



# Investor Update

23 November 2022

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# Company Overview

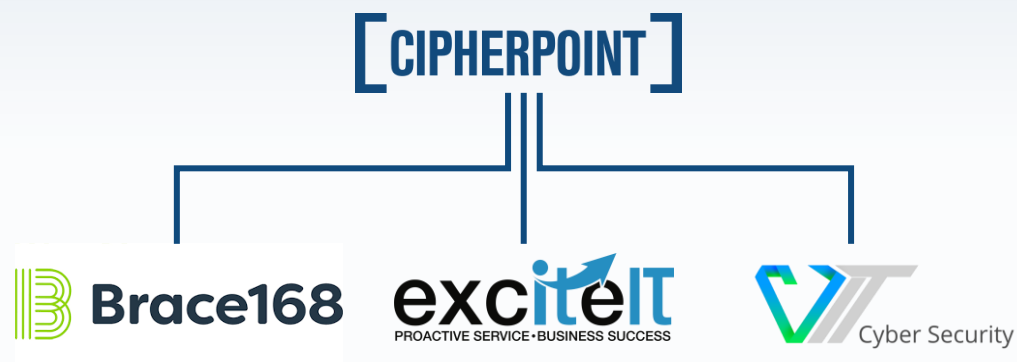
## What we do

- ✓ **Cipherpoint** is an **ASX listed managed services & Cyber Security Business** (ASX:CPT).
- ✓ Through its **wholly owned 100% owned subsidiaries**, ExciteIT, Brace168 and VITCS it **provides innovative IT and cyber security solutions** to a broad range of enterprise sectors and government.
- ✓ It **simplifies the use of technology and skilled experts to enable efficient and secure operations for its customers**, including a best of breed security operations centre (SOC) to detect and respond to security threats.

## How we are going

- ✓ **Current customer base grown to 90+** with 16 new customers signed last 3 months
- ✓ Strong pipeline with **over 40 opportunities worth \$4M+** which have the potential to deliver substantial underlying revenue growth
- ✓ **Cost savings** achieved of **\$2M/annum**
- ✓ **Targeting Cashflow Positive CY23**
- ✓ **Dramatically increasing demand for cyber security services** with managed IT

At 16 November 2022 (post acquisition of ExciteIT)	
ASX Code	CPT
Market Cap	\$6.8M
Annualised Revenue*	\$5.2M
FPO	929,163,257
Options	568,385,607
ELSP	28,735,305
Performance Rights	22,500,000
Number of Staff	28
Offices (NSW; TAS)	2



\* Unaudited, adjusted for key customer changes

# Strong Management & Board

**Hugh Stodart**  
General Manager



- 25 years of experience in telecommunications and security
- Outcome-focused manager with expertise in security services and solutions for enterprise, small business and government

**Steve Bliim**  
Director and Chairman



14+ years of experience in Australia, Europe and the US. Responsible for capital planning and forecasting, treasury management, global financial reporting and statutory compliance.



**Bryan Saba**  
Director and Group CEO

- Founder of Excite IT
- 20 years experience in IT Services
- Focussed on *Bringing Extraordinary Experiences to People*, not just technology

**Graham Mirabito**  
Director



35 years' in IT including 10 years in engineering and 25 years in sales, marketing, operations, mergers, acquisitions  
Senior roles at Telstra including MD Telstra Europe and EVP Telstra Asia

**Mark Hitchcock**  
Head of Operations



- Founder of VITCS
- 15 years experience in IT Services and Security across government, Healthcare, NFP and Aerospace.
- Passionate about helping customers achieve strategic vision

**Ken Benson**  
Director



Senior executive at British Telecom, Telecom NZ and Telstra. Roles as Chairman, CEO and director of technology services companies in Europe and Asia Pac.

# WHO WE ARE

Building an Ecosystem of IT & Cyber Security Solutions



Established in 2008 to deliver a superior IT Service Management operation through the simplification of technology and mature frameworks. Specialists in Management and Microsoft Cloud capabilities. Acquired by Cipherpoint in November 2022, enabling cross sell and upsell opportunities.



Established in 2017 to provide Managed Detection and Response (MDR) services to medium and large customers using its Sydney based SOC. Brace168 is ISO27001, CREST certified, AICPA SOC 2, and HIPAA compliant. Acquired by Cipherpoint March 2021.



