

## H1 FY25 Business Growth Update

**ASX: PRO**  
**Market Announcement**

### Highlights:

- Revenue up 1% on previous corresponding period (PCP) to \$11.6M in H1 FY25 – a record H1 for the company (H1 FY24 - \$11.5M)
- Result reflects Snare and emite’s crucial capability as an AI enabler, demonstrating appeal to a range of global regulated and critical industries, with sales growth driven by diverse new customer wins supported by significant momentum in the Middle East
- Contracted annualised recurring revenue (ARR) to \$25.9 M as at 31 December 2024
  - emite contracted ARR to \$15.4M
  - Snare subscriptions to \$10.5M, as Snare continues to transition its revenue model towards primarily recurring subscription sales
- Positive cash flow expected in FY25, noting cash flow is seasonal as a majority of annual company expenses fall into Q1 and the majority of large receivables fall into H2
- Robust potential sales pipelines for 2025: emite \$10.9M and Snare \$14.6M (unweighted)
- Market tailwinds remain positive across Prophecy’s business lines, seeing continued expansion in both CX data integration & analytics and Cyber Security
- Closing cash balance of \$9.1M (unaudited) as at 31 Dec 2024 with zero debt

**Sydney — 13 February 2025** — Business software developer Prophecy International Holdings Ltd (ASX: PRO, "Prophecy" or "the Company"), is pleased to report continued growth across key operational metrics for H1 FY25.

## Business Momentum

In H1 FY25, Prophecy continued to focus on delivering organic growth through its two primary product lines, emite and Snare. Sales partnerships recently established and contract wins with new and existing customers continue to underpin growth in the Company's base of recurring revenue while also expanding Prophecy's pipeline opportunities locally and in global markets. As at 31 December 2024, the Company's base of contracted ARR had grown to \$25.9M.

In a world increasingly driven by AI, the value of data is paramount, and Prophecy is at the forefront playing a crucial role as an AI enabler, providing the secure, structured, and scalable data that AI systems depend on. By combining a robust security data engine (Snare) with real-time data integration and visualisations (emite iPaaS), the Company provides an end-to-end data pipeline for AI. Whether for cybersecurity AI, predictive analytics, or operational intelligence, Prophecy's solutions ensure that AI models receive the large-scale, high-quality data they need to be accurate, reliable, and effective.

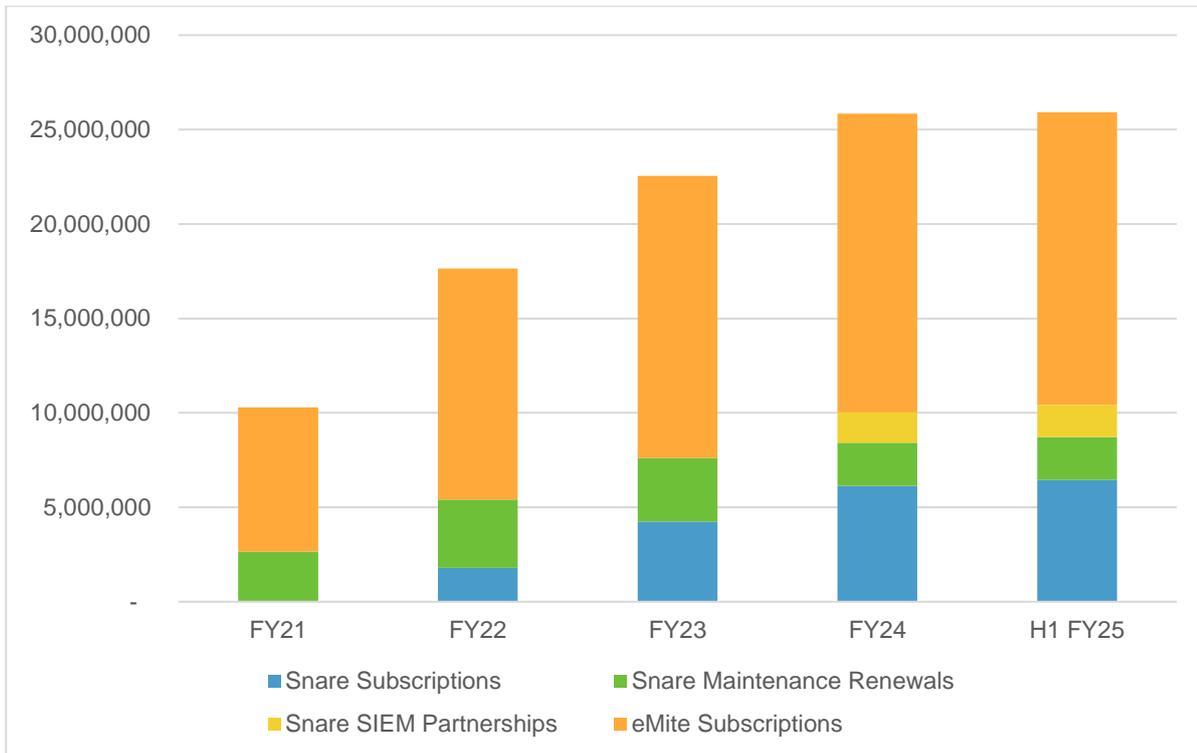
Prophecy CEO, Brad Thomas, said:

