



TRUSTED TO SAFEGUARD THE WORLD'S  
MOST SENSITIVE INFORMATION

# FY21 Annual Results

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## No Warranties

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# 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

-  Commercialised and proven technology platforms (Kojensi / NC Protect) to address data-centric secure collaboration across marquee customers
-  Deep global networks and customer relationships in Federal Government and Industry with key wins including AUS Department of Defence, OAIC and Northrop Grumman
-  Tailwinds across US\$10B data-centric security market opportunity addressing front page headlines of cyber breaches
-  Highly experienced Management Team with global public company experience in rapidly scaling revenue.
-  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
-  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 Mueffelmann**  
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 Kluku**

**Vice President & General Manager APAC**

Matt Kluku'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.



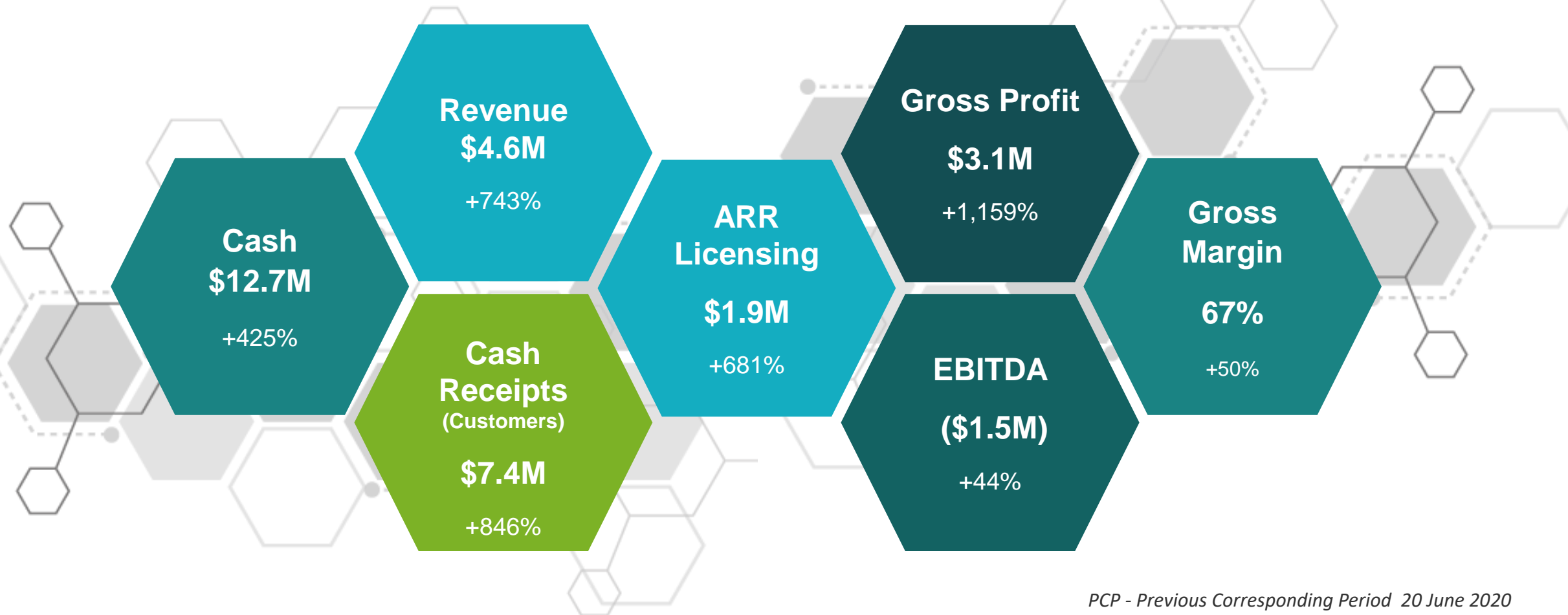
**Pete Smith**

**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

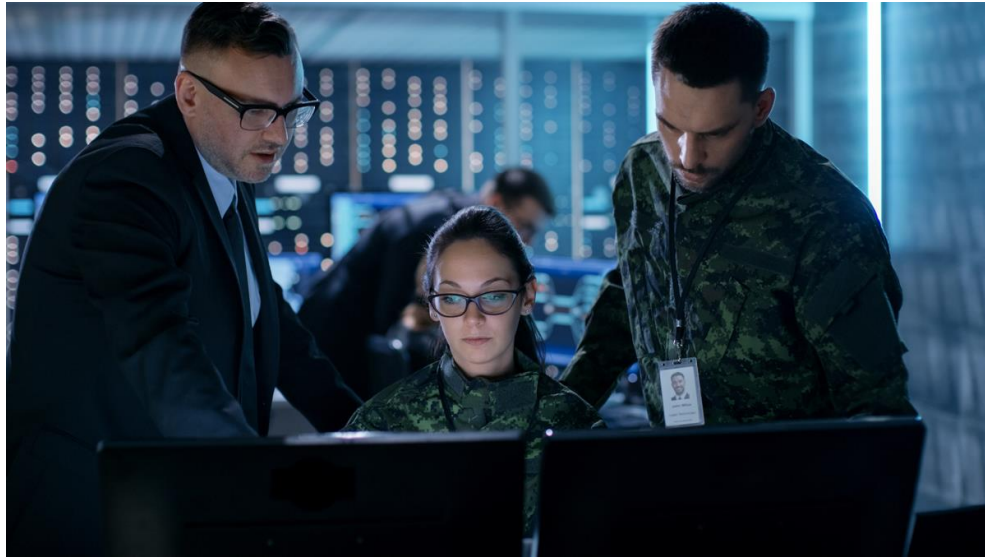
- Enhances senior executive team with deep US public market, early stage and Microsoft experience
- Establishes future M&A model for hyper-growth of complementary technologies or expanded distribution
- Back-office consolidation on Xero
- Provides 24x7 customer success model

# Technology Validation

## Australian Department of Defence



Australian Government  
Department of Defence



**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

### 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.

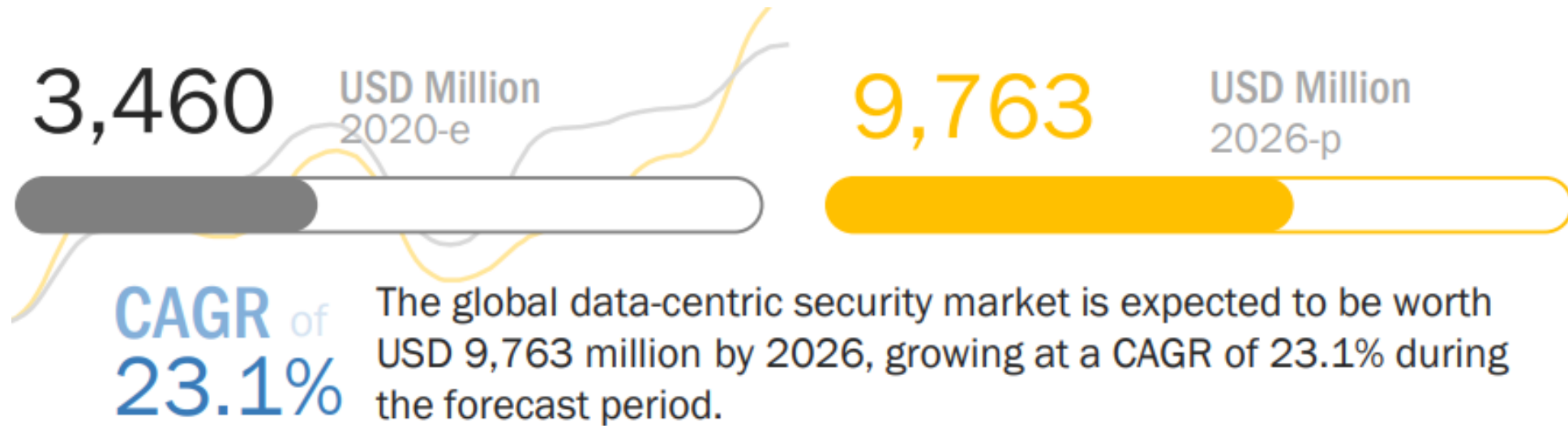
#### Result:

- 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.

