

ersonal use only



TRUSTED TO SAFEGUARD THE WORLD'S
MOST SENSITIVE INFORMATION

FY21 Annual Results

Disclaimer

No Warranties

Disclaimer

The material in this presentation has been prepared by archTIS Limited ("**Company**") and approved for release by the Board.

This presentation may not be reproduced, redistributed or passed on, directly or indirectly, to any other person, or published, in whole or in part, for any purpose without prior written approval of the Company. The material contained in this presentation is for information purposes only. This presentation is not an offer or invitation for subscription or purchase of, or a recommendation in relation to, securities in the Company and neither this presentation nor anything contained in it shall form the basis of any contract or commitment. Any offering of any of the Company's securities to Australian persons will be subject to Australian securities laws. The distribution of this document in jurisdictions outside of Australia may be restricted by law, and persons in to whose possession this document comes should inform themselves about, and observe, all such restrictions.

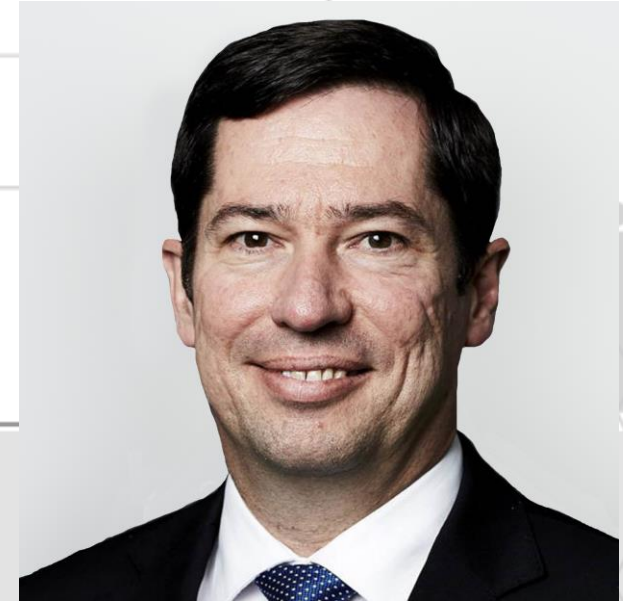
This presentation is not financial product or investment advice. It does not take into account the investment objectives, financial situation and particular needs of any investor. Before making an investment in the Company, an investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances, seek legal and taxation advice as appropriate and consult a financial adviser if necessary.

This presentation may contain forward-looking statements that are subject to risk factors associated with a waste management business. Forward looking statements include those containing such words as "anticipate", "estimates", "forecasts", "should", "could", "may", "intends", "will", "expects", "plans" or similar expressions. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a range of variables and changes in underlying assumptions which could cause actual results or trends to differ materially. The Company does not make any representation or warranty as to the accuracy of such statements or assumptions.

This presentation has been prepared by the Company based on information currently available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of the Company or its subsidiaries or affiliates or the directors, employees, agents, representatives or advisers of any such party, nor any other person accepts any liability for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it, including without limitation, any liability arising from fault or negligence on the part of the Company or its subsidiaries or affiliates or the directors, employees, agents, representatives or advisers of any such party.

Annual Chairman's Address

- **Navigated record breaking but tumultuous year across global markets**
 - Solid performance in the face of Global pandemic
 - Explosion of the remote worker – technology and operational challenges that organizations face
- **Improved Governance**
 - Streamlined Board of Director's
 - New co-secretaries
 - New CFO
- **Positioned for Growth**
 - Operational excellence
 - Market tail-winds due to remote work from home



Dr Miles Jakeman
Chairman of the Board

Corporate Overview

ASX Code	AR9
Share Price (as of 26 July 2021):	\$0.34
Issued Capital:	233m ordinary shares 3.66M options (various exercise price and expiry dates)
Market Cap (as of 26 July 2021):	\$77.2M
Cash on hand (as of 30 June 2021):	\$12.7M

Trailing 6-month price & volume



Company Public History

archTIS files IPO on the ASX exchange for 40,000,000 shares to raise a \$8,000,000.

18
September

Kojensi Product released to market after a decade of providing services and bespoke offerings.

20
April

archTIS wins landmark \$4.2m Australian Department of Defence Joint Capabilities Group Contract.

20
September

archTIS merges with US-based Nucleus Cyber to provide entry into the Microsoft markets while extending global distribution.

20
December

archTIS concludes record financial year'21 across revenue, ARR, gross profits and cash receipts.

