

RIGHTCROWD LIMITED – ANNUAL GENERAL MEETING PRESENTATIONS

Tuesday, 17 November 2020: In accordance with the ASX Listing Rules, the Chairman's address and the presentation by the Chief Executive Office and Chief Financial Officer to the Annual General Meeting ("AGM") is appended.

This announcement has been approved for release by the Board of Directors.

- ENDS -

For further information please contact:

Kim Clark
Company Secretary

Chairman's Address

Today I will speak briefly about the RightCrowd's achievements in FY20 and update you on the progress we made on the key focus areas we highlighted at last year's AGM.

Peter Hill, our Founder and Managing Director, will speak in more detail about your Company, its business outlook and growth opportunities. He will be preceded by James Stewart, our COO/CFO, who will speak in more detail about the FY20 financial results.

RightCrowd entered FY20 with a growing Core products business and with our New Products and Offsite Vision solutions ready to improve their market penetration. We were targeting sales revenue growth of 40%, and within that growth, a higher mix of annual recurring revenue (ARR) from software subscription sales. If our Core products sales targets were hit, the Core business unit would be cash flow break even.

Those aspirations were set well before COVID -19 changed everything for the people and businesses of the world. Despite the impacts of COVID, the strong sales pipeline of the Core business gave us a clear line of sight to achieving our 40% sales increase target right up until late Q4 FY20, when the timeline for a major project sale and execution slipped into FY21.

The sales revenue for our Offsite Vision solutions and our New Products division did not achieve the targets set, resulting in an overall sales revenue increase of 23% on FY19. Whilst the Core business made substantial progress towards being cash flow break even, that goal now awaits us in FY21.

The Company was successful in growing its ARR by 35%.

With the impact of COVID on safe working environments, our New Products team pivoted the presence control solutions to focus on social distance monitoring & reporting and contract tracing. An exciting sales pipeline was building by 30 June 2020 and we were able to report last month that in Q1 FY21 some \$1.2m of sales were invoiced resulting in \$0.7m of revenue being recognised in our trading results.

The low levels of revenue from our Offsite Vision solutions resulted in an impairment charge of \$1.3m being included in the FY20 result.

The statutory Net Loss for the year was \$6.8m compared to a statutory Net Loss in FY19 of \$6.2m. Excluding the non cash impairment charge, the adjusted Net Loss reduced by \$0.7m. Pleasingly, the Core business reduced its operating Net Loss by more than \$2m. The operating Net Loss in the New Products and Offsite Vision businesses increased due to lower than target sales. Furthermore, FY20 was the first full year of ownership, and therefore the result bore 12 months of operating costs.

Subsequent to the financial year end, the Company raised \$4m through a placement to sophisticated investors. This funding, together with the increasing sales pipeline for our Core and New Business solutions gives the Board and Management confidence around our FY21 plans. Peter Hill will discuss these plans and the revenue targets for FY21 in just a moment.

It is an understatement to say that to date, 2020 has been a very different year to others. I would like to particularly thank our staff for the flexibility they showed in changing their working arrangements whilst continuing to fully support our customers and develop market relevant solutions. Thank you also to our shareholders, our customers and other interested stakeholders for your continuing support.

I will now hand over to James and Peter to provide you with more detailed information on RightCrowd's FY20 financial performance, its growth strategy and the outlook for the year ahead.

Chief Executive Officer and Chief Financial Officer Address

Chief Financial Officer

Today I would like to drill further into the FY20 financial results before passing across to our managing Director and CEO, Peter Hill, who will detail our growth strategy and business outlook.

Before reviewing the FY20 results, let's take a quick look at a snapshot of RightCrowd. We have cemented our global presence this year and continued to grow our sales revenue, customer base (5 of whom are Global Top 100 organisations), and employees. Our share price has fluctuated throughout the year generally trading on thin volumes with our market capitalisation currently around \$49m (as at 12-November 2020).