Established in 2016 to provide managed IT and security solutions and services to agencies of Tasmanian Government and enterprise customers. Acquired by Cipherpoint in November 2021.

NOTE: The Cipherpoint Group has completed building its second SOC in Tasmania and is well placed to further support solutions across Australia.



# Providing End-End Solutions

Our assembled capability provides a comprehensive range of end-to-end IT products and solutions to an established and diverse customer base



- 10 Professional IT Staff
- 30+ Customers Nationwide
- 10 Products and Services
  - Managed Support
  - Desktop
  - Cloud
  - IT Infrastructure
  - Telecommunications



- 15 Professional IT Staff with a Mainland Focus
- 40+ Customers Nationwide
- 8 Products and Services
  - Managed Detection and Response
  - CISOaaS and Consulting
  - Assessment and compliance
  - PEN Testing
  - Incident Response



- 6 Professional IT Staff with a Focus on Tasmania
- 20+ Customers
- 8 Products and Services
  - Managed Detection and Response
  - CISOaaS and Consulting
  - Assessment and compliance
  - Incident response
  - Managed IT Services

# OUR CUSTOMERS

## Industries Represented

Information Technology Services

NSW & Tasmania Government

Aged and Retirement Living

Telecommunications

Financial Services

Confectionary

Not For Profit

Construction

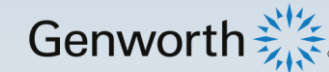
Engineering

Healthcare

Insurance

Utilities

## Selection Of Customers



Customer Service

## Selection of Channel Partners

THE RISK BOARD



# Recent Breaches Have Crystallised The Opportunity

Real impact for customers and shareholders - Recovery costs, customer retention and brand

**Optus reveals more than 2 million customers had personal ID numbers compromised in cyber attack**

<https://www.abc.net.au/news/2022-10-03/optus-data-breach-cyber-attack-deloitte-review-audit/101496190> - 3 Oct 2022

**Real estate sector data breach could be worse than Optus hack, digital rights advocates say**

Stolen data could be used to withdraw funds, rent properties under false names, and access fraudulent medical treatment.

<https://www.sbs.com.au/news/article/real-estate-sector-data-breach-could-be-worse-then-optus-hack-says-digital-rights-watch/172rlry1z> - 22 Oct 2022

**OAIC opens investigation into Optus over data breach**

<https://www.oaic.gov.au/updates/news-and-media/oaic-opens-investigation-into-optus-over-data-breach> - 11 Oct 2022

**Medibank confirms names, addresses, birthdays posted to dark web by hackers after ransom deadline passes**

<https://www.abc.net.au/news/2022-11-09/medibank-data-release-dark-web-hackers/101632088> - 9 Nov 2022

October 2022

November 2022

Updated Technology Cybersecurity

**Online wine seller Vinomofu hit in major data breach**

<https://www.smh.com.au/technology/online-wine-seller-vinomofu-suffers-major-data-breach-20221018-p5bqlf.html> - 18 Oct 2022

Home > News > Technology > Security

**Medlab Pathology discloses February data breach**

By Richard Chirgwin  
Oct 27 2022  
11:22AM

Some 223,000 people impacted, records include credit card numbers with CVVs.



<https://www.itnews.com.au/news/medlab-pathology-discloses-february-data-breach-587030> - 27 Oct 2022

Home > News > Technology > Security

**Australian strata company SSKB breached**

By Staff Writer  
Oct 28 2022  
11:01AM

Ransomware attackers claim 200 GB of data in their hands.



<https://www.itnews.com.au/news/australian-strata-company-sskb-breached-587093> - 28 Oct 2022



# The Opportunity is Large



90+ SME, Government & Enterprise Customers



20+ Products and Services



Multi Billion-Dollar Market Opportunity



Increased Demand Due To Recent Spike In Reported Cyber Attacks



Strong Sales Pipeline With Over 40 Opportunities Worth >\$4M



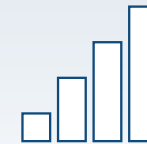
Opportunity For Cross Selling With Existing Customers



