22 November 2021

Investor Presentation & SPP Applications

archTIS Limited (ASX:AR9, OTCQB:ARHLF) (archTIS or the **Company),** a global provider of innovative software solutions for the secure collaboration of sensitive information, is pleased to provide the following investor presentation, to be read in conjunction with the Prospectus issued yesterday.

The Company further notes that the Prospectus and Personalised Application Forms have been despatched to eligible shareholders by mail, or by email to those who have elected to receive communications electronically.

You may also access a copy of the Prospectus via the Company's website at https://www.archtis.com/2021-prospectus/, where there are instructions on how to download your Personalised Application Form electronically.

Should you have any questions in respect of the Share Purchase Plan Offer, please contact the Company Secretary at company.secretary@archtis.com or +61 8 9389 3125.

-ENDS-

Authorised for issue by order of the Board of Directors.

About archTIS Limited
archTIS Limited (ASX:AR9, OTCQB:ARHLF) is a global provider of innovative software solutions for the secure collaboration of sensitive information. The Company's award-winning data-centric information security solutions protect the world's most sensitive content in government, defence, supply chain, enterprises and regulated industries through attribute-based access and control (ABAC) policies. archTIS products include Kojensi, a multi-government certified platform for the secure access, sharing and collaboration of sensitive and classified information; and NC Protect and the cp. suite of products for enhanced information protection for file access and sharing, messaging and emailing of sensitive and classified content across Microsoft 365 apps, Dropbox, Nutanix Files and Windows file shares. For more information, please visit archtis.com or follow @arch_tis on Twitter.

For further information please contact:

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archTIS

TRUSTED TO SAFEGUARD THE WORLD'S MOST
SENSITIVE INFORMATION

Investor Brief
November 2021

archTIS Overview

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

Transformational Mergers

Early Financial Growth Success

Marquee Global Customer Wins

Established Product Offerings

archTIS Overview

ASX | AR9

OTC Markets | ARHLF

Patented data-centric security software that secures information access, sharing and collaboration across the enterprise.

- US$10B data-centric security market by 2026 with a 23.1% CAGR*

  - Increasing number of data breaches with significant cost

  - 2 proven technology products in Kojensi and NC Protect

  - Provides additional protection layer to key Microsoft applications and defence supply chain

- Well-positioned to capture significant market share

- Global operational presence in Canberra – AUS (HQ), Boston, MA – US, London – UK

  - World-class alliances with Microsoft, Thales, Raytheon,

  - Early rapid sales growth to A$4.6M - 850% FY20 to FY21 growth

  - Increasing gross margins targeting 70%

  - 235M shares issued @ A$51.4M market cap (share price as at 19 Nov 21)

Revenue FY'21

Source: Markets and Markets, Data-Centric Security Market Report
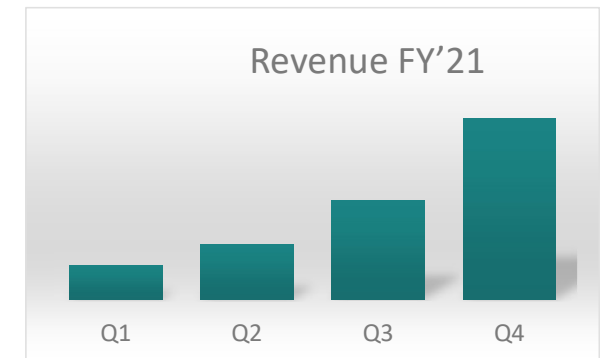
Experienced Leadership Team

Miles Jakemann AM
Chairman of the Board
Jakeman, joined the archTIS board initially as a Non-Executive Director, before being elected as the new Chairman of the Board as of 1 August 2020. Miles co-founded the Citadel Group (Citadel) in 2007 and grew the company from a start-up to 300 employees with a market capitalisation of $400 million. Miles focused on, and built a strong network of clients in, Defence, intelligence, and government agencies before listing Citadel on the ASX in late 2014 (ASX:CGL).

Leanne Graham
Non-Executive Director
With over 30 years in the software sector, Leanne Graham has assisted technology companies with her broad experience and SaaS expertise. In 2018, Graham was awarded the New Zealand Order of Merit for her services to the software industry. Graham is also a director of Bill Identity Limited (formerly BidEnergy Limited), and Douugh Limited.

Daniel Lai
Managing Director & CEO
Lai 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
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 company 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 Technology One Director of Finance and Business Partnering.

Leigh Rowland
Chief Engineer
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
Mroz has over 20 years direct marketing experiences across multiple technology companies She is responsible for defining the company's branding, demand generation and public relations.

