



Prophecy International Holdings Ltd

(ASX:PRO)

Level 5, 60 Waymouth St
Adelaide SA 5000 Australia
Phone: + 61 8 8213 1200
info@prophecyinternational.com

Updated Investor Presentation

Authorised by: Brad Thomas, CEO

Investor and Media Contact:

Brad Thomas, CEO

M +61 419 697 359

E: bthomas@prophecyinternational.com

For more details visit

prophecyinternational.com
intersectalliance.com
emite.com

Contact: info@prophecyinternational.com
or call +61 (08) 8213 1200

ASX: PRO

PROPHECY INTERNATIONAL HOLDINGS LTD
H1 FY24 INVESTOR PRESENTATION
MARCH 2024



Prophecy International (ASX: PRO)



We are a leading Australian designer and developer of innovative business software and SaaS solutions (B2B and B2G), with global operations and expertise in cybersecurity and big data analytics.



We have developed a 40-year track record helping customers to secure the enterprise, repel cyber threats and deliver valuable business insights. We help companies make better decisions faster to protect and improve their operations.

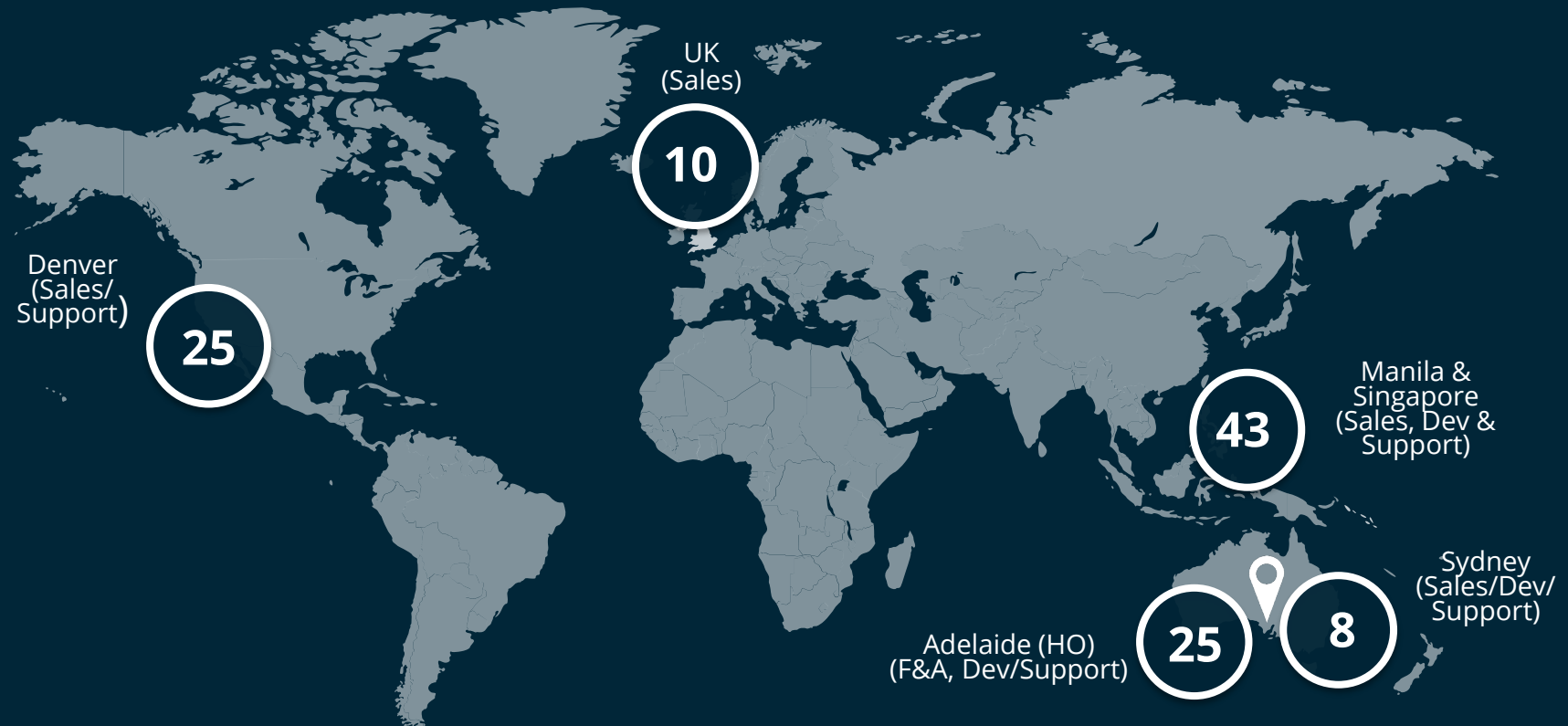


We are trusted by a broad spread of blue-chip clients across the banking, healthcare, government, defence, utilities, transport, manufacturing, retail and energy sectors.



Our software products, emite and Snare, are deployed at more than 4,200 sites globally, with a customer base including some of the world's most powerful brands.

