

Company Announcement – 23 August 2019

Prophecy International partner channels results

Prophecy announces significant increases in indirect revenue for Snare

Adelaide — August 23, 2019 — Previously Prophecy has stated that one of our key growth strategies is to scale through partnerships and indirect channels. The key segment that has been identified for significant global growth for the Snare products is the MSSP (Managed Security Service Provider) segment. [Research and Markets](#) estimates that this is a global market that will be worth USD\$29.9B by 2020.

The increase in the number and sophistication of cyber threats, the global skills shortage in cyber and IT security along with the increased regulatory environment in relation to compliance, data privacy and mandatory breach notification is driving growth in this segment as customers struggle to stay ahead of threats and regulation with limited resources.

Snare's Centralised Log Management and Security Analytics solutions enable MSSP's to provide their customers with forensic breach analysis, real time threat detection & regulatory compliance for mandates like PCI-DSS, Sarbanes Oxley and HIPAA to name a few.

In FY19 Snare sales from indirect channels grew to AUD\$4.022M from AUD\$2.419M - an 87.16% increase with North America accounting for 84.3% of sales from indirect channels.

The primary relationships that drove this number globally were with Secureworks, Verizon, NTT Security, Optiv and ATOS.

- Sales through resellers increased by 71.9%
- Sales through Secureworks increased 71.1%

Secureworks continues to be our largest global partner and Snare sales through Secureworks increased from \$673K in FY18 to \$1.359M in FY19 – a 101.9% increase. Secureworks is a global security player with more 4000 customers across 50 countries.

Our agreement with NTT expanded to include other geographies in addition to North America. Our agreement now covers Germany, France, UK, Japan, Sweden, Norway, Hong Kong, Australia, Singapore, Switzerland, Netherlands, India, Philippines and Thailand.

We have also seen average deal sizes with NTT increase by 22.6% in FY19 as NTT leverages Snare to monitor a larger percentage of their customers IT environments.

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Our focus is on partner acquisition and enablement for partners with a desire to be strategic and include Snare technology as a part of every sale.

In FY19 we added the following new partners:

- DirSec – a reseller and integrator of IT security solutions for enterprise and medium-sized businesses throughout the Midwest and Rocky Mountain regions.
- Altitude Unlimited – a managed security services provider based in New Jersey
- Datec Inc – a US based Enterprise Security Service Provider from Seattle in the Pacific Northwest.
- Winnovative Solutions – an information security solutions provider based in Mumbai, India providing services across the Asia Pacific region

In FY19 we had a total of 50 partners generating revenue around the globe for Snare.

Our strategy for FY20 is to maximize the performance of our North American channels while adding focus to driving revenue from new partnerships in Australia, Asia and Europe.

About Prophecy International Holdings Limited

Prophecy International Holdings Limited is a listed Australian company (ASX:PRO) that operates globally. The focus at Prophecy is growing the eMite and Snare lines of business.

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

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

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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