Investor Update

Q2FY25 │ DECEMBER QUARTER

Daniel Lai
Managing Director & CEO

Kurt Mueffelmann
Global COO & US President

archTIS

TRUSTED TO SAFEGUARD THE WORLD'S MOST SENSITIVE INFORMATION

Disclaimer

No Warranties

Disclaimer

The material in this presentation has been prepared by archTIS Limited **("Company").**

This presentation may not be reproduced, redistributed or passed on, directly or indirectly, to any other person, or published, in whole or in part, for any purpose without prior written approval of the Company. The material contained in this presentation is for information purposes only. This presentation is not an offer or invitation for subscription or purchase of, or a recommendation in relation to, securities in the Company and neither this presentation nor anything contained in it shall form the basis of any contract or commitment. Any offering of any of the Company's securities to Australian persons will be subject to Australian securities laws. The distribution of this document in jurisdictions outside of Australia may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, all such restrictions.
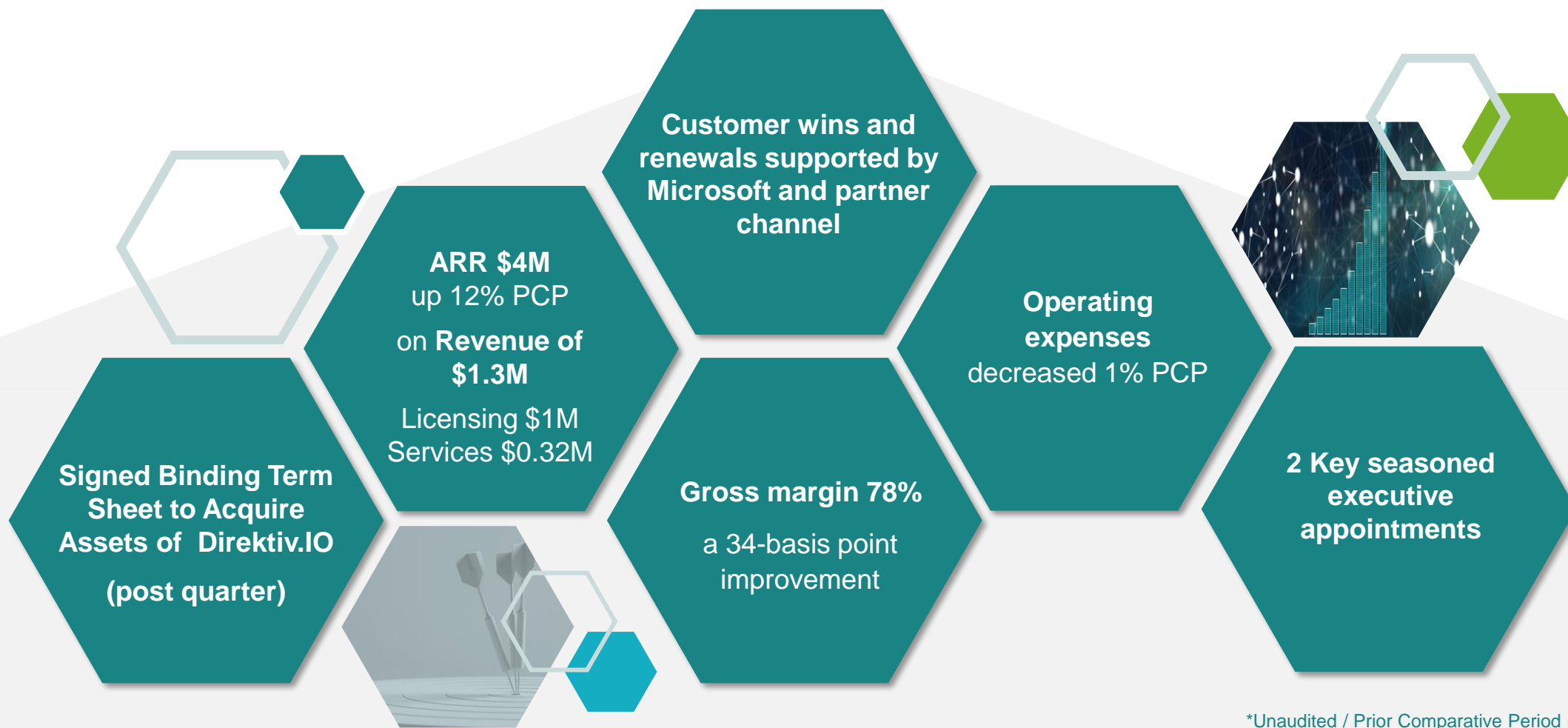
This presentation is not financial product or investment advice. It does not take into account the investment objectives, financial situation and particular needs of any investor. Before making an investment in the Company, an investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances, seek legal and taxation advice as appropriate and consult a financial adviser if necessary.