>4,200 client sites | 5 offices | 112+ employees & growing



>80% of H1 FY24 revenue from international markets

Corporate Snapshot

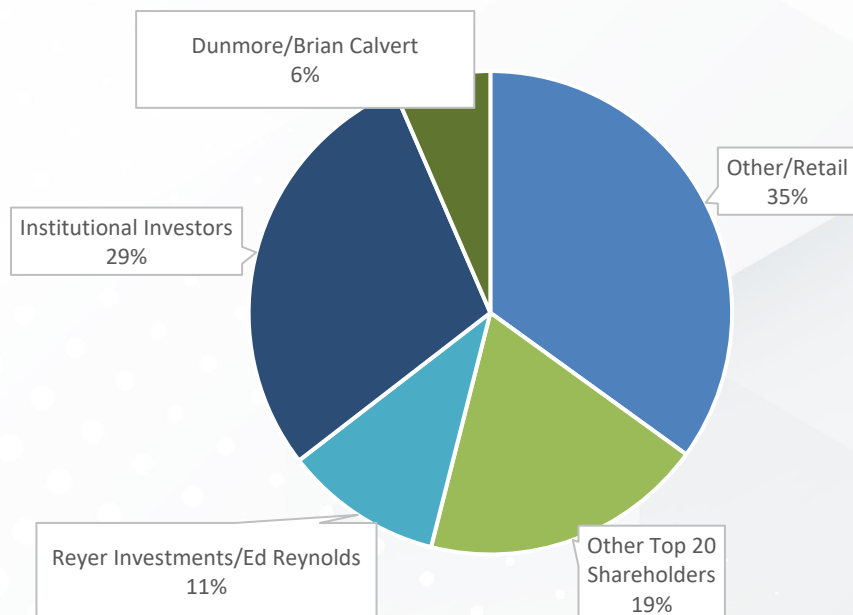
Key Statistics

ASX Stock Code	PRO
H1 FY24 Revenue	\$11.5M
Cash Balance (31 December 2023)	\$9.9M
Debt	Zero
Share Price (11 March 2024)	\$0.59
Shares on Issue	73.6M
Fully Diluted Market Cap	\$43.4M

Key Management Personnel

Brad Thomas	Chief Executive Officer
Steve Challans	Chief Information Security Officer
Stephen Irecki	Chief Operations Officer
David Russell	VP Sales EMEA
Stuart Geros	VP Sales APAC
Suzanne Laycock	Chief People Officer