Matt Kluken
VP & General Manager APAC
Kluken's primary focus is building the APAC region while also assisting archTIS' presence with global Defence, Intelligence, and Defence Industry companies.

Pete Smith
VP & General Manager EMEA
Smith brings over 30 years' experience in sales and management to the role in building regional presence in the data-centric arena

Key Investment Highlights

$ Commercialised and **proven technology platforms** with established customer base

$ Deep **global sales networks and relationships** in Government, Defence and Industry

$ **Significant market opportunity** and strong tailwinds addressing insider threats

$ Key **strategic partnerships with global leaders** such as Microsoft, Thales and Raytheon

$ **Strong FY'21 performance** for triple-digit revenue metrics

Our Market

Rapidly expanding

Collaboration Challenge:
Malicious & Accidental Insider Threats

COVID-19

The way we work has changed

How we access and share data has changed

Collaboration expanded cross channel

Traditional defences and protection do not work

63% of breaches involve employee or contractor Negligence**

$307,111 Average cost of an **insider or contractor** breach *per incident ***

$4.58M Average cost of an **insider or contractor** breach *per year – per organization***

* Source: Ponemon 2020 Insider Threat Report
** Source: Purplesec 2021 Cyber Security Statistics

Protection of National Security and Trade Secrets
US$1 Trillion

Tesla Sues Former Employee for Allegedly Stealing 26,000 Confidential Files

The employee allegedly stole the files remotely and transferred them to his personal Dropbox account.

China theft of technology is biggest law enforcement threat to US, ...

Christopher Wray says China using 'any means necessary', with Chinese theft of US trade secrets costing '$300bn-$600bn a year'

www.theguardian.com

Info of 27.7 million Texas drivers exposed in Vertafore data breach

Vertafore blames incident on human error after user data was stored on an unsecured external storage service. The files were accessed by an external party.

Facebook CEO Mark Zuckerberg breaks his silence as Congress demands answers after whistleblower testimony

Australian securities regulator latest to suffer file sharing breach

26 January 2021

The Australian Securities and Investments Commission (Asic) has suffered a cyber security breach related to its use of the Accellion file sharing software which was recently at the centre of a similar incident at the Reserve Bank of New Zealand.

Aircraft-Maker Bombardier Breached by Accellion FTA Hackers

Data breach at Mitsubishi may have exposed prototype missile design

Japan has launched an investigation into the potential exposure of confidential missile data in the wake of a cyberattack on Mitsubishi Electric Corp.

TECH · F-35

Hackers Stole Restricted F-35 Data From an Australian Contractor

CYBER RISK   JANUARY 14, 2021 / 8:57 PM / UPDATED 2 MONTHS AGO

New Zealand central bank governor apologises after cyberattack resulted in serious data breach

By Reuters Staff   3 MIN READ

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Targeted Markets
Industries with Sensitive & Regulated Data

Financial Services	Government & Defence	Healthcare	Manufacturing	Pharmaceuticals / Life Sciences

Prevent Accidental / Malicious Data Leaks
- Restrict what users can do with files: download, copy/paste, email, etc.
- Prevent oversharing and accidental sharing and/or access to files, messages and chat with internal and guest users across M365 apps
- Hide sensitive files from unauthorized users
- Add dynamic watermarks

Enforce Regulatory Compliance
- Restrict access to and flow of information between individual or groups of individuals for SEC, GDPR…
- Flexible Information Barriers allow users to chat and collaborate on permitted projects/topics, but block restricted ones
- Enforce global data privacy and handling regulations

Control Teams Internal & Guest Access
- Control what content guests can see content in a Team or channel based on their user profile
- Automatically restrict guest data access and limit file usage / actions
- Team owners can apply default security to teams and channels
- Toggle private channels on/off

Audit Activity & Permissions
- User activity, information protection and permissions reports
- Plug at-rest permissions gaps for sensitive files
- Find and fix incorrect app level at-rest permissions
- Identity and associated permissions are no longer a single point of failure

