AUCLOUD

# Sovereign Cloud Holdings Ltd

## FY21 Full Year Review

Investor Presentation - August 2021

"Our mission is to deliver the leading scalable IaaS platform and service sovereign to Australia, supporting Government and Critical National Industries, making their applications and systems more secure, more efficient and more effective for all users and citizens."

Sovereign
Data Protection

# Agenda

1. Summary
2. Revenue, Customers & TCV
3. Partners
4. People
5. Accreditation
6. Ongoing Strategy

# 1.Summary

## Key Milestones in FY21

- ASX Listing in December 2020
- Growth in Total Contract Value (TCV)
  - $7.7m TCV Closed in FY21
  - TCV Outstanding at 30 June 2021 - $6.0m
- Revenue consumption growth across FY21
  - $2.55m IaaS Revenue, inc. 124k Services
  - FY20 focus on vendor funded pilots to trial platform
- Increasing customer take-up through FY21 via projects of varying sizes and durations
- Increase in team size, predominantly in sales and service roles, to facilitate current and future growth.

## Financial Results – FY21

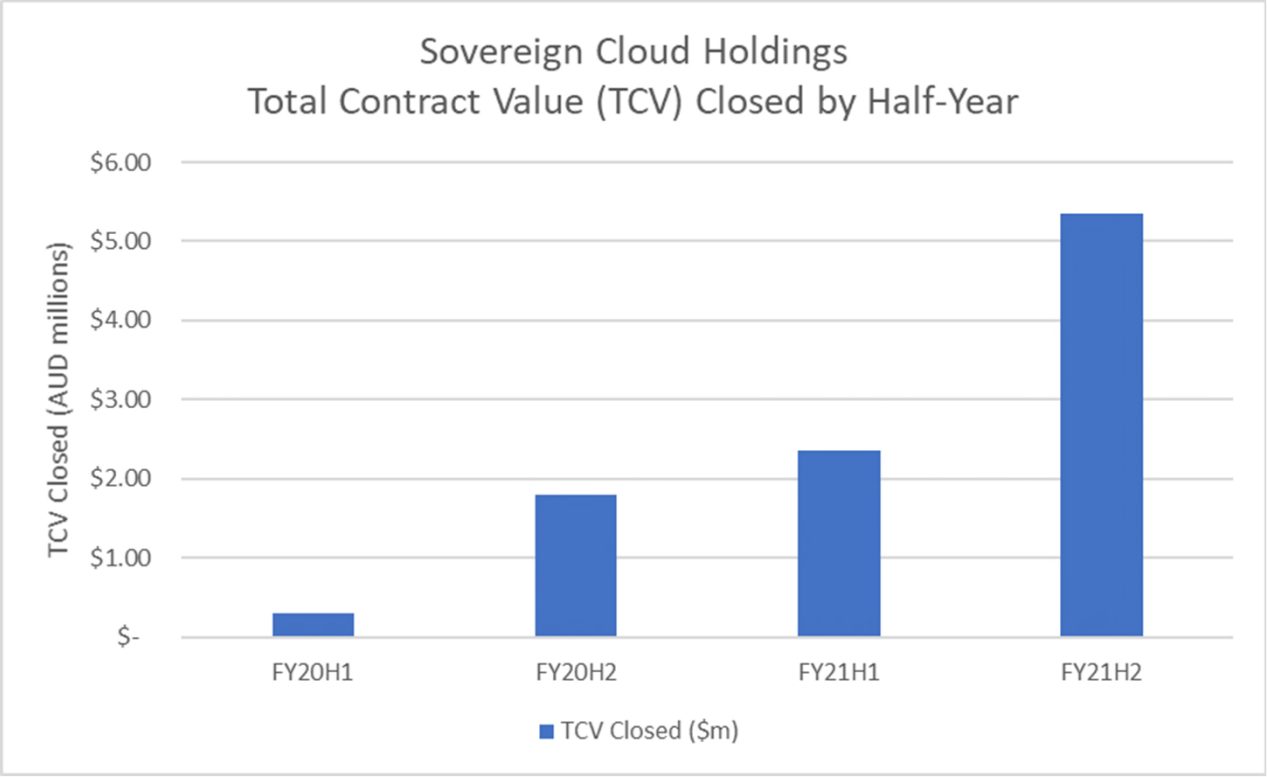
- FY21 Loss of $11.6m (FY20: $8.2m loss)
- FY21 net cash used in operation of $8.3m (FY20: $6.5m)
- Cash at year end $13.5m (June 20: $1.1m)
- Capex spend in FY21 $3.1m (FY20: $0.4m), primarily funded from key suppliers.

