



Prophecy International Holdings Ltd

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Company Announcement, 31 July 2018

FY18 Preliminary Results and Improvement in Key Business Indicators

Sydney— 31 July 2018 — Prophecy is pleased to announce year on year increases in revenue, sales volume and channel partners.

Preliminary results for the full year show a strong improvement over FY17 with a significantly increased contribution from eMite, primarily from the CX (Customer Experience) Intelligence platform targeted at Contact Centers' customers on the Genesys platform.

According to preliminary and unaudited financials from FY18 we expect revenue of approximately AUD\$10.7M. Revenue from the same businesses last year was approximately AUD\$9.2M.

This represents revenue growth of approximately 16.3% against the same period last year for the combined Snare and eMite businesses and demonstrates that our strategy of growth through modernising and optimising sales and marketing, product innovation, improved customer experience and improving operational efficiency is delivering results.

Our ongoing product innovation program is particularly focused on growing subscription and annuity revenue streams.

eMite revenue grew from approximately \$1.9M in FY17 to \$3.35M in FY18 – an increase of 76% year on year. We have also seen increases in the number of sales and total value of contracts sold for both Snare and eMite in FY18.

These revenue numbers also include a small number of legacy customers primarily using the e-Foundation product.

The second half of FY18 has seen continuation of the number of new customer additions for eMite and Snare.

Key statistics

- Snare sales transactions up from 462 in FY17 to 547 new business sales in FY18.
- New business sales contract values up by 1.94% for Snare year on year from AUD\$4.658M to AUD\$4.748M.
- eMite sales up from 47 transactions to 110 transactions in FY18 – a 134% increase.
- Value of sales contracts up from AUD\$1.016M in FY17 to AUD\$3.092M in FY18 - a 204% increase.
- Contact Centre agent licenses sold for eMite grew from 1,340 in FY17 to 6,060 in FY18 – a 352% increase.

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For more details visit

prophecyinternational.com
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eMite.com

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eMite customers added in June include Canon Saudi Arabia, O'Donnell & Hanlon Construction, Safecom in Australia & Comfort Systems in the USA.

Snare customers signed in June included The New York Times, NASA, Florida Agency for State Technology and the World Economic Forum in the USA; Royal Mail, Visa Europe, T-Systems Germany in Europe and Singapore Stock Exchange in Asia.

The strategy of increasing coverage and capability through partners continues to grow momentum with the recent signing of CPI.Solutions and ConvergeOne for eMite in the USA and with MSSP's VirtualArmour and Carbon Helix for Snare in the USA. An increased focus on the MSSP segment is a key driver of growth for Snare with sales through the MSSP channels increasing by 65% in FY18.

With the release of new productised subscription based offering for Genesys PureConnect for both on premise and cloud based customers, we have seen an increase in new pipeline of over AUD\$2M in Q4 and an average deal size increase from AUD\$30K to AUD\$45K in our forward looking pipeline for eMite.

Pleasingly we have also experienced an increase in the number of multiyear contracts for eMite from predominantly 12 month agreements moving to both 24 and 36 months agreements.

July also brought the first eMite partner training event being held in Sydney, with partners from Australia, New Zealand, Singapore and the US attending in depth technical and sales training. This training will include an end customer user group training component with approximately 15 customers attending training in conjunction with our partner event.

eMite is also sponsoring the Genesys G-Summit in Melbourne in July, Genesys' largest customer event in Australia.

About Prophecy International Holdings Limited

Prophecy International Holdings Limited is a listed Australian company (ASX:PRO) that has been operating globally since the 1980s. More recently the focus at Prophecy has been on growing the eMite and Snare lines of business.

eMite CX intelligence platform combines analytics, correlation, performance, KPI's and SLA management into a single, out of the box solution to provide contact center customers with real time insight into business performance. The Snare product suite is a highly scalable SIEM and Enterprise platform of security products designed to find, filter and forward event log data. Snare log sources include Windows, flat files, databases, Linux, Mac and Solaris with coverage for desktops and servers.

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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