



ASX ANNOUNCEMENT

2 December 2021

CIPHERPOINT PROVIDES HALF YEARLY REPORT

Cipherpoint Limited (ASX:CPT), Sydney, Australia - Cipherpoint is pleased to provide its Half Year Report and Appendix 4D for the period to 30 September 2021.

Financial Highlights for the Period

The Company reported the following:

- Revenue from continuing operations (Brace168) up 100%;
- Statutory Profit for the Group up 128% (including gains from disposal of assets); and
- Cash and cash equivalents of \$3,462,723 as at 30 September 2021.

General Highlights for the Period

The Company achieved the following in the first half:

- The completion of the acquisition of Brace168 Pty Limited;
- A capital raising of \$2.9m to drive growth; and
- The sale of the Company's cp.Protect and cp.Discover technology assets to archTIS Limited.

The Company continues to build a solid sales pipeline and is focused on hiring further sales, pre-sales and technical resources to enable growth.

Significant changes in the state of affairs

On 1 April 2021, the Company completed the acquisition of 100% of the shares in Brace168 Pty Limited ('Brace168'). Brace168 is a managed security service provider, who monitor customer networks, applications and data to identify threats and respond to security incidents. Brace168 has a high mix of annuity revenue across large enterprise and small and continued to grow its large sales pipeline and deliver strong service revenues and financial results.

In August 2021, the Company raised \$2.9m (before costs) to be applied to completion of the upgrade to its security operations centre, acceleration of recruitment activities, further investment into business development and the pursuit of potential acquisition opportunities.

In September 2021, the Company entered into an agreement to sell select assets and products from its software division to archTIS Limited for a purchase price of \$1.4m in cash and up to \$1m in shares. The Company retained a right to resell the products.

There were no other significant changes in the state of affairs of the Group during the financial period.

Matters subsequent to the end of the financial period

In October 2021, the Company announced the acquisition of Tasmanian based managed security services provider Virtual Information Technology Pty Limited ('VIT Cyber Security' or 'VITCS') for an initial consideration of \$750,000 in cash and 10.2 million shares with additional share-based consideration as part of an FY22 and FY23 earn out arrangement. The 10.2 million shares were issued on 25 November 2021 and are subject to a 6 month escrow period.

In November 2021, the Company announced it had secured new client contracts with Vocus, Ingenia Communities, Guide Dogs of NSW and Sandstone Technology.

This announcement has been approved for release by the Board.

--Ends--

About Cipherpoint

Cipherpoint through its subsidiaries is a focused managed cyber security services business. It utilises its best of breed security operations centre and a highly trained operations and advisory team to identify and detect security vulnerabilities using a unique cyber security approach driven by the NIST framework. The Cipherpoint Group provides innovative IT and cyber security solutions to a broad range of enterprise sectors and government.

Further information

For further information, please visit www.cipherpoint.com

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