This presentation may contain forward-looking statements that are subject to risk factors associated with data-centric cyber security business. Forward looking statements include those containing such words as "anticipate", "estimates", "forecasts", "should", "could", "may", "intends", "will", "expects", "plans" or similar expressions. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables and changes in underlying assumptions which could cause actual results or trends to differ materially. The Company does not make any representation or warranty as to the accuracy of such statements or assumptions.
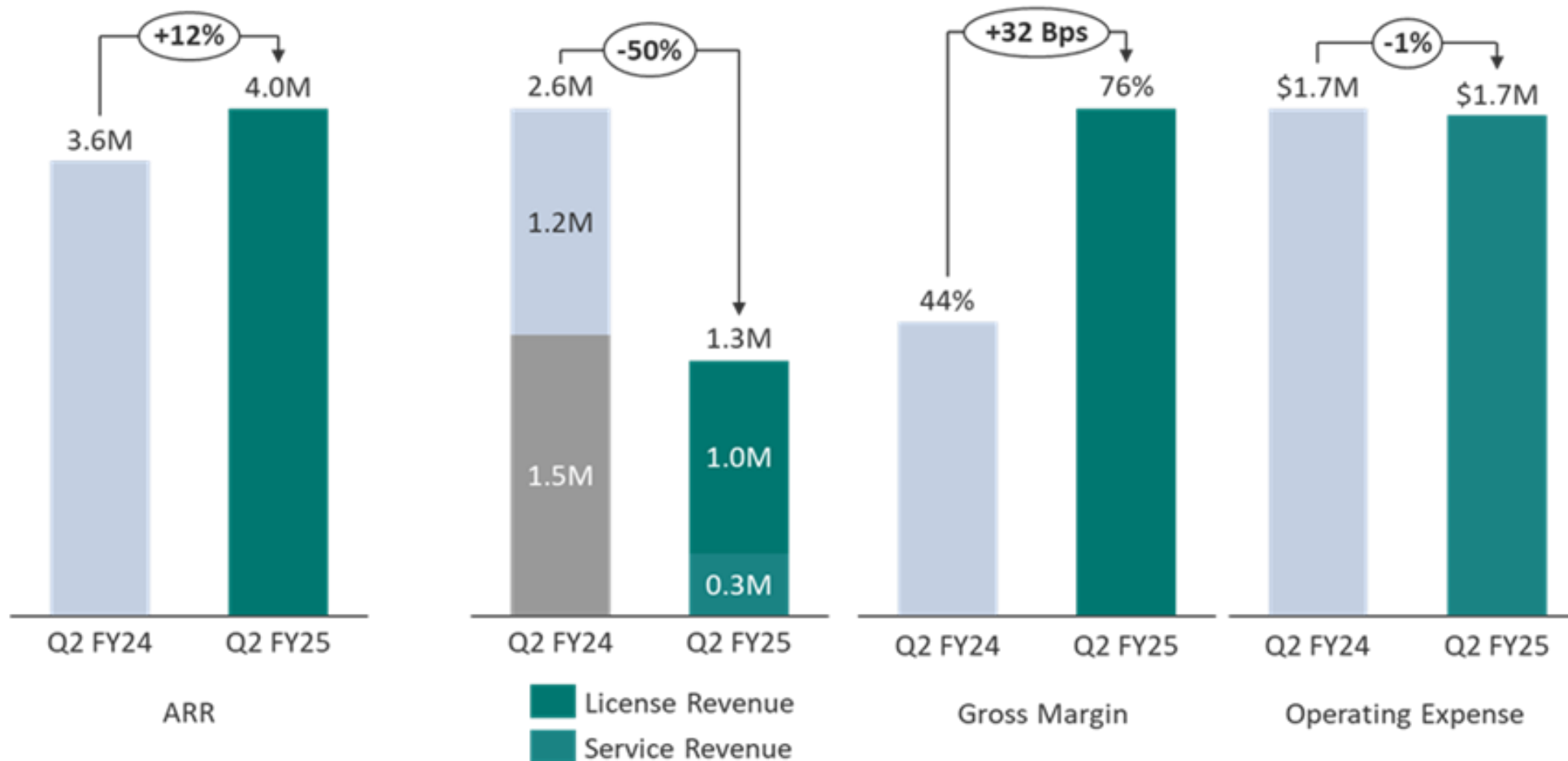
This presentation has been prepared by the Company based on information currently available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of the Company or its subsidiaries or affiliates or the directors, employees, agents, representatives or advisers of any such party, nor any other person accepts any liability for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it, including without limitation, any liability arising from fault or negligence on the part of the Company or its subsidiaries or affiliates or the directors, employees, agents, representatives or advisers of any such pay.

