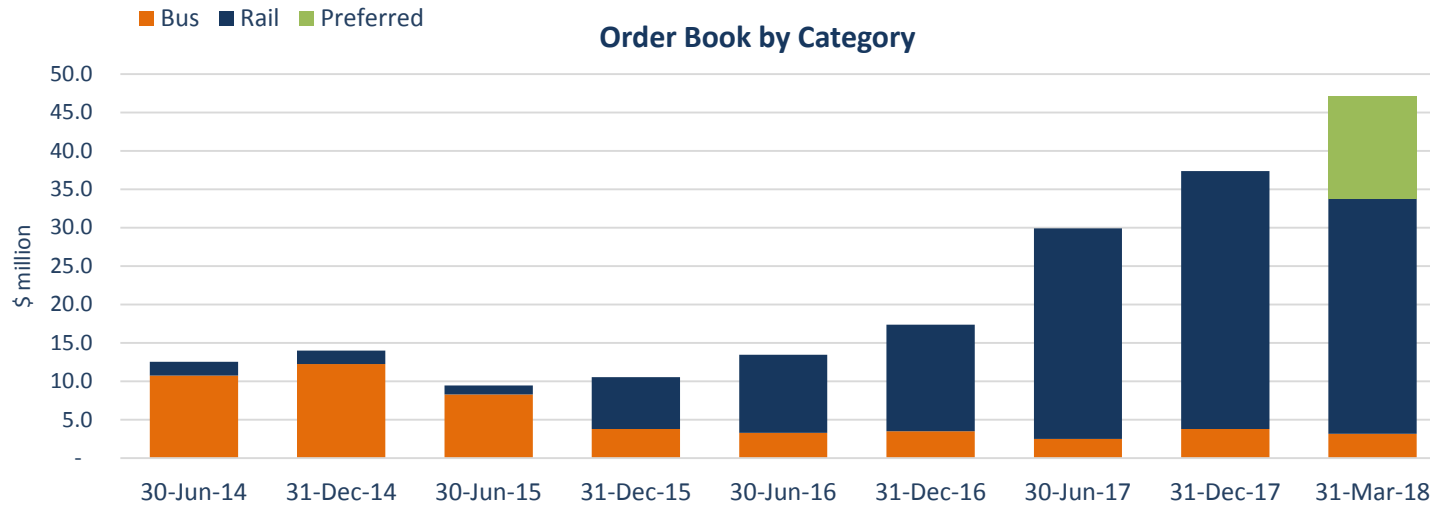
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ORDER BOOK OPPORTUNITY PIPELINE

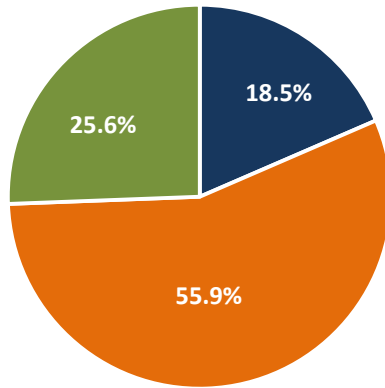


Order Book



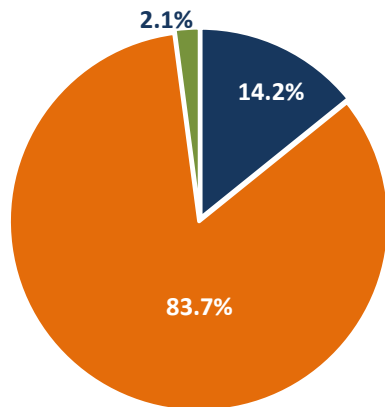
- Order book growing in line with increased marketing effort
- Strong growth in rail sector with strong interest in DTI Passenger Information Systems (60% weighting for opportunities identified)
- Order book does not include anticipated recurring work until purchase order is issued
- Pipeline includes open tenders, including \$39 million which are expected to be awarded over the next six months
- Order book includes uncontracted work where DTI has received an LOI/LOA or has been advised it is the preferred tenderer and is in final contract negotiations.

