

CENTREX

VICON

AISS
ADVANCED INDUSTRIAL
SERVICES

*Global Leader in Advanced Security and Surveillance Technology
& Industrial Services*

NASDAQ Listed | **CETX**

Investor Presentation
September 2024

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 holding company with operating brands Vicon Industries and AIS – Advanced Industrial Services.

Security	Industrial
	
<p>Global leader in advanced security and surveillance technology to safeguard businesses, schools, municipalities, hospitals and cities.</p>	<p>Premier provider of industrial contracting services including millwrighting, rigging, piping, electrical, welding.</p>
Revenue (FY 2023)	
\$34.7M	\$25.0M

NASDAQ: CETX

Share Price ¹	\$0.14
Market Cap ¹	\$2.5M
FY 2023 Revenue ²	\$59.4M
Cash & Cash Equivalents ³	\$6.5M
Shares Outstanding ⁴	17.4M
Float ⁴	17M
Headquarters	Hauppauge, NY
Employees	328

1. As of September 3, 2024
2. As of September 30, 2023
3. As of June 30, 2024
4. As of August 9, 2024



VICON

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

- End to End Solutions Provider, with over 50+ years in the industry with strong established legacy customer base
- Vicon's proprietary Valerus video management software (VMS) platform enables revenue at high margins
- Vicon's new cloud security platform, Anavio, integrates video, access, and intercom in one easy-to-use system, powered by AI and face-based authentication
- Over 30,000+ cameras sold annually

Customers include:

- Corrections
- Hospitals
- Airports
- Courthouses
- Gov't Buildings – Fed, State, Local
- Border Protection
- Manufacturing
- High-Rise Residential & Commercial



[Video link will open in web browser](#)

Industry Dynamics

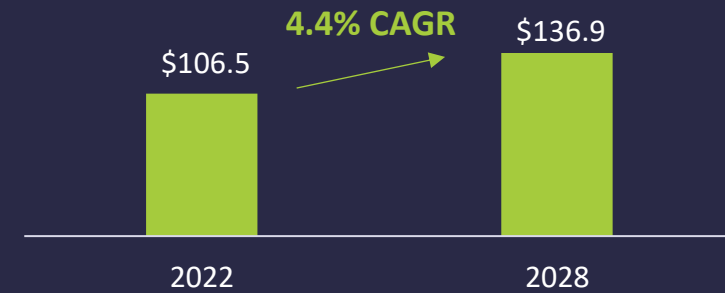
- Shift from perpetual on premise to recurring subscription based, cloud based, scalable deployments
- Advanced AI driven shift for automated security solutions
- High repeat business, attractive gross margins



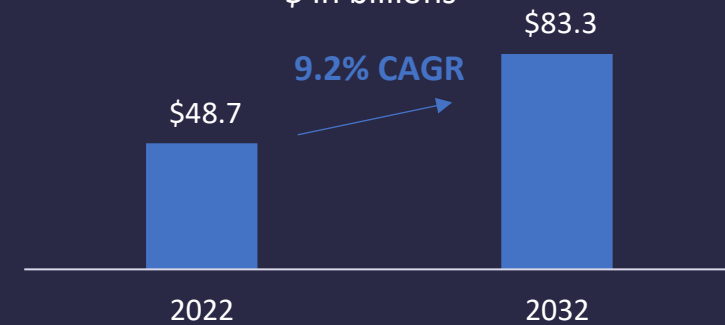
Sources: 1) [Markets & Markets](#) 2) [Markets & Markets](#)



Physical Security Equipment Global Market¹
\$ in billions



Video Surveillance Global Market²
\$ in billions



Video Surveillance is largest physical security equipment category

The Vicon Difference

Delivering Innovation & Value for Over 50 years.



A Single-Source Supplier
Simplify purchasing and support.



Open Platform
Works with other open security platforms, cameras and hardware.



Centralized Platform
Monitor and track your entire security operation from a single interface.