A key financial highlight from FY20 was the 23% growth in Sales revenue, bringing the revenue CAGR to 41% since FY17. Total Income grew courtesy of government subsidies both in Australia and the US which resulted with the Total Income CAGR being just over 39% since FY17. Pleasingly we saw Annual Recurring Revenues grow to \$4.0m whilst continuing to focus on costs with growth at 10.3% on a normalised basis.

Focusing in on Revenue and ARR, we see that FY20 growth was driven by sales of our workforce and visitor management solutions, with the recurring revenue portion growing fastest at 53% year-on-year.

From the perspective of the business unit performance, we saw 29% revenue growth in our Core Business Unit which helped to narrow the net loss in this business unit to \$1.1m in FY20. Our New Products business unit was impacted by COVID-19 with a drop in revenue to \$0.3m in FY20 and the net loss widening in the New Products business unit to \$5.7m due to ongoing investment and impairment of our Offsite Vision assets. As already outlined earlier and in Q1'21 market announcements, we are seeing the investment in our New Products business unit start to pay off with rapid sales growth so far in FY21.

Our revenue continues to grow strongly in international markets, particularly North America and we expect that trend to continue. Our major driver of costs continues to be employee related with FY20 including the first full year of employee costs from the entities acquired in FY19 explaining the overall increase. On a normalised basis the cost growth came in at 10.3% due to new hires made to support revenue growth.

In conclusion, I am very pleased with RightCrowd's FY20 financial performance given the challenges posed by the COVID-19 pandemic during FY20.

I would also like to highlight the tremendous strides we have taken this year to put in place the infrastructure needed to support the current and projected growth of the Company. Achievements worth noting include:

- The integration of the FY19 acquired entities and restructuring the business into defined business units;
- The upgrade of RightCrowd's Finance and HR systems to standardise, improve efficiency, and strengthen the overall control environment across all RightCrowd entities;
- The roll-out of an employee share-based payment plan linked to company revenue growth targets;
- The change in our external auditor to KPMG to leverage their international network and expertise; and
- Upgrading our information security processes and procedures as part of our initiative to achieve ISO27001 certification.

I will now hand over to Peter to provide you with some more information on RightCrowd's journey, products, growth strategy and the outlook for the business.

Chief Executive Officer

I'm just going to quickly take you through six slides on our growth Strategy and Business Outlook.

I think many of you have heard RightCrowd's 16-year history previously - from start-up to global solution provider. We bootstrapped the company for over a decade while we focused on pure R&D and working with a small number of very well-known companies to prove out our solutions at global scale. We have spent the last 3 years as an ASX listed company which has accelerated the broader commercialization of our products and this has also enabled us to invest strategically in several new emerging markets.

The key addition to this timeline is this year's pandemic. It is fundamentally changing the way the workforce operates and this is providing very significant tailwinds for RightCrowd solutions as businesses adjust to these changing behaviours.

Onto our product suite. Our safety, security and compliance product suite spans across the physical identity lifecycle within an enterprise and often leverages the existing physical security system.

The graphic on the right of the slide represents what we think organisations will be seeking over the next three to five years in our market space. The workforce and visitor management sectors in green represent our core business offering where over 90 percent of our revenue has been generated to date and the four adjacent sectors with the white writing represents our new products division which we believe the market will also encompass over time.

Customers in the future are likely to start with wanting to get visibility of their security environments and implement daily compliance and auditing solutions to support workforce automation projects and our new cyber/physical product known as RightCrowd IQ will be ideally placed to ride this wave. Customers will also seek more timely interactions with people within their buildings and more data in relation to a person's presence and our security wearables in the Presence Control space facilitate this.

We have managed to accelerate the Presence Control commercialisation by several years by adding social distancing and contact tracing functionality to our digital badgeholders, and although this product is selling extremely well due to the pandemic, many customers are purchasing it on the basis that it is one of the few technologies in this space designed for significant use beyond the current pandemic, such as improving security processes and/or building evacuations.