21
June

Outlook & Investment Highlights

1

Commercialised and proven technology platforms (Kojensi / NC Protect) to address data-centric secure collaboration across marquee customers

2

Deep global networks and customer relationships in Federal Government and Industry with key wins including AUS Department of Defence, OAIC and Northrop Grumman

3

Tailwinds across US\$10B data-centric security market opportunity addressing front page headlines of cyber breaches

4

Highly experienced Management Team with global public company experience in rapidly scaling revenue.

5

Key strategic partnerships with global leaders such as Microsoft, Thales and Raytheon as well as numerous system integrators across the defence industrial base and global resellers

6

Record FY21 financial performance of triple-digit revenue growth and strong balance sheet with over \$12.7M

FY21 Executive's Address

Data-centric security technology
to prevent malicious and
accidental loss of information



Daniel Lai
Managing Director
& CEO



Kurt Mueffelman
Global COO
& US President



**Record Financial
Performance**



**Finalised Successful
Nucleus Cyber Merger**



**Continued Global
Customer Wins**



**Strong Positive Cash
Position**

Experienced Leadership Team



Daniel Lai

Managing Director & CEO

Daniel is a Founder and Managing Director of archTIS, with extensive industry experience leading large and complex deliverables for government and commercial organisations.



Kurt Mueffelmann

Global COO & US President

As Global COO and US President of archTIS and Nucleus Cyber, Kurt Mueffelmann brings over 25 years of technology leadership to the company in running 5 previous successful entities including US\$1B NASDAQ. He is a two-time Deloitte Fast 500 CEO.



Kylie Sheather

Chief Financial Officer

With extensive knowledge of software as a service companies, Sheather has held senior financial roles for medium and large listed companies. Sheather most recently served as TechnologyOne Director of Finance and Business Partnering.



Leigh Rowland

Chief Engineer

As the Chief Engineer of archTIS and Nucleus Cyber, Leigh Rowland is responsible for driving the evolution of the company's technology to provide secure collaboration and seamless integration into supported platforms.



Irena Mroz

Chief Marketing Officer

Irena Mroz is CMO of archTIS and Nucleus Cyber. She is responsible for defining the company's branding, demand generation and public relations.



Matt Klukun

Vice President & General Manager APAC

Matt Klukun's primary focus is building archTIS' presence with global Defence, Intelligence, Federal and State Governments and Defence Industry companies, as well as building and growing our partner eco-system supporting these markets, both within the Asia Pacific region.