*Refer to the FY21 Financial Report, including the Directors' Report, for further commentary and analysis of the FY21 Financial results, cash flows and balance sheet.*

# 2. Revenue, Customers & TCV

**Total Contract Value (TCV) Closed Gaining Momentum Each Half:**

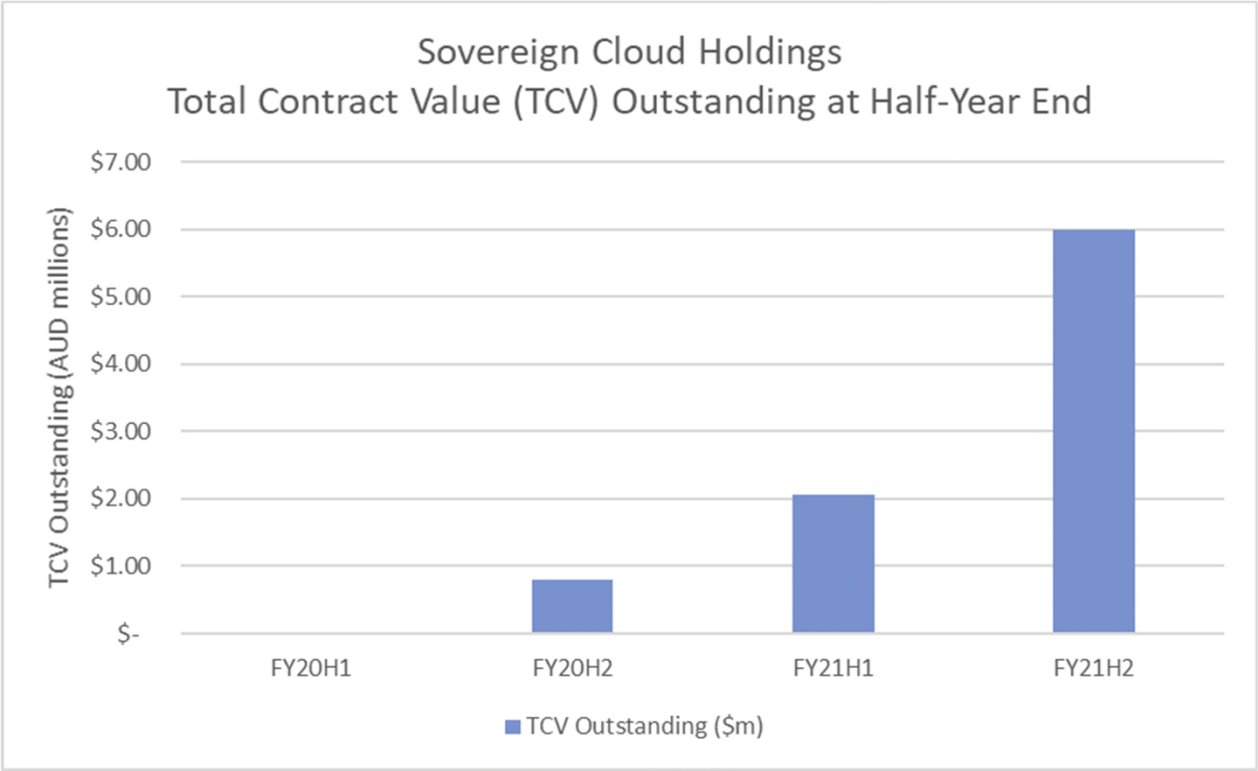
- Growth in H2 FY21 includes contract win with Australian Electoral Commission
- Land, expand and extend market strategy resulting in TCV gains.