I'm going to skip past two really good million-dollar enterprise case studies that you can read at a later date. One that showcases our traditional large workforce management projects. This project is being performed in conjunction with Honeywell on a significant energy site in Europe.

And the second case study being a deployment at a large multi-national of our presence control solution which has been initially driven by the customers desire to manage social distancing and contact tracing within the enterprise but with a view to additional presence control use cases, such as increased security and evacuation functions once they have their workforce wearing our digital badgeholders.

For personal use only

Firstly, we estimate that there are over 300,000 companies using physical security systems that we integrate to. For example, Honeywell, Lenel, Johnson Controls etc. Our Core Business unit is focussed on this market. We were historically an innovation or engineering led organisation focused on a small number of very substantial customers so that we could not only develop the product, but prove it out at global scale. On the back of this strategy, we have developed a direct sales capability at the top end of the market and we are augmenting this with multi-national channel partners to extend our market presence. These partnerships can lead to a significant step change in revenue growth over the next few years.

Secondly, one of the major drivers behind our acquisitions and heavy investment into our New Products division is our belief that these emerging adjacent technology areas are very complimentary to our Core products. We also feel that the market will evolve in these directions over the next 3 to 5 years and as these markets emerge it will provide RightCrowd with an opportunity to accelerate sales into a significantly larger market. The New Products don't necessarily need to be integrated into the leading physical security systems. They can be sold as small standalone solutions and allow the customers to extend them over time.

The pandemic has accelerated the Presence Control market and our solution is selling to companies from 50 people up to large enterprises. The total addressable market for Presence Control would be in excess of one million companies worldwide. We have been successful in generating a substantial sales pipeline and also reducing the cost of sales leads using lead generation tools like Google Adwords and content marketing. The next step is to enable channel partners to really scale the sales of this product, as the opportunity is orders of magnitude larger than what we can get to by ourselves.

Looking at our business outlook, the first things to bring to your attention is that our costs are being managed tightly and that our revenue is growing strongly, and it is highly likely that our loss will reduce significantly in comparison to the last 2 years as our New Products division starts to contribute growing revenues to compliment our core business. We also continue with a large R&D program of work which underpins our global aspirations, and you will note that the R&D costs are reducing as a percentage of sales. Also, after the recent capital raise, we have sufficient funding to support our current growth.

The main take away from this slide is that we expect our revenue to grow by more than 40% this financial year to over \$16m, and within that we expect our Annual Recurring Revenue to increase from \$4m last financial year to over \$8m by the end of this financial year.

Our core business has recently won another very significant global deployment with some large deals pending in the new year as people return to the workplace. These projects will add to our existing revenue and is likely to ensure our growth trajectory is maintained in this part of the business.

The shift in workplace behaviour is also creating very significant sales opportunities for our presence control solutions and to put this in perspective we were targeting sales of 10,000 badgeholders for this financial year and we are on track to pass 10,000 sales by the end of this month. We know 2 things from this, one is that we are very likely to sell substantially more than 10,000 badgeholders during the financial year which will propel our New Products division closer to cash flow breakeven much faster than expected and two: we know that the market for these products are orders of magnitude larger than what we are currently able to address directly ourselves and to truly scale the presence control opportunity we are aiming to partner with global resellers.

- END -

RIGHTCROWD

EVERYONE ON SITE IS RIGHT

INVESTOR PRESENTATION

Results and Outlook

RCW AGM | 17 November 2020



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— Authorised for release by the Board of RightCrowd.