Lower Total Cost of Ownership
No surprise fees, additional support charges, and no forced upgrades.



World Class Support
Our engineers are dedicated to resolving even your toughest challenges.

Complete Vicon Solution



Centralized Security Management System

License Plate
Recognition (LPR)

Valerus VMS

Anavio

VAX Access Control



Servers



Intelligent Cameras



Readers & Controllers

Advanced AI Analytics

ROUGHNECK AI SERIES

The value of artificial intelligence

AI helps classify objects to expedite investigations, lower storage costs and reduce nuisance alarms.

- Proprietary algorithm requires less processing power, thereby reducing hardware costs for end-users
- When used in Vicon's Valerus VMS, operators can filter searches by people, vehicles or animals to reduce the amount of non-relevant video they have to watch, enabling faster incident resolution
- Object-based recording options ensures the system records only relevant video, reducing total storage costs and requirements
- Real-time notifications about events that are important



Vicon Operations & Outlook



Outlook

- Full fiscal year 2023 Revenues of \$34.7M exceeded full fiscal year 2022 Revenues of \$23.5M, a 46% increase
- Overall outlook on revenue remains optimistic for continued 15-20% growth on average over next few years
- Several key hires from competitors to drive business acceleration

Product Focus

- AI at the core of product roadmap
- Launched Anavio, a cloud-based Video Surveillance as a Service offering that integrates video, access, and intercom in one easy-to-use system, powered by AI and face-based authentication
- Opportunities for recurring revenue as industry shifts to subscription software solutions

Revenues

(Unaudited – Internal)

\$ in Millions	FY 2021	FY 2022	FY 2023	FY 2024 (Est) ¹
Net sales	\$20.7	\$23.5	\$34.4	~\$30.0+
GM%	39%	40%	50%	~50%

1. The company does not provide guidance, and these estimates should not be relied on as guidance



ADVANCED INDUSTRIAL
SERVICES

Single source industrial contractor

- 40 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 \$36.9B in 2022 and is projected to reach \$50.1B in 2030, growing at a CAGR of 8.6%¹
- Growth driven by an increase in demand for predictive maintenance services and the rise in the complexity of equipment
- Global industrial control and factory automation market size is projected to reach \$218.8B by 2027 from \$147.9B in 2022, at a CAGR of 8.2%²
- American firms are expected to reshore 230,000 manufacturing jobs in 2024³
- Opportunity to aggregate several regional contractors into a nationwide player

Sources: 1) [Markets & Markets](#) 2) [Markets & Markets](#) 3) [Reshoring Initiative](#)

AIS Outlook

- Profitable with strong balance sheet allows ability to offer more comprehensive services due to inventory of equipment
- Experienced management

Revenues (Unaudited – Internal)

\$ in Millions	FY 20	FY21	FY 22	FY 23	FY 24 (Est) ¹
Net sales	\$17.8	\$19.0	\$21.2	\$25.0	\$33.0
GM%	36.2%	33.6%	29.9%	34.3%	33.0%

- Closed the acquisition of Heisey Mechanical Ltd., a leading service contractor and steel fabricator that specializes in industrial and water treatment markets, on July 1st, 2023, adding approximately \$11 million in revenue, positive cash flow and expands capabilities and customers into new markets.

