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archTIS Signs Binding Term Sheet to Acquire Direktiv Technology Assets and Customers

Technology Asset purchase to strengthen intellectual property and expand the applications for archTIS' data-centric security solutions.

Highlights:

- archTIS acquires the business assets of Direktiv, a U.S.-based company, including its technology, customer base, staff, and European operations.
- Direktiv's technology is designed to make workflows more secure, particularly in highly regulated industries like defense, healthcare, and finance and will work with all cloud providers such as AWS, Microsoft, Oracle and Google.
- Provides archTIS with a platform-agnostic orchestration engine, which opens new market opportunities and expands overall product offerings.
- The acquisition will integrate development teams and provide opportunities to reduce costs while accelerating product innovation.
- Acquisition to be funded via existing cash balances and future cash flows for a total consideration of US\$750k, structured across three tranches over a 12-month period.

archTIS Limited (ASX:AR9; OTCQB:ARHLF), a global provider of data-centric software solutions for the secure collaboration of sensitive information, today announced it has signed a binding term sheet to purchase the business assets, including the technology, existing customer base and employees of Direktiv, a San Francisco-based, venture capital-backed technology company.

Acquisition of Direktiv

Direktiv is a cloud-agnostic event-driven orchestration engine for enterprises seeking to automate and streamline their operations. The platform is intended to simplify the process of building serverless workflows using containers or code, which can be integrated into various environments without the need for re-engineering. The integration of the Direktiv technology will also allow archTIS to expand the capabilities of its existing products and platform solutions for managing sensitive and classified data while opening new markets and expanding global operations.

Strategic Rationale

The security orchestration landscape continues to evolve rapidly as organisations face increasingly sophisticated cyber threats across their expanding digital infrastructure. The integration of operational technology with information technology environments has created new security challenges, particularly as legacy systems interface with modern cloud-based solutions. This convergence has led to a fundamental shift in how organisations approach security, moving from siloed solutions to integrated, platform-based approaches. The acquisition positions archTIS to solve these challenges with expanded orchestration and workflow capabilities to its existing offerings to streamline security and governance in cloud-based environments and the secure adoption of AI for regulated industries.

According to Mordor, the Security Orchestration Market size is estimated at USD \$4.10 billion in 2025¹, and is expected to reach USD 8.50 billion by 2030, at a CAGR of 15.72% during their forecast period (2025-2030).

¹ <https://www.mordorintelligence.com/industry-reports/security-orchestration-market>

Terms of Acquisition

The purchase consideration of US\$750,000 will be settled in cash through three tranches; the initial tranche of US\$350,000 will be made on settlement followed by US\$250,000 six months post settlement and a final US\$200,000 twelve months post settlement. It is presently intended that archTIS will settle the consideration out of available investment funds and future operating cash flow.

Completion of the acquisition is conditional upon the satisfaction of the following conditions precedent:

- archTIS completing due diligence investigations on the business to its satisfaction;
- all material contracts being assigned or novated across to archTIS from settlement on terms acceptable to archTIS;
- the transfer of all employees identified by archTIS as being material to the ongoing business to archTIS; and
- archTIS having obtained all necessary, shareholder, regulatory and third-party consents or approvals required for the transaction.

The agreement with vendors follows standard commercial terms, including warranties and indemnities.

The asset purchase is projected to immediately drive archTIS' innovation capability with the addition of the Direktiv development staff in Europe and Australia to support the expansion of the company's suite of data-centric, zero trust architected products for both structured and unstructured data.

Comments

Wilhelm Wonigkeit, Co-founder and CEO of Direktiv, who will join the archTIS team, said, "We are thrilled to join forces with archTIS. This represents an exciting new chapter for our technology, customers, and employees. This acquisition provides a unique opportunity to expand our product offerings, leverage archTIS' extensive customer base for cross-selling opportunities, and accelerate innovation to deliver even greater value to our clients. Most importantly, it opens up continued growth and development opportunities for our team, enabling them to collaborate with a world-class organization and continue shaping the future of our industry.

Daniel Lai, Managing Director and CEO of archTIS, stated, "I'm pleased to welcome the Direktiv technology, development and sales teams to archTIS. This strategic acquisition of both technology and talent will allow us to accelerate product enhancements, reduce time to market and provide customers with a holistic solution for managing and integrating all types of data securely. With expanded capabilities for security orchestration and AI governance, we can more easily tap into this US\$4.10B market."

-ENDS-

Authorised for issue by order of the Board of Directors.

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archTIS Interactive Investor Hub

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The archTIS Investor Hub is an online portal for investors to read and interact with our announcements and updates. You can ask questions and add comments, which our team can respond to where possible.

About archTIS Limited

archTIS Limited (ASX:AR9, OTCQB:ARHLF) is a global provider of data-centric software solutions for the secure collaboration of sensitive information. The company's award-winning information security solutions protect the world's most sensitive content in government, defence, supply chain, enterprises and regulated industries through attribute-based access and control (ABAC) policies. Products include archTIS Trusted Data Integration to simplify the complexity of structured data integration and security at scale; Kojensi, a multi-government certified platform for the secure access, sharing and collaboration of sensitive and classified information; and NC Protect for enhanced information protection for file access and sharing, messaging and emailing of sensitive and classified content across Microsoft 365 apps, SharePoint on-premises, NetApp ONTAP, Nutanix Files and Windows file shares. For more information visit archtis.com or follow [@arch_tis](https://twitter.com/arch_tis) on X.