Q2 FY25 Quarterly Highlights
Positive Operating Cash with Strong Gross Margins and Direktiv

Customer wins and renewals supported by Microsoft and partner channel

ARR $4M
up 12% PCP

on **Revenue of $1.3M**

Licensing $1M
Services $0.32M

Operating expenses
decreased 1% PCP

Signed Binding Term Sheet to Acquire Assets of Direktiv.IO

(post quarter)

Gross margin 78%

a 34-basis point improvement

2 Key seasoned executive appointments

*Unaudited / Prior Comparative Period (PCP)

archTIS

Q2 FY25 Financial Overview

ARR
- Q2 FY24: 3.6M
- Q2 FY25: 4.0M
- +12%

License Revenue / Service Revenue
- Q2 FY24: 2.6M (1.2M, 1.5M)
- Q2 FY25: 1.3M (1.0M, 0.3M)
- -50%
- ■ License Revenue
- ■ Service Revenue

Gross Margin
- Q2 FY24: 44%
- Q2 FY25: 76%
- +32 Bps

Operating Expense
- Q2 FY24: $1.7M
- Q2 FY25: $1.7M
- -1%

*Unaudited results

archTIS   www.archTIS.com

Q2 FY25 Customer Growth

Industry adoption and retention

SAMPLING OF HIGHLIGHTS

- **Accenture** engaged with archTIS' on a $704,000 services contract, including GST, to trial NC Protect through June 30, 2025, for existing and potential clients who face data-centric challenges in securing sensitive information stored and collaborated across

- **BAE** procured additional services to build a collaboration environment to facilitate sharing between industry and Defence.

- **SAP** extended its licenses of Kojensi SaaS through 2028

- A **US-based Indian Community** renewed its NC Protect for SharePoint on-premises license for the **tenth consecutive year** to secure sensitive information.