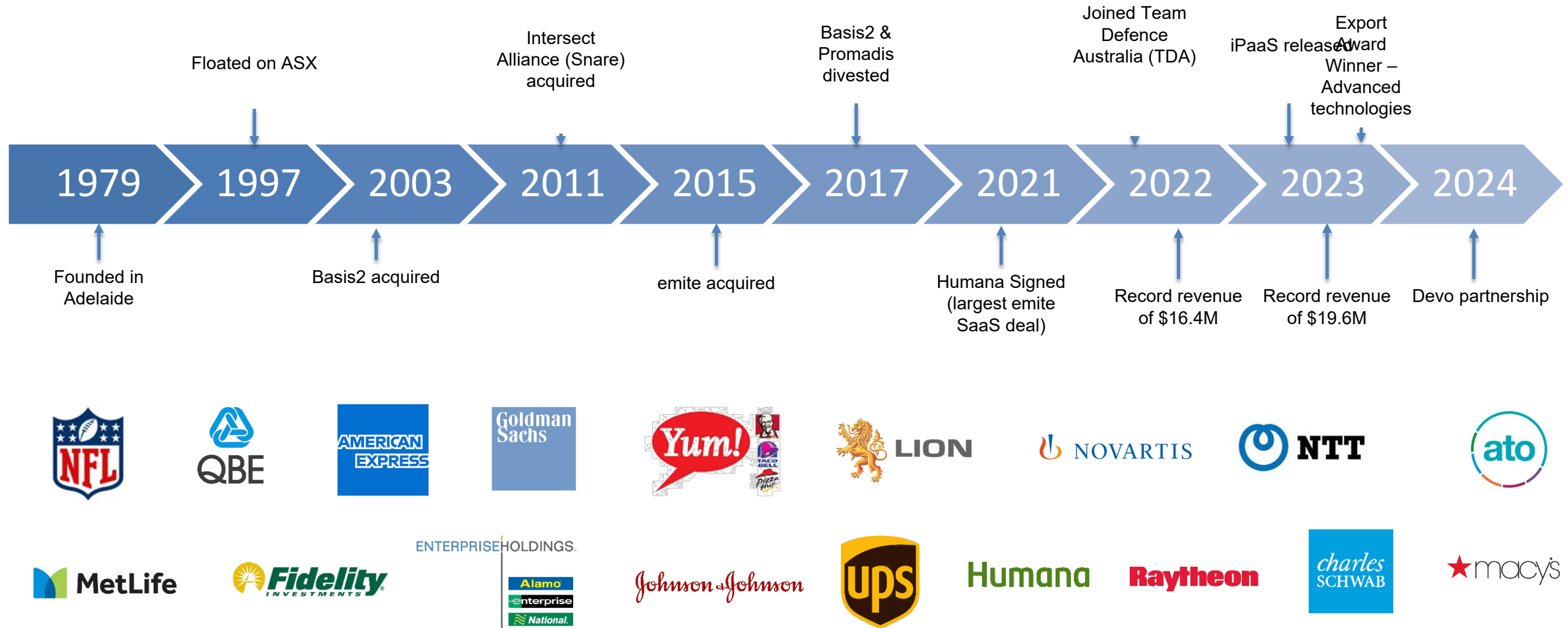
Shareholder Analysis



12-Month Share Price and Volume

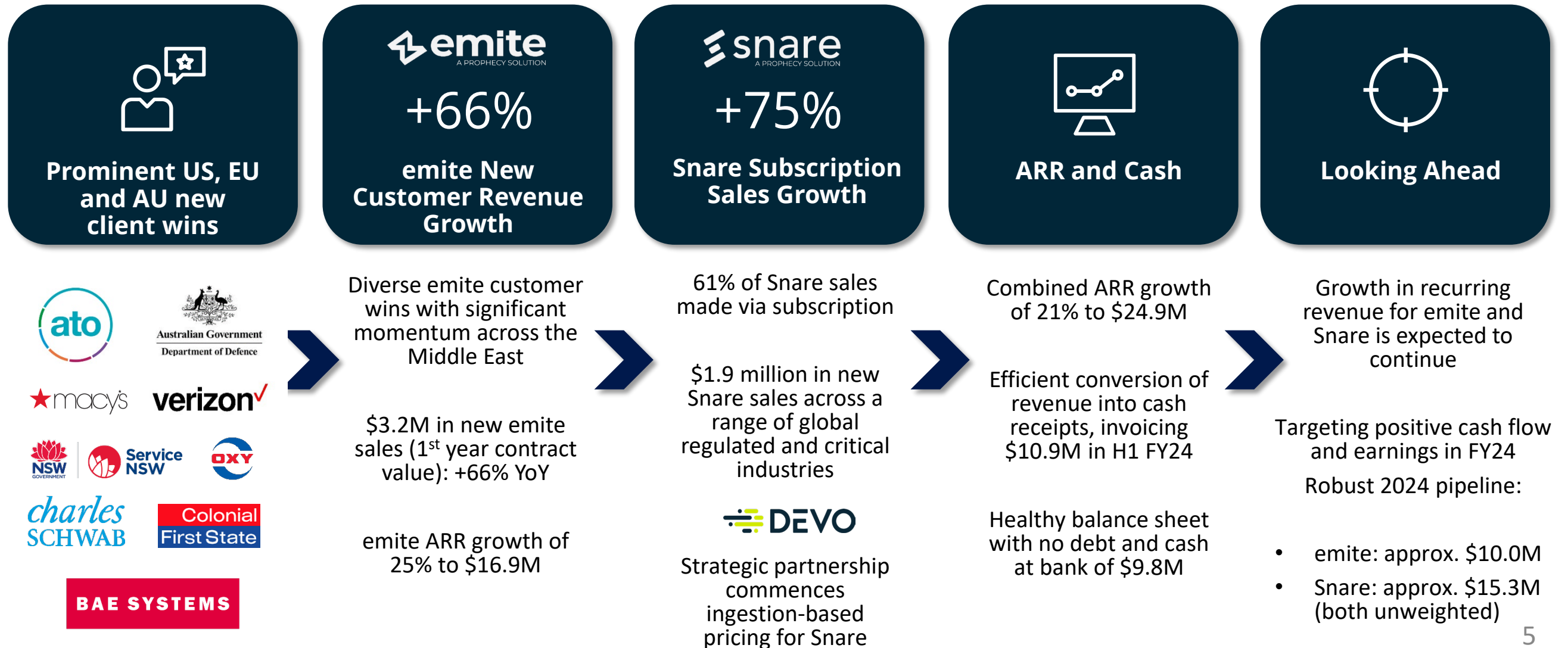


Blue-Chip Repeat Customers, Attracted and Retained Over 40 Years



H1 FY24 Performance

Strong growth with record levels of revenue and ARR, with a healthy pipeline across emite and Snare



H1 FY24 Financial Highlights

Performance	H1 FY24 Result	Prior period H1 FY23	YoY change
Revenue	\$11.5M	\$9.0M	+27%
ARR	\$24.9M	\$20.6M	+21%
Invoicing	\$10.9M	\$9.0M	+21%
NPAT (Loss)	(\$1.7M)	(\$2.1M)	+\$0.4M
Cash Flow	(\$1.4M)	(\$2.8M)	+\$1.4M
Cash Balance	\$9.9M	\$9.8M	+1%
Debt	Zero	Zero	No change

- Robust growth in both recurring and total revenue to record levels
- Efficient conversion of revenue into cash receipts, improved cash position vs H1 23
- Result reflects impact of transitioning Snare from a perpetual to recurring licence model, with a 75% YoY increase in Snare subscriptions to \$5.4M
- emite ARR +25% YoY to \$16.9M as the business rides a significant growth trend, with hybrid and remote working set to accelerate cloud migration for the next several years
- Well funded and resourced to grasp growth opportunities

Focused Product Suite Serving Large Markets



Data Integration Platform, Advanced Data Analytics, Visualisations, Correlation, KPI Management and Threshold Alerting

Cloud-Based Contact Centre Market
USD\$17.2B
CAGR 19.1%⁶

- Customer Journey Analytics market is projected to be worth \$4.16B by 2030 growing at a CAGR of 10.4%⁵
- **Integration Platform as a Service (iPaaS) forecast to grow to \$13.9B by 2026 at a CAGR of 30.3%²**



