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SENSITIVE INFORMATION

# Investor Update

Q3FY23 | MARCH QUARTER



**Daniel Lai**  
Managing Director  
& CEO



**Kurt Mueffelmann**  
Global COO  
& US President

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# Q323 Quarterly Highlights

Triple-digit Revenue Growth Combined with Decrease in Operating Costs Supports Growth

<b>Strong top line revenue growth with operating expense reduction</b>	<b>Annual revenue outlook modified with cash receipts and cash outflow on target</b>	<b>Closed deals in a number of international markets with a number of POCs</b>
<b>Industry acknowledgement - Cyber company of the year and Microsoft product finalists</b>	<b>Continued alliance acceleration with Microsoft, Thales and NetApp</b>	<b>Positive market outlook from Australian Defence Strategic Review (DSR)</b>

# Q323 Financials

Revenue Growth supporting decreased Operating Cash Net Outflow

	FY23		FY22
(A\$'000)	Q3		Q3
Licencing Revenue	853		783
Services Revenue	835		75
Equipment Revenue	91		-
Total Revenue	1,778		858
<i>% Increase on prior comparative period</i>	107%		
Annual Recurring Revenue	3,450		2,067
<i>% Increase on prior comparative period</i>	67%		
Gross Margin	50.1%		78.5%
OPEX (after capitalising development costs)	1,677		2,693

\*Unaudited results

Revenue up 107% PCP  
Revenue up 65% PQ

ARR of \$3.5M  
Up 67% PCP

Operating Expenses  
Decreased 38% PCP  
Decreased 17% PQ

Net Operating Cash Outflow  
Decreased 31% PCP

\* Prior Comparative Period (PCP) / Prior Quarter (PQ)

# FY23 Outlook Statement

## Year on year revenue growth of 30-40%

Revenue decrease of \$1.6M based upon low-margin equipment procurement delays with DSR

Detail (\$ '000's)	\$
YTD Revenue	4,120
Forecasted Q4 License Revenue	800
Forecasted Q4 Services & Equipment Revenue	1,109
Total Forecasted FY23 Revenue	6,029
YoY Growth %	30-40%

## \$9.5M minimum cash receipts

(vs FY22), 127% increase in overall cash receipts

Detail (\$ '000's)	\$
YTD Customer Receipts	5,560
ATO R&D Rebate Refund	1,822
Forecasted Q4 Customer Receipts	2,250
Total Forecasted FY23 Cash Receipts	9,632

## Operating Cash Net Outflow expected to halve (vs FY22)

Continued stabilization with decrease of operating expenses

Detail (\$ '000's)	\$
Ave FY22 Monthly Cash Outflow	(895)
Targeted FY23 Monthly Cash Outflow	(448)
YTD Monthly Cash Outflow	(407)

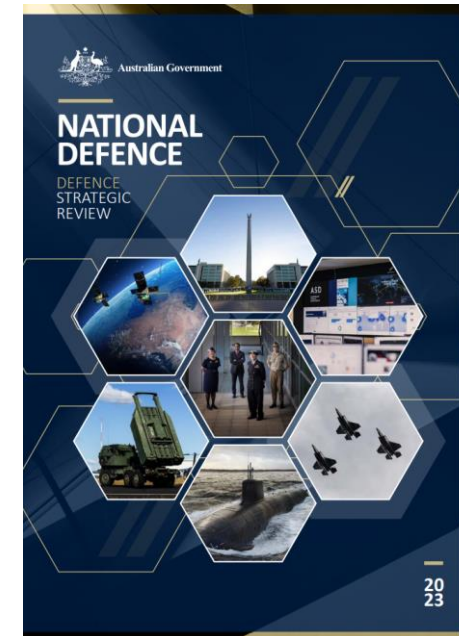
# Defence Strategic Review (DSR)

## Supporting AR9 Growth Initiatives

### Key takeaways

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- Investment horizons and clear priorities set by the Government and Defence
- Data Centric Security is a key enabler across multi-party collaboration
- Cyber and Security clear themes and including assurance of people, ICT systems and data sharing



“Australia’s cyber and information operations capabilities must be scaled up and optimised.”

*Defence Strategic Review (DSR)*

# Continued Customer Adoption

- KPMG Australian Technologies Solutions (KTech) for data-related architecture consulting services including data taxonomy, modelling, and security for a Defence Data Program
- A South Korean top ten business enterprise for defence manufacturing selected Kojensi SaaS for secure collaboration of sensitive files.
- An additional Australian Defence agency selected NC Protect to enforce data protection across their infrastructure communications.
- A multinational manufacturing company for the protection of intellectual property across their R&D teams using NC Protect.
- Renewal of Kojensi SaaS licensing by SAP to communicate with national defence agencies across the globe.