Financial Results



Three Months

Ending June 30

Twelve Months

Ending September 30

\$ in millions

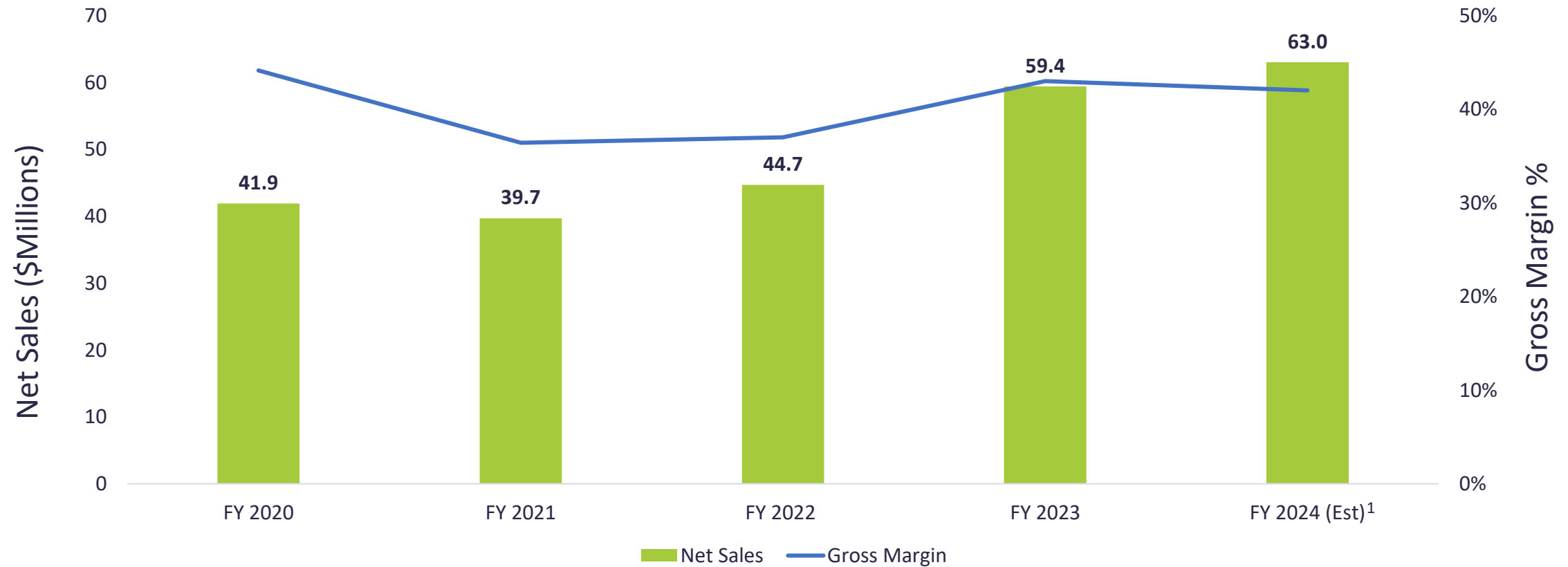
	Three Months Ending June 30			Twelve Months Ending September 30		
	FY 2024	FY 2023	%	FY 2023	FY 2022	%
Total Revenue	\$ 14.7	\$ 14.7	0%	\$ 59.4	45.0	32%
Gross Profit	\$ 5.9	\$ 6.3	-4%	\$ 25.7	16.6	55%
Gross margin (%)	40%	44%	-9%	44%	37%	19%
Operating Income	\$ (3.2)	\$ 0.05	-6,012%	\$ (1.5)	\$ (14.1)	-89%
Net Income (loss)	\$ (9.1)	\$ (1.2)	680%	\$ (9.2)	(13.0)	-29%

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



Refocus around Vicon and AIS Driving Steady and Consistent Growth



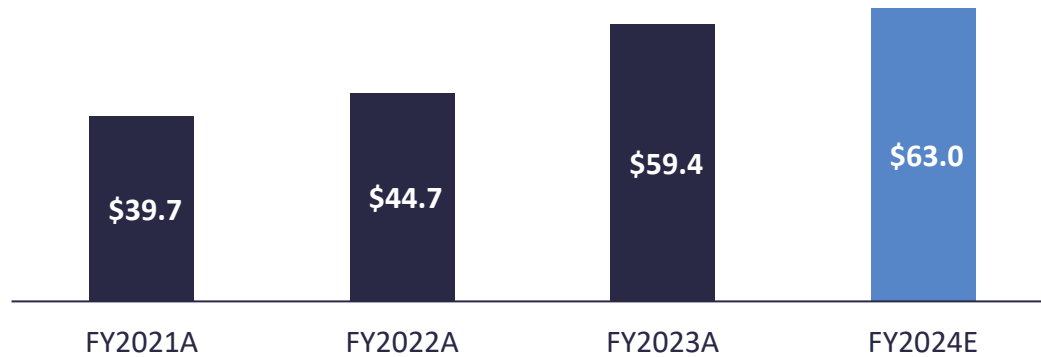
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Financial Performance & 2024 Outlook



