



TRUSTED TO SAFEGUARD  
THE WORLD'S MOST  
SENSITIVE INFORMATION

## FY22 RESULTS PRESENTATION



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Chairman



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Managing Director  
& CEO



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Global COO  
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# Chairman's Overview



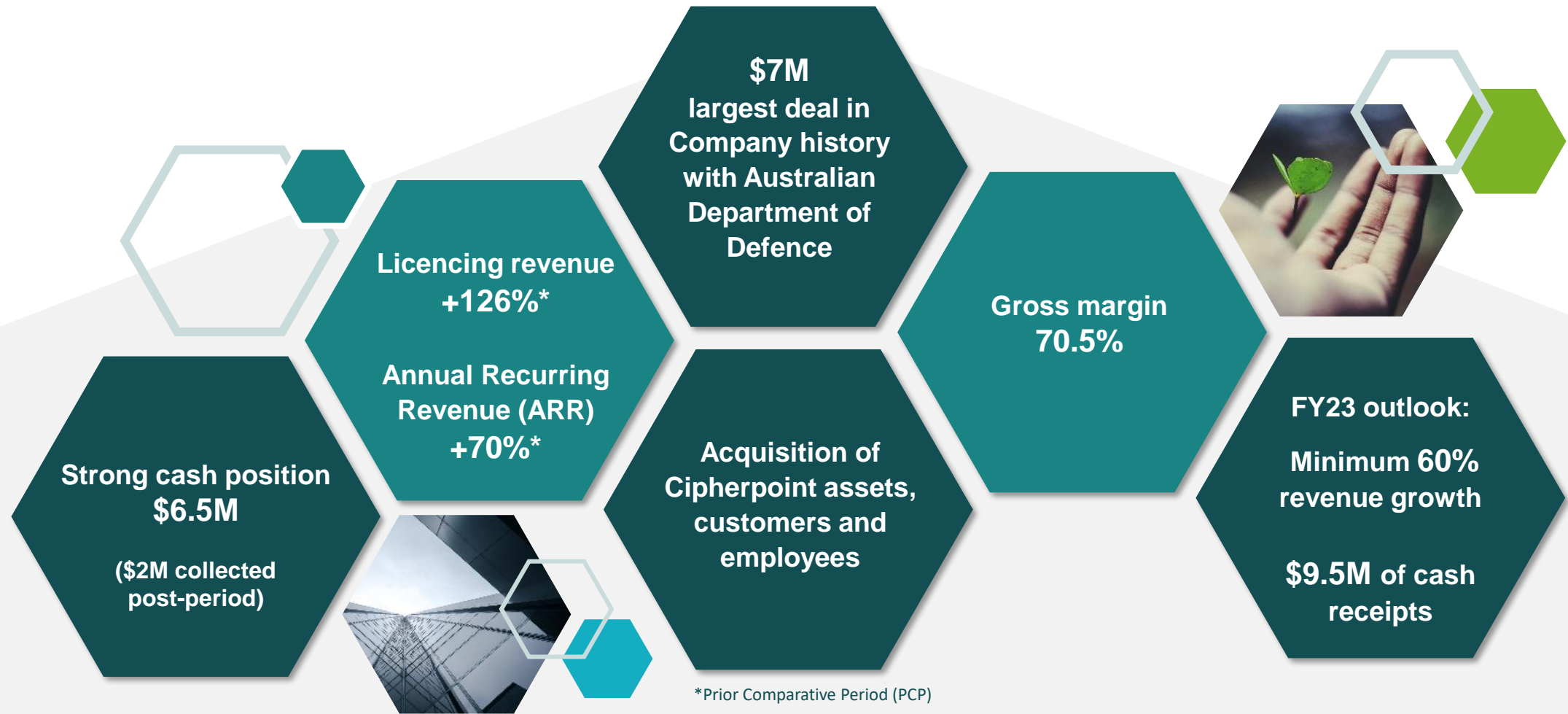
## FY22 Summarized

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- Largest deal in company history
  - Cipherpoint technology asset acquisition
  - \$6.9M capital raise
  - US-OTCQB public market listing
  - New product innovations to market
  - Expanded Microsoft co-sell
- 
- Macro economic headwinds of COVID and tech micro-cap market challenges
- 
- Exciting FY23 outlook
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# FY22 Year End Highlights