Our Products and Customers

Protecting sensitive and classified information

Technology Overview
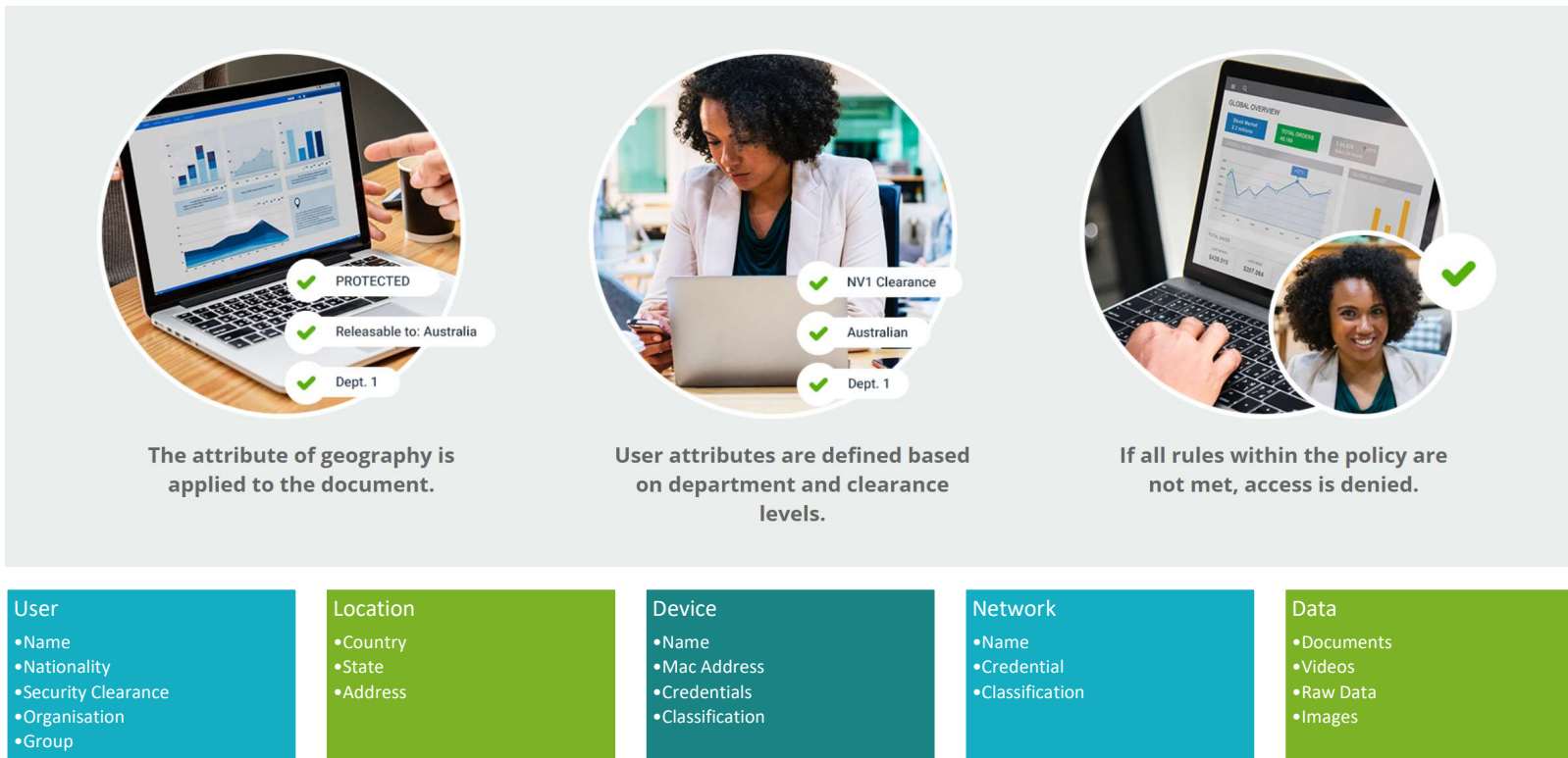## Advanced Information Protection - Simple, Fast & Scalable