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FY20 Finance Update

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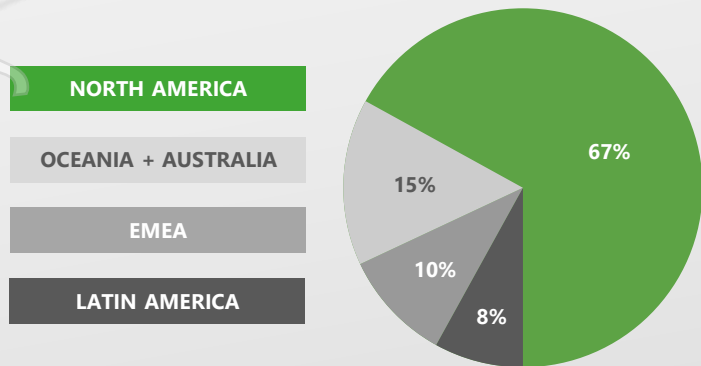
Growth Strategy and Business Outlook

3

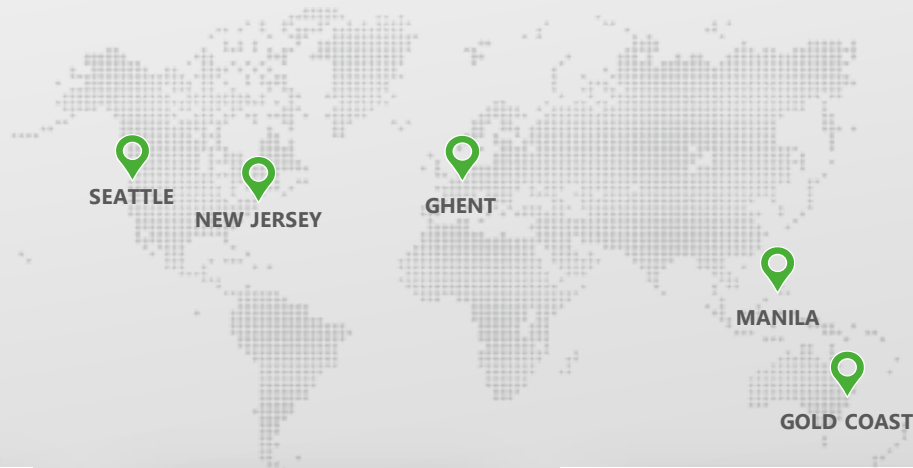
COMPANY OVERVIEW

Growing revenue from international customers

SALES REVENUE*



OFFICE LOCATIONS



5

Global Top 100**
companies as customers

150

Staff in 5 international
offices

40.6%

Sales revenue CAGR
(FY17-FY20)

\$49m

Market Cap as @
13 November 2020

* Sales Revenue for FY20

** PWC: Global Top 100 Companies – June 2020 update



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FY20 FINANCE HIGHLIGHTS

Building a path towards profitability

Sales Revenue

 **\$11.5m**

+23% on FY19 (\$9.4m)

Sales Revenue CAGR

 **40.6%**

FY17 to FY20

ARR

 **\$4.0m**

+35% since FY19 (\$2.9m)

Total Income

 **\$16.2m**

+38% on FY19 (\$11.7m)

Total Income CAGR

39.2%

FY17 to FY20

Increase in Cost Base

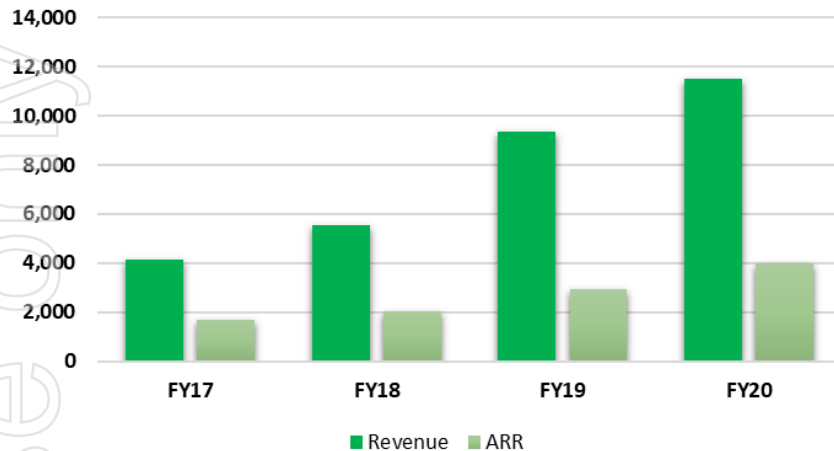
10.3%

Adjusted for FY19 acquisitions
and impairment

FY20 FINANCE HIGHLIGHTS

Building a path towards profitability

ARR and Sales Revenue (\$'000s)



Annual Recurring Revenue (ARR)

- FY20 ARR growth increased from \$2.9m at end FY19 to \$4.0m at end FY20 (+35%).