Continued strategic execution



# FY22 Highlights

## Quality Licensing Revenue Growth and Margins

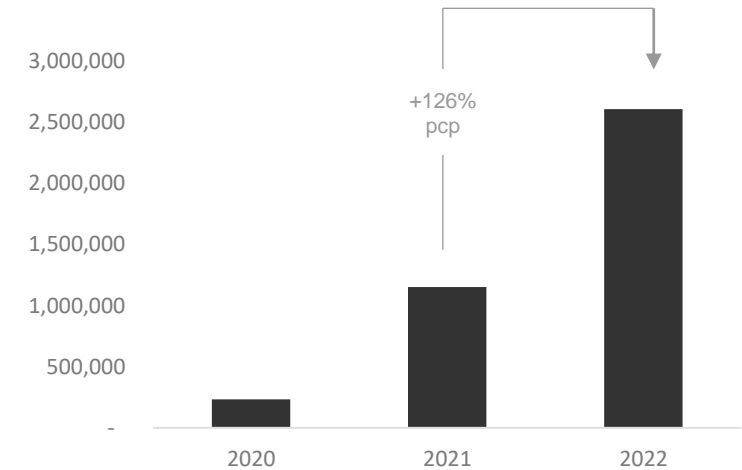
(A\$000)	FY22	FY21
Licensing Revenue	\$2,610	\$1,153
Services Revenue	\$2,029	\$3,225
Equipment Revenue	\$0	\$249
Total Revenue	\$4,639	\$4,627

Annual Recurring Revenue	\$3,257	\$1,913
% ARR increase vs PCP	70.2%	

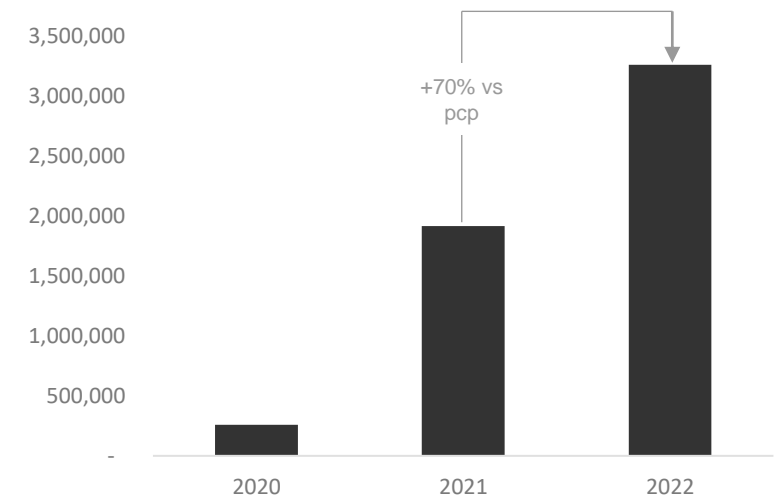
Gross Margin	70.5%	66.6%
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Underlying OPEX	\$10,287	\$6,371
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### LICENSING REVENUE (A\$)