- Another **European reseller partner** chose NC Encrypt for encryption key management for their Microsoft 365 applications and SharePoint on-premises customer environments to maintain digital sovereignty and add data-centric protection to combat insider threats

POC Update

US DoD Agency	Global / UK DIB	Military Alliance	Global Defence Contractor	Global Technology Company
M365 Collaboration on Secret Cloud 2025	Internal data leakage & Compliance 2h 2025	Multi-government sharing and collaboration of warfighter information 2025 Budget	Internal secure sharing and collaboration across M365 with integrations into other structured data-sources	Providing bring your own key / hold your own key encryption for data sovereignty
Technical Selection	Technical Selection	Technical Selection	Lost	In Progress

Direktiv – Asset Purchase
Binding Term Sheet

Integration of Technology	**Expansion of Market Opportunity**
Enhancement of Product Offerings	**Strengthening of IP and Talent**

archTIS

The Deal

- Binding Asset Purchase Agreement to acquire
  - Technology
  - Customers
  - Employees

- Consideration
  - US$750,000 over 12-month period
    - 3-tranches ($300k / $250k / $200k)

- Key Executives and developers retained
- Timing
  - 45-day close (15MAR)

What is Direktiv?

Expanding Zero Trust and Data-centric Sercurity Across the Enterprise

Build cloud agnostic serverless platform

Serverless

Run functions & code anywhere without a restriction on the language

Combine it with event-driven application architecture

Event-driven

Give the serverless functions the ability to scale seamlessly and in real time

Allow users to bring their own code, containers, or applications

Kubernetes

Now we can combine DevOps, InfraOps and DevSecOps code & applications

Allow users to string all of this together in a pattern!
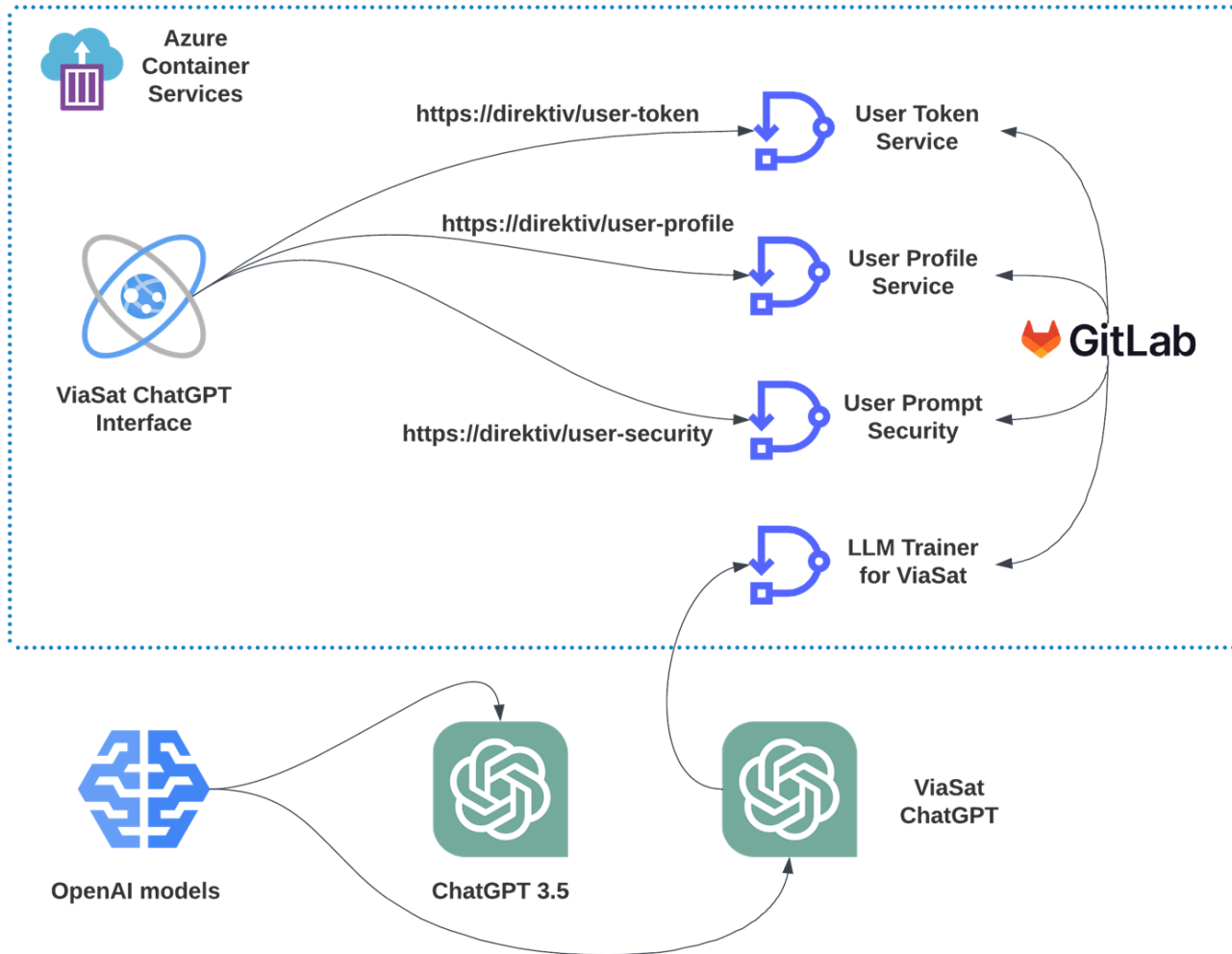
Orchestration