Log Management, Data Streaming, End Point security

Cyber Security
USD\$399B
CAGR 12.3%¹

- Security Analytics Market will reach USD\$25.4B by 2026 growing at an 16.2% CAGR³
- **Log Management Market is growing to USD\$4.1B by 2026 at a CAGR of 11.9%⁴**

1. Cybersecurity ventures <https://cybersecurityventures.com/cybersecurity-spending-2021-2025/>

2. marketsandmarkets <https://www.marketsandmarkets.com/Market-Reports/integration-platform-as-a-service-market-134216323.html>

3. marketsandmarkets <https://www.marketsandmarkets.com/Market-Reports/security-analytics-market-1026.html>

4. marketsandmarkets <https://www.marketsandmarkets.com/Market-Reports/log-management-market-66937877.html>

5. Fortune Business Insights <https://www.fortunebusinessinsights.com/customer-journey-analytics-market-107799>

6. Skyquest [https://www.skyquest.com/report/contact-center-as-a-service-market#:~:text=Global%20Contact%20Center%20As%20A%20Service%20\(CaaS\)%20Market%20Insights,period%20\(2023%2D2030\).](https://www.skyquest.com/report/contact-center-as-a-service-market#:~:text=Global%20Contact%20Center%20As%20A%20Service%20(CaaS)%20Market%20Insights,period%20(2023%2D2030).)

Actionable Insights in Real Time



emite is our Customer Experience Analytics platform that combines advanced analytics, **data collection & correlation**, KPI management and threshold alerting into a single, scalable and powerful solution.



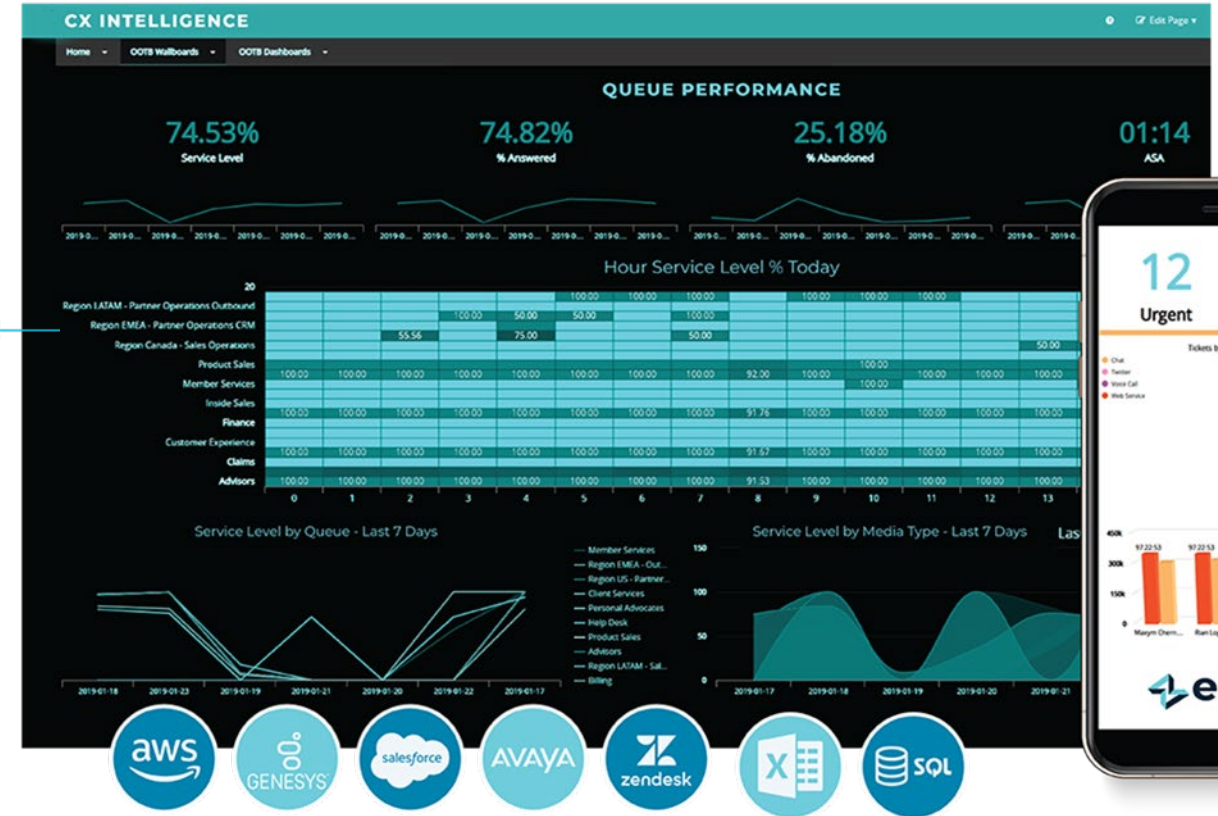
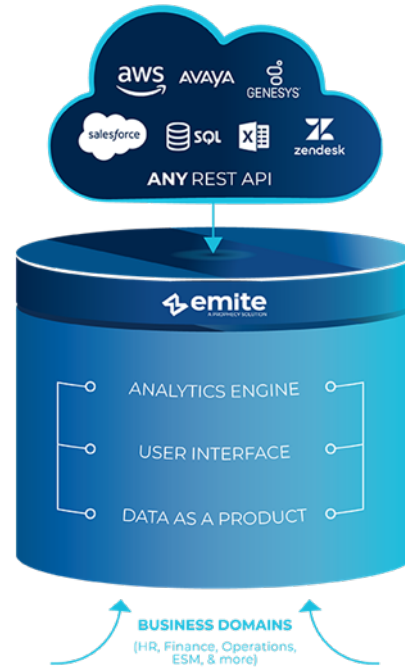
Provides actionable insights that bring both real-time and historical data to life.



emite onboards data from many processes and systems then visualises it in an easily configurable interface.