Opportunity Pipeline



■ Australasia ■ EMEA ■ Americas

- Significant identified long term pipeline in excess of \$410 million
- EMEA presenting strongest opportunities for new growth
- Americas includes significant Latin American opportunities for expansion
- Australia provides DTI with the ability to leverage its local technical knowledge and on-ground maintenance support networks



■ Bus ■ Rail ■ Law Enforcement

- Market continues to be dominated by rail which generally has higher specifications, engineering effort and capital intensity
- Growth drivers include legislation/evidence standards, public infrastructure spending and potential to reduce insurance and maintenance costs
- Operators investing in improved passenger journey experiences

Addressable Market

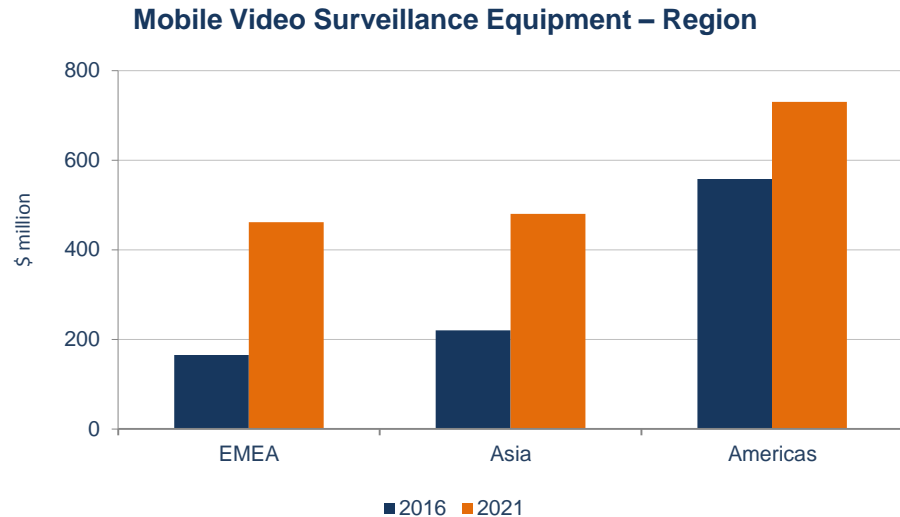
- DTI's addressable market comprises:
 - Passenger Information Systems consisting of displays, audio communications and entertainment systems
 - Mobile Surveillance Systems, consisting of recorders, cameras and ancillary equipment
- FY18 revenue and order book weighted towards Passenger Information Systems
- Mobile Surveillance market is forecast to grow by 12.1% to over US\$1.6 billion by 2021¹
- Passenger Information Systems forecast to exceed US\$21.4 billion by 2022²

¹ IHS Research – 24 Feb 2017

² Market Research Future – July 2017

Mobile Surveillance

- Global market for mobile video surveillance equipment forecast to grow at CAGR of 12.1% to 2021
- DTI is a significant player in mass transit sector (trains, trams and transit buses) which constitutes 56.6% of the market
- The Americas is the largest market for mobile video surveillance equipment while EMEA is the fastest growing market

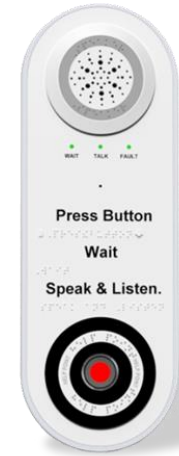
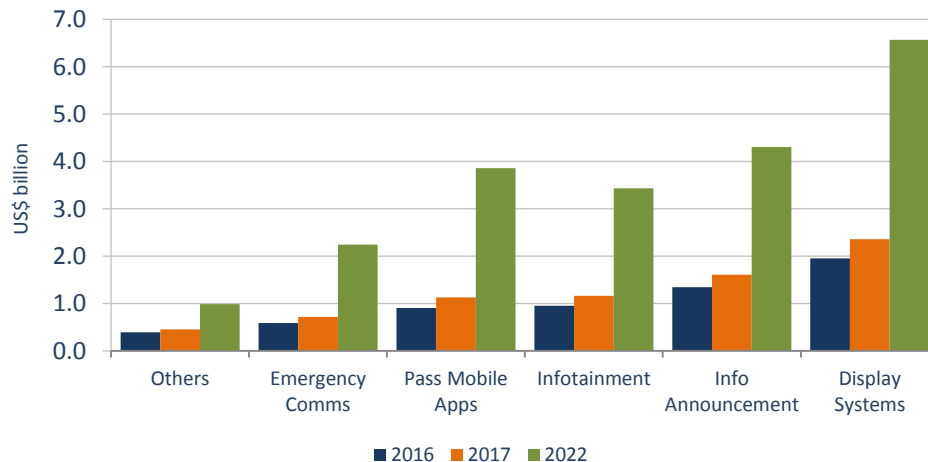