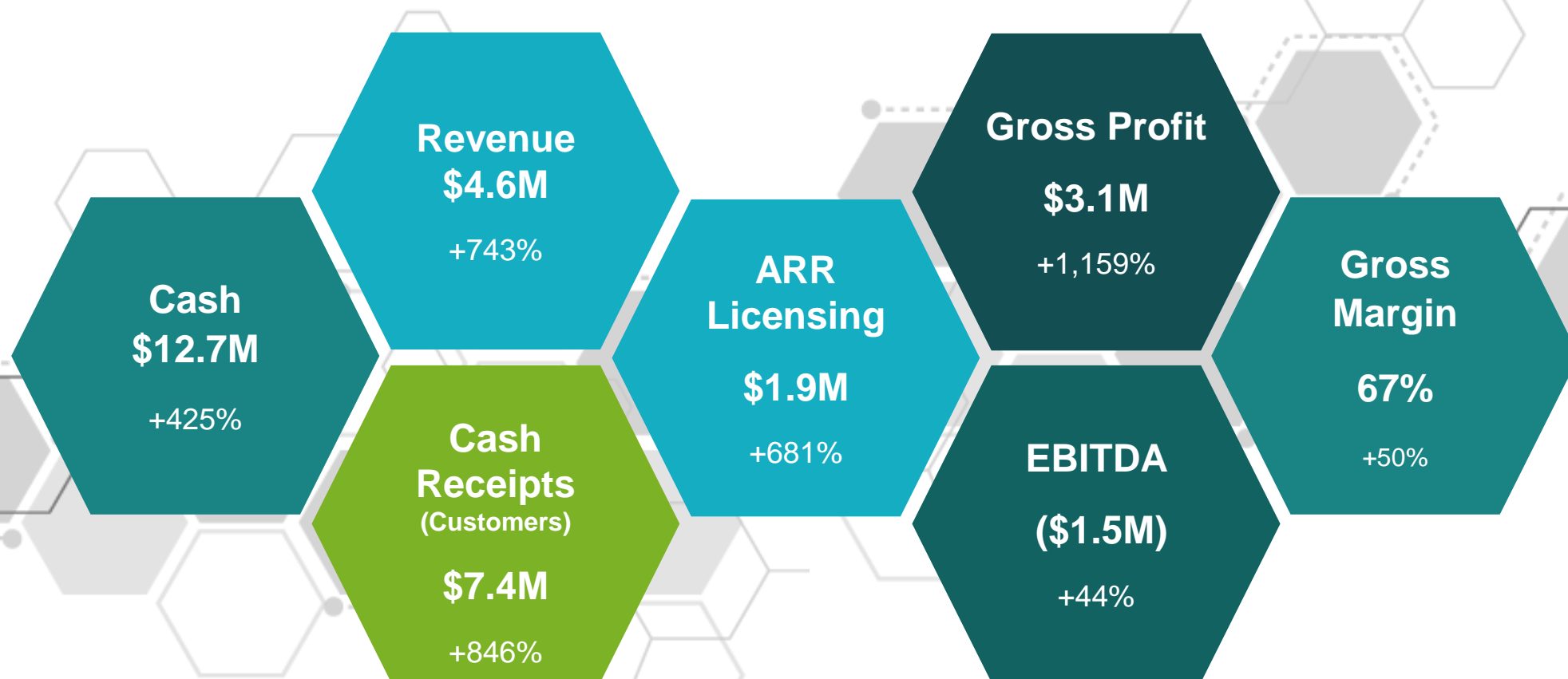
Pete Smith

Vice President & General Manager EMEA

As Vice President & General Manager EMEA of archTIS and Nucleus Cyber, Pete Smith brings over 30 years' experience in sales and management to the role, particularly with startups and emerging IT security brands.

FY21 Financial Results

Record Breaking Metrics (PCP)



PCP - Previous Corresponding Period 20 June 2020



Year in Review

- Merger with Nucleus Cyber
- Landmark Australian Defence Wins
- Operation Excellence

Nucleus Cyber Merger

1

Strong Technology and Market Fit

- Cross-sell opportunity
- Strong technological fit (ABAC)
- Excellent cultural fit
- Consolidation of roadmap strategy and development teams
- Data-centric protection across large and rapidly growing segments (DLP, CASB, data governance, encryption)

2

Global Sales & Marketing Presence

- Establish US market presence, key for US FED, Five Eyes and DIB
- Expands global sales and channel distribution across Microsoft and security partners
- Proven revenue driven by information protection use cases
- Drive high transaction volume model across expanded vertical markets
- Expand Microsoft collaboration through IP Co-sell

3

Financially Compelling

- 100% scrip transaction conserves cash for accelerated growth development
- Established annual recurring revenue model (ARR) with very strong gross margins
- Strong sales growth forecast for calendar 2021
- Melbourne-based development team ensures eligibility for ATO R&D rebates

4

Operational Synergies

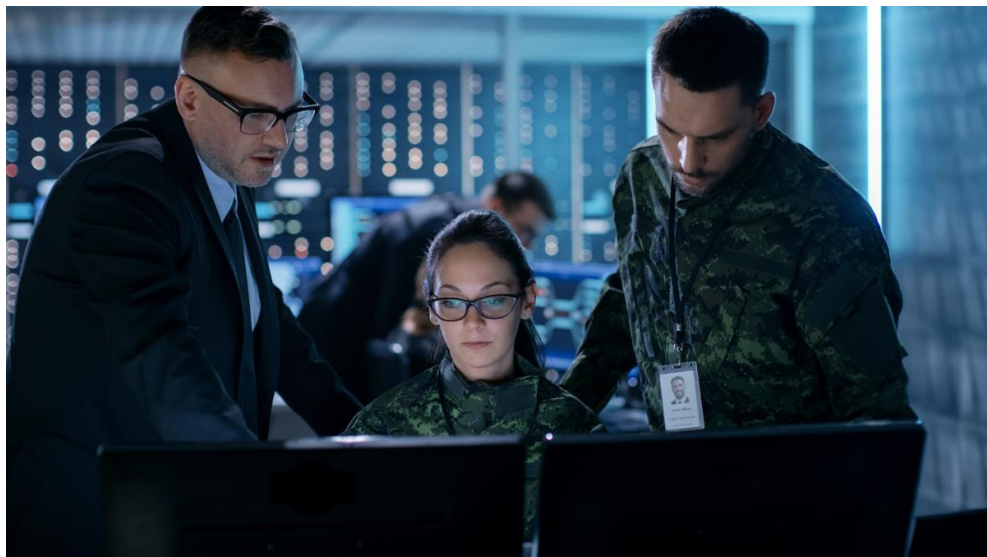
- Enhances senior executive team with deep US public market, early stage and Microsoft experience
- Establishes future M&A model for hyper-growth of complementary technologies or expanded distribution
- Back-office consolidation on Xero
- Provides 24x7 customer success model