Sales Revenue

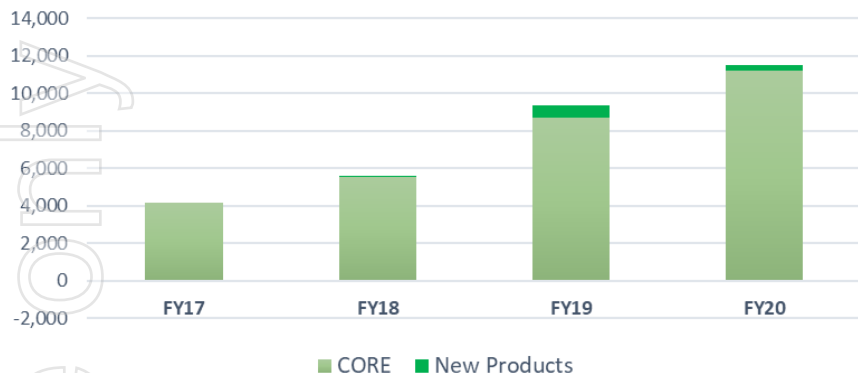
- FY20 sales revenue increased to \$11.5m (+23%) with an increase in workforce and visitor management solution sales.
- Recurring revenue increased by 53% driven by an increase in revenue from SaaS and on-premise subscription contracts.

Revenue by Type (\$'000s)	FY2020	FY2019	%Δ YoY
Perpetual Software and Hardware	1,632	1,337	22%
Recurring Revenue	4,010	2,617	53%
Consulting Revenue	5,893	5,424	9%
Total	11,534	9,379	23%

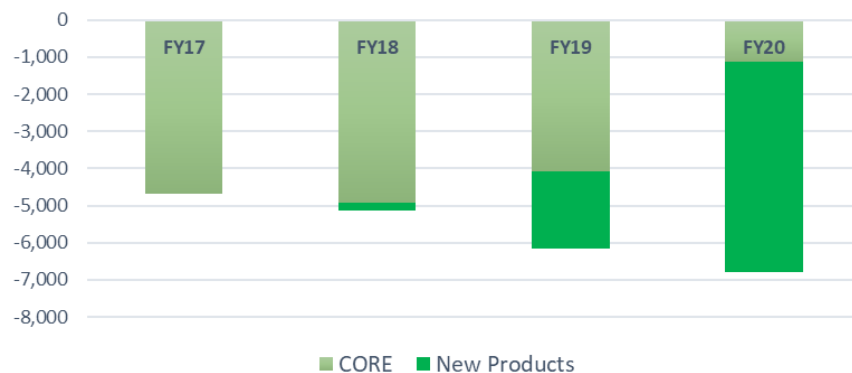
FY20 FINANCE HIGHLIGHTS

CORE nears break-even and New Products gaining significant traction

Revenue by Business Unit (\$'000s)



Net Profit by Business Unit (\$'000s)



CORE BU Performance

- Revenue growth of 29% to \$11.2m in FY20 via enterprise software sales into large multi-nationals.
- Net loss narrows to \$1.1m in FY20 (FY19: \$4.1m)