IDENTIFY, CLASSIFY & SECURE SENSITIVE DATA

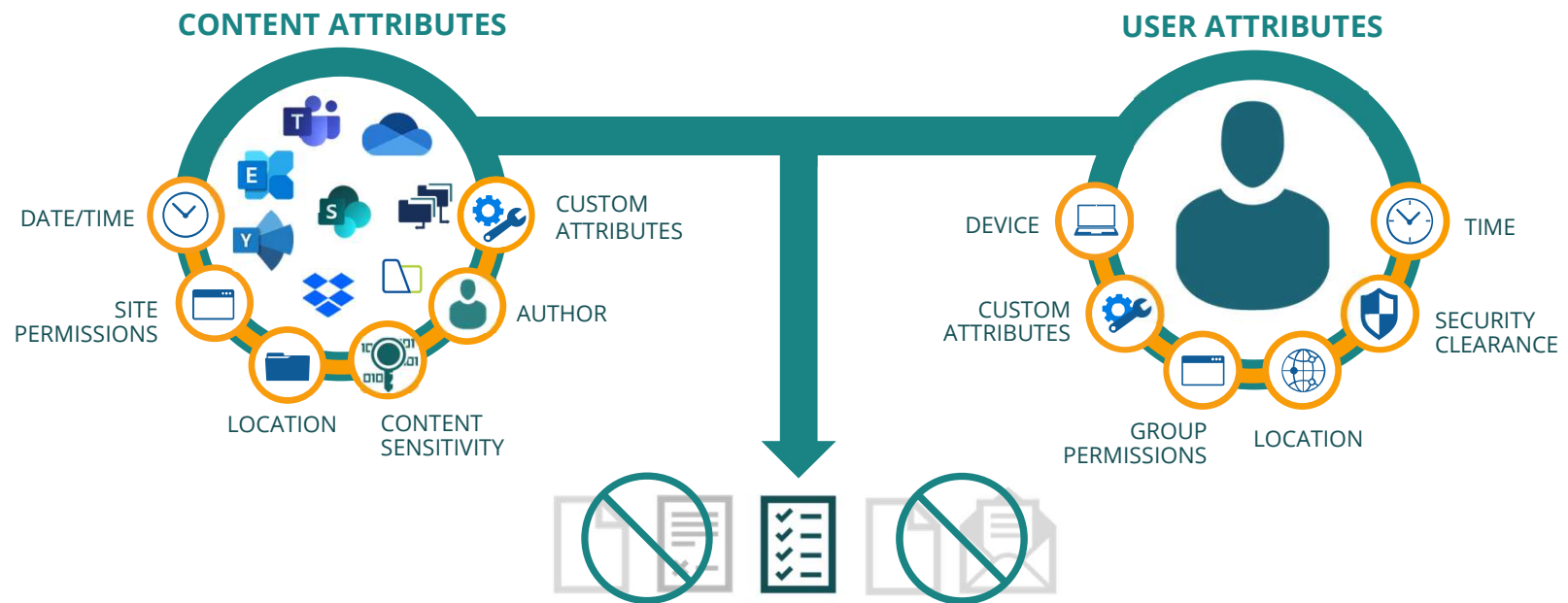**PROACTIVELY BLOCK & PROTECT INFORMATION**

AUDIT & REPORT FOR COMPLIANCE

Technology Overview
Attribute-based Access Control (ABAC)

The attribute of geography is applied to the document.

User attributes are defined based on department and clearance levels.

If all rules within the policy are not met, access is denied.

User	Location	Device	Network	Data
•Name •Nationality •Security Clearance •Organisation •Group	•Country •State •Address	•Name •Mac Address •Credentials •Classification	•Name •Credential •Classification	•Documents •Videos •Raw Data •Images

Technology Overview
Real Time - Access & Sharing Control of Information

CONTENT ATTRIBUTES

DATE/TIME

CUSTOM ATTRIBUTES

SITE PERMISSIONS

AUTHOR

LOCATION

CONTENT SENSITIVITY

USER ATTRIBUTES

DEVICE

TIME

CUSTOM ATTRIBUTES

SECURITY CLEARANCE

GROUP PERMISSIONS

LOCATION

What a user sees when viewing and searching for files	Whether a user can open, edit, copy or download a file	If a file is encrypted when saved, copied, or emailed	If a dynamic watermark should be applied to a file	If a file can only be viewed in a secure application	What actions are enabled in the Microsoft UI

NCPROTECT™

kojensi

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

SENSITIVE & CLASSIFIED INFORMATION – SHARED SECURELY

Discover, classify and secure sensitive information

Prevent data loss, misuse and human error

Audit and report for compliance

Share sensitive and classified files securely

Accredited secure document collaboration

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

Our Customers & Partners

Our customers span the globe, operating in a broad range of industries and deal with sensitive data

Americas

Europe Middle East & Africa

Asia Pacific

BalladHealth

CORNING

Gallagher

STATE STREET.

Cogentrix

DARPA

NIH
Center for
Scientific Review

ECCLESIASTICAL
INSURANCE YOU CAN BELIEVE IN

CareFirst.

First State
Investments

BGW
Berufsgenossenschaft
für Gesundheitsdienst
und Wohlfahrtspflege

Deutsche Post
DHL

wyzetalk

Virgin
mobile
UAE

SUOMEN PANKKI
FINLANDS BANK
EUROJÄRJESTELMÄ
EUROSYSTEMET

K·A·CARE

SINGAPORE
POWER

Australian Government
Attorney-General's Department

Raytheon

toteboard
Giving Hope. Improving Lives.