Our SaaS cloud-based / on-premise solution now has more than 200 active customers, generating **\$16.9 million in annualised recurring revenue (ARR) for emite.**

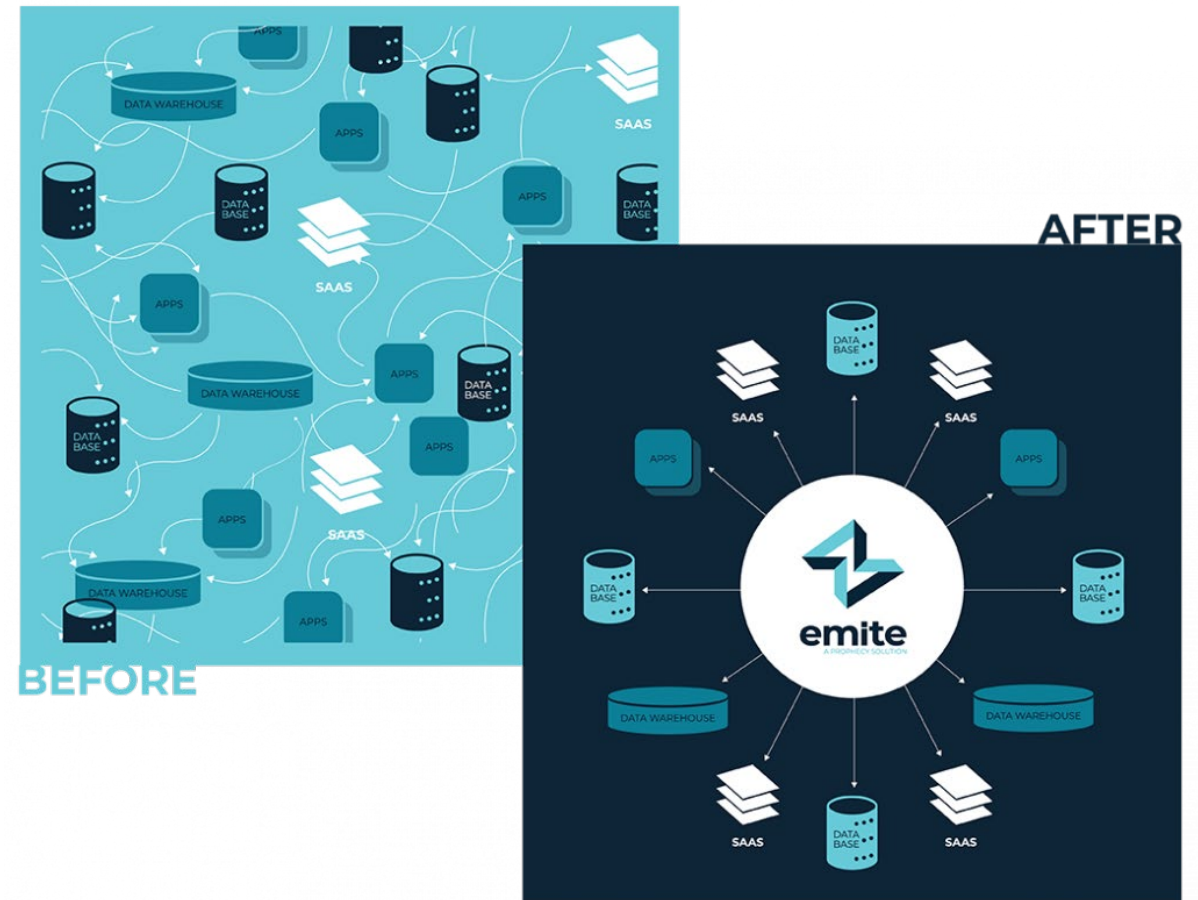


Latest emite sales activity includes household name customer wins in UK, Europe, USA and Australia, spanning retail, utilities, auto manufacturing, health care, financial services, electronics and government.