Increased Traction In Enterprise Segment Due To Recent Wins



Pent Up Demand In SME Looms As Immediate Opportunity



Opportunity For Rationalisation Of Corporate Services



30+ IT Professionals To Service Increased Demand

# End to End Cyber Security and Managed Services

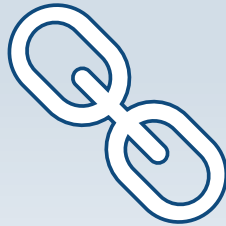
It Just Makes Sense



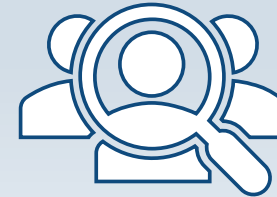
IT Infrastructure Products and Managed Services Range

# Excite IT, Brace 168 and VITCS

Fast Forward To Now...



These organisations have now come together within the Cipherpoint Group to provide IT and cyber security solutions that work seamlessly across enterprises and government agencies.



Customers span financial, property, manufacturing, technology and health sectors, including everything from start ups to ASX-listed companies.

# Market Opportunity

Cipherpoint is now positioned at the forefront to capture demand for secure and modern IT services

## Secure Transformation To Cloud

“30% of SMB organisations plan to migrate more IT to the cloud.”<sup>1</sup>

## Breaches Are At Unprecedented Levels

Cybercrime reports increased 13% in 2021/22.<sup>2</sup>  
Recent major breaches have driven public awareness and increased negative brand impact.

## Remote Working Makes Security Harder

“78% of security and IT leaders say that remote workers are harder to secure”<sup>3</sup>

## Regulations and Compliance

Tougher penalties for privacy breaches  
Public disclosure requirements mean corporate cases are now in the mainstream media<sup>4</sup>