# 2. Revenue, Customers & TCV (cont.)

## Building on Outstanding TCV

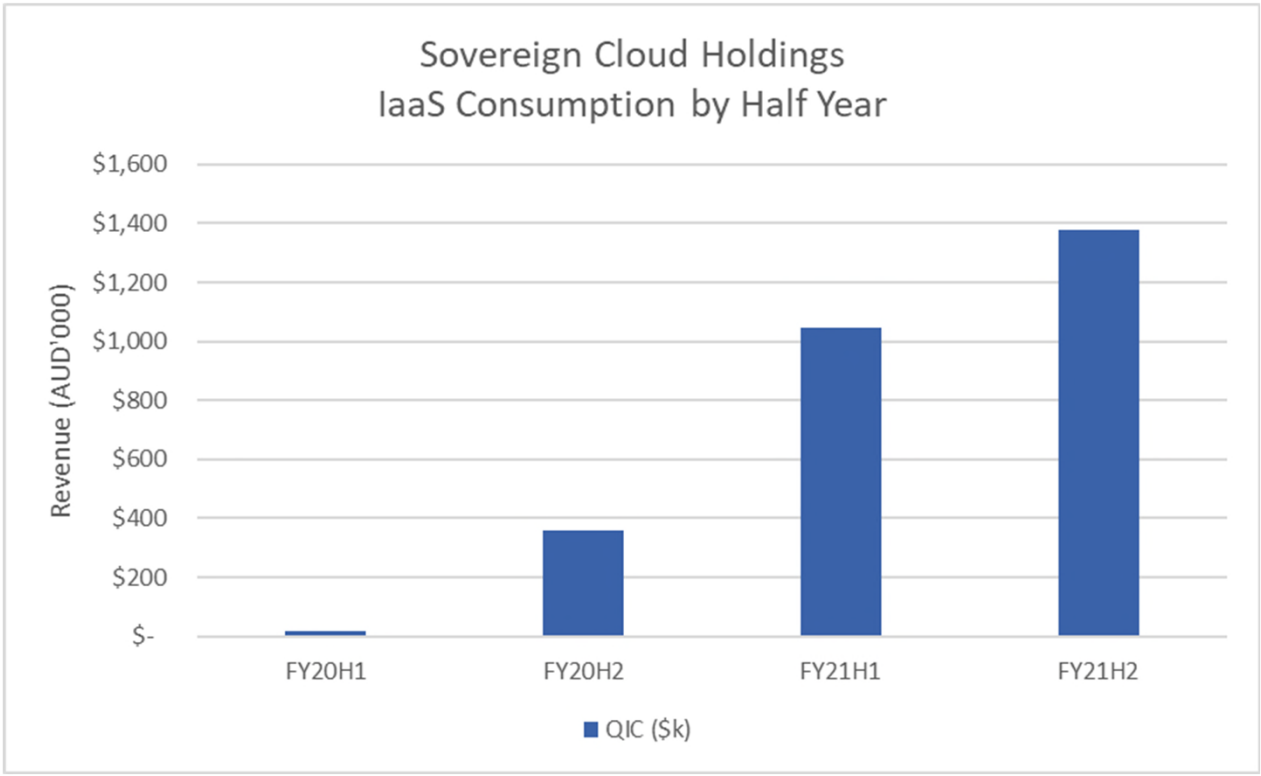
- Total Contract Value Outstanding reflects locked-in future revenue
- Illustrates revenue contractually secured and likely to be consumed over 12 months (on average)



# 2. Revenue, Customers & TCV (cont.)

## IaaS Consumption/Revenue

- Growth in revenue consistent with growth in TCV
- Management focus in FY22 to continue exponential revenue growth
- Market acceptance of AUCloud gaining traction