Australian Government
Department of Defence

NORTHROP
GRUMMAN

THE UNIVERSITY
OF ADELAIDE
AUSTRALIA

Australian Government
Office of the Australian
Information Commissioner

BAE SYSTEMS

aws

KPMG

leidos

LOCKHEED MARTIN

Microsoft

NORTHROP
GRUMMAN

NUTANIX

Raytheon
Australia

THALES

VAULT
Australia's Secure Cloud Specialist

Our Business Model

Develop scalable annual recurring revenue via license sales

ARR Go-to Market Strategy
Diversified Customer Base / High Margin / Stickiness

Gov Defense

Enterprise

Corporate SME & SLGE

Kojensi Enterprise On-premises
- Securing "Protected / 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

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

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

* ASP – Expected average selling price

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
- DIB's - Thales / Raytheon

M&A: Proven Recent Acquisitions

Nucleus Cyber

- Date completed: 24 December 20
- Consideration: A$6.25M / A$2.0M
- $2.35M sold 1hCY21
- Locations: AUS / US / Global distribution
- Key Components: Technology / Microsoft alliances / Customers / Executives / Channel partners

[CIPHERPOINT]

- Date completed: 20 September 21
- A$370k ARR
- Consideration: A$1.4M / A$1.0M
- 3.8x ARR
- Locations: Germany
- Key Components: Non-Microsoft encryption

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M & A Criteria Objectives

Positive Financial Impact

Material company impact:

- Recurring revenue generated from subscription-based
- Revenue and cost synergies that can be realized over time
- Accretive revenue as ratio to current archTIS revenue multiples

Complementary Technology

- Adds complementary technology capabilities to archTIS' data-centric security approach that aligns to the underlying roadmap
- Bring unique technology that can grow archTIS' land and expand model

People

- Cultural fit
- Technical product expertise
- Sales distribution representation

Go-to Market & Customer Base

- Expand product offerings for existing customers
- Entry into new markets or regions
- Cross-sell archTIS product into target company's customer base

Capital Raise

Invest in growth

Capital Raising - Information & Key Dates

- Existing shareholders are invited to participate in a $1.5 million Share Purchase Plan (SPP) on the same terms as the Placement

- Strong demand from both domestic and international institutions as well as sophisticated investors secures funds via a Placement for $6.5 million at $0.23 per Share, with 28,260,870 shares being issued on or around 18 November, 2021

- Placement and SPP participants will receive one free-attaching unlisted option (exercisable at $0.35, expiring 2 years from the date of issue) for every three shares received under the Placement or SPP. Options offered under the placement total 9,420,290 and SPP total 2,173,913

Action	Date*
Record Date of SPP	11 November 2021
Announcement of SPP and Placement	12 November 2021
Lodgement of Prospectus with the ASIC and ASX	17 November 2021
Opening Date of Offers under the Prospectus	17 November 2021
Issue of Shares under the Placement	18 November 2021
Closing Date of Placement Options Offer	25 November 2021
Issue of Options under the Placement Options Offer	26 November 2021
Closing Date of the SPP Offer and announcement of the results of the Offers**	**16 December 2021**
Issue of Securities under the SPP Offer	23 December 2021

* These dates are indicative only and may change without prior notice. The commencement of quotation of the SPP Options and Placement Options is subject to confirmation from ASX.

** Subscribers under the Offers should ensure that they have lodged their Application Form by this date.

Capital Raising – Use of Proceeds

- Strengthen and grow our Alliances and Partner enablement programs to accelerate sales
- Integration and consolidation of NC Protect, Cipherpoint and Kojensi
- Launch Kojensi into lucrative US and EMEA markets
- Execute our strategic M&A strategy to acquire identified companies
- Replace working capital used to acquire Cipherpoint

Use of Proceeds	A$M
Strategic Alliance & partner acceleration	1.5
Commercialisation of data-security platform	0.52
Kojensi product launch into the USA	1
Targeted acquisitions	3
Working capital	1.52
Expenses in relation to the capital raise	0.46
TOTAL	**8**

Summary Outlook

Financial

- Aggressively drive our aspirational **triple-digit growth** of annual recurring revenue
- Aspirational **gross margin at 70%** or higher

Sales & Marketing

- Leverage key Australia government and defence wins into other regions
- Focus on capturing global **market share** in more-highly regulated industries
- Expand global direct sales distribution to **multiply pipeline volume**
- Continue significant alliance opportunities with **Microsoft**

Product & Operations

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

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Thank you