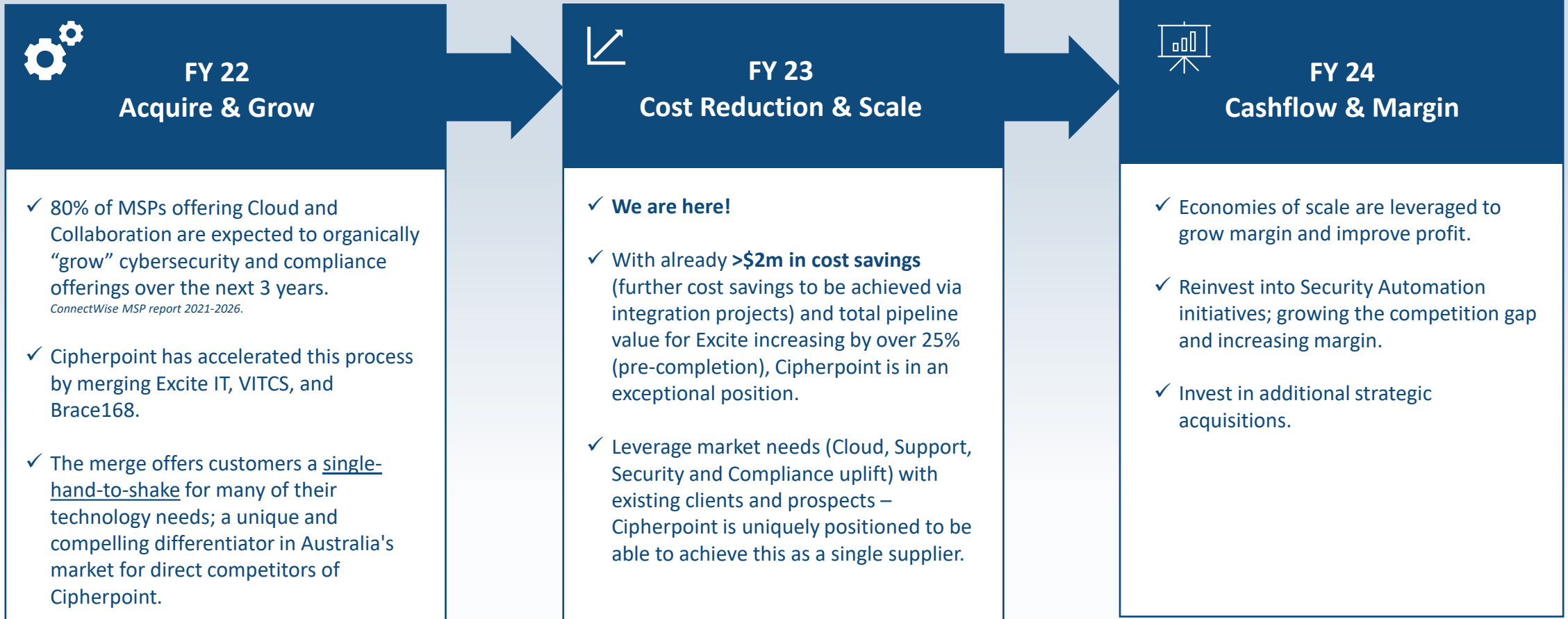


“Adoption of cloud and cyber security services will drive the Australian B2B ICT landscape to hit \$24.7 billion in FY26.”<sup>5</sup>

**Secure Managed IT Services**  
“Businesses will channel more than \$90 billion in new spending into Managed IT Services and Security (outsource partners) through 2026.”<sup>1</sup>

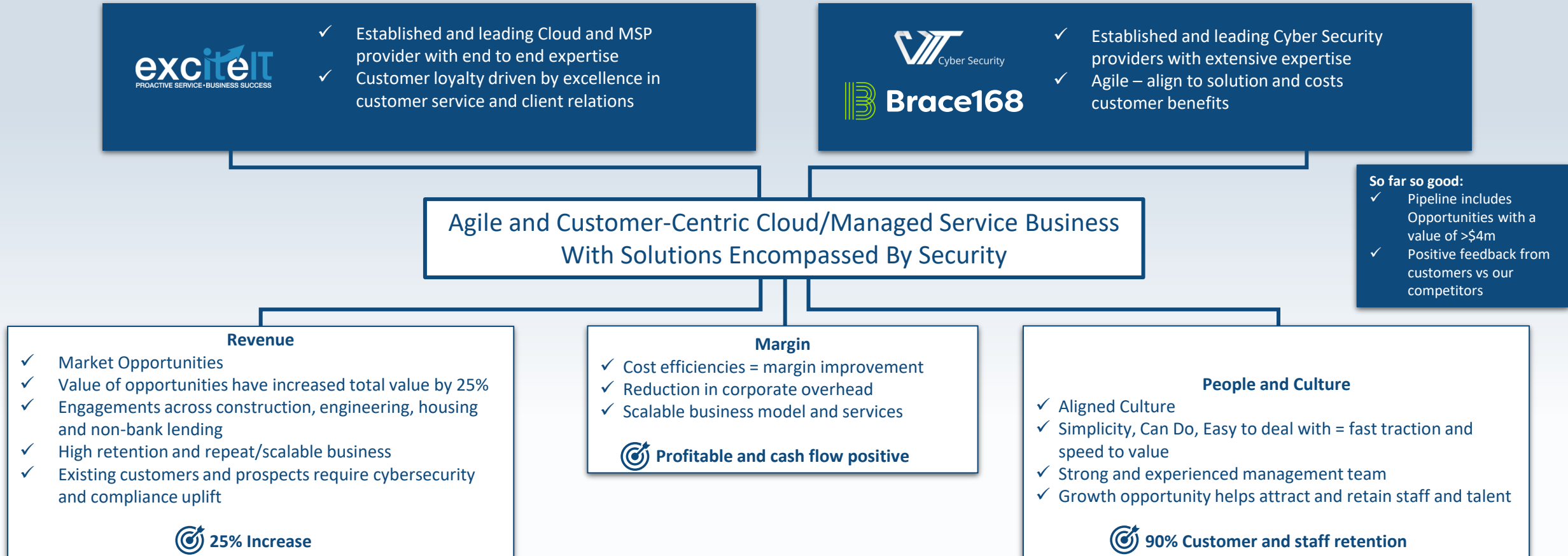
1. ConnectWise MSP Report 2021-2026
2. ACSC Annual Threat Report 2021-22
3. Splunk The State of Security Report 2022
4. <https://ministers.ag.gov.au/media-centre/tougher-penalties-serious-data-breaches-22-10-2022>
5. Venture Insights quoted in <https://www.arnnet.com.au/article/699553/cloud-cyber-services-drive-25b-aussie-b2b-market-growth/>

# Growth Strategy To Secure Managed Services



# Merged Entity

An incredible opportunity to capture market opportunity across IT and Security by optimising merged organisations