Technology Validation

Australian Department of Defence



Australian Government
Department of Defence



Defence Use Case

Protecting:

- Secure Collaboration for access and sharing of sensitive data.

Challenge:

- Secure supply chain communications.
- Secure and restrict access to highly sensitive files across multiple deployed SharePoint farms.

Result:

- Applies data-centric ABAC security rules based on files classifications to limit access, enable sharing and provide auditability.
- Controls Releasability of files within SharePoint based on Nationality, Clearance Level, Location and Need to Know.
- Prevents privileged users / admins from accessing sensitive information.

FY21 - \$6.18m in TCV / \$1.75m ARR / \$1.1M deferred:

1. Kojensi Enterprise – **\$4.2M**
2. Kojensi Enterprise – **\$578K**
3. NC Protect – **\$868K** over 4 years
4. NC Protect – **\$535K** over 5 years

Our Customers & Partners



Australian Government
Department of Defence



Australian Government
Department of Home Affairs



Australian Government
Attorney-General's Department



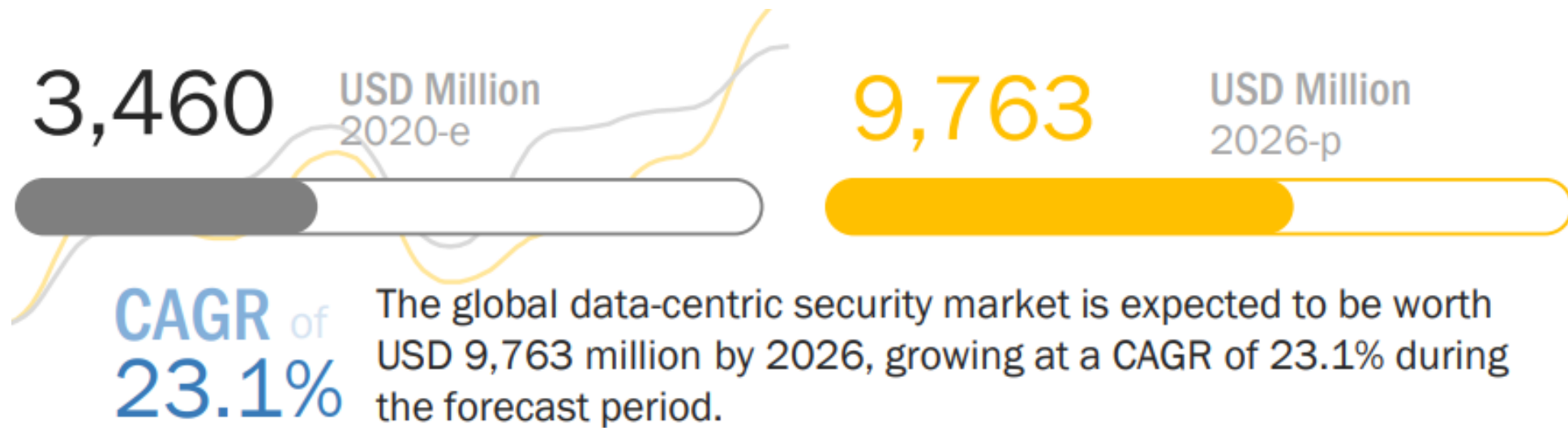
Australian Government
Office of the Australian
Information Commissioner