Revenues

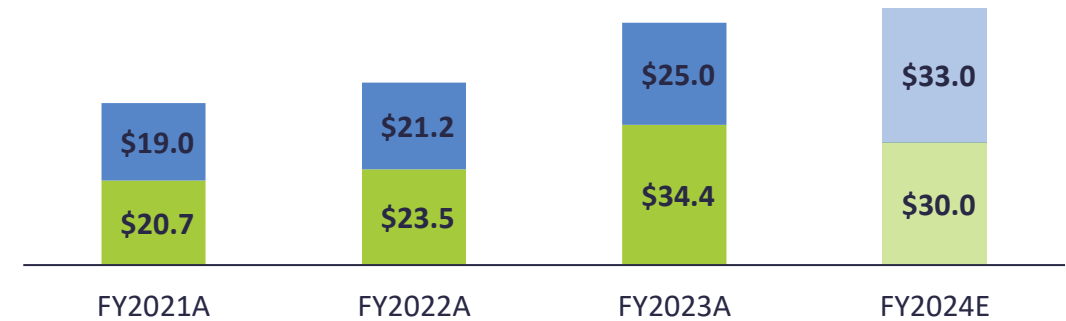
\$ in Millions



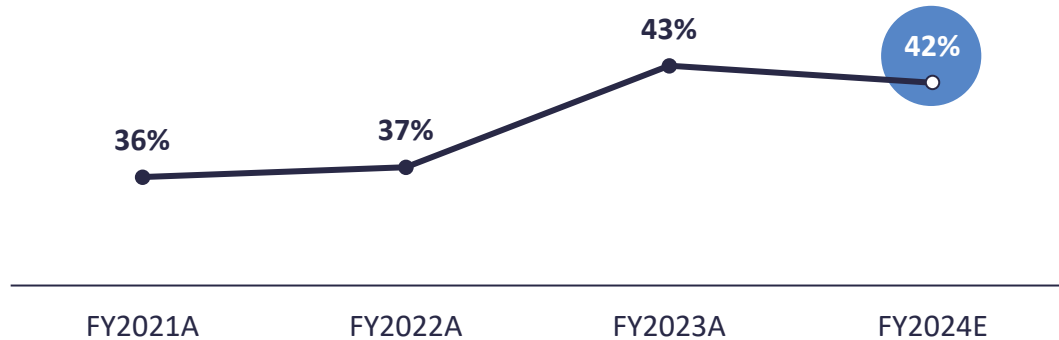
Segment Revenues

\$ in Millions

Vicon Industries AIS

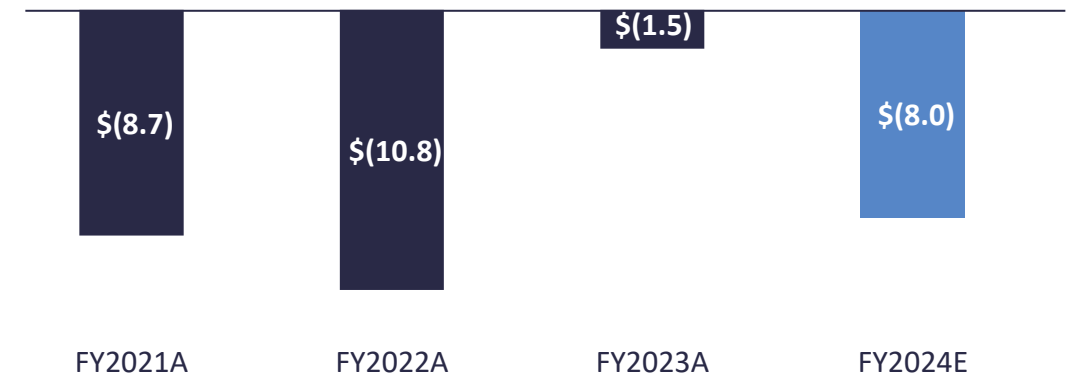


Gross Margin



Operating Income

\$ in Millions



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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.



