



TRUSTED TO SAFEGUARD THE WORLD'S MOST
SENSITIVE INFORMATION

Investor Update

Q2FY24 | DECEMBER QUARTER



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No Warranties

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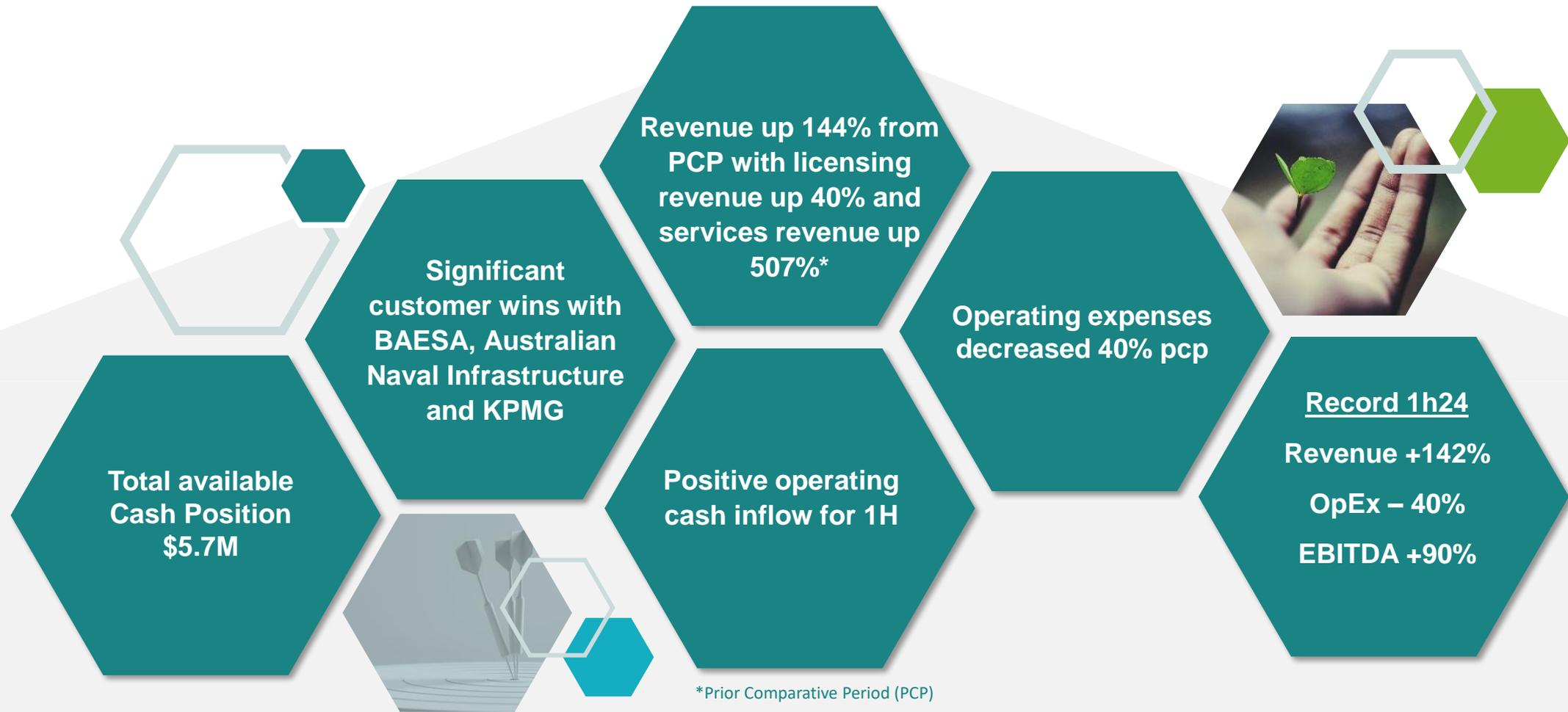
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Q224 Quarterly Highlights

Continued strategic execution



Q224 Financial Overview

	FY24		FY23
(A\$'000)	Q2		Q2
Licencing Revenue	1,174		838
Services Revenue	1,457		240
Equipment Revenue	4		-
Total Revenue	2,635		1,078
<i>% Increase on the prior comparative period</i>	<i>144%</i>		
Annual Recurring Revenue (ARR)	3,587		3,477
<i>% Increase on the prior comparative period</i>	<i>3%</i>		
Gross Margin	44%		57%
Underlying Operating Expenses (after capitalising development costs)	1,222		2,027*