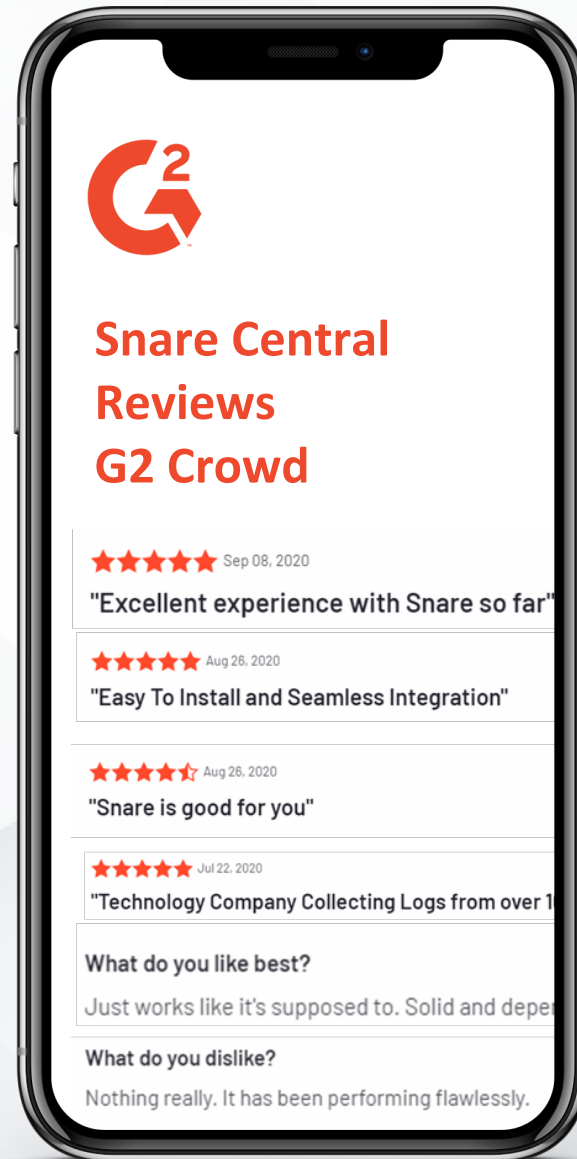
Expanding into data analytics through emite iPaaS

- The data analytics landscape is evolving at a rapid pace, presenting a unique opportunity for growth. Generative AI, and increased understanding of the value data holds, is driving the need to integrate more sources in real time and continually adapt.
- Prophecy's release in June 2023 of an Integration Platform as a Service (iPaaS) solution for emite enables the company to address more of the CX marketplace, include other vendor tools with Genesys and Amazon Connect and open our new integration capability to the entire CX ecosystem.
- This new data integration platform as a service enables us to provide our leading analytics capabilities to more Contact Center as a Service (cCaaS) solutions and expand into the wider data integration market.
- First iPaaS customer signed in December 2023: Just Eat Takeaway.com N.V., streamlining everyday customer interaction across all channels for Menulog, Grubhub, Just Eat and Takeaway.com



Snare: Flexible Cybersecurity and Compliance

- Snare is our cybersecurity software product line, through which we provide **security monitoring, threat detection, security information and event management (SIEM)** and **centralised log management**. These are critical security controls recommended or mandated by various bodies including the Australian Government.
- Compliance, Forensics, Threat Hunting, Alerting, Reporting, Event Search
- Critical Infrastructure cyber reporting regulation in the USA, Australia and the UK driving demand for robust analytics, reporting and forensics capability.
- Modular products that work well with others; perpetual (capex) and subscription (opex) licensing models offered, with revenue generated through partners including Verizon, NTT, Secureworks and ATOS and more.
- Meet global compliance mandate like SOX, PCI DSS, NIST800-172, ISO27001, HIPAA, NERC and more.



Over 4,000 enterprise customers worldwide trust Snare to:



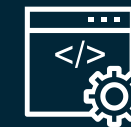
Protect Systems

Protect your systems from attacks, whether these be of a malicious, fraudulent or human error



Meet Requirements

Meet your organisation's own audit requirements for data protection



Achieve Compliance

Comply with demands from stakeholders, investors, gov't entities, customers or suppliers



Adhere to Standards

Adhere to all security standards

Snare Progress and Growth Opportunities

Government, Defense & Military

- Strong and growing footprint with Military and Defense Prime Contractors
- Significant new opportunities in US and Europe
- Critical Infrastructure regulation increasing demand for Snare capability
- M21-31 logging standards for US Government

Managed Service Providers/MSSP & System Integrators

- Expand footprint with global MSSPs
- Establish and leverage partnerships in new countries and geographies
- Leverage Devo to acquire other vendor partnerships and MSSP's.

Upsell

- Penetration of existing account base with Snare Central, Agent Management & Reflector
- New functionality driving higher value sales opportunities

Subscription Revenue

- Drive larger deals by selling the whole solution
- Managed transition of the Snare business to recurring subscription-based licensing will continue
- New per TB model introduced further driving subscriptions



>60% of new sales have moved to subscription licensing, delivering H1 FY24 ARR of \$5.4M, +75% YoY

Establishing & expanding new partnerships with Devo, Optus, Novacoast, Fujitsu ANZ, IBM

Significant opportunities with Government in Australia, UK, Singapore and USA

\$15.3M in 2024 Snare unweighted pipeline, primarily subscription

Key Recent Wins: Devo and Carahsoft

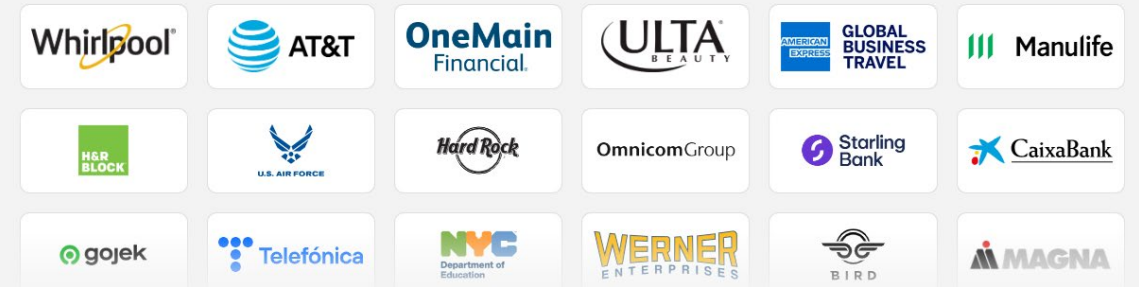


- Prophecy has signed a partnership agreement with Devo Technology.
- Devo is a cloud-native security analytics platform headquartered in Cambridge, Massachusetts, with operations in North America, Europe and Asia Pacific. Devo's platform augments security teams with AI, enabling its customers to scale up their security operations centre efficiency, increase their speed of threat detection and response, and gain greater clarity to empower bold action and minimise risk.
- The agreement sees Prophecy supply logging software to Devo for all of their customers.



