

# Prophecy International

## Prophecy achieves strong growth across key sales metrics – Full Year FY22 sales update

ASX: PRO

Market Announcement

### Growth Highlights

- 41% increase on total new sales of \$12.3M (Snare & eMite combined), up from \$8.7M in FY21
- 71% increase on Total Group ARR to \$18.4M, up from \$10.7M in FY21
- Full year invoicing increased to \$20.9M – up 54% on YoY (\$13.6M)
- Snare new business sales \$6.7M up from \$5.1M – a 31% increase YoY
- Snare new subscription sales of \$1.75M in FY22 from zero in FY21
- eMite sales up 56% YoY to \$5.6M from \$3.6M in FY21
- Closing cash balance of \$13.1M (unaudited) up from \$3.1M in FY21, with no debt
- This represents an increase of \$2.8M in positive cash flow after \$7.2M capital raise (after costs) in October 2021.

**Adelaide — 11th July 2022** — Business software developer Prophecy International Holdings Ltd (ASX: PRO, "Prophecy" or "the Company") is pleased to report strong growth across key operational metrics for the full year of FY22.

In a year dominated by macro-economic headwinds; increasing inflation and rising interest rates, a global war for talent and wage increases – especially in technology fields, limited war in Europe, trade sanctions and the lingering effects of the global Covid pandemic, Prophecy delivers results which are particularly strong.

## eMite Growth

Prophecy's focus on international marketing through both the Genesys and Amazon Connect contact centre technology ecosystems continues to deliver strong growth in contracted sales for eMite, the Company's SaaS-based (software as a service) customer experience and contact (call) centre analytics platform.

In FY22, the Company signed new eMite customer contracts covering more than 45,000 seats with aggregate 1st year contract value (1CV) of \$5.6M, up from \$3.6M in FY21, an increase of 56% YoY.

The latest eMite sales activity includes household name customer wins in Prophecy's target geographies of UK, Europe, USA and Australia, spanning sectors including retail, utilities, auto manufacturing, health care, financial services, electronics and government. A selection of the Company's most newly-won eMite customers are below:



The rising new client activity has continued to boost eMite's base of annualised recurring revenue (ARR), growing to \$12.3 million as of 30 June 2022, a 60% YoY increase.

Prophecy continues to hold a positive view for growth in customer activity on its eMite platform as its sales and marketing function boosts the recognition of eMite's ability to help businesses visualise and understand their customers' journey.

## Snare Growth

Prophecy's focus on the USA, UK and Europe as key target markets is driving strong continued growth in both sales and pipeline for Snare, the Company's cybersecurity software product line. Through Snare, the Company provides critical government recommended or mandated security controls, including cyber threat detection, security information and event management (SIEM), alerting, forensics and centralised log management.

In FY22, the Company signed more than 340 new Snare sales contracts with enterprise customers and governments across five continents, generating new sales of \$6.7 million, a 31% YoY increase. Snare achieved an average deal size of \$19.6K during the year, +61% YoY. A selection of the Company's most newly-won Snare customers follows below.



Following Prophecy's development of a subscription-based sales model for Snare in Q2 FY22 and general availability of subscription pricing from 1 January 2022, the Company saw this business unit's share of subscription-based recurring revenue rise noticeably. An increasing number of Snare customers are grasping the advantages of the Opex/Capex flexibility provided by this new model, as indicated by subscription revenue constituting 26% of the Company's total new Snare sales in FY22 and 44% of sales in Q4.

The rise in average deal size and continued shift towards subscription sales for Snare indicates Prophecy's strong competitive position as well as its ability to upsell, with the Company selling more than 110 copies of Snare Central in FY22.

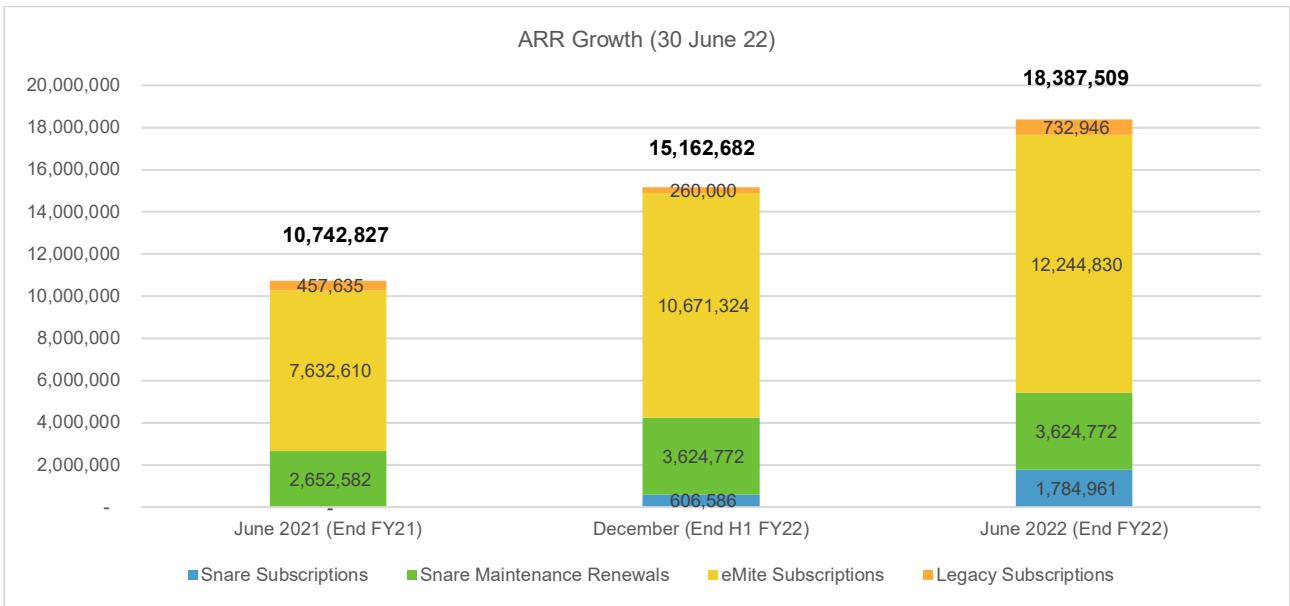
In FY22, Prophecy sold Snare into 30 countries across five continents. The EMEA region had its best annual performance in the history of Snare, with \$2.1M of new business sales in FY22 up from \$1.2M in FY21.

