

CEMTREX

Technology that **matters.**

NASDAQ Listed | **CETX**

Investor Presentation
December 2021



Safe Harbor Statement



This presentation may contain forward looking statements that involve numerous risks and uncertainties. Actual results could differ materially from those projected in the forward-looking statements as a result of a number of risks and uncertainties. These forward-looking statements are not a guarantee of future performance. This release may contain Non-GAAP financial information and are not calculated or presented in accordance with US GAAP. The Company believes that the presentation of non-GAAP financial measures provides useful information to management and investors regarding underlying trends in its consolidated financial condition and results of operations. The Company's management regularly uses these supplemental non-GAAP financial measures internally to understand, manage and evaluate the Company's business and make operating decisions. These risks and uncertainties are discussed in our filings with the Securities and Exchange Commission, including our annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. Statements made herein are as of the date of this presentation and should not be relied upon as of any subsequent date. Except as may be required by applicable securities laws, we do not undertake any obligation to revise or update any forward-looking statements contained in this presentation.

Corporate Overview

Cemtrex is a diversified holding company with operating brands in IoT, security, industrial, and AR & VR markets.

- Targeting acquisitions in high growth markets with strong ROE and attractive gross margins
- Primary industries: Consumer, Business, Entertainment, Government & Industrial
- Strong long-term sector growth due to Industrial, Medical, IoT & Manufacturing



Cemtrex, Inc.
NASDAQ: CETX

Share Price ¹	\$0.91
Market Cap ¹	\$18.9M
TTM Revenue ²	\$39.2M
FY 2020 Revenue ³	\$43.5M
Cash & Cash Equivalents ²	\$13.3M
Shares Outstanding ²	20.8M
Float ²	19.0M
Headquarters	Brooklyn, NY

1. As of December 14, 2021

2. As of June 30, 2021

3. As of September 30, 2020

Acquisition Strategy



Build technology that is impactful and moves consumers and industry forward sustainably.

Acquisition Qualification

Start or acquire a brand in a market if it has:

- An expected high ROE over the long term
- A high-quality business:
 - Attractive gross margins
 - Stickiness with customers
 - An asset light model
- High growth markets that are changing due to innovation, technology, or other paradigm shifts
- An opportunity to create value through a competitive advantage(s) and CETX resources and expertise
- A positive social impact: e.g., sustainability, renewable

Investment Considerations

- Seeking returns over the long term (5 Years+)
- A general bias towards investing in technology brands due to the inherent advantages of software businesses
- Some investments may require substantial cash and may lose money over extended periods of time
- Saagar Govil controls the company

“Cemtrex is a not a traditional company, and we don't intend to be one.

We are focused on building brands and businesses in key areas where we see unique opportunities for creating value. They can range from opportunistic acquisitions to a focus on businesses that have a compelling social impact.

However, underlying all our moves is a desire to own good businesses where we have a competitive advantage and can generate a high return on equity over the long term. ”

- Saagar Govil, CEO & Chairman

Our Brands

CEMTREX

CEMTREX

- Management
 - HR
 - Accounting
- IT
 - Software Development
 - Marketing

Industrial	Web & Mobile Development	Security	IoT	XR		
	 CEMTREX LABS	 VICON	SMARTDESK	 VIRTUALDRIVER INTERACTIVE	 BRAVO STRONG	Services
Industrial Contracting Firm	Software Development Agency	End to End Video Security Tech	Intelligent Workstation Solutions	VR Training Solutions	VR Gaming Studio	VR / AR Development Solutions
Revenue (TTM)	\$18M	\$1M	\$20M	\$1.2M	\$1.5M	Launching Q4 2021



Creating the best video surveillance solutions for commercial, industrial, and government applications.