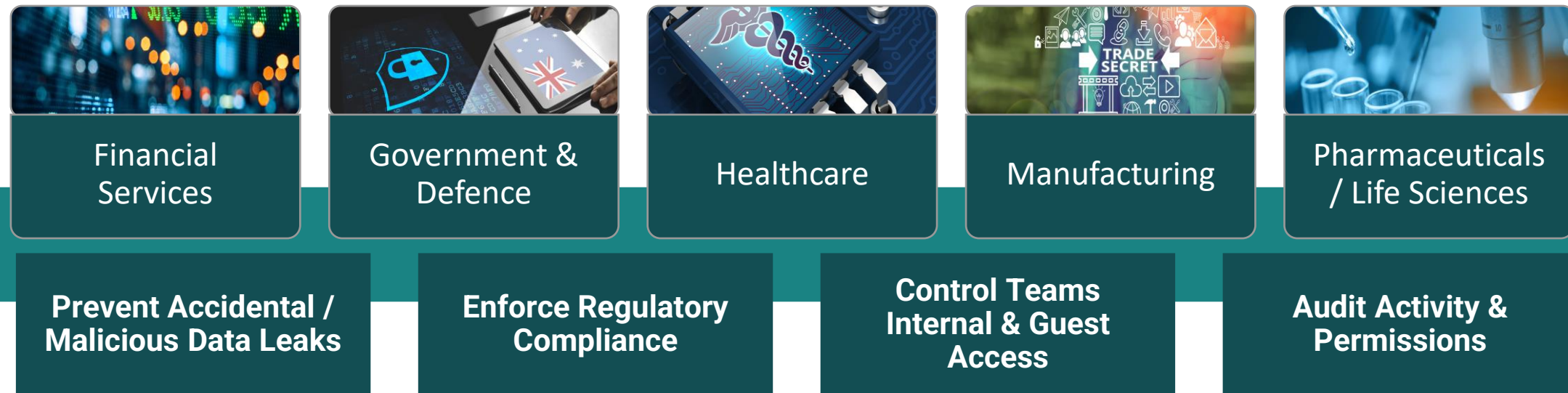
Australian Government
Department of Health



Data-centric Security Market Outlook



Industries with Sensitive & Regulated Data



Customer Segment Strategy

**Gov
Defense**

Kojensi Enterprise On-premises

- Securing “Top Secret” information
- Government Agencies | Defense Industrial Base
- Enterprise Direct | Large System integrators | MSFT Co-sell
- ASP: \$3–6M per annum | Users licenses: Over 10,000

Enterprise

Kojensi Enterprise On-premises & NC Protect

- Secure Collaboration | Supply Chain Risk Management (C-SCRM)
- Government Agencies | Corporate Enterprises over 5,000 staff
- Regional Direct | System Integrators | MSFT Partners | MSFT Co-sell
- ASP: \$100–500k per annum | Users licenses: 2,000–10,000

**Corporate SME &
SLGE**

Kojensi SaaS & NC Protect

- Secure Collaboration
- SME under 5,000 | State, Local and EDU
- Inside direct | MSFT & Security Resellers
- ASP: \$10–100k per annum | User licenses: 1-2,000

3 Tier Global Distribution Strategy

Direct Regional Presence

- Apac – Canberra
- Americas – Boston
 - USFED- DC
- EMEA - London

Global Channel

- System / Defense integrators
- Value Added Resellers
 - Microsoft certified
 - Security / Vertical
 - Trusted Advisor Relationship

Strategic Alliances

- MSFT Co-sell
- Thales / Raytheon



NCPROTECT™

DYNAMIC ACCESS & DATA PROTECTION FOR MICROSOFT 365 APPS & FILE SHARES



Discover, classify and
secure sensitive information



Prevent data loss, misuse
and human error



Audit and report for
compliance



SENSITIVE & CLASSIFIED INFORMATION – SHARED SECURELY



Share sensitive and
classified files securely



Accredited secure document
collaboration



Enforce zero trust with
attribute-based access
control (ABAC)



TRUSTED TO SAFEGUARD THE WORLD'S MOST SENSITIVE INFORMATION



Secure Document Collaboration

Allow internal and designated external users to share and collaborate on information up to TOP SECRET with our accredited platform.



Data-Centric Zero Trust

Get granular, real-time control over how information is accessed, used and shared based on both file and user attributes



Multi-level Security

We use the industry leading Attribute-Based Access Control (ABAC) methodology for differentiated access to information at all security levels.