### ANNUAL RECURRING REVENUE (A\$)

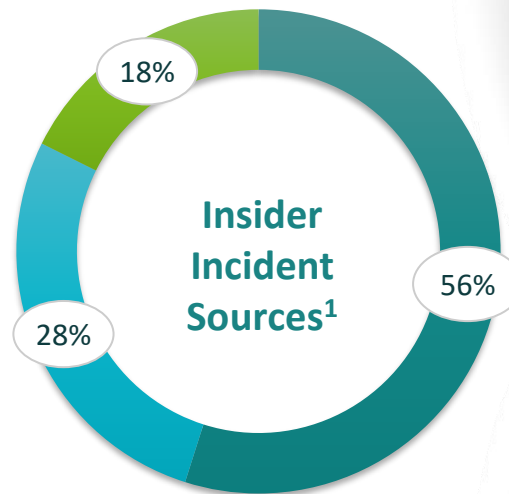


# The Challenge



## 67%

of companies are experiencing between **21 and 40+ insider incidents** per year; up **60% from 2020**.<sup>1</sup>



- Employee or contractor negligence
- Criminal & malicious insider
- Credential thief (imposter risk)

# The Opportunity

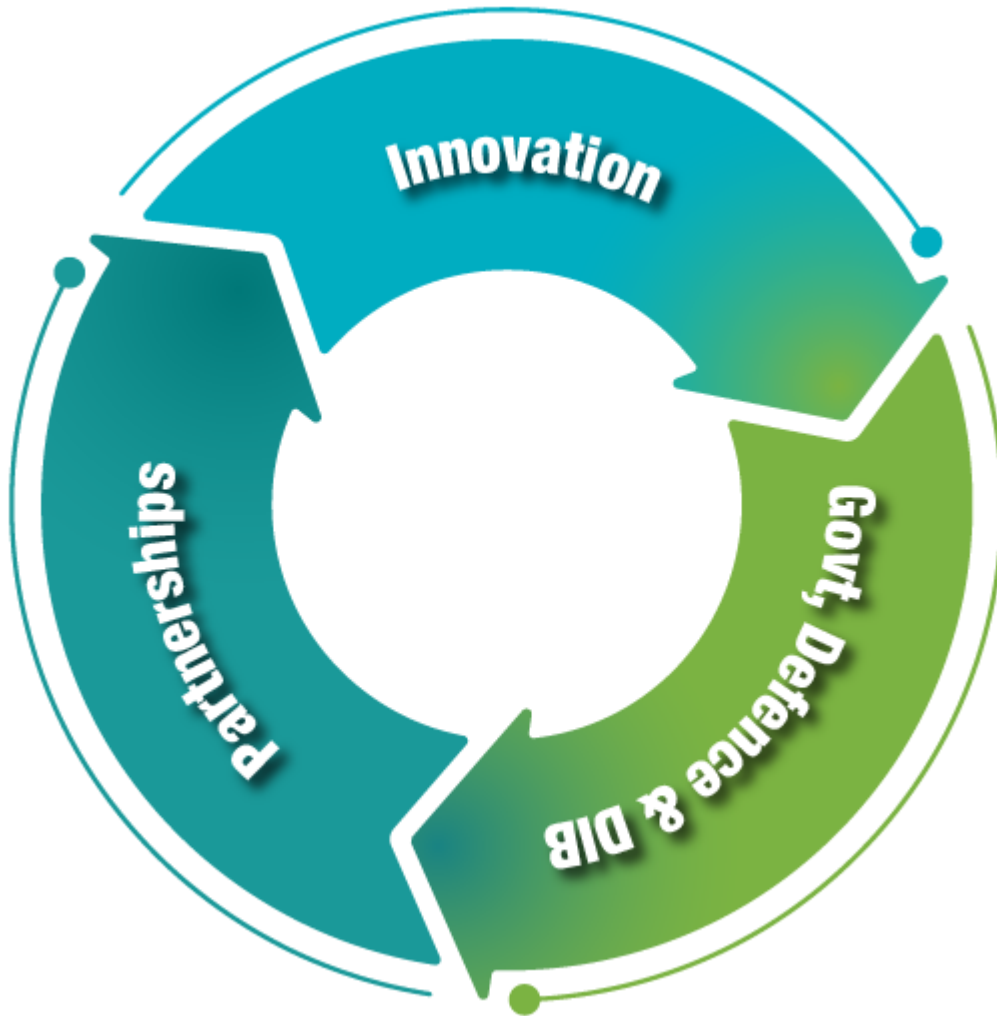
The global data-centric security market is expected to be worth **\$39.3B by 2030**, registering a **CAGR of 30.6%** (MarketsandMarkets)