- End to End Solutions Provider, with over 50+ years in the industry with strong established legacy customer base
- Vicon's Valerus video management software (VMS) platform provides recurring revenue at high margins



Industry Dynamics

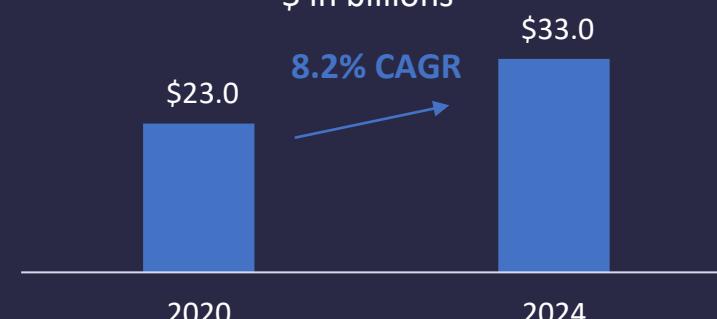
- Shift from perpetual on premise to recurring subscription based, cloud based, scalable deployments
- Advanced AI driven shift for automated security solutions
- High repeat business, attractive gross margins



Physical Security Equipment Global Market¹
\$ in billions



Video Surveillance Global Market¹
\$ in billions



Video Surveillance is largest physical security equipment category

Source: Omdia

Vicon Operations & Outlook



Timeline

Q2 2018	Cemtrex takes over Operational Control of Vicon and begins restructuring activities
Q4 2020	First Profitable Fiscal Year in over 10 years
Q1 2021	Vicon experiences full effects of COVID and Shutdown – many customers are closed
Q3 2021	Sales continue to rebound from COVID and management expects sales to return to pre-covid levels in FY 22

Outlook

- No budget cuts despite decrease in revenue as management views this as a short-term impact due to COVID
- Overall outlook on revenue remains optimistic for a return to growth over FY20 revenue numbers
- Increased engineering and product teams substantially over the last 12 months to build industry leading products
- Expect short term operating expenses to be higher as the products under development are starting to be rolled out
- Expect ROI to start yielding results 2-3 years out and beyond

Product Focus

- AI Based Analytics solutions – Launching in FY 22
- Cloud based Video Surveillance as a Service offering – Launching in FY 23
- Both products have opportunities for recurring revenue and attractive margins
- Software Development done in low-cost countries for competitive advantage

Revenues

(Unaudited – Internal)

\$ in Millions	FY 2018	FY 2019	FY 2020	9M 2021
Net sales	27.7	24.2	24.1	13.4



Realizing the potential of VR/AR by offering development services, building in-house VR/AR first brands, and investing in best-in-class companies and brands



CXR Services

- Creating VR / AR solutions for third party brands like Richemont, Modelo and more

Bravo Strong – VR Gaming Studio

- First title in development based on the popular sci-fi series, Star Force, by BV Larson.
- First person shooter genre, beta release expected CY Q1 22

Virtual Driver Interactive

- Training solutions for novice drivers
- Opportunity to scale technology platforms for other applications and markets
- ~80% gross margins

Masterpiece Studio

- Pre Series A investment in content creation application for VR
- Masterpiece has one of the leading content creator tools for VR in the market today



Industry Dynamics

Virtual Reality

- VR has transformed the gaming and entertainment industries by allowing users to experience immersion in a highly virtual realm
- Increased instructive training for mechanics, engineers, pilots, soldiers, field workers and technicians is driving market growth

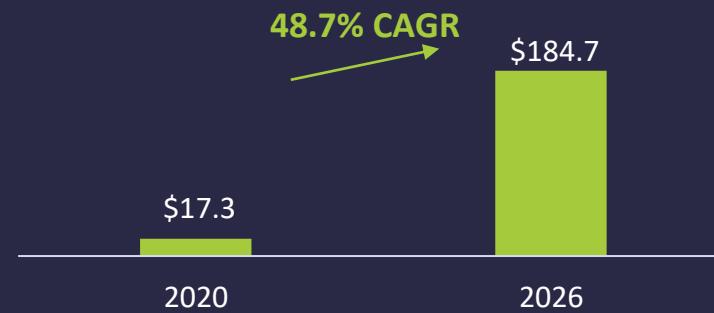
Augmented Reality

- Rising demand for remote assistance and collaboration from enterprises that assist in workflow management and optimization
- Businesses are using AR-based apps for tracking, identifying, and resolving technical issues as well as for tasks, such as retrofitting, assembling, manufacturing, and repairing production lines
- Growing preference among consumers for smartphones, smart glasses, and other handheld and wearable devices is driving adoption