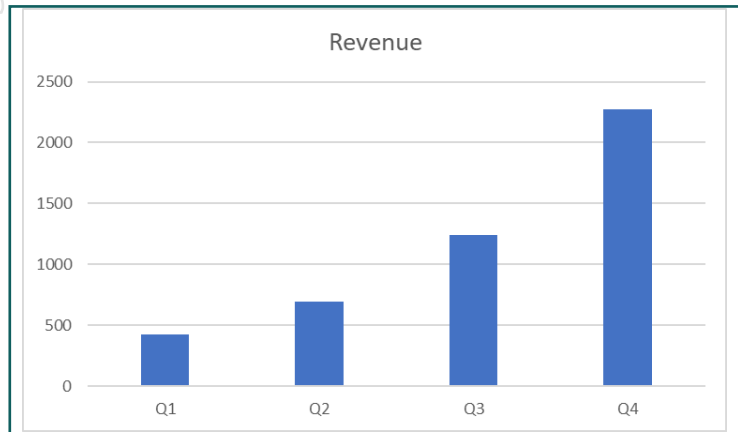
ersonal use only

 archTIS

Outlook

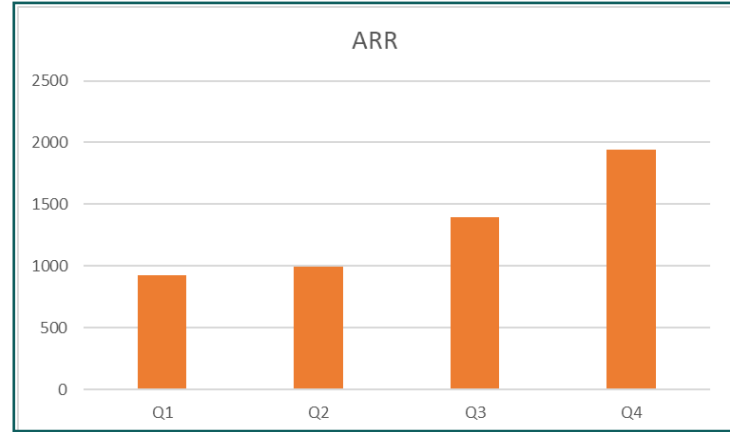
Established Key Growth Metrics

\$12.7M Cash Position Supporting Growth



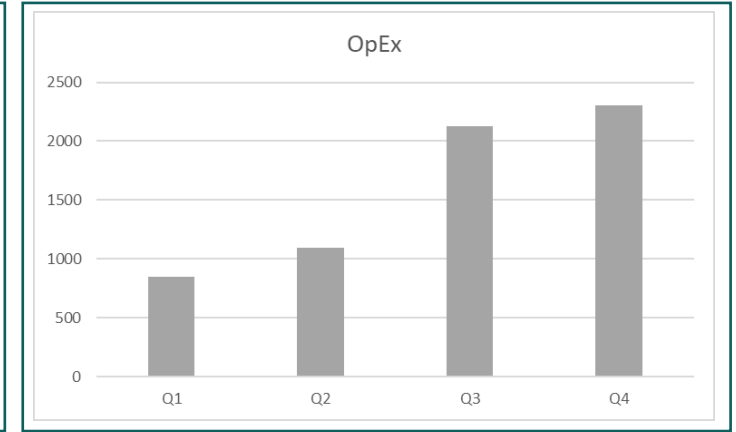
Market Expansion

Strong revenue growth, product innovation and scalable go to market strategy



Improving Margins

Increasing annual recurring revenue licenses creating greater gross margins (67% FY21) and predictability



Future Investment

Further investments of sales, market awareness and tech innovation

Corporate Focus



Financial

- Aggressively continue to drive **triple-digit growth** through annual recurring revenue
- Aspirational **gross margin at 70%** or higher
- Approach **cash-flow neutral**



Sales & Marketing

- Focus on capturing global **market share** in more-highly regulated industries
- Leverage global direct sales distribution to **multiply pipeline volume**
- Continue significant alliance pipeline opportunities with **Microsoft, Thales, Raytheon**, and other opportunistic partners



Product & Operations

- Deliver **product superiority** across a data-centric approach to drive new customers and ensure low churn
- Explore key acquisition opportunities
- Provide an innovative, exciting and enjoyable experience for staff, partners and customers

Immediate Focus – FY22



Close US Fed & Defence Opportunities

Leverage Australian prior successes in key government agencies and Defence industrial entities

Leverage Key Partnerships

Continue to drive key pipeline opportunities with Microsoft, Thales, Raytheon and global reseller channel

Continuous Product Innovation

Embrace Zero-trust security architecture across ABAC technologies for data-centric offerings



Level 3 , 10 National Circuit
Barton ACT 2600 Australia

1300 ARCHTIS
+61 2 6162 2792
+61 419 528 061

www.archtis.com



@arch_tis

Q&A

Company Enquiries

Daniel Lai

Managing Director & CEO, archTIS

E: investors@archtis.com