*"AI models, particularly in cybersecurity, operational intelligence and business analytics, require vast amounts of high-quality data for accurate predictions and decision-making. Snare and emite provide the secure, structured and real-time data streams that AI systems need to function optimally. With Snare's ability to collect and standardise security data from diverse sources, and emite's data integration capabilities, Prophecy's customers can rely on a robust foundation of accurate historical and real-time data on which to apply AI-driven security and operational intelligence.*

*"AI is not just about historical data analysis — it is increasingly used for real-time detection and response in dynamic, fast-paced environments. This is where emite and Snare's real-time data capabilities become crucial, with Snare customers leveraging live data feeds to detect threats and respond proactively, and emite customers integrating their understanding of real-time KPIs and customer interactions to enhance operations."*

Prophecy continues to efficiently convert revenue into cash receipts, invoicing \$10.4M in H1 FY25. The Company expects to achieve positive cash flow in FY25 following cash flow breakeven in FY24, noting cash flow is seasonal as a majority of annual company expenses fall into Q1 and the majority of large receivables fall into H2.

The Snare business continues to transition well to a primarily subscription-based model, although the change in focus from a perpetual license model impacts revenue recognition and invoicing cashflow, the subscription model has been received well by customers and enhances the sustainability and scalability of Prophecy's business model.



The continued growth of the business, with group revenue now in excess of \$20M per annum, requires more robust systems for billing, subscription contract management and reporting. During H1 FY25 the Company selected a vendor partner to provide this capability. This will bring better fine controlled management of customer contracts along with improved reporting of actual and contracted ARR, as well as other meaningful metrics including churn and net revenue retention. Implementation of this new system is expected to be complete by the end of Q3 FY25.

The Company remains debt free with adequate financial flexibility to pursue its growth objectives, with a cash position at 31 December 2024 of \$9.1M and receivables of \$1.85M.

## eMite Performance

Emite has an almost 100% channel-based go-to-market strategy driven by key partnerships with Genesys and Amazon Connect from AWS. The Company has also developed relationships with many implementation partners, resellers and system integrators including Telstra, Optus, NTT, BT, ConvergeOne and Kerv. As a product that can be delivered either by SaaS or deployed on-premise, emite hosts its SaaS customers globally on both AWS and Oracle Cloud, and emite continues to be a Platinum AppFoundry partner for Genesys.

Prophecy's focus on international marketing through both the Genesys and Amazon Connect contact centre technology ecosystems continues to deliver growth in contracted sales for emite.

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 this new integration capability to the entire CX ecosystem, addressing opportunities such

as CXOne, ZenDesk, TalkDesk and others. The Company's iPaaS also enables Prophecy to provide its leading analytics capabilities alongside more Contact Center as a Service (cCaaS) solutions and expand into the wider data integration market.

In January 2025 the iPaaS platform broke through the milestone of 100M actions in a month, with 101 million records ingested in the first 22 days of the year.

New emite customer contracts signed in H1 FY25 pushed emite revenue to record levels, adding aggregate 1st year contract value of \$2.6M, albeit with sales being affected by a focus on existing customers and to onboarding new emite sales team members in North America.

This growth was supported by a 6-year, \$10.7 million contract, announced early in H1 FY25, to provide emite to Optus Networks Pty Ltd for Services Australia as part of Services Australia's migration from its legacy on-premise contact centre to a new cloud-based CXOne platform. This marks another significant opportunity sourced under Prophecy's Master Supply Agreement (MSA) with Optus, announced to the ASX on 31 August 2022, with the agreement representing a net increase of approximately \$1.1M in ARR to emite once deployed.