High gross margins and industry growth

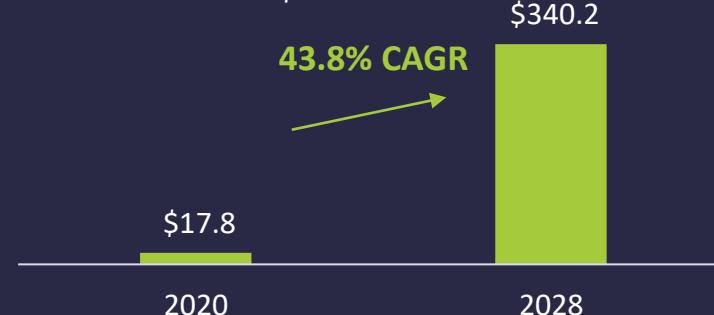
Global Virtual Reality Market

\$ in billions



Global Augmented Reality Market²

\$ in billions



1) Mordor Intelligence 2) Grand View Research

SMARTDESK

State of the art, fully integrated, intelligent workstations for modern workflows

- Developed to address key shortcoming in the marketplace by modernizing the personal workspace
- First product to completely reinvent the personal workspace
- Highly praised with outstanding reviews
- Patented technology
- Multiple Fortune 500 companies interested in the solution for their offices
- Tremendous opportunity for Home Office market

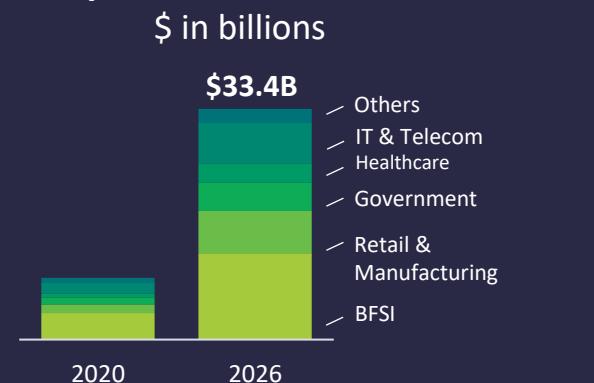
Industry Dynamics

- Worldwide revenue in Office Furniture segment \$112B in 2020 and is expected to grow annually by 5.7% (CAGR 2020-2023)¹
- Desks represent approx. 25% ~\$3.5B in revenue
- Global Workplace Transformation Market size expected to reach \$33.4B by 2026, rising at a market growth of 24.3% CAGR³
- By 2021, 60% of G2000 companies will have adopted a future workspace model — a flexible, intelligent, collaborative virtual and physical work environment⁴

U.S Office Furniture Market Size²



Global Workplace Transformation Market³



SmartDesk Operations & Outlook



Timeline

Q4 2018 Launched first version of SmartDesk

Q2 2021 Launched new SmartDesk Connect

Q4 2021 Launch was challenged by logistics issues which were resolved late Q4

Product Focus

- 4K UHD monitors, a sit-stand desk, ergonomic tabletop, with built-in wireless phone charger, all powered by a user's laptop when connected to the SmartDesk
- Expects to introduce Apple M1 Compatible SD Connect in Q4
- More models expected to launch next year

Outlook

- Expect sales to ramp up going forward
- Initial customer feedback has been positive
- Potential partnership with Microsoft on Office 365

Revenues

(Unaudited – Internal)

\$ in Millions	FY 2019	FY 2020	9M 2021
Net sales	1.0	0.46	0.54



Single source industrial contractor

- 35+ years in industry
- Premier provider of industrial contracting services including millwrighting, rigging, piping, electrical, welding
- Installs high precision equipment in a wide variety of industrial markets including automotive, printing & graphics, industrial automation, packaging, and chemicals
- Expertise and capabilities in plant and equipment erection, relocation, and disassembly
- High repeat business and well-known reputation