Build new services from all these disparate building blocks – but with flexibility!

Add:
- **#observability**
- **#authentication**
- **#authorisation**
- **#policycontrol**

Use Case: ChatGPT Isolation

Building security and governance for internal ChatGPT

Requirement:

- Speed and latency of cloud provider serverless was too slow - needed a co-located solution

- Complete platform isolation

- Ability to scale up/down automatically without the need to create a rules-based function

- Ability for the engineers and developers to deploy directly from ChatGPT to a serverless functions platform (while offering support for any language)

- No platform or vendor lock-in - solution has to be fully portable across ANY AI provider

2h25 Objectives

- Continuation of cash flow neutral

- Drive repeatable and predictable ARR growth
  - New account acquisition needs to be top priority
    - How to acquire new account - #1
    - Follow on Account Management - Foot in door to cross / up-sell users and new offerings
    - 5-year min enterprise value / Account value 2-5 years with first year investment
  - Strong renewals – licensing upside / low churn

- Product innovation for structured / unstructured orchestration of data
  - Cloud-agnostic event-driven orchestration engine for enterprises seeking to automate and streamline their operations - Direktiv
  - Differentiated in crowded market (Microsoft - Purview / Specialized cloud stacks – CGGH / IL2-6)
  - Rapidly deployable, easy to use, scalable

- Key vertical Defense / Industry focus with DCS for compliance through ABAC controls

