



Prophecy

Prophecy International Holdings Ltd

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Company Announcement 8th February, 2018

Prophecy International grows revenue 24% in H1

Sales Coverage increases to address expanding opportunity

Sydney— February 8, 2018 — Prophecy is pleased to announce preliminary results for FY18 H1 that show a strong improvement over FY17 with a significantly increased contribution from eMite based primarily on the relationships with Genesys and Telstra.

According to preliminary and unaudited financials from H1 we expect sales revenue of approximately AUD\$5.89M with EBIT of approximately \$AUD1.06M. These numbers are compared to the results for FY17 that have been adjusted for the sale of the legacy businesses basis2 and Promadis at the end of last financial year.

This represents revenue growth of 24% against the same period last year for the combined Snare and eMite businesses and an increase of 58% in EBIT vs H1 2017. While this is a pleasing result, no dividend will be declared for this half.

The Telstra/Genesys relationship has resulted in 39 new customers added in H1 and has driven investment in new sales resources to address the growing market opportunity.

Prophecy CEO, Brad Thomas said, “We have increased coverage to include new sales resources in Australia covering APAC, in Sao Paulo, Brazil covering LATAM and in Indianapolis, USA to cover North America. Our focus now is to continue to drive this relationship to ensure the eMite CX Intelligence platform is added to a high percentage of all new sales for PureCloud by Genesys and to address the opportunity for CX Intelligence for the remaining 9000 Genesys customers with on premise solutions.”

On the back of these results, as well as a few large Enterprise sales for eMite in the IT Operational (IT Ops) Intelligence market, we expect eMite to be in profit for H1.

The eMite CX Intelligence platform enables customers to gain real time insight into their business operations, correlating and aggregating data from multiple systems like PureCloud by Genesys, CRM systems including Salesforce, ServiceDesk systems including ServiceNow and Workforce Management systems, into a single real time dashboard with advanced analytics. This year we have also added integration with Amazon Lex and presented alongside Amazon and Genesys at the Amazon Excite event in Las Vegas.

We have also added new partners into the channel this year with Datacom, UCA and QPC all signing on as eMite CX Intelligence partners in Australia.

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For more details visit

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On the Cyber Security side we continue to see strong demand for robust, enterprise grade logging and log management. “By restructuring our US sales team, adding sales resources in Australia, increasing the depth and breadth of our capability for log management combined with local support in Australia and in the US, has delivered the strongest sales quarter for Snare for the last 6 quarters. Our logging log management solution is used in the largest government and defense agencies around the world, as well as in some of the largest banks, utilities, health providers and in retail”, said Thomas.

We have also added to our partners for Snare with Verizon being the most significant added in H1. We will increase our focus on the Managed Security Service Provider segment in future as regulations like GDPR in Europe and the Data Breach Notification Laws in Australia drive demand for managed IT security.

In H2 we also expect to have new capability launched in the logging and cyber security space which will open additional markets for Prophecy.

“It is a challenging job to grow a small business in a global market in incredibly competitive segments like cyber security and advanced analytics, and I would like to thank the teams across the business for their efforts and focus in taking up the challenge. I am also extremely pleased that we have also managed to further strengthen our cash position, continue to be free of debt and to have delivered a profit for H1.”, said Thomas.

Fully audited results should be available to the market in late February.

About Prophecy International Holdings Limited

Prophecy International Holdings Limited is a listed Australian company (ASX:PRO) that has been operating globally since the 1980's.

Prophecy operates across three areas – CX Intelligence, IT Ops Intelligence and Cyber Security Threat Intelligence leveraging the power of software from the eMite and Snare products.

Prophecy operates globally from Adelaide and Sydney in Australia, London in the United Kingdom and in Denver, USA.

For more details visit

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