# Continued Alliance Traction



- Microsoft Security Excellence Awards Compliance & Privacy Trailblazer Finalist
- Multiple go-to market activities at RSA
- Senior US FED Executive meetings
- US government co-sell pipeline opportunities mapping to US fiscal year-end



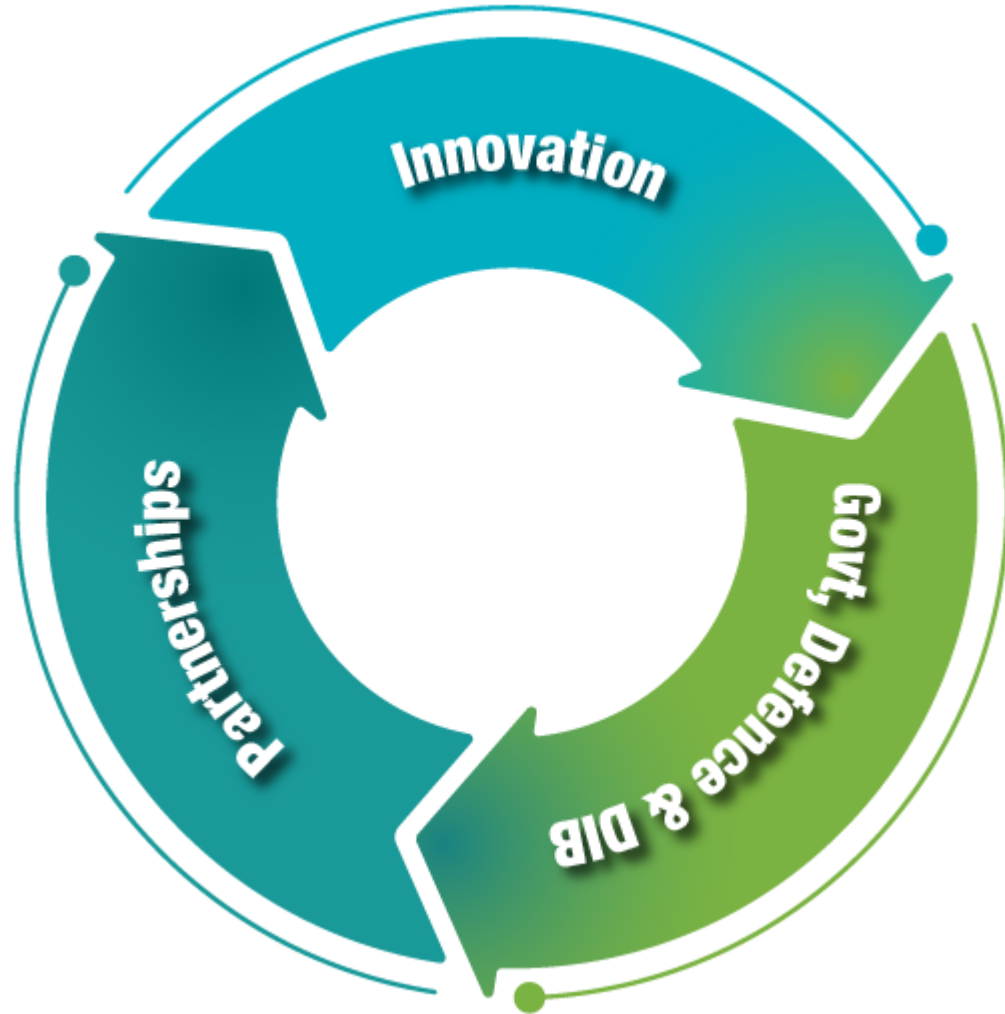
- Named Verified Solution partner
- Integration of NC Encrypt with strategic alliance partner Thales CipherTrust Manager
- New global pipeline creation across Cloud Product Licensing team (CPL)
- Multiple go to market activities creating executive awareness



- Attained NetApp ISV partner membership
- Completed NetApp On Tap certification
- Key Defence initiative around securing file share data



# Strategic Growth Objectives



The preferred platform for sharing information across Government, Defence and defence Industry

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The premium provider of Policy Enforced Access Management products to the Global Defence market

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The thought leader in data-centric architecture

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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)

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Q&A

Thank you