# Merged Capability

Integration of Services & Capabilities offering customers a single-hand-to-shake



## Security Consulting

- ✓ Assessment, Audit & Compliance
  - ✓ Penetration Testing
- ✓ Vulnerability Scanning
  - ✓ CISOaaS
- ✓ Incident Response



## Managed Security

- ✓ Infrastructure management
  - ✓ Cloud
- ✓ Detection & Response
  - ✓ Secure Hosting



Security Services

Cloud Services



## Cloud & Digital Consulting

- ✓ Transformation
- ✓ Mergers & Acquisitions
- ✓ Cloud Migrations
- ✓ .Net Development and Scripting



## Managed Services

- ✓ Cloud
- ✓ Network
- ✓ Voice
- ✓ Managed Support



Up and cross-sell to customers engaging in each individual silo to offer a broader landscape of services from a single provider



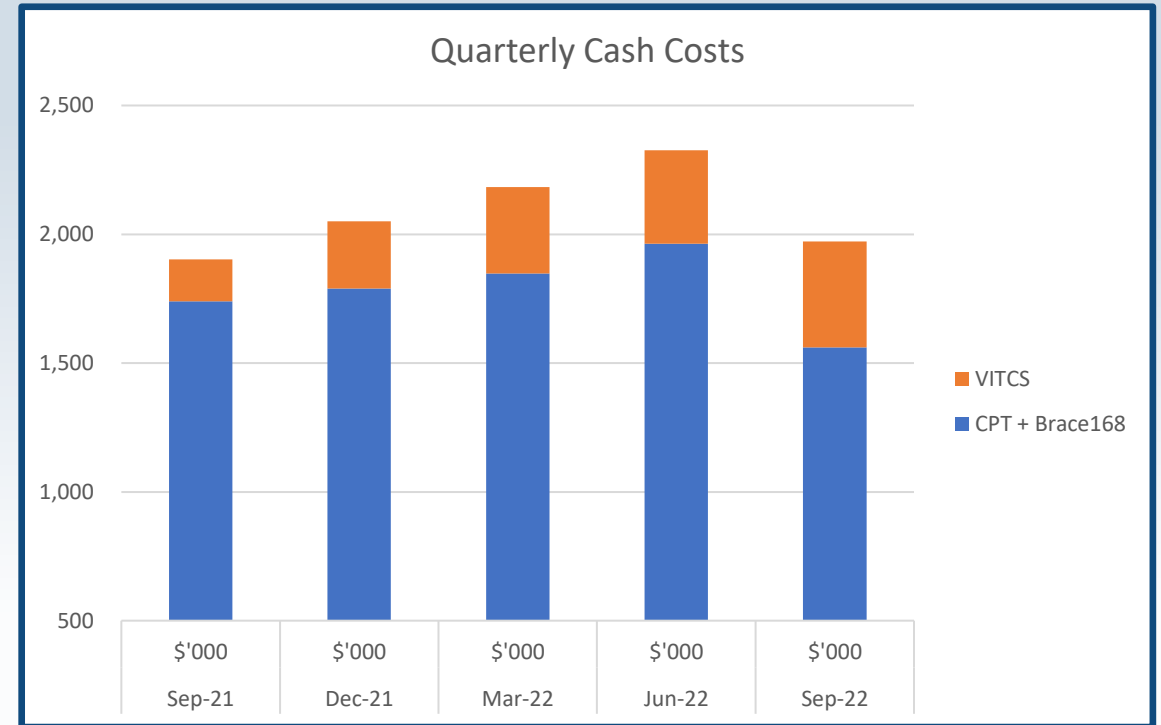
# Cost Progress

## Looking Back:

- ✓ Cost initiatives are on target and bearing fruit (annualised savings >\$2m)
- ✓ Some one off costs in Sept Q so full effect will be only be seen in the current quarter
- ✓ Capacity utilisation and sales performance has improved

## Looking Forward:

- ✓ Alignment of cost to revenue
- ✓ Continued focus on cost efficiencies across the business
- ✓ Further gains from cost synergies with Excite IT across common services, systems and facilities





# Execution Capabilities

Excite IT adds capability to progress the strategic roadmap for a broader set of offerings from what is now one single provider





Thank You

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