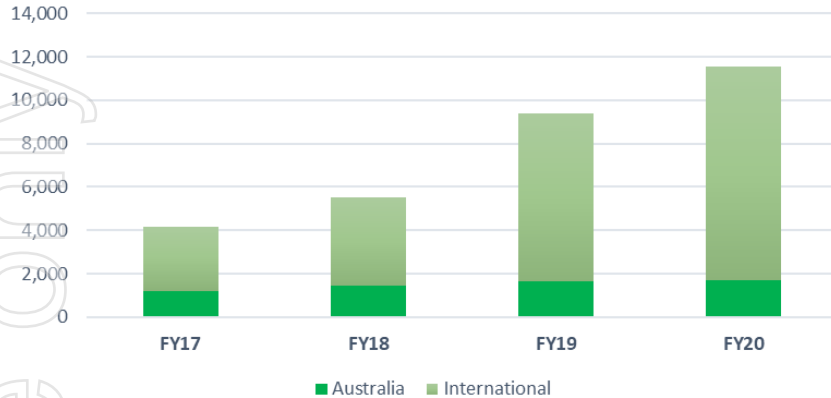
New Products BU Performance

- Fall in revenue to \$0.3m in FY20 due to COVID-19 impact. Strong growth in new customers from Q4.
- First FY of investment post acquisitions + impairment results in net loss of \$5.7m (FY19: \$2.1m)

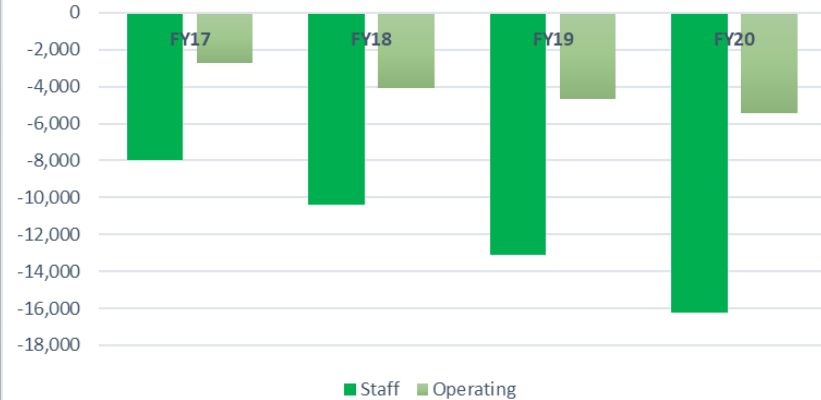
FY20 FINANCE HIGHLIGHTS

Revenue and Cost Analysis

Revenue by Geography (\$'000s)



Cost by Type (\$'000s)



FY20 Revenue by Geography

- North America continues to be the primary market for RightCrowd with \$7.8m of sales revenue (67% of FY20 total sales revenue: FY19 - 60%).
- Europe and Latin America contributed \$2.1m of sales revenue (18% of FY20 total sales revenue: FY19 - 23%)

FY20 Costs

- Staff costs increased by 22% reflecting the first full year of costs for entities acquired throughout FY19. Operating costs remained stable at between 20% and 25% of total costs between FY18 and FY20.
- Normalised costs increased by 10.3% in FY20.



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THE RIGHTCROWD JOURNEY

RIGHTCROWD
EVERYONE ON SITE IS RIGHT

Start-up to global solution provider

2004

Foundations

Founded with focus on pure R&D by a team of passionate software and process improvement professionals

2006-09

Acquisition

Acquired by subsidiary of SAP in 2006. RightCrowd drove SAP's global physical security convergence strategy. Company was spun-out from SAP in 2009.