- Prophecy has signed a distribution partnership with Carahsoft Technology Corp, its 1st distributor in the US with a focus on Government & Defense.
- Carahsoft is a trusted US and Canadian Government IT solutions provider, supporting public sector organisations across Federal, State and Local Government agencies and the Education and Healthcare markets. Working with resellers, systems integrators and consultants from its headquarters in Virginia, Carahsoft's 2,000+ professionals provide industry leading IT products, services and training through hundreds of contracts.
- Prophecy has transacted business through Carahsoft in Q1 FY24 leading to sales of both Snare and emite.

Devo Technology is trusted by leading organisations worldwide



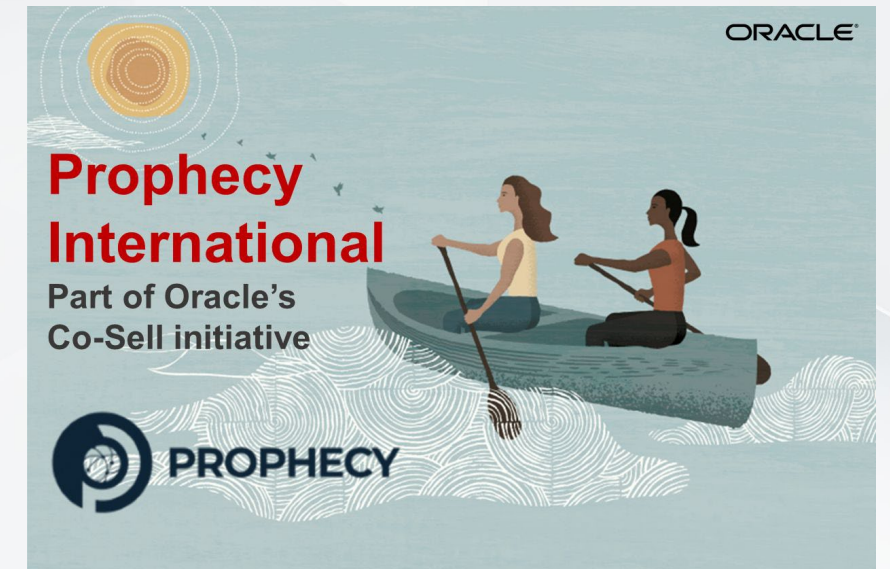
Carahsoft is recognised for its outstanding performance by the public sector industry, delivering solutions for Cybersecurity, MultiCloud, DevSecOps, Big Data, Artificial Intelligence, Open Source, Customer Experience and more



Partnership with Oracle to Co-Sell Snare and emite



- Prophecy has been selected to be part of Oracle's Global Co-Sell Program
- Program financially incentivises Oracle's sellers and its partners to promote Snare and emite to their customers and partners
- Partnership provides Prophecy with privileged access to more than 430,000 Oracle customers, 3,000 Cloud Platform Sales Reps, 2,000 Enterprise Cloud Architects and 20,000 systems integrators (SIs) globally
- Prophecy is one of only five independent software vendors (ISVs) from the APAC region chosen for Oracle's Global Co-Sell Program
- Program offers Prophecy opportunities to engage in joint go-to-market and joint sales campaigns with Oracle teams, and has begun to positively impact Prophecy's global business development
- With Prophecy now a member of Oracle PartnerNetwork, customers can find out more about Snare and emite via the Oracle Cloud Marketplace