# 2. Revenue, Customers & TCV (cont.)

## Growing Customer Footprint

AUCloud's direct and indirect footprint is growing across:

- Federal Government, including two "Top Four" Agencies, DTA and AEC
- Education, building on ANU; and
- Early offerings for State Governments and Critical Industries

Australian Government

Australian Government
Department of Defence

Australian Government
Department of Home Affairs

AEC
Australian Electoral Commission

THE AUSTRALIAN NATIONAL UNIVERSITY

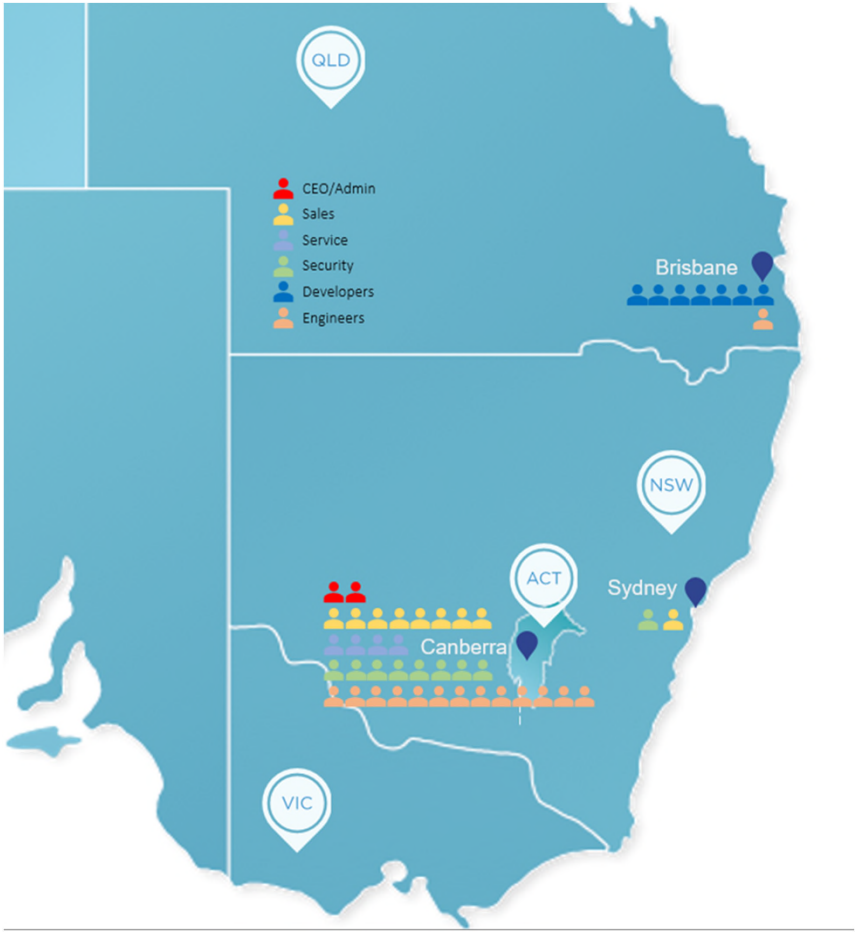
