



BUSINESS DESCRIPTION

- Established in 2013, our Client (the "Company") developed a Best-in-Class encryption key management system.
- During the last 7 years, our Client's sponsors invested ~\$70MM in research, software development, and management infrastructure. This dynamic software solution is the result of 16 U.S. and 13 international patented applications in cyber encryption of security objects.
- The products combine to form an advanced command and control system to autonomously manage encryption keys, policy, and other security objects in a given network. This software solution has been designed to thwart cybersecurity threats and seamlessly protect an organization's infrastructure. Encryption is a powerful cybersecurity instrument and, to be effective, must be used at a granular level which creates a very large number of keys, policy, command, and controls applications. Our Client's recently developed products can scale from hundreds to millions of keys while (i) reducing IT workload and enterprise costs by integrating its hardware security modules into an IT system and (ii) having the capability to protect millions of devices.
- The Company has executed OEM agreements with Dell Technologies in the U.S., Australia, and APAC. The servers, which are built and shipped by Dell, are co-branded with the logos of Dell and our Client's branded name.

TRANSACTION SUMMARY

- The Company is seeking to raise a minimum \$3.0MM credit line to finance rising levels of A/R.
- Initial shipments start in September 2021 and sales are forecasted to rapidly increase, generating eligible collateral of \$2.5MM to \$4.0MM per month within 90 days.
- Customers are expected to include domestic and international governmental institutions seeking to further secure networks and elevate protection against specific and general cyber security threats.
- Lender must be U.S. based and employ U.S. citizens.

SELECT HIGHLIGHTS

1

The Business Will Be Able to Quickly Generate Revenue and Turn Profits

- Due to strong public sector sales pipeline sourced from sales to U.S., foreign governments, and large private companies, monthly revenue is expected to rapidly increase. Our Client's product will be incorporated into systems sold by large top-tier IT companies to enhance the cybersecurity features through the incorporation of this command and control cryptologic operations platforms. Leveraging the sales organizations within large IT companies enables our Client to dynamically expand its product reach and increase sales in IoT, 5G, and connected car markets.
- Backlog is presently \$500K; within 6 months, sales will total \$17.2MM. The Company is pre-revenue and expects to reach EBITDA breakeven at a monthly revenue level of \$1.7MM. Monthly sales are expected to range between \$2.5MM to \$4.0MM.

2

Experienced Management with Large Market Opportunity

- The Company's Chief Revenue Officer has agreements in-place, is co-bidding with well-known IT hardware companies on new projects, and is working on agreements with top U.S. software companies.
- Seasoned management team has backgrounds working for the NSA, FBI, Dell Technologies, and U.S. Army intelligence.
- Our Client's hardware and software have been tested by approximately 100 companies over the past 5 years. Its products have been approved for incorporation into existing IT systems expected to be used by government and private companies worldwide.
- The Company has developed and owns 29 patents.

CONTACT INFORMATION

Chuck Doyle
President & CEO
(415) 989-0970
cdoyle@bizcap.com

Reed Upson
Managing Director
(415) 989-0970
rupson@bizcap.com

Erik Ostebo
Chief Credit Officer
(415) 989-0970
eostebo@bizcap.com

Tim Gaines
Senior Associate
(415) 989-0970
tgaines@bizcap.com

Cooper Brown
Senior Analyst
(415) 989-0970
cbrown@bizcap.com