



## **ASX ANNOUNCEMENT | COVATA LIMITED**

### **20,000 User Enterprise Deal for 3 Years; Large German Insurance Company and T-Systems.**

**Sydney – 18 December 2015 – Beginning January 2016 Covata Limited (ASX:CVT) (Covata or the Company), through its strategic partnership with NSC Global and T-Systems, will begin the large scale roll-out of Covata’s product Safe Share to protect sensitive data for one of Germany’s largest insurance companies.\***

#### **Key Takeaways:**

- This major deal has been awarded at a time when data sovereignty and data protection are top priorities for European enterprises and will be a stellar case study for the Company as its pipeline grows across the region.
- Management has set a target of 8,250 signed and revenue generating end user seats for Q2FY16. Billing for this major contract will begin in January 2016 for three years.
- This 20,000 user contract awarded in Q2 comfortably exceeds management targets.
- The name of the customer will remain confidential until the procurement process is completed early in the New Year.

Covata’s Safe Share solution has been selected by this enterprise to operate as its highly secure file-sharing application, facilitating secure communications between internal and external stakeholders, such as their mobile sales force, customers and suppliers. Safe Share was chosen for its ability to provide end-to-end encryption, high levels of flexibility, usability as well as to securely share large amounts sensitive data including files that exceed 50 GB in size.

Safe Share will be hosted in an accredited high-security data centre operated by T-Systems/Deutsche Telekom in Germany, on government grade security infrastructure that meets the stringent data sovereignty and security needs of this national enterprise customer.

“By using Safe Share, German enterprises will have access to an easy-to-use cloud hosted product that will enable the company to maintain full control and auditability over data its employees share,” said Trent Telford, CEO of Covata. “This contract is a strong endorsement for Safe Share and once deployed will provide a high quality reference to help close opportunities in our growing pipeline of large-scale license deals. As these large enterprises look towards making the decision of which company to select for a secure cloud



sharing solution, this German contract, supported by T-Systems, NSC Global and Covata is a first class deployment case study.”

“The decision to roll out any software, let alone cloud hosted security software, to 10’s of thousands of employees comes with cost, training, business process change, security, compliance and other related considerations. The broader positive economic impact this deployment is anticipated to have across our 2016 business will unfold throughout the year, and I am looking forward to seeing it through,” said Mr Telford.

2015 has been labeled ‘*the year of the healthcare (insurance) hack,*’ with major US insurance companies Anthem and Premier Blue Cross both experiencing large-scale breaches. According to the Breach Level Index, the healthcare industry led the way in number of records breached by industry with 84.4 million records, or 34 percent of the total. Whether this industry has been proactively targeted or these long established organisations are being brought down by weaknesses in legacy systems or shadow IT scenarios is yet to be uncovered.

The partnership between Covata and T-Systems offers European CIOs a service that meets the needs of ease-of-use, high security and availability, whilst fulfilling compliance and regulatory needs. IT and Risk Executives of large enterprises now see there is a big difference between the consumer file sharing brands targeting the enterprise space and genuine software security companies.

Covata combines three core components to ensure secure data management: Identity protection, real-time control of data and encryption. The software hosted on the T-Systems cloud will operate from a German data centre, allowing enterprise customers to remain compliant with strict German guidelines for data privacy and data security.

## ASX UPDATE | COVATA LIMITED

### Covata Releases Major New Software Release

**Two weeks ago Covata Limited (ASX:CVT) executed a PR campaign to launch its new look application and functionality of Safe Share. Developed with new, optimised features to SaaS (Software as a Service) enable Telco Partners with secure, easy-to-use file sharing and storage solution for their Enterprise and Public Sector customers.**

The new product and its features were direct requests from current Telco partners and existing enterprise and government customers. Importantly, it also includes features requested by some large pipeline customers with the aim being to accelerate the purchasing time-line. As stated in the November 2nd ASX announcement, Covata has more than 50 enterprise customers in its active pipeline. Building the product with direct input from these companies is expected to help support sales and end user seat growth.

Safe Share 3.0 is the beginning of a new product evolution path - one that takes Safe Share well beyond current cloud file sharing solutions and steers it towards addressing one of the most important data compliance topics - that of total control of files in the cloud or on mobile devices, wherever a user is in the world. Data sovereignty is the next challenge for global enterprises and Safe Share, using the Covata Platform, is uniquely positioned to control access to content around the world.

#### Key Features of Safe Share 3.0

**1. Multi-Tenancy** - The new multi-tenancy feature makes it easier and more cost-effective for Telco partners to provision Safe Share to their global enterprise customers.