Paul Wyckoff – Chief Financial Officer

Mr. Wyckoff has been with Cemtrex since 2014 when he joined as the Manager of Financial Reporting and since 2019 has served as Corporate Controller. Previously the Controller at Vaso Corporation (formerly Vasomedical, Inc.) a medical device distribution company. He has 20 years of private accounting experience and holds a B.S. in Accounting from SUNY College at Old Westbury.

VICON Management

Haim Shain - SVP, Product Management, Previously: Carrier, FLIR

Jason Alestra – VP, North America Sales, 20+ years experience

Jonathan Rudolph - VP, Marketing, 20+ years experience

Bret McGowan - SVP, Strategic Account Sales, 30+ years industry experience

Guy Nixon - Managing Director, EMEA, 30+ years industry experience

Board of Directors

Metodi Filipov - Director

- Entrepreneur and technology executive with 25+ years of experience creating, operating and driving growth for technology companies
- Formerly VP of Operations at Cemtrex from 2008 to 2010
- After Cemtrex served as Managing Director of Bianor, a mobile consulting company providing solutions for enterprise clients



Manpreet Singh - Director

- Founder & CIO of Singh Capital Partners and was previously co-Founder of local services marketplace, TalkLocal



Brian Kwon - Director

- President & Chief Procurement Officer of H Mart
- Extensive operations experience in purchasing, distribution, logistics, IT, HR, and e-commerce from his time at H-Mart



AIS Management

Jared Haas – COO, previously GE

Barb Lamer – CFO, 20+ years experience

Key Takeaways

- Vicon shift to AI Based Analytics solutions & Cloud based VSaaS to drive recurring revenue growth in high gross margin businesses
 - **Security segment revenues decreased 31% to \$6.2M in Q3'24 due to the delay of multiple projects for the segment's products and services**
- AIS set to expand with strong growth in the Industrial Services market
 - **AIS segment revenues increased 49% to \$8.5M in Q3'24**
- Generating margin improvement through increasing prices and reducing overhead where possible
 - **Gross margin was 40% in Q3'24**
- Goal of achieving a full year operating profit remains and working to drive revenue and maintain tight cost controls
 - **Operating loss of \$3.2 million for Q3'24 compared to operating income of \$0.05 million in Q3'23 primarily due to a decrease in gross profit in the Security segment and overall increased G&A expenses**
- Improved balance sheet with the closing of \$10 million upsized underwritten public offering to conduct operations, increase marketing efforts, invest in existing business initiatives and products, and for the partial repayment of indebtedness
- M&A strategy targeting acquisitions in high growth markets with strong ROE and attractive gross margins
- Large, growing, addressable and mature markets in Security, Business, Manufacturing, Government & Industrial



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Valerus VMS

The Security Management System Hub



Centralized security

Monitor, search and respond to LPR, Access Control and video events



Simplify day-to-day maintenance

Track, troubleshoot and identify potential system issues with a global dashboard



Manage alarms

Customize alerts so the right person gets the right info at the right time



Expedite forensic searches

Expedite investigations with a suite of powerful search tools to find, review and export events



Protects data

Protects data in the case of hardware failures with redundancy and failover options



Streamline installation

Expedite installation and setup with auto-discovery and configuration tools



Secures the system

Protects the system with advanced cybersecurity settings and notifications



Monitor on-the-go

Access Valerus anytime and anywhere, and stream mobile video directly to the VMS