Companies are looking for Automation, security and AI to solve the challenge saving an average of **\$3.1M** annually (Ponemon Institute)

Rise in data breaches and insider incidents provides opportunities to Data-Centric Security vendors

New defense security regulations on the horizon coupled with remote work challenges

# FY23 Strategic Growth



## Continuous Product Innovation

Embrace Zero-trust security architecture across ABAC technologies for data-centric offerings



## Government, Defence & DIB Opportunities

Leverage Australian prior successes in key government agencies and Defense industrial entities



## Leverage Key Partnerships

Microsoft, Thales, Raytheon and global reseller channel

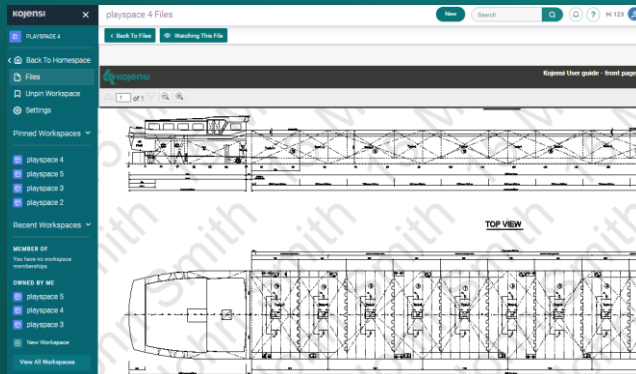


# Military Grade Product Innovation



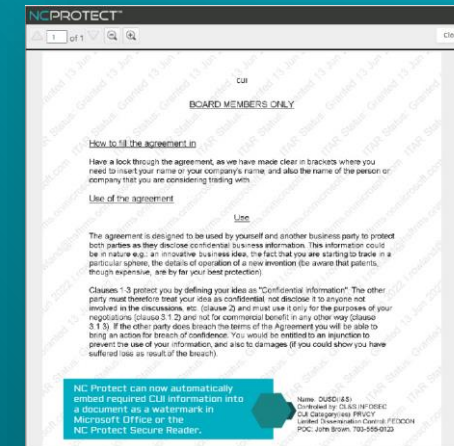
## Sensitive & Classified Information – Shared Securely

- Share sensitive and classified files securely
- Accredited secure document collaboration platform
- Enforce zero trust with attribute-based access control (ABAC)
- Multi-Level Security Platform



## Dynamic Access & Data Protection for Microsoft 365 & File Shares

- Discover, classify and secure sensitive information
- Prevent data loss, misuse and human error
- Audit and report for compliance
- Works across cloud, on-premises & hybrid environments





# Market Success within AUS Defence

## A critical first step

Core strategy building significant momentum domestically, notably Australia's Department of Defence:

- Recently announced \$7M Kojensi on-premise deal;
- NC Protect™ solution for SharePoint; and
- KPMG-led systems integration consortium.
- Use case validating precisely what our products achieve
- Active referenceable account



Australian Government

Defence



*“With NC Protect we can increase our collaboration by automatically controlling access to classified information.*

*Before NC Protect, we had to lock everything down so very few users could access content to the extent that it inhibited our ability to collaborate with our coalition partners in theatre.*”

Brigadier General Warren Gould  
Director General Systems and Integration,  
Department of Defence

# Customer traction

## Broader industry adoption and recognition

### 100% ACCOUNT GROWTH



- Northrop Grumman and SAP Australia renewed and expanded their use of Kojensi SaaS
- “Network growth” effect of Kojensi SaaS across AUS higher-educational institutions
- Secure collaboration with Defence