Source: IHS Research – 24 Feb 2017

Passenger Information Systems

- Market forecast for Passenger Information Systems (excluding CCTV) to be **US\$21.4 billion** by 2022, growing at CAGR of 23%¹
- These products comprise approximately **60%** of the current \$48 million order book

Global Passenger Information System Market



¹ Compound Annual Growth rate. Market Research Future – July 2017

STRATEGY AND OUTLOOK



Strategies Short-term

Grow Revenue Base	Production Cost Efficiencies	Cost Down Strategy	Overhead Reduction
<ul style="list-style-type: none"> Increased order book by 176% in 15 months Conversion of opportunity pipeline R&D cycle complete providing new leading edge product solutions 	<ul style="list-style-type: none"> Product design finished leading to stable production runs Migrate production to lower cost manufacturer 	<ul style="list-style-type: none"> Review supply chain to reduce component costs Implement design efficiencies Target margin improvements via competitive product sourcing 	<ul style="list-style-type: none"> Tight control of costs and working capital Improved inventory management processes established Focus on project execution and margin management



Complete



In-Progress



Complete



Complete

Strategies Medium and Long-term

Medium-term	Long-term
<ul style="list-style-type: none">• Demonstrate continued profitability• Ongoing monetisation of past R&D investment• Target continued increased in maintenance and recurring revenue to underpin revenue growth• Staging of contracted revenue provides support for future revenue growth• Product suite developed drives leading turnkey solutions	<ul style="list-style-type: none">• Continue to leverage R&D investment in new market-leading technology platform• Develop DTI hardware as platform for multiple technology applications• Expand strong OEM relationships to create stronger maintenance and recurring revenue and position DTI as preferred technology provider• Build contracted footprint globally to position DTI in all major markets

Outlook

- **Continued growth** in contracted order book¹ to \$48 million
- **Opportunity pipeline** of \$410 million with \$39 million identified as likely to be awarded within six months
- **Strong technical reputation** for developing leading edge products and solutions
- **Global demand** for mobile surveillance and passenger information system equipment continues to be strong
- **Increased awareness** for public safety and security from transit operators and municipal authorities
- **Transit operators** seeking to increase efficiencies from their networks, driving demand for equipment monitoring solutions
- **Continued improvements** to passenger journey experience by increased technology integration

¹ Includes LOA or LOI and preferred tenderer status

KEY RISKS



Key Specific Risks (1)

Risk	Summary
Failure to retain existing customers or attract new customers	As a usual part of its business, DTI's customer contracts and projects are subject to tender, variations, additions or reductions. DTI's ability to renew contracts with existing customers and win new contracts with existing and new customers is fundamental to its business, growth and profitability. DTI could lose one or more key customers or significant contracts or projects due to a range of events. Any loss of key customers, or loss of funding or a reduction in government budget allocations to key customers, significant contracts or projects, may materially and adversely affect DTI's revenue and financial performance.
Competition	DTI operates in a competitive industry. DTI competes with some companies that are larger and more financially secure, as well as with some companies that benefit from local experience and relationships with customers. Increased competition could result in price reductions, underutilisation of personnel, reduced operating margins and loss of customers or market share. Any of these occurrences in any region in which DTI may operate could adversely affect its operating and financial performance.
Software and technology risks	Technology is the key enabler of DTI's products and services and is dependent on the effective performance and reliability of DTI's hardware, software and support services. DTI may not be able to provide the required level of support and services to clients, or fail to successfully achieve the required development of its technology and systems to meet clients' needs, match competitors or meet regulatory requirements, which may, in turn, adversely affect its operations, technology development and could adversely affect its operating and financial performance. Further, DTI's hardware and software may be exposed to damage, malware or interruption from unforeseen events which may cause the systems to be unavailable from time to time which may in turn affect DTI's ability to meet customer expectations and deliver consistent, quality services to its clients.
Technology obsolescence	The technology in the mass transit industry is constantly evolving. There is no guarantee that DTI can keep up with technological developments within the industry and a failure to do so may have a negative effect on the Company's business and its ability to compete effectively within its target markets. Accordingly, there is a risk that new entrants will develop technology that is superior to DTI's solutions which could result in DTI's technology becoming obsolete.
Failure to monetise return on investment	The technology that DTI has developed for the mass transit industry is complex, industry specific and often involves an extended period of time to achieve a final product and subsequently a return on investment for the development. An important part DTI's business and growth strategy is to continue to make investments in innovation and related product opportunities to improve the technology and product solutions to maintain DTI's industry leading competitive position.