The Company holds a positive view for continued growth for Snare, as the market for flexible cybersecurity and compliance solutions continues to grow and the rising financial and reputational consequences of data breaches, malware and ransomware become increasingly apparent to enterprise customers.

## ARR Growth

Group ARR increased to \$18.4M, up from \$10.7M at the end of FY21 - a 71% YoY increase.

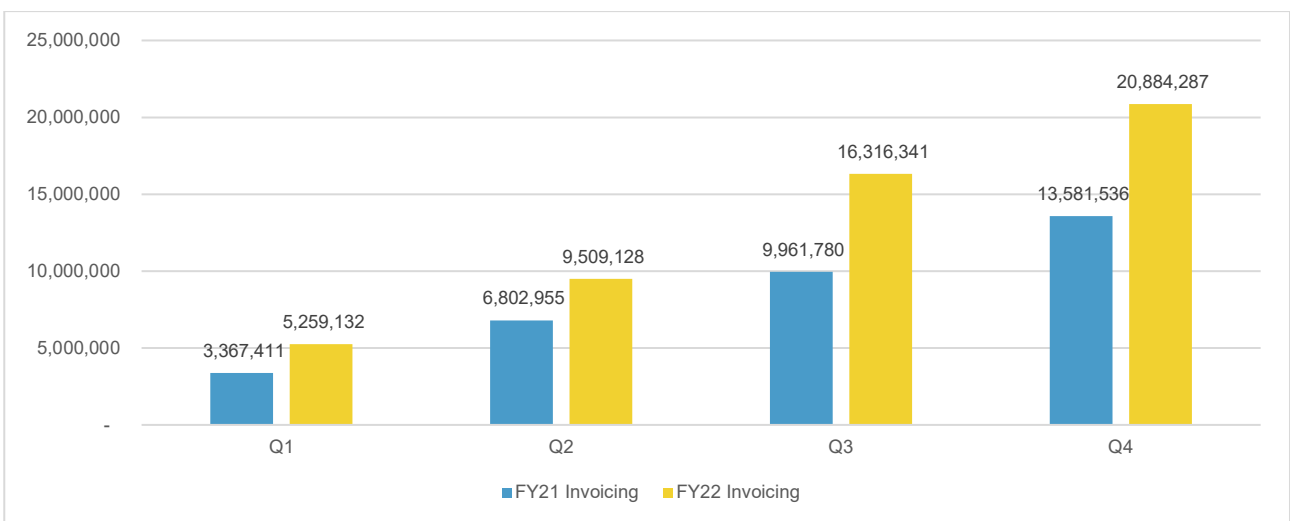
Strong growth in Snare and eMite subscriptions drove this increase, with Snare making a significant contribution in H2 after the launch of new subscription pricing to market on 1 January. Market acceptance of this new pricing model has been strong and is trending in an upward direction. eMite subscriptions also increased 60% YoY.



## Prophecy strong full year invoicing growth

Strong performance by Prophecy’s SaaS-based customer experience and contact centre, eMite, which achieved 108% growth in invoicing over the previous corresponding period to \$10M (FY21: \$4.8M) led impressive growth across the Company’s total invoicing of \$20.9M. This represented a 54% increase on the invoicing total of \$13.6M for FY21.

Prophecy’s Snare platform, which provides critical government recommended or mandated security controls, including cyber threat detection, security information and event management (SIEM) and centralised log management, also delivered invoicing growth in FY22, increasing 24% to \$10M, up from \$8.0M in FY21.



## Sales Pipeline for FY23

On top of pleasing growth across these indicators, Prophecy saw continuing growth in new sales pipeline and the business enters FY23 with a healthy pipeline of opportunities.

The current total unweighted pipe for Snare for FY23 is currently \$12.0M.

The unweighted pipeline of sales opportunities for eMite for FY23 is currently \$17.4M

## Full financial reporting

Prophecy expects its full audited financial results including P&L and Balance Sheet will be available in August 2022.

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The Company expects to announce audited financial in late August.

### [About Prophecy International Holdings Limited](#)

Prophecy International Holdings Limited (ASX: PRO) is a leading Australian designer and developer of innovative business software. Through its two products, Snare and eMite, Prophecy serves the large and growing global markets of Contact Centre Analytics and Cyber Security.

CX Intelligence by eMite provides a SaaS based real time and historical analytics platform, dashboards, wallboards, KPI and orchestration products for Customer Experience, Contact Centre environments.

The Snare product suite is a highly scalable platform of Centralised Log Management and Security Analytics products designed to enable customers to detect and manage cyber threats in real time and maintain regulatory compliance.

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