*Unaudited results

Q224

- Positive Cash Inflow \$700,000
- Revenue up 144%
- Licensing revenue up 40%
- Services revenue up 507%
- Operating Expenses down 40%
- ARR \$3.6M

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- Revenue up 142%
- Operating expenses down 40%
- EBITDA up 90%
- Customer receipts up 89%

Q2 Customer Growth

Broader industry adoption and recognition

HIGHLIGHTS

- **BAESA**, the largest defence prime to the Australian Department of Defence, signed a total contract value of \$528,000 (including GST) for archTIS to build a new technology product demonstrator for secure collaboration and data integration capability.
- **ANI** signed a total contract value of \$342,540 (including GST), of which \$112,200 is ARR to license Kojensi SaaS. ANI now solves key collaboration challenge across the supply chain for navy ship building facilities.

EXPANDED GLOBAL CHANNEL PARTNERS



AUSTRALIA



CZECH
REPUBLIC



SWEDEN

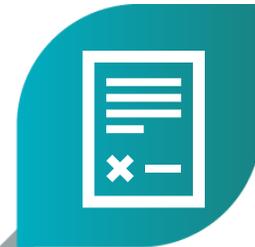
Global defence firm selected Kojensi SaaS for collaboration associated with AUKUS



Austrian global supplier of communication and information systems selected Kojensi SaaS



U.S. Manufacturer of precision military components for CMMC/ITAR compliance



U.S.-based global insurance leader upgraded to NC Protect from cp.Protect



Two European resellers chose NC Protect and NC Encrypt for independent encryption key management in Microsoft 365

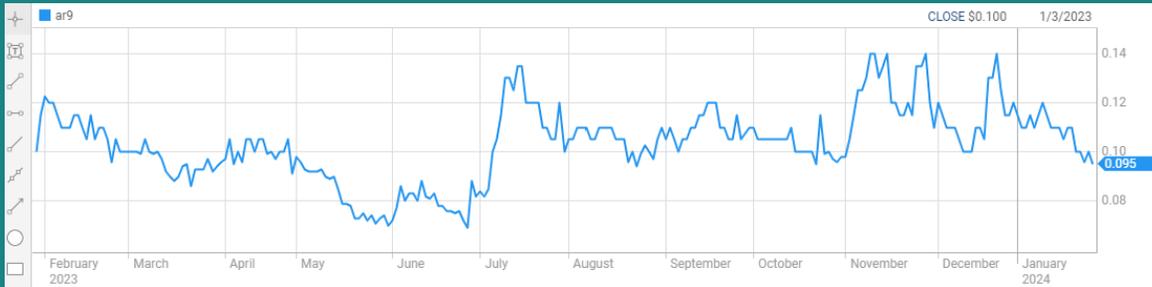


SAP / Korean defence firm extend Kojensi SaaS licensing



archTIS delivered \$889,000 (including GST) of services to KPMG as part of the One Defence Data program

Driving Shareholder Value



Opportunities for Market Improvement

- Achieve positive cash flow
- Large Australian Defence licensing deal
 - Previously announced PoC
 - Extension of licenses
- Significant international Defence deal
 - US and Canada PoCs

Australian Department of Defence Progress Report

The premium provider of Policy Enforced Access Management products to Defence

- Active in **six out of ten** key divisions of Defence
- Defence Strategic Review (DSR) restructure is nearing completion
- Services are part of the journey to educate and demonstrate value for licences
- Enterprise licence vs Whole of Defence licence

