



D A M S T R A

ASX Release

23 December 2019

Damstra completes acquisition of Scenario Advantage Workforce

Damstra Holdings Limited (**Damstra** or the **Company**, ASX: DTC), an Australian-based provider of integrated workplace management solutions, completed the acquisition of Scenario Advantage Workforce business (**Scenario**) from the Projection Group¹ on 20 December 2019 as announced on 12 December 2019.

As previously advised, Scenario currently generates unaudited annual recurring revenue of approximately \$1.3m, the EBITDA impact of the acquisition, after accounting for transaction costs, is expected to be consistent with Damstra's forecast EBITDA margin for FY20. Damstra expects further operating synergies will deliver an enhanced EBITDA margin contribution from Scenario from FY21 onwards.

Damstra's Prospectus forecast for FY20 did not include any contribution from acquisition-driven growth initiatives.

Ends

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¹ Under the asset sale agreement, the Projection Group comprises Projection (Australia) Pty Ltd (ABN 53 089 751 708), Projection International Limited (a company incorporated under the laws of the British Virgin Islands as entity incorporation number 392782) and Projection (HK) Limited (a company incorporated under the laws of Hong Kong as entity incorporation number 0535343). The Projection Group's core business is the provision of construction ERP management software. Damstra Technology is acquiring the Projection Group's workplace management solution.

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About Damstra

Damstra is an Australian-based provider of integrated workplace management solutions to multiple industry segments across the globe. The Company develops, sells and implements integrated hardware and software-as-a-service (SaaS) solutions in industries where compliance and safety are of utmost importance. These solutions assist Damstra's clients to better track, manage and protect their staff, contractors and their organisations, and to reduce the risks associated with worker health, safety and regulatory compliance.

The Company has been operating since 2002 and has grown from providing an Australian mining contractor management solution to an integrated workplace management solution provider with a growing client base in international markets. Damstra has approximately 350 clients across eight countries with over 330,000 registered licences (as at 30 June 2019). Operations are maintained in Australia, New Zealand, the United States, the United Kingdom and a global operations centre in the Philippines.

Disclaimer

This announcement contains "forward-looking statements." These can be identified by words such as "may", "should", "anticipate", "believe", "intend", "estimate", and "expect". Statements which are not based on historic or current facts may be forward-looking statements. Forward-looking statements are based on:

- assumptions regarding the Company's financial position, business strategies, plans and objectives of management for future operations and development and the environment in which the Company will operate; and
- current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties.

Actual results, performance or achievements of the Company could be materially different from those expressed in, or implied by, these forward-looking statements. The forward-looking statements contained within the announcement are not guarantees or assurances of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which may cause the actual results, performance or achievements of the Company to differ materially from those expressed or implied by forward-looking statements. For example, the factors that are likely to affect the results of the Company include general economic conditions in Australia and globally; exchange rates; competition in the markets in which the Company does and will operate; weather and climate conditions; and the inherent regulatory risks in the businesses of the Company. The forward-looking statements contained in this announcement should not be taken as implying that the assumptions on which the projections have been prepared are correct or exhaustive. The Company disclaims any responsibility for the accuracy or completeness of any forward-looking statement. The Company disclaims any responsibility to update or revise any forward-looking statements to reflect any change in the Company's financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by law. The projections or forecasts included in this presentation have not been audited, examined or otherwise reviewed by the independent auditors of the Company.

You must not place undue reliance on these forward-looking statements.

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