

archTIS Ltd

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archTIS secures commercial contracts as it grows global sales pipeline

archTIS Ltd (ASX:AR9) secured several customer contracts over the December quarter and plans to leverage this for its 2020 strategy aimed at extending the global sales pipeline.

During the quarter, archTIS secured two sales to the Australian national security market, demonstrating the demand for the company's world-class, secure information collaboration platform, Kojensi.

Chief executive officer Daniel Lai said: "Now that recent customer wins have established the commercialisation potential of Kojensi, we look forward to building on this momentum with accelerating sales growth in H2FY20 as we convert the numerous opportunities in our sales pipeline."

Licensing agreement signed

In October archTIS signed an agreement with the Australian Criminal Intelligence Commission for licences for the use of its Kojensi Gov product by the National Criminal Intelligence System (NCIS) Program team.

Kojensi Gov was procured to facilitate secure collaboration across all state, territory and Commonwealth law enforcement, law compliance and regulatory agencies involved in developing the NCIS.

This increases Kojensi Gov exposure to key clients and provides an opportunity for growth.

DXC Technologies partnership

The company continued its commercialisation momentum by signing a key partnership agreement with, and selling Kojensi Gov licences to, DXC Technology Co (NYSE:DXC) in December.

DXC is one of the world's largest ICT system integrators with US\$25 billion in revenues operating across the globe and has a close relationship with government and national security agencies in key global markets of interest to archTIS.

In Australia, DXC will offer Kojensi as a managed service to their National Security Community clients opening significant growth opportunities for Kojensi sales and a pathway to access up to 7,000 users in the Australian National Intelligence Community (NIC).

Sales pipeline for 2020

The company's sales strategy to build an extensive sales pipeline for 2020 included attending five conferences over the quarter to generate new leads in key markets in Australia, New Zealand, USA and Europe.

archTIS also presented Kojensi to NATO in October.

Financial outlook

Price: 0.056

Market Cap: \$6.98 m

1 Year Share Price Graph



May 2019 December 2019 May 2020

Share Information

Code: AR9

Listing: ASX

52 week High Low
0.155 0.045

Sector: Software & services

Website: www.archtis.com

Company Synopsis:

archTIS Ltd (ASX:AR9) is a secure information sharing company listed on the Australian Securities Exchange. The company listed with an initial public offering in September 2018.

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At the end of the quarter, cash and receivables sat at \$2.5 million, broadly equal to two-quarters of estimated cash outflows.

\$800,000 of cash is held along with receivables of \$300,000 and \$1.5 million of research and development refundable tax offset which was received in early January 2020.

archTIS has also continued investment in the Kojensi platform, with more than \$500,000 in costs capitalised for the first half of the financial year to build new features to accelerate growth.

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