### Industry Recognition



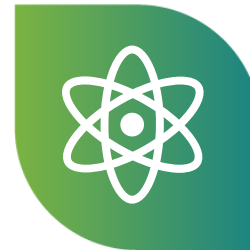
U.S. Department of  
Health and Human  
Services



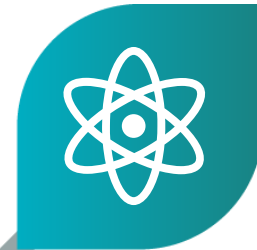
Global IT  
distributor of  
computer and IT  
components



U.S. energy  
conglomerate



**GROWING  
ENTERPRISE  
CUSTOMERS**



Middle Eastern  
nuclear  
government  
agency



European  
specialist  
developer and  
provider of  
advanced  
healthcare  
technologies



Large US real  
estate  
management  
company



i-Sprint, a new  
Singapore  
partner procured  
a 3-year  
education  
customer for NC  
Protect  
(Microsoft 365)

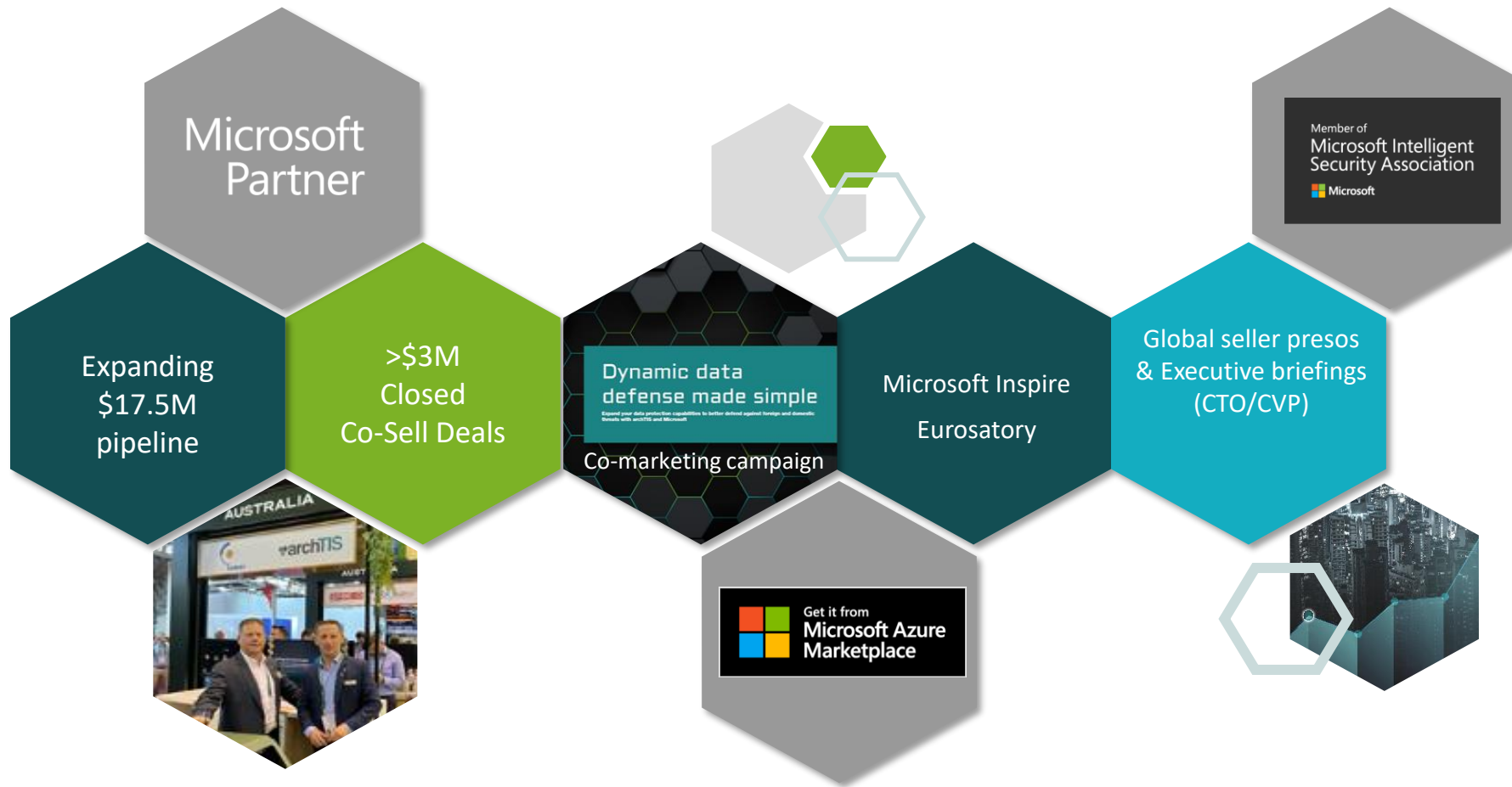
# Expanding Distribution

Leverage of strategic alliance partnerships validates strategy



# Microsoft Partnership and IP Co-Sell

## Growing Defence & Intelligence pipeline



### Opportunity Drivers

- Coalition collaboration (Microsoft 365, Teams)
- Secure dynamic watermark
- CUI labelling / CMMC
- SharePoint on-premise
- E3 competitive blocker

### What We Influence

- Azure consumption revenue (Microsoft 365)
- Teams platform adoption
- Monthly active users
- Sentinel (SIEM), etc.

# Targeted Revenue Thread Opportunities\*



## Defence Agencies

- Go deeper into Australian Defence.
- KPMG – Deliver agency-wide security architecture
- Referenceable into Coalition Forces (US / Five-Eyes / AUKUS, etc.)
- Existing POCs
- Quoted opportunities

35%



## Defence Industry

- Sell-to / Sell through
- Advanced features of CUI, ITAR, CMMC, Dynamic Watermarks
- Migrate from SharePoint On-prem to Cloud
- Support data file shares
- Existing POCs

20%



## Microsoft Co-Sell

- Provide additional feature functionality to M365
- Drive Azure Consumable Revenue, Team Users and migration to Cloud
- “Military Grade” proven
- Broaden exposure and introductions into field