# 3. Partners

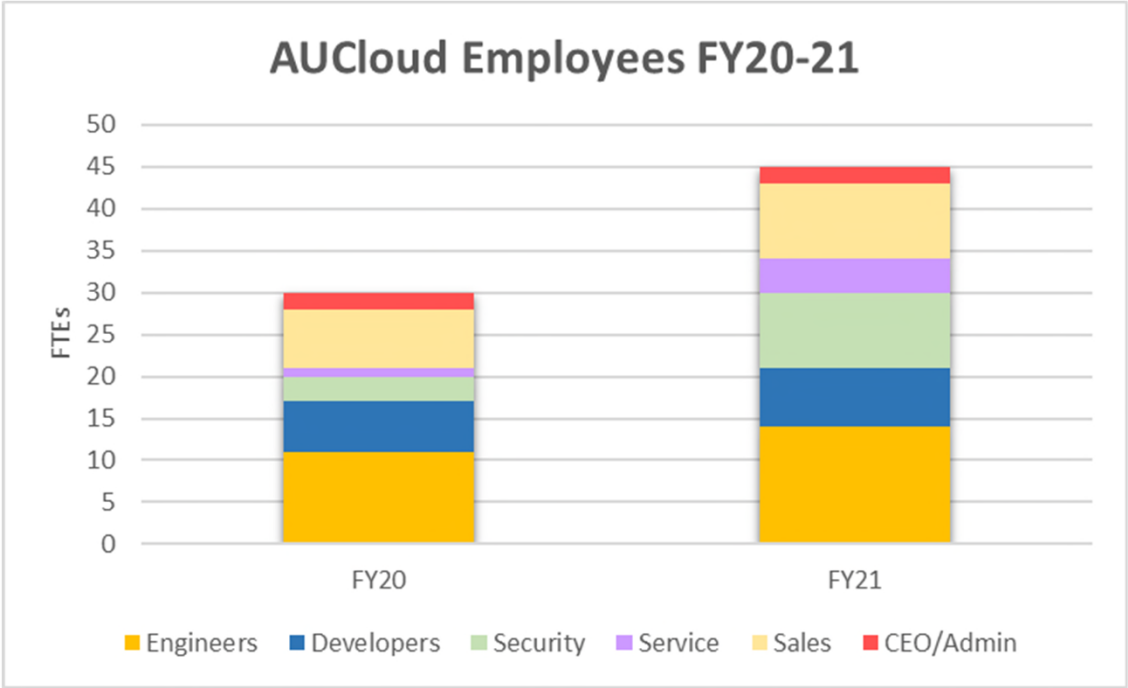
**AUCloud's partners ecosystems continues to grow and includes:**

- Global System Integrators - DXC, Hitachi Vantara.
- Software Providers – VMWare, e2e-Assure.
- Equipment Manufacturers – Cisco, Pure Storage.
- Australian Managed Service Providers – Downer, Interactive, Digital61, Insitec.
- Australian Scale-Ups – Archtis, Daltrey, Fifth Domain, Penten, SypaQ.

These partners offer entry to their customer base through project tendering encompassing AUCloud cloud platform.