The previous 2.16 version of Safe Share was a 'single-tenancy' - meaning each enterprise or government customer was provisioned its own 'instance' to run on - akin to a new operating system stack for each Safe Share service. Whilst many large enterprises prefer this, despite the cost of not sharing the underlying infrastructure (processors, storage, memory etc), it was not always a requirement; some would be happy for lower cost deployments with shared computing resources.

Telco Partners often prefer multi-tenancy for customers who are agnostic to single tenancy, as they can manage multiple enterprise or government customers through a single administration console. This simplifies support, maintenance and billing for our Telco



Partners. It also provides economies of scale for every tenant to save on underlying infrastructure costs.

**2. Watermark/Finger-Print View** – This feature enables customers to not only watermark, but also include in the watermark a digital ‘fingerprint’ of when and who is opening a file in the Safe Share Secure Viewer. This offers an additional layer of traceability and closes the loop of security and control on shared files.

Safe Share has offered Secure Viewer since early this year, which, unlike other less secure file sharing applications, ‘renders’ a file shared with a user in Covata’s proprietary Secure Viewer. This allows the creator of the file to block ‘copy and paste’, download, and printing of file/content in the browser. An authorised person could still take a photo/screen grab of the file and distribute it. Whilst it may be apparent it has been unduly re-distributed, it was not traceable to the perpetrator. The new digital fingerprint feature embeds unique identifiers of the recipient, along with date, time and other attributes such as classifications (secret/top-secret) into the watermark. Consequently, this feature makes it substantially more difficult to photograph and distribute protected content without being able to trace the leaked data back to the Secure View it originated from.

**3. General Improvements** - There have also been improvements to the Instant Revocation feature that allows the originator of a file to ‘kill the file’; This feature allows any creator of content to login and revoke access to any Secure View that is active (and by default any future requests to view). A practical application of this feature is where a file has been shared with many users who may all be actively viewing the file at once - for example a time sensitive release. Should the creator wish to ‘kill’ access, the Secure Viewer in the browser of all recipients simply goes blank - without a refresh or any action by the user. This is another unique capability of the proprietary, upgraded, Secure Viewer and Fingerprint technology in Safe Share 3.0.

Secure Viewer retains the unique standard feature of all content going from the server to the end-user browser being fully encrypted (end-to-end) until it is decrypted in the browser to view.

It is also important to understand that the Secure Viewer, including Instant Revocation, end-to-end encryption and the Fingerprint feature *do not* require a plugin to the user’s web browser. This is a major imperative for enterprise usage and the take-up of the product as plugins and installation of software is prohibited at a user-level by most large enterprises and government organisations.

Working with the input of end-users, partners, and external design experts the user interface has received a makeover and provides a fresh new look and feel. Safe Share is now even more intuitive when sharing files and collaborating with both internal and external stakeholders. User-friendly icons and the re-design of the application enables users to operate Safe Share with the ease of other consumer applications, but with the enterprise-grade security that Covata is known for.



Multi-tenancy and watermarking/fingerprinting join an already robust list of Safe Share features, including:

- Read-Only (Secure View)
- End-to-End Encryption
- One Key Per File
- Real-Time Revocation
- Complete Mediation
- Browser-Based Encryption
- File-Type Agnostic
- Large File Sharing Capacity
- Secure External Sharing
- Auditability for All Users
- Full Administrative Control

Safe Share 3.0 works on all commonly used browsers, and provides client applications for Windows, Mac, Android and iOS devices. Enterprise partners and Telco's will now enjoy a richer experience with Safe Share across all of their devices, increasing productivity without sacrificing security.

"The security needs of our customers are constantly evolving. Today's workforce handles sensitive data and transacts business using mobile devices, often outside the safety of their enterprise network, or outside the protection of their home country's data use laws. Safe Share was created to be device, file-type, and network agnostic, which means business can truly be done from anywhere, at anytime - with a kill switch tethered to the data" said Mr Trent Telford, CEO of Covata.

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## About Covata

Covata enables true ownership and control over your data in the cloud and over mobile services. We deliver data-centric security solutions without compromising simple usability, providing true end-to-end security. Your data is always protected wherever it may travel – inside your network, beyond the domain, to mobile devices and to the cloud – with granular access controls that extend to external users, view-only restrictions, real-time revocation and complete visibility and auditability.

Own Your Data, control your data and choose where it is stored – with complete assurance that it is protected and secure. For further information please visit [Covata.com](http://Covata.com).

*\*Regulatory and Legal note: The Company endeavours to announce customer contracts where possible. Given the highly sensitive nature of these relationships the type of information able to be disclosed may vary and be limited. Not all enterprises agree to be announced and the pricing and terms of each enterprise deal remain confidential for competitive and commercial pricing reasons. As such when viewed in isolation, any one-enterprise customer deal may not provide a median indicator of deal size or value and must be considered as part of overall company performance.*