Pleasingly new geographies began to generate sales during the period, including Taiwan and the Middle East, with Eva Air the first customer for emite from Taiwan.

H1 FY25 emite revenue growth also included upsells and new sales to a broad range of high-profile new customers, including several organisations across the Middle East:

- Eva Air
- Yuzzu
- Riyadh Air
- Manulife
- Emirates NBD
- HBF
- Hollard Insurance

During the period, Prophecy continued to enhance security controls and policies which enabled the Company to achieve the new ISO27001 compliance standard as well as achieve SOC2 compliance for emite. SOC2 (Service Organisation Control 2) is a framework for managing data security, availability, processing integrity, confidentiality and privacy.

SOC2 compliance is crucial for businesses that handle sensitive customer data. It provides assurance to Prophecy's clients that the Company has implemented stringent controls to protect their information. By achieving SOC2 compliance, Prophecy demonstrates its dedication to maintaining the highest standards of security and data management.

The global emite team attended a number of significant events during H1 FY25, including the world's biggest tech show, GITEX in the Middle East, on the back of acquiring a number of high profile accounts in

the Middle East including Emirates NBD (one of the largest banking groups in the Middle East) and Abu Dhabi Commercial Bank. These events provided ideal opportunities to market the iPaaS solution and support sales growth.

With a 12-month eMite potential sales pipeline (unweighted) valued by the Company at \$10.9M and growing as a result of interest in the Company's iPaaS capability, Prophecy holds a positive view for continued growth in this segment as a broader set of customers recognise eMite's ability to help businesses manage their data in the cloud and visualise and understand their customer's journey.

## Snare Performance

Through Snare, the Company's cybersecurity software product line, the Company provides critical government recommended or mandated security controls, including cyber threat detection, alerting, forensics and a platform for unified data management for Security.

The Company continued to deliver Snare to its contracted government and enterprise customers across multiple geographies, while continuing to build on its momentum in the Middle East.

In H1 FY25, the Company signed new Snare contracts with significant enterprise clients and partners, headlined by:

- UPS
- Nielsen
- Trustwave
- The NSW Department of Communities and Justice
- HCL America
- C1SOC
- Occidental Petroleum (upsell)

Many regulation and compliance mandates call for strong security monitoring tools, and Snare helps customers achieve regulatory compliance in areas like Sarbanes Oxley, NERC, HIPAA, PCI DSS and more. Customer engagements generated sales of \$3.9M during H1 FY25, demonstrating the breadth of Snare's appeal across a range of global regulated and critical industries, including banking & finance, energy, oil, gas and utilities, retail and health as well as government.

The Snare team attended multiple events during H1 FY25 to generate awareness and new pipeline with partners like Novacoast in the US and MSSP Alert Live in Texas, as well as SOC Analyst Appreciation Day and at events like TechWeek in Singapore and trade delegations with Austrade and the SA Dept of State Development.

Prophecy has identified a 2024 Snare potential sales pipeline (unweighted) valued at \$14.9M from direct and partner opportunities. Prophecy maintains a positive view for continued growth in Snare's business as the market for flexible cybersecurity and compliance solutions continues to expand.

## Partner Activity

Recently signed partnerships to sell and distribute both Snare and emite contributed strongly to revenue growth and pipeline in H1 FY25. Significant among these contributors is Devo Technology ("Devo"), a US-based cloud-native security data analytics company with operations in North America, Europe and Asia Pacific, with which Prophecy signed a strategic partnership in January 2024. The partnership has seen Devo adopt Snare as its endpoint technology to enhance data collection and increase visibility through the Devo Security Data Platform.

As Snare is replacing Devo's proprietary endpoint technology within the overall solution it provides to its customers, this partnership requires minimal selling effort from Prophecy. The partnership has also introduced a new subscription pricing model for Snare based on the volume of data that is collected by Snare and forwarded onto Devo for analysis. Devo is paying Prophecy for Snare Enterprise Agents and the Snare Agent Management Console on a model based on terabytes of data collected.

Devo has successfully migrated many of its existing customers plus the majority of its net new customers to Snare, making an immediate impact by providing these customers with enhanced event data collection and strengthening cybersecurity postures. Devo and Prophecy intend to migrate all of Devo's existing and new customers to Snare, with the majority of customers expected to be migrated by the end of FY25.