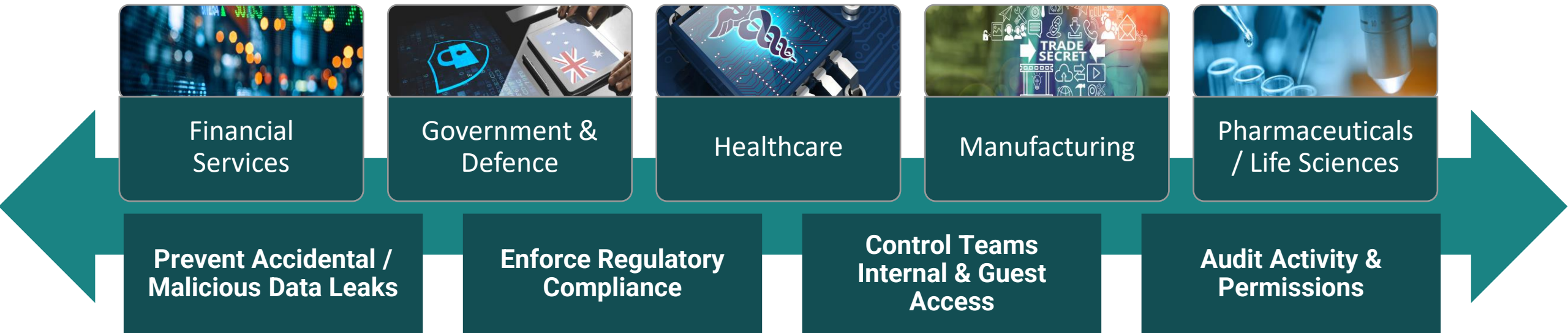
# Our Customers & Partners



# 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

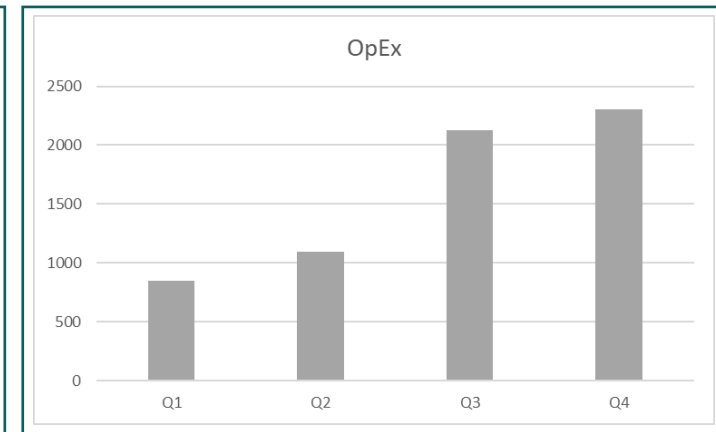
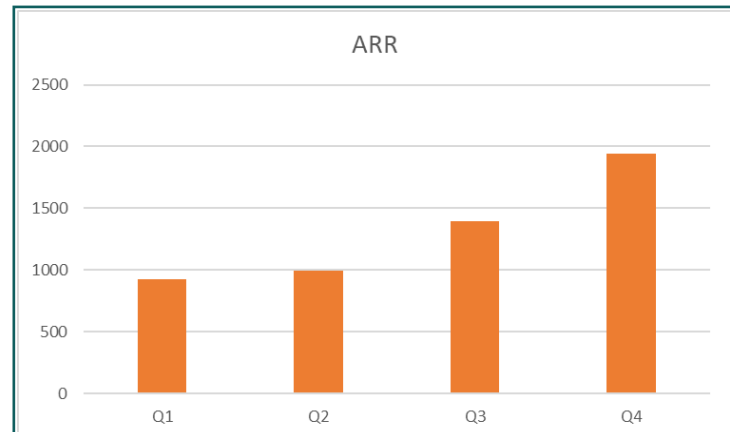
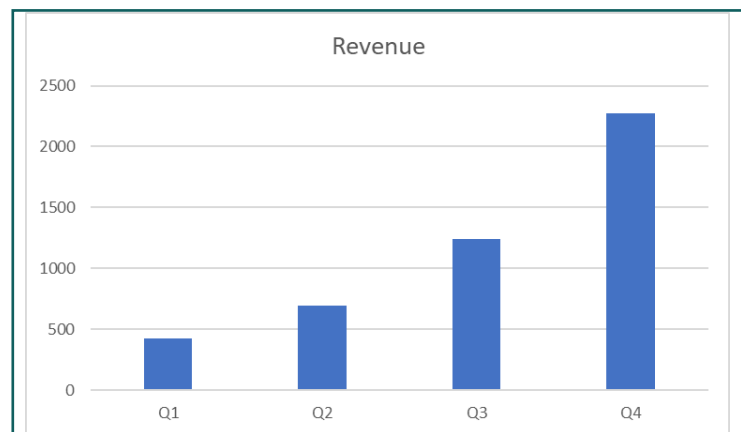
We use the industry leading Attribute-Based Access Control (ABAC) methodology for differentiated access to information at all security levels.



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](http://www.archtis.com)



@arch\_tis

## Q&A

### Company Enquiries

**Daniel Lai**

Managing Director & CEO, archTIS

**E: [investors@archtis.com](mailto:investors@archtis.com)**