

15 June 2021

ASX ANNOUNCEMENT

Senetas leads the world on Ransomware protection Update on Senetas subsidiary – Votiro rights issue and business update

- Senetas subsidiary, Votiro Cybersec Global Pty Ltd (Votiro) has successfully raised US\$4.6 million in a recent rights issue, with Senetas investing US\$4.1million with the balance raised from Votiro's minority shareholders and associated parties
- Proceeds from the capital raising are expected to meet Votiro's funding requirements for sales, marketing and engineering expansion until the end of CY2021
- Senetas's recent investment will increase its full diluted ownership of Votiro to approximately 70%
- Votiro's revolutionary technology proactively eliminates all known and unknown threats hidden in files. Ransomware (which Votiro protects against) is already a US \$20B criminal enterprise and predicted by Cybersecurity Ventures (cybersecurityventures.com) to be a \$265B criminal enterprise by 2031
- Votiro was recently named a Gold Winner in the Content Disarm and Reconstruction (CDR) category by the 2021 Cybersecurity Excellence Awards and in the Secure File Transfer category by The Globee Awards® 17th Annual 2021 Cyber Security Global Excellence Awards®
- Outlook for the Votiro business in CY2021 continues to be very positive – the North American market remains Votiro's key focus, and is expected to contribute over half of its CY2021 billings, with Q2 CY21 seeing the largest level of Proof of Concept (POC) trials in Votiro's history including the commencement of a POC in one of the US Department of Defence largest Agencies.

Senetas Corporation Ltd (ASX: SEN) (Senetas / the Company), today announces that its subsidiary, Votiro, a global leader in positive selection technology™ protecting government and business from malicious malware/ransomware cyber attacks, has successfully raised US\$4.6 million in a recent rights issue.

Senetas's contribution comprised:

- The conversion into equity of senior secured loans provided to Votiro over the last 9 months, including principal of US\$2.7m and accrued interest of US\$0.1m as at 15 June 2021



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- An additional cash investment of US\$1.3m

This investment represents US\$0.5m above Senetas's pro-rata entitlement under the rights issue and reflects the confidence the Company has in Votiro's growth outlook. It brings Senetas's total investment in Votiro to US\$12.1 million and leaves Senetas with a fully diluted interest of approximately 70% after completion of the rights issue.

Founded in Israel, Votiro has developed revolutionary technology recognized for its ability to proactively eliminate all known and unknown threats hidden in files. By leveraging Positive Selection® technology, Votiro's Secure File Gateway is the only SaaS-based file security solution that ensures all files coming into an enterprise are safe from malware threats and particularly ransomware.

The scale and severity of [ransomware](#) is growing at an alarming rate as cyber criminals look to exploit poor cybersecurity to maximise profit, the director of the UK's GCHQ Jeremy Fleming recently warned.

Senetas believes that "state of the art" cyber security technology such as that developed by Votiro will become seen as a critical element of business and government IT systems as the threat of malware and ransomware becomes more widely understood and is increasingly deployed by cyber criminals.

Votiro is expecting strong growth in billings during CY2021, driven by both the expansion of existing customer contracts and contracts with new customers. Votiro's sales efforts are increasingly bearing fruit in the US, reflecting its increased focus and investment in that market.

Votiro is particularly excited about a number of proof-of-concept trials that are taking place, including with a large US Government Defence Agency through the Thales distributor relationship. Globally, Votiro is seeing a steadily increasing conversion rate from the proof-of-concept stage to deployment (approximately 75% worldwide and in the US market 90%), which continues to reinforce the outperformance of Votiro's Positive Selection™ technology against competitor products.

Votiro's sales function is evolving across a network of partners and distributors, with Thales, Menlo Security, and Gotham Technology Group all joining as partners in the last 12 months. These partners open enterprise opportunities that direct sales efforts would be unlikely to reach and are already proving valuable.

Senetas CEO, Andrew Wilson said, "Votiro has turned a corner as it moves to commercialise the Positive Selection™ technology. The launch of the cloud-based product during 2020, recent customer wins, and a growing sales pipeline have validated the market need for enterprise clients to protect themselves from zero-day threats, and Votiro meets that need. The funds are required to meet the substantial increase in customer engagement Votiro is experiencing as a result of



the realisation of the malware/ransomware threats posed to business and government alike”

Mr Wilson added, “I think the exciting factor with Votiro is the marquee customers we are both onboarding and having proof of concept trials with. These include the biggest bank in Singapore, a bank in South Africa, the largest online mortgage originator in the US, one of the world's largest insurers, one of the world's largest PE groups and several Fortune 500 companies and government agencies. We have invested significantly in Votiro and as with all earlystage technologies ridden the slow development curve and now we see the market starting to adopt the tech.”

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ABOUT VOTIRO

By leveraging Positive Selection® technology, Votiro's Secure File Gateway is the only SaaS-based file security solution that ensures all files coming into an enterprise are completely safe.

Founded in Israel in 2012 by leading file security experts, Votiro is trusted by large enterprises, including top Fortune 500 companies, to completely eliminate file-based threats while ensuring zero interruption to business. Votiro has offices in the United States, Australia, Israel, and Singapore, and is trusted by hundreds of companies and millions of users worldwide to safely access files and attachments with complete peace of mind.

For more information about Votiro, please visit <https://www.votiro.com>

ABOUT SENETAS

Senetas is a global leader in high-performance encryption security solutions. Senetas cybersecurity solutions are developed and manufactured in Australia. **Senetas high-speed encryptors** protect network data in transit without compromising performance. They include certified high-assurance hardware encryptors for core IT network infrastructure and virtualised encryption to the network edge. For secure user-friendly file sharing and collaboration, **SureDrop** is the most secure application also providing 100% data sovereignty control and protection against malware and zero-day attacks.

All Senetas solutions share a crypto-agile and quantum-ready end-to-end encryption platform.

Senetas solutions are used to protect much of the world's most sensitive data, from enterprise, government, defence and intelligence agency data, to technology service provider and critical national infrastructure customers against data breaches and cyber-attacks. Leveraging end-to-end encryption, state-of-the-art key management and quantum-ready design, they provide long-term data protection without compromising network and application performance, or user experience.

Senetas encryption solutions are used in more than 40 countries. They are distributed and supported internationally by Thales, the world's largest security company.

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