More than 100,000 end point agents have been licensed for Devo customers and partners from more than 100 end customer accounts, with expected ingestion to total \$1.7M annually. While customers have come on board it has taken longer for the data ingestion charges to build due to the time customers take to deploy Snare to send data to Devo.

The company has also recently announced a new partnership with another SIEM vendor in Securonix. While the agreement is in its early stages the company expects to generate ARR of \$1M from this partnership over the course on FY25 and FY26 and to migrate all existing and new customers from their previous provider to Snare.

In Q2 FY25, Prophecy successfully entered emite into the Amazon Web Services (AWS) Independent Software Vendor (ISV) Accelerate Program. Partnering with AWS through the ISVA program will help Prophecy to drive new business for emite by directly connecting the company with the AWS sales organisation for co-selling opportunities to meet customer needs through collaboration with AWS field sellers globally.

Joining the AWS ISV Accelerate Program distinguishes Prophecy as a trusted AWS Partner and emite as an AWS Qualified Software offering. AWS ISV Accelerate Program members are held to the industry's highest standards and must undergo a comprehensive evaluation to gain acceptance into the program. Prophecy participated in a thorough architectural and security review to ensure the quality and design of its emite solution. Proof of customer excellence was also reviewed to validate the successes that emite customers have achieved across industry verticals.

The Securonix, Devo and AWS relationships complement other recently signed Snare distribution partnerships, including Carahsoft Technology Corp, Prophecy's first Snare distributor in the US with a focus on government and defense, and Oracle, with Prophecy one of only five independent software vendors from the APAC region chosen for Oracle's Global Co-Sell Program.

An increasing amount of Prophecy's new business is being driven by previously announced Snare channel partners, including BAE, Fujitsu UK, NTT globally, Verizon and Novacoast in the US and Jupiter Technology Corp in Japan.

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## Outlook

The growth of Prophecy's business in H1 FY25 reflects the Company's focus on helping customers to secure the enterprise, repel cyber threats and deliver valuable business insights. We are trusted by an increasingly broad spread of blue-chip clients across the banking, healthcare, government, defence, utilities, transport, manufacturing, retail and energy sectors.

Healthy demand and continued momentum with customers underpin the Company's confidence in delivering further business growth through FY25 and beyond.

Prophecy will continue to deliver new capabilities, accelerating both Snare and emite product roadmaps as we develop new revenue streams to complement existing products. We will continue our transition towards SaaS & subscription sales as we focus on driving organic growth through renewal, retention, upsell and cross sell, while proactively scanning the Australian market for potential M&A opportunities.

Prophecy maintains a positive view for continued growth in Snare's business as the market for flexible cybersecurity and compliance solutions continues to expand, and likewise a positive view for continued growth for emite as a broader set of customers recognise emite's ability to help businesses manage their data in the cloud and visualise and understand their customer's journey.

Prophecy's key focus areas for the year ahead include the following priorities:

- Continue to expand sales and marketing to address growth opportunities in global markets
- Increase emite sales to large enterprise customers through both Genesys and Amazon Connect and to expand into the broader CX market space outside Genesys and Amazon with CX One and others
- Initiate and leverage new partnerships in the API Integration market with a specific focus on CX
- Increase penetration of Snare products with new and existing customers, focusing on opportunities for Snare with significant new partnerships in development

- Increase Snare partner revenue from security services partners including System Integrators, MSSP's, Security Operation Centre (SOC) providers and Extended Detection and Response (XDR) platform providers
- Deliver the strong pipeline of product innovation already in progress for both Snare and emite
- Continue the managed transition of the Snare business to recurring subscription-based licensing
- Continue the modernisation of emite to a multi tenanted micro-services architecture increasing scalability and reducing COGS

The Company intends to release its audited H1 FY25 results on 26th February 2024.

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[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 Cloud Data Management, Contact Centre Analytics and Cyber Security.

Emite provides a SaaS-based real time and historical analytics platform for customer experience in contact centre environments. It provides fast, accurate visibility into operational metrics that drive contact centre performance outcomes and superior customer service without adding pressure to busy business intelligence (BI) and management information (MI) teams.

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. It empowers customers to seamlessly detect threats as they emerge and review past events that may have led to system misuse.

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