2012

Major Deployments

Secured 1st Fortune 50 project in US and proves out software at scale with large mining projects in Australia. The company expanded to North & South America with growth to 30+ staff

2014

Global Expansion

Growing customer base with further Fortune 50 projects. Open offices in the US and Philippines with growth to 70+ staff



**2016 ASIS
ACCOLADES
AWARD WINNER**

2017

ASX Listing

RightCrowd lists on the ASX to fuel global growth and fully commercialize product suite



**2017 SIA NEW
PRODUCT AWARD
WINNER**

2020

Pandemic Response

Release of Presence Control technology to deliver Social Distance Monitoring, Contact Tracing and Contactless Entry functionality to help companies return to the workplace

PRODUCT SUITE

Safety, security and compliance
across the physical identity lifecycle

RIGHTCROWD MISSION

*"Creating **safe, secure & compliant**
workplaces by managing the access
and presence of people"*

Business Units

Core Business Unit in Green

New Products in White



Case Study 1

Global Partnership improving Workforce Management

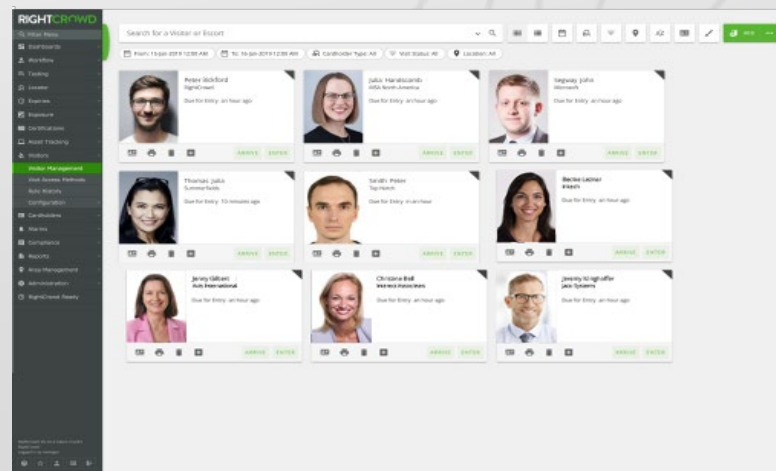
Global Honeywell Partnership delivers major enterprise Workforce Management opportunity

Major European energy company with critical workforce safety, security and compliance requirements.

The client was seeking to leverage its existing Honeywell infrastructure to deliver a flexible, modern workforce management platform.

The customer chose RightCrowd because:

- Physical Identity Management for all employees, contractors, vendors, vehicles and visitors
- Unlock data across business, people and security systems
- Replace legacy unsupported customisations
- Scalable platform to support safety, security and compliance



Case Study 2

Commercialising Social Distancing and Contact Tracing

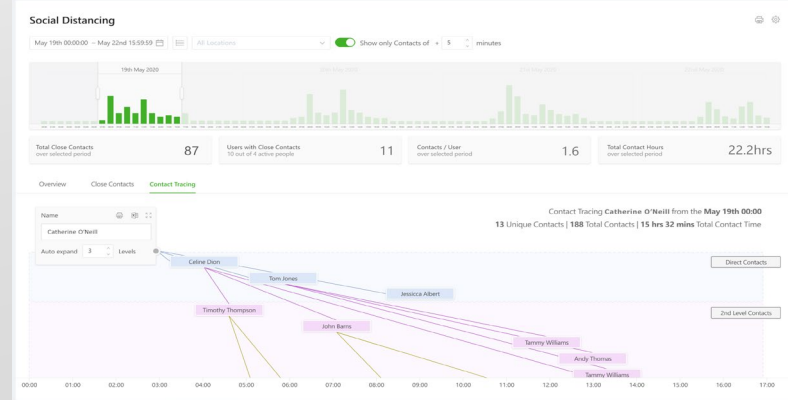
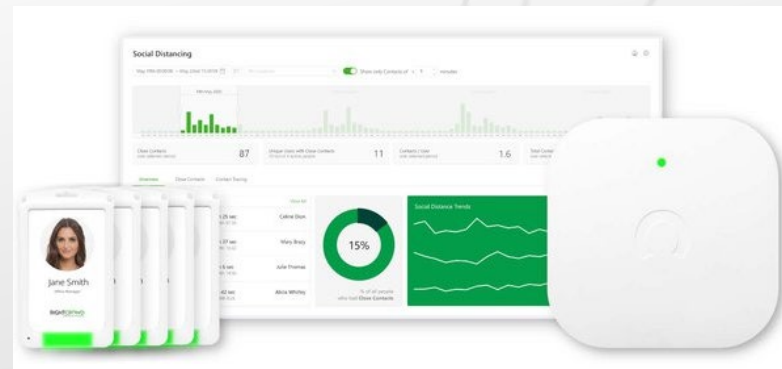
Physical Distancing is recognised as the #1 measure to control COVID-19 in the Workplace

Global resources company required a Social Distancing Monitoring and Contract Tracing solution for corporate offices globally.