archTIS

Level 3 , 10 National Circuit
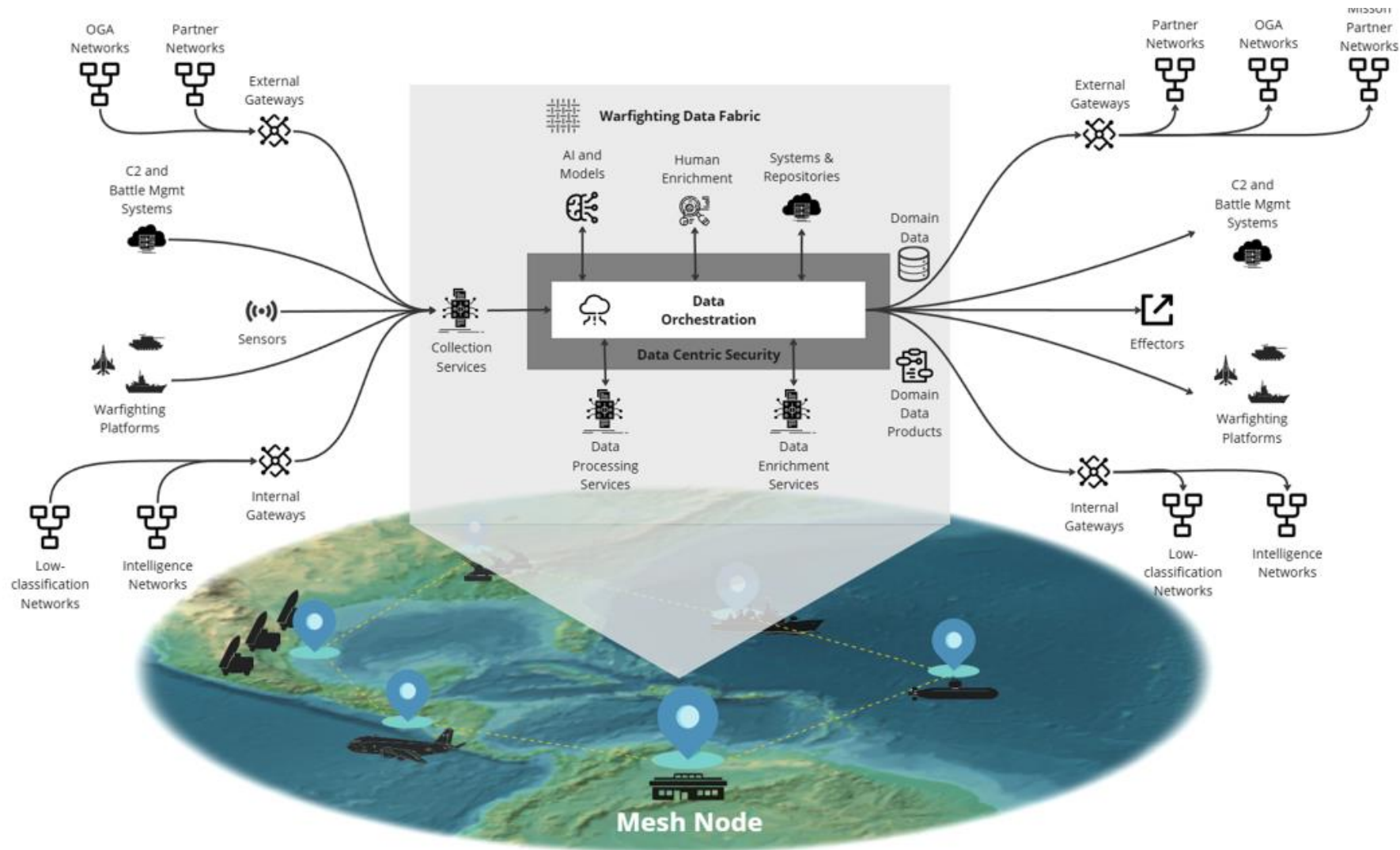Barton ACT 2600 Australia

1300 ARCHTIS
+61 2 6162 2792
+61 419 528 061

www.archtis.com

@arch_tis

Q&A

Warfighting Data Mesh Concept

Defence Industry Collaboration & Sharing

Key Information Scenarios

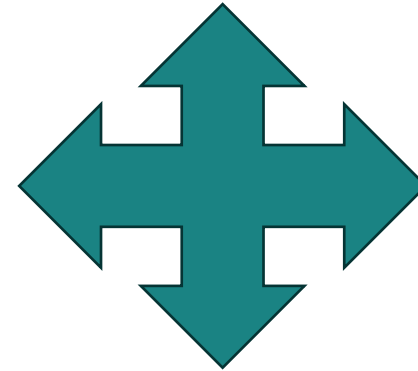**Classified Information Control**

IP Management

Export Compliance Control

Commercially Sensitive Materials

Australian Government
Department of Defence

BAE SYSTEMS
ASC SHIPBUILDING

≋Navantia

SAAB
TECHNOLOGIES

SAAB

Key Business Requirements	Originator Control	Speed of Sharing	Interoperability	Minimal Duplication	Information Disposition	Collaboration Driven