Key Specific Risks (2)

Risk	Summary
Retention of Key Personnel	DTI depends on the talent and experience of its employees. Whilst every effort is made to retain key employees and contractors and to recruit new personnel as the need arises, loss of a number of key personnel may adversely affect DTI's earnings or growth prospects. In addition, strong demand for skilled personnel may limit DTI's growth and profitability caused by scarcity of professional personnel or by potential increases in compensation costs associated with attracting or retaining such personnel.
Failure to execute projects	DTI's financial performance is dependent on its ability to deliver contracts and projects in accordance with contractual obligations. Contractual obligations may include set dates for delivery. If delivery is delayed the customer may seek to claim damages from DTI. Disputes which arise in relation to contractual obligations may result in significant losses and acute pressure on DTI's cash flow.
Delays with the commencement of new contracts or dependence on third parties	Where DTI wins a contract, commencement of the contract can be delayed past the expected commencement date. DTI is also a party to a number of contracts where the Company's ability to perform its obligations and commence earning revenue is dependent on third parties performing their own contractual arrangements in a timely manner. DTI may not have any contractual protection against such delays. Any delay in the commencement of a contract may result in a delay in DTI receiving revenue or may cause DTI to incur additional costs, and therefore could have an adverse impact on the Company's financial performance, including its ability to achieve management's forecasts for the business.
Working capital requirements	DTI requires capital in order to finance the manufacture and installation of its technology products as well as provide bank guarantees or insurance bonds to support contract arrangements. The Company's precise capital requirements depend on numerous factors. Depending on the DTI's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Entitlement Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If DTI is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its expansion and development programmes as the case may be.

Key Specific Risks (3)

Risk	Summary
Reliance on growth strategy	DTI's future success relies heavily on the successful implementation of its strategy of being a provider of integrated video surveillance, passenger communication and fleet management solutions for the global mass transit industry. Successful execution of this strategy will require DTI to successfully apply its core competencies in the development or modification of its products and software. No assurance can be given that DTI will be successful in the ongoing implementation of this strategy. DTI's growth strategy relies heavily on market acceptance of its products and services. There is a risk that market acceptance of DTI's products and services will not be as high as DTI expects or that market acceptance may take longer than expected to materialise.
Regional specific risks/unfamiliar markets	DTI operates in markets globally. As the Company continues to expand its presence in new international jurisdictions, DTI remains subject to risks associated with doing business in regions that may have political, legal and economic instability or less sophisticated legal and regulatory systems and frameworks.
Foreign exchange risk	Some of the components used in the manufacture of DTI's products are acquired in foreign currencies. Also, some of DTI's receivables, payables, intercompany transfers and expenses are incurred in foreign currencies and some of DTI's sales occur in foreign currencies. Adverse movements in exchange rates for either of DTI's revenue, expenditure, receivables, payables or intercompany transfers, or cash holdings in foreign currency may adversely affect the financial performance of DTI.
Increased costs risk	DTI's manufacturing and outsourced manufacturing operations are dependent upon the delivery of materials and components by outside suppliers. While DTI utilise components that are standard items and available from a number of suppliers where possible, others are manufactured to DTI's specifications. The failure of the Company to source and supply its materials and components at acceptable costs and in the quantities and specifications required by DTI, could have an adverse impact on the profitability of contracts entered into and the sales and financial performance of DTI.
Regulatory risks	Some aspects of the industry in which DTI operates are impacted by government legislation and regulations in respect to collection of data, privacy, data protection, freedom of information and other matters. The industry may undergo regulatory or legislative change which may create opportunities or adversely impact the activities and operations of DTI.