Following a comprehensive market analysis and technical/security evaluation RightCrowd was selected.

The customer chose RightCrowd because:

- Solution easily blended with existing security infrastructure
- Contact Tracing application was market leading
- Warranty and support
- Platform Strategy meant extensive presence control use cases for the product beyond COVID-19



GROWTH STRATEGY

MARKET OPPORTUNITY

**300k
Companies**

Core Business Unit Market

With compatible access control systems provided by global corporations such as Honeywell, Lenel, PACOM and Gallagher

**> 1m
Companies**

New Products Business Unit Market

With turnover of USD \$10m or more that have had to adjust work arrangements due to COVID-19 pandemic

Source: Management estimates

STRATEGY



Innovation

Continued R&D investment into market-leading products incorporating customer feedback throughout



Direct Sales

Continued sales to Enterprise and Mid-market companies leveraging referrals from Tier 1 client portfolio



Marketing

Targeted investment across geographic markets in high value enterprise and mid-market segments



Channels & Partners

Scaling channel program selecting leading partners in targeted geographic markets

BUSINESS OUTLOOK

Foundations in place for accelerated growth in customers and revenue

Ability to deliver on growth priorities



Revenue

Annual sales revenue **forecast to grow by 40%** (>\$16m) and **ARR by 100%** (>\$8m) in FY21.

Revenue growth will be driven by large new enterprise deals and acceleration of Presence Control solution sales.



Costs

RightCrowd to maintain **stable cost base** in FY21.

Selective new hires to support commercial activities. Primary driver of uptick in costs (forecast to increase 11%) will be Cost of Goods Sold relating to increased hardware sales.



Customers

Forecast growth in total **customer base of 50%+** in FY21.

Driven by new sales of presence control solutions with up-sell and cross-sell to grow customer LTV.



Innovation

Investment in R&D: 39% of revenue forecast to be invested into R&D in FY21 (FY20: 53%)

Extending SaaS (Software as a Service) products with focus on helping customers return safely to the workplace.



Funding

Cash balance projected to remain **above \$3m** throughout FY21.

\$4m capital raise completed. Growth in new sales and debt facilities (if required) to support Company growth.

APPENDIX

Table of terms

TERM	DEFINITION
CORE Business Unit	In house developed enterprise software for workforce and visitor management solutions targeted at large multi-nationals.
New Products Business Unit	Combination of acquired and in-house developed software focussing on presence control, cyber-security, and evacuation management solutions for small to large corporations.
Enterprise Value (EV)	Enterprise Value is a measure of a company's total value. Enterprise Value = The Company's Market Capitalisation + Total Debt – Cash and Cash Equivalents.
Annualised Recurring Revenue (ARR)	ARR is the total annualised subscription and support & maintenance revenue to be recognized for all active customer contracts at a given reporting date.
CAGR	Compound Annual Growth Rate.
Normalised Costs	Total Year-on-Year cost growth comparison by adjusting the costs relating to acquired entities to an annual basis and excluding the impairment cost incurred in FY20.
Ticto NV	Ghent (Belgium) based business acquired by RightCrowd in January 2019 which specialises in presence control devices and software solutions. The entity was renamed RightCrowd Europe NV on 16 th of July 2020.
Offsite Vision	New Jersey (USA) based business acquired by RightCrowd in October 2018, which specialises in evacuation and asset management software solutions.