Industry Dynamics & Outlook



- The global Industrial Services market size was valued at \$29.5B in 2020 and is projected to reach \$45.3B in 2028, growing at a CAGR of 5.53%¹
- Growth driven by an increase in demand for predictive maintenance services and the rise in the complexity of equipment
- The automotive industry is projected to hold the largest market share of industrial services market in the near term
- Global Industrial control and factory automation market size is projected to reach \$197.8B by 2026 from \$133.1 B in 2021, at a CAGR of 8.2%²

AIS Outlook

- Strong balance sheet allows ability to offer more comprehensive services due to inventory of equipment
- Experienced Management

Revenues

\$ in Millions	FY2018	FY 2019	FY 2020	9M 2021
Net sales	20.9	20	17.8	12.4

Financial Results



\$ in millions

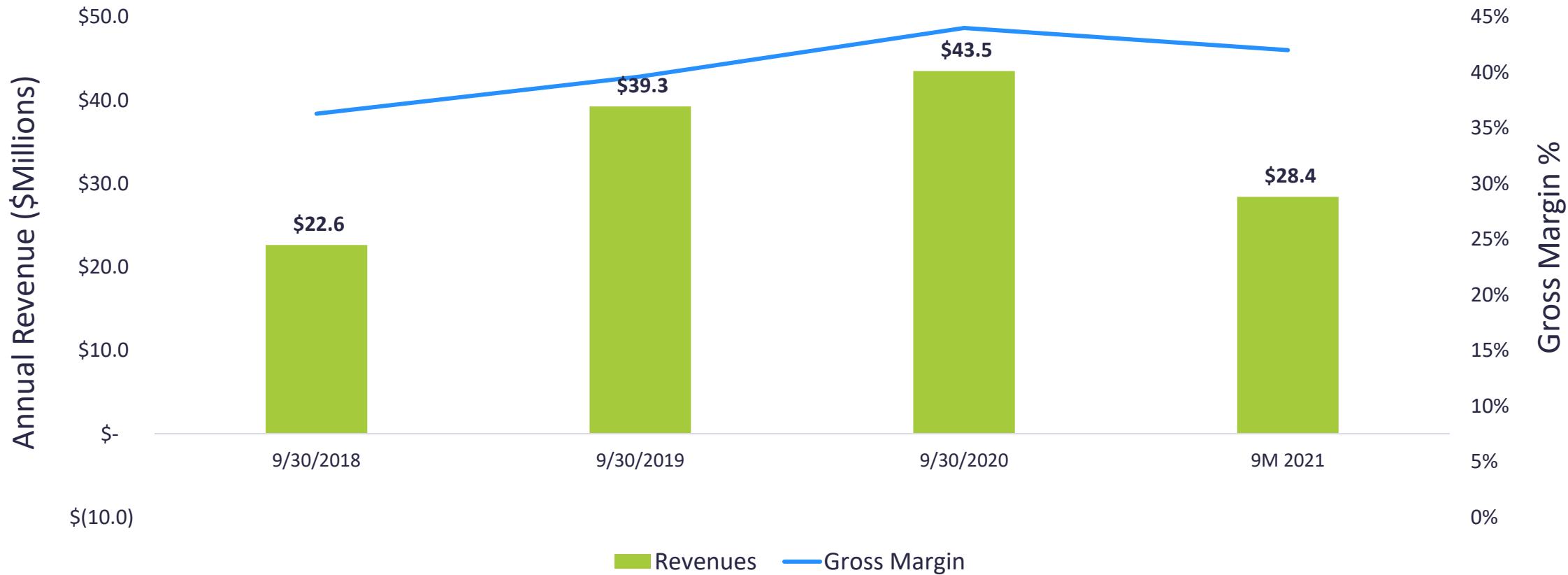
	9 Months Ending June 30		Fiscal Year Ending Sep 30	
	2021	2020	2020	2019
Total Revenue	\$ 28.4	\$ 32.8	\$ 43.5	39.3
Gross Profit	\$ 12.1	\$ 14.0	\$ 19.4	15.6
Gross margin (%)	42%	43%	44%	40%
Net loss	\$ (1.8)	\$ (5.7)	\$ (9.7)	(21.9)