Key Specific Risks (4)

Risk	Summary
Litigation	<p>The Company may be subject to litigation and other claims and disputes in the course of its business, including contractual disputes with suppliers or clients, employment disputes, indemnity claims, and occupational and other claims. There is a risk that such litigation, claims and disputes could materially and adversely affect DTI's operating and financial performance due to the cost of settling such claims, and affect the Company's reputation. At the date of this Presentation, DTI is not currently engaged in any litigation.</p>
Force majeure risks	<p>Events may occur within the markets that DTI operates that could impact upon the Australian or global economies that DTI or its clients operate within. These events could impact the operations of DTI and the price of DTI's Shares. The events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the demand for DTI's products and services and its ability to conduct business. DTI has only a limited ability to insure against some of these risks.</p>
Concentration of shareholding	<p>At the date of this Presentation Finico (and its associates) and UIL (and its associates) are each major shareholders of the Company. Finico and UIL have a combined controlling relevant interest of 33.5% of the DTI shares on issue. Furthermore, both Finico and UIL (or their associates) have each agreed to underwrite the Offer. The Underwriters, if they act together, may have the capacity to control the election of Directors, the approval of significant corporate transactions and the success of a takeover or similar offer for the Shares. The interests of these Finico and UIL (or their associates) may differ from the interests of the Company and the interests of Shareholders who purchase New Shares under the Offer.</p>
Share price movements	<p>The market value of DTI's shares quoted on the ASX may go up or down for a variety of reasons, including changes in the pricing of comparable stocks, shifts in demand for listed equities and changes to general economic conditions. The change in the market capitalisation may result in a risk that there will not be an active market for DTI's Shares and there may be periods where there is little or no liquidity. The deterioration of the market capitalisation may also adversely impact the Company's financial reputation when tendering for major contracts against more financially stable competitors.</p>

General Investment Risks

Risk	Summary
Factors outside DTI's control	<p>In addition to the specific risks summarised above, a number of factors outside DTI's control may significantly impact on DTI, its performance and the price of DTI Shares. These factors include:</p> <ul style="list-style-type: none">• economic conditions in both Australia and internationally• relative changes in foreign exchange rates• investor sentiment and local and international share market conditions• changes to government policy, legislation or regulation• changes in fiscal, monetary and regulatory policies• the nature of competition in the industries in which DTI operates• interest rates and inflation rates• the introduction of taxation reform.
Impact on DTI's revenue, expenses and cash flows	<p>Investors should recognise that DTI's revenues, expenses and cash flows could be negatively affected by any of the above factors which, in turn, may affect the price or value of DTI Shares.</p>
Market fluctuations	<p>The share prices for many companies can be subject to wide fluctuations which, in many cases, may reflect a diverse range of non-specific influences such as global hostilities and tensions, acts of terrorism and the general state of the economy. Such market fluctuations may materially adversely affect the market price of DTI Shares.</p>

OTHER KEY INFORMATION



International Selling Restrictions

Offer Jurisdictions

No offer will be made to any shareholder with a registered address outside Australia, New Zealand or Belgium. The offer of New Shares to shareholders with a registered address in Belgium is made pursuant to an exemption under the Directive 2003/71/EC as outlined in the Offer Booklet dated 14 May 2018. The distribution of this presentation in jurisdictions outside Australia may be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

United States

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New Zealand

The shares in the proposed offering are not being offered or sold to the public within New Zealand other than to existing shareholders with addresses in New Zealand to whom the offer of New Shares is being made in reliance on the transitional provisions of the *Financial Market Conduct Act 2013* (New Zealand) and the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This presentation does not constitute a prospectus or investment statement and has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Market Conduct Act 2013* (New Zealand). This presentation is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

Contact Details

PETER TAZEWELL

Chief Executive Officer
DTI Group Ltd

T: +61 8 9479 1195

E: peter.tazewell@dti.com.au

WEBSITE

www.dti.com.au