# 4. People

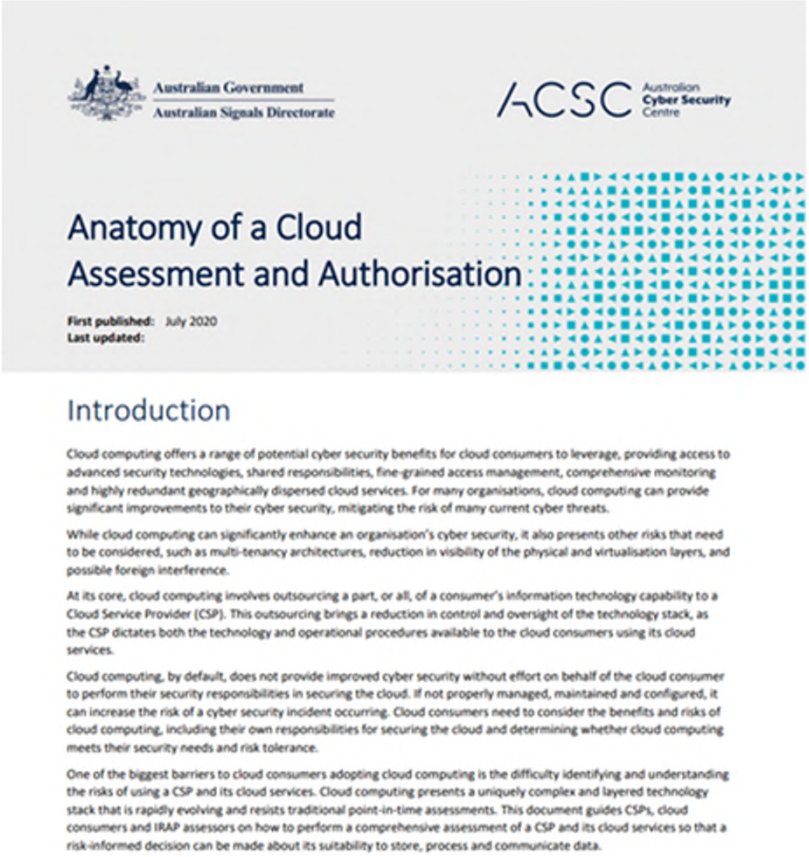

QLD
CEO/Admin
Sales
Service
Security
Developers
Engineers
Brisbane
NSW
ACT
Sydney
Canberra
VIC


AUCloud Employees FY20-21
FTEs
50
45
40
35
30
25
20
15
10
5
0
FY20
FY21
Engineers
Developers
Security
Service
Sales
CEO/Admin

# 5. Accreditation

## New Accreditation

- AUCloud is the **first** Cloud Service Provider to secure Cloud Assessment and Authorisation (CAAF) phase 2 “Authority to Operate”
- Confirms status as first ‘sovereign’ cloud provider to secure new accreditation



Australian Government
Australian Signals Directorate

ACSC Australian Cyber Security Centre

Anatomy of a Cloud Assessment and Authorisation

**First published:** July 2020
**Last updated:**

Introduction

Cloud computing offers a range of potential cyber security benefits for cloud consumers to leverage, providing access to advanced security technologies, shared responsibilities, fine-grained access management, comprehensive monitoring and highly redundant geographically dispersed cloud services. For many organisations, cloud computing can provide significant improvements to their cyber security, mitigating the risk of many current cyber threats.

While cloud computing can significantly enhance an organisation's cyber security, it also presents other risks that need to be considered, such as multi-tenancy architectures, reduction in visibility of the physical and virtualisation layers, and possible foreign interference.

At its core, cloud computing involves outsourcing a part, or all, of a consumer's information technology capability to a Cloud Service Provider (CSP). This outsourcing brings a reduction in control and oversight of the technology stack, as the CSP dictates both the technology and operational procedures available to the cloud consumers using its cloud services.

Cloud computing, by default, does not provide improved cyber security without effort on behalf of the cloud consumer to perform their security responsibilities in securing the cloud. If not properly managed, maintained and configured, it can increase the risk of a cyber security incident occurring. Cloud consumers need to consider the benefits and risks of cloud computing, including their own responsibilities for securing the cloud and determining whether cloud computing meets their security needs and risk tolerance.

One of the biggest barriers to cloud consumers adopting cloud computing is the difficulty identifying and understanding the risks of using a CSP and its cloud services. Cloud computing presents a uniquely complex and layered technology stack that is rapidly evolving and resists traditional point-in-time assessments. This document guides CSPs, cloud consumers and IRAP assessors on how to perform a comprehensive assessment of a CSP and its cloud services so that a risk-informed decision can be made about its suitability to store, process and communicate data.

# 6. Ongoing Strategy

- The adoption of cloud and IaaS services across Governments and Critical Industries is anticipated to continue to significantly increase, matching wider general uptake
- Land, expand and extend approach is expected to continue to drive IaaS services adoption into adjacent markets and additional service lines, both via partners and direct engagements
- The company's key strengths of sovereignty, security and performance see it well placed to support Global OEM Vendors, SaaS providers and local specialists by offering services aligned to the stated sovereign needs of Government and Critical Industries.
- The company expects to significantly grow the customer base and TCV in FY22
- Additional capex funding secured from existing supplier finance facilities
- Opportunities for a sovereign cloud provider in Australia continues to gain significant momentum

"Australian organisations spent $1.36 billion on IaaS in 2020, up 38 per cent from the $988 million* spent in 2019 and is on track to exceed $3 billion by 2025."

*Telsyte Aug 2021*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