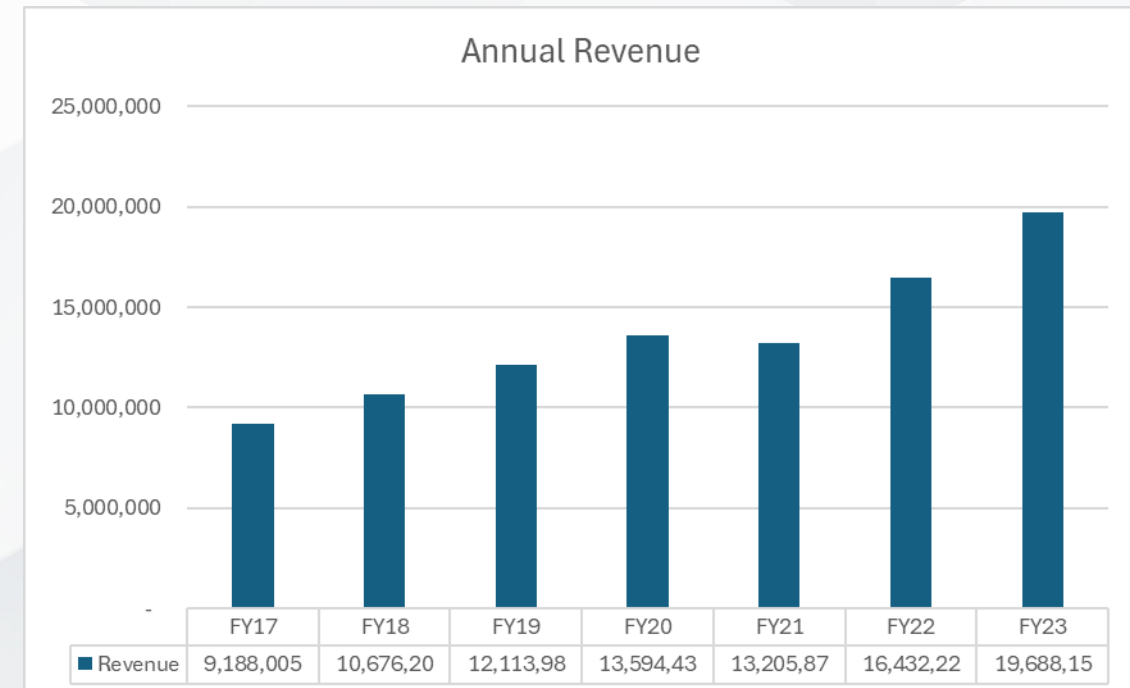
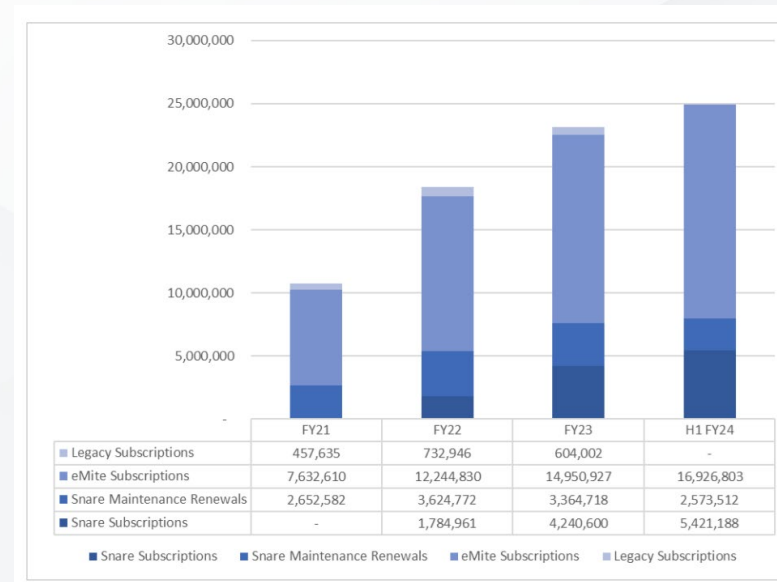


"Selling Prophecy's leading business intelligence software products on Oracle Cloud Infrastructure will provide our joint enterprise and government customers with a powerful set of solutions to enhance their customer analytics and help to secure their data assets."

— Hwa Cheong Wong, Head of Oracle's APAC ISV business

Delivering Long Term Growth

- Prophecy annualised recurring revenue (ARR) grew to \$24.9M as at 31 Dec 2023
- Conversion of revenue into cash remains robust and continues to improve
- New logo accounts acquired in H1 FY24 through diverse new client wins, including the Australian Tax Office, Investcorp, Just Eat Takeaway.com and Macy's
- Sales partnerships recently established with Devo, JTC, Optus, Fujitsu and Novacoast are beginning to yield customer wins and expand Prophecy's pipeline opportunities locally and in global markets
- Market tailwinds remain positive for continued expansion in both CX data integration & analytics and Cyber Security
- Debt-free balance sheet with cash of \$9.9M, sufficient to fund continued growth



Investment Highlights

Diverse revenue streams providing cloud and on-premise enterprise solutions, with a focus on essential service segments (cybersecurity and cloud contact centres)

Large addressable target markets with clear strategy to boost penetration through new and existing customers across all industries

Pursuing opportunities to accelerate growth and increase capability, capacity and coverage

A global book of sticky business with a broad spread of blue-chip clients with rising revenue & ARR growth

Targeting **scalable growth and margin expansion** through continued focus on subscription-based SaaS licensing revenue

Snare and emite both benefit from **strong market positions** and multi-year industry tailwinds

Featured in



THANK YOU

FOR MORE INFORMATION, PLEASE CONTACT:

BRAD THOMAS, CEO

E: BTTHOMAS@PROPHECYINTERNATIONAL.COM

The information in this document is published to inform you about Prophecy International Holdings Ltd and its activities. All reasonable effort has been made to provide accurate information but we do not warrant or represent its accuracy and we reserve the right to make changes to it at any time without notice.

To the extent permitted by law, Prophecy International Holdings Ltd accepts no responsibility or liability for any losses or damages of any kind arising out of the use of any information contained in this document. The information is not an invitation to invest or deal in Prophecy International Holdings Ltd securities and you should seek independent professional advice before making any investment decisions.

The information is copyright to Prophecy International Holdings Ltd. You may download the information for your own personal use but you may not reproduce it for any other purpose without our express permission.