30%



## Targeted Accounts

- Update user count and expand existing customers
- NC Encrypt – Provide simplified encryption technology leveraging M365 and Thales CipherTrust
- Convert cp.Protect into NC Protect

15%

# FY23 Outlook

## Growth pillars to expand our business



### Take advantage of robust industry tailwinds

- \$12.5B data-centric security market by 2026 (23.1% CAGR<sup>1</sup>)
- Increased threats, breaches due to remote work, geopolitical tension, digital investment (cloud), compliance enforcement
- Embrace zero-trust architecture
- Increased global tensions across Quad/Five eyes/AUKUS



### Innovate, ensuring lasting competitive advantage

- Provide differentiation for deployment military-grade technology
- Kojensi and NC Protect, two proven technology products
- Accredited protection layers to “Protected / Top Secret” information and key Microsoft applications (Microsoft 365 / Teams)



### Enhanced capability to drive results across Defence

- “Network effect” to build upon encouraging foundations
- Continue to mobilise expanded direct sales & marketing teams
- Maximise value from key strategic partner alliances



### Enable global export of products, across industry

- Leverage domestic success across key government agencies and DIB, globally
- Increased focus on winning new customers/contracts as pipeline remains at all-time high
- Pursue positive lead-indicators across U.S. and EMEA





## FY23 Outlook Statement

**Minimum 60% year  
on year revenue  
growth**

(vs FY22), with current  
visibility for triple-digit growth

**\$9.5M minimum cash  
receipts**

Cash burn expected to halve  
(vs FY22)

**Core gross margins  
expected to remain at  
~70%**

Continued stabilization of  
operating expenses

# Q&A

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