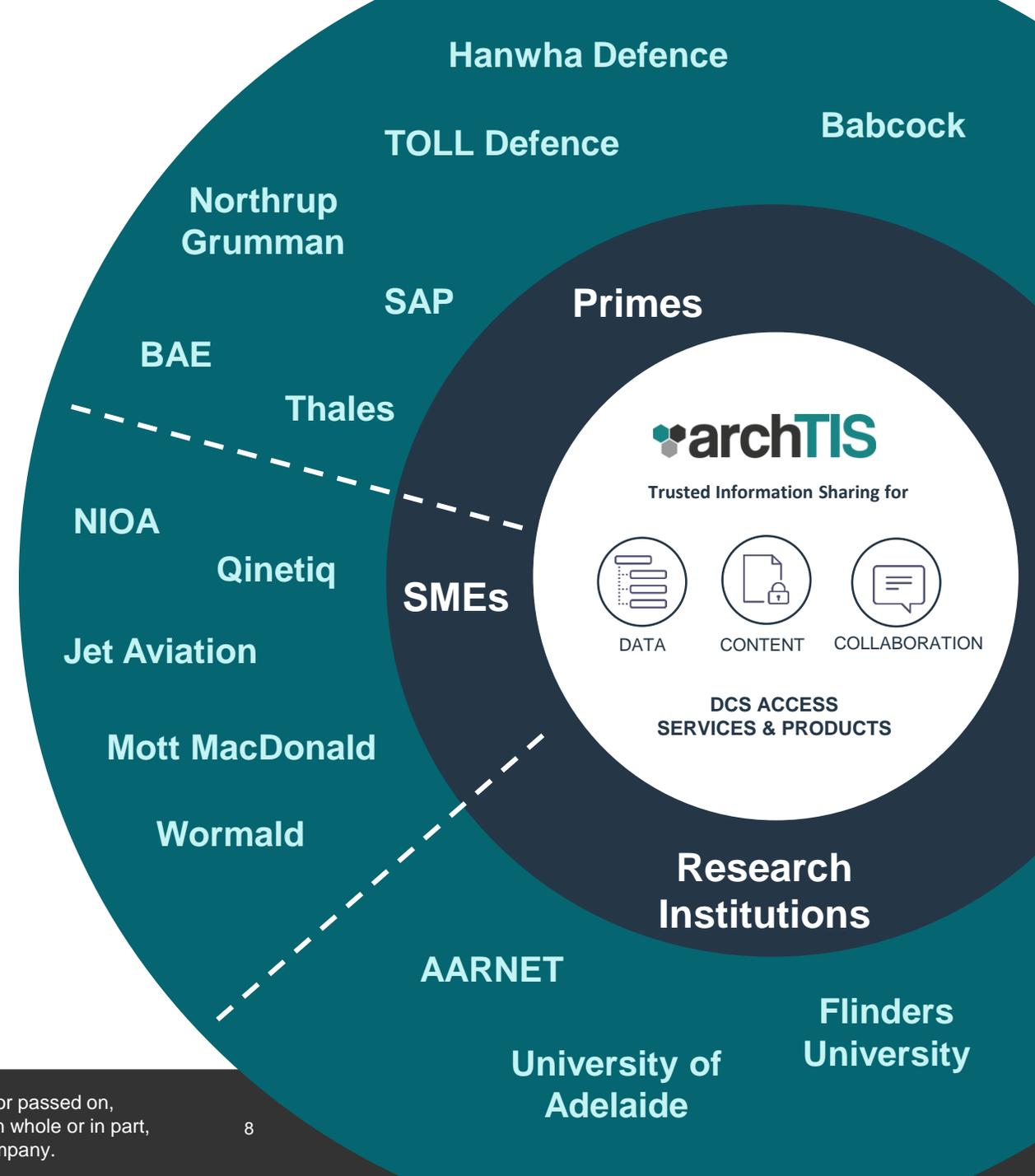
-  In Progress
-  Won / Successfully completed POC
-  Current Opportunity



Defence Industry Progress Report

The preferred platform for sharing information across Defence and Defence Industry

- The Defence Strategic Review and AUKUS are driving demand for higher levels of security across the supply chain.
- Stronger penalties are being implemented for breaches of compliance in handling classified information.
- Increase in sales activities being driven by industry demand.



Sales Journey



Initial Sales Process

Identify need requirements, return on investment, compelling events and success criteria over life of solution offering.



PoC / Services Engagements

Established term limited PoC with success criteria and assumed commercial purchase upon completion Leverage domain expertise for services to drive license.



Licensing Sale & Deployment

Add additional licensing sales to core (90-180 days) to drive higher percentage of licensing against services.



Annual Recurring Renewals

Deliver annual subscription to drive enterprise value of customer and increasing licensing margin.

Initial PoC	Opportunity X
Licensing	\$ 1,000,000
Services	\$ 3,000,000
Total Revenue	\$ 4,000,000

Cost Goods Sold	\$ 2,500,000
Margin	38%

Year 1	
Licensing	\$ 3,500,000
Services	\$ 1,000,000
Total Revenue	\$ 4,500,000

Cost Goods Sold	\$ 1,375,000
Margin	69%

Year 2	
Licensing	\$ 3,500,000
Services	\$ 250,000
Total revenue	\$ 3,750,000

Cost Goods Sold	\$ 875,000
Margin	77%



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Q&A

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