1) Use of Non-GAAP Measures: Earnings before interest, taxes, and depreciation and amortization (EBITDA) and Adjusted EBITDA are non-GAAP measures. In defining Non-GAAP EBITDA, the Company excludes the impact of non-cash stock-based compensation and other non-recurring items, such as R&D expenses and equity interest loss. EBITDA has limitations as an analytical tool and should not be evaluated in isolation or as a substitute for analysis of results as reported under U.S. GAAP. Management utilizes this metric as a basis for evaluating our ongoing operations, and believes investors' understanding of our performance is enhanced by including this non-GAAP financial measure as a reasonable basis for evaluating our ongoing results of operations, without the effects of interest, taxes, depreciation, and amortization and other non-recurring expenses.

Financial Performance



Core business gives us a strong foundation to continue growing in high tech areas



Cemtrex Management



Saagar Govil – Chairman & Chief Executive Officer

Saagar Govil has been with Cemtrex since 2008 and has been the Company's CEO and President since December 2011. He was recently named #17 on Business Insider's "Top 100 of Silicon Alley" and "Top 40 Under 40" by Stony Brook University. Prior to becoming the CEO, he was Vice President of Operations, responsible for sales, marketing, production, and engineering. He began his career as an applications engineer providing customer support on-site and designing turn-key engineered systems for various customers and projects. Saagar Govil has a B.E. in Materials Engineering from Stony Brook University, N.Y.



Chris Moore - Chief Financial Officer

Christopher Moore has served as Cemtrex's Chief Financial Officer since January 2021 and is responsible for the Company's financial planning, accounting, tax, and business process functions. Prior to joining Cemtrex, Chris was the Senior Director of Strategic Finance and Analytics at Movable Ink. Chris has over a decade of experience in finance analytics and accounting. During his career, Chris has worked as a strategic leader with a number of public and private technology companies, holding responsibility for improving business operations, financial planning, analytics, equity management, investor relations, and compliance. Prior to joining Cemtrex, he held finance and accounting leadership positions at Shoretel, Smartling, mparticle, and Clarifai. Chris is a CFA Charterholder, holds a BA from the University of Miami, and received his MBA from Yale University School of Management.

Metodi Filipov - Director

Metodi Filipov is an entrepreneur and technology executive with over 25 years of experience creating, operating and driving growth for technology companies. He has a proven track record of identifying business opportunities and building compelling products. Metodi was formerly VP of Operations at Cemtrex from 2008 to 2010. After Cemtrex, Metodi served as Managing Director of Bianor, a mobile consulting company providing solutions for enterprise clients.

Chris Wagner - Director

Chris Wagner was appointed to the Board on November 12, 2021. Mr. Wagner is a Managing Partner OTT Advisors and technology expert with more than a decade of experience in the video internet streaming industry, co-founding internet start-up NeuLion prior to its sale to Endeavor.

Manpreet Singh - Director

Manpreet Singh was appointed to the Board on November 12, 2021. Mr. Singh is the founder and Chief Investment Officer of Singh Capital Partners and was previously co-Founder of local services marketplace, TalkLocal. Mr. Singh received his MBA from the Wharton School of Business and a B.S. in from the University of Maryland.

Brian Kwon - Director

Brian Kwon was appointed to the Board on September 28, 2021. Mr. Kwon is presently the President and Chief Procurement Officer of H Mart. Brian has extensive operations experience in purchasing, distribution, logistics, IT, HR, and e-commerce from his time at H-Mart. Brian has completed the Harvard Business School General Management Program.

Contact

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