



**excite**  
TECHNOLOGY SERVICES

# Investor Update

February 2024

ASX: EXT

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# Corporate snapshot



## TRADING INFORMATION

ASX: EXT

Share price  
(09/02/2024) A\$0.0090

52 week low/high \$0.004 - \$0.011

Shares on Issue 1,329,241,732

Market Cap ~A\$12M

Cash (31/12/2023) A\$357,000







### MAJOR SHAREHOLDERS

Bryan Saba - 14.17%  
10 Bolivianos Pty Ltd – 9.28%  
Mark Hitchcock – 8.26%

Top 20 Shareholders – 70.99%



## DIRECTORS / SENIOR MANAGEMENT

Chairman <b>Steven Bliim</b>	Non-Executive Director <b>Neil Sinclair</b>	Director & CEO <b>Bryan Saba</b>	General Manager <b>Hugh Stodart</b>	Chief Customer Officer <b>Ben Fursman</b>	Head of Operations <b>Mark Hitchcock</b>
					

# The Cyber opportunity in Australia is still growing



## ASD Cyber Threat Report 2022-2023

Average cost of cybercrime per report, **up 14 per cent**

- small business: **\$46,000**
- medium business: **\$97,200**
- large business: **\$71,600.**

Nearly **94,000** cybercrime reports, **up 23 per cent**

- on average a report **every 6 minutes**
- an increase from 1 report **every 7 minutes.**

Answered over **33,000** calls to the Australian Cyber Security Hotline, **up 32 per cent**

- on average **90 calls per day**
- an increase from **69 calls per day.**

### Top 3 cybercrime types for individuals

- identity fraud
- online banking fraud
- online shopping fraud.

### Top 3 cybercrime types for business

- email compromise
- business email compromise (BEC) fraud
- online banking fraud.

Publicly reported common vulnerabilities and exposures (CVEs) **increased 20 per cent.**

## FINANCIAL REVIEW

### Cybersecurity is the No.1 risk not getting the attention it deserves

*Chanticleer is Australia's pre-eminent business column.*

Jan 1, 2024 - 3.05pm

Save

Share

Australia's top chief executives say risks associated with cybersecurity threats and the ageing population are being ignored or underplayed and need to be addressed to ensure the country's long-term prosperity.

## The Sydney Morning Herald

### Cyberthreats top CEO list of concerns for 2024



Colin Kruger

January 3, 2024 - 2.44pm

Save

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Listen to this article  
3 min

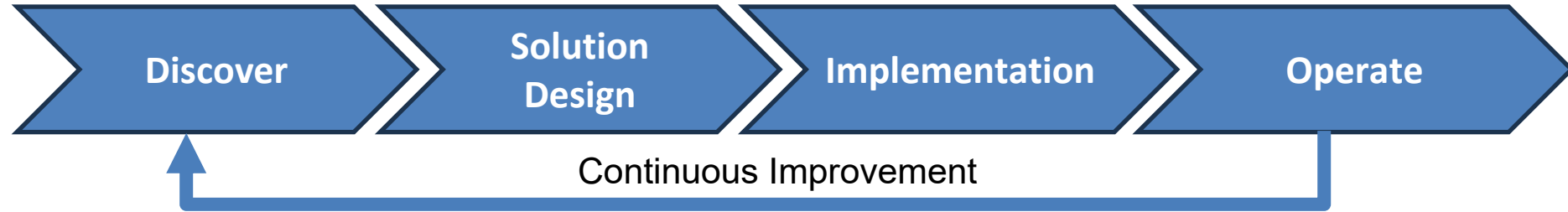
Corporate bosses have nominated cybersecurity as the biggest worry keeping them awake at night as hackers continue to ramp up activity, with recent attacks on St Vincent's Health and Victoria's court system.

A report from KPMG, *Keeping us up at night*, which surveyed more than 300 Australian CEOs in October last year, nominated dealing with cyber risks as the top priority for 2024 and the next three to five years.

# The Customer Journey



Supported by Excite Cyber as needed at every or any stage, building recurring managed services revenue base



Digital	<ul style="list-style-type: none"><li>• Architecture</li><li>• IT Strategy</li></ul>	<ul style="list-style-type: none"><li>• Application Development</li></ul>	<ul style="list-style-type: none"><li>• Professional Services</li><li>• Migration Services</li><li>• Procurement</li></ul>	<ul style="list-style-type: none"><li>• Procurement</li><li>• IT Systems Management</li></ul>
Cyber	<ul style="list-style-type: none"><li>• Security Assessments</li><li>• Penetration Testing</li><li>• Security Strategy</li></ul>	<ul style="list-style-type: none"><li>• Security Assessments</li><li>• Penetration Testing</li><li>• Security Strategy</li></ul>	<ul style="list-style-type: none"><li>• Professional Services</li><li>• Procurement</li></ul>	<ul style="list-style-type: none"><li>• Managed Detection and Response</li><li>• CISOaaS</li><li>• Incident response</li><li>• Vulnerability Management</li><li>• Managed Security</li></ul>
Revenue Types	<ul style="list-style-type: none"><li>✓ Project</li></ul> <b>Once off</b>	<ul style="list-style-type: none"><li>✓ Project</li></ul> <b>Once off</b>	<ul style="list-style-type: none"><li>✓ Project</li><li>✓ Third Party Resale</li></ul> <b>Once off</b>	<ul style="list-style-type: none"><li>✓ Managed Service</li><li>✓ Third Party Resale</li></ul> <b>Recurring, multi year contracts</b>
Example Customers	Health industry – Annual Value \$1.4M, \$1.8m once off			
	Renewable Energy Generator – Annual Value \$200K, \$150k once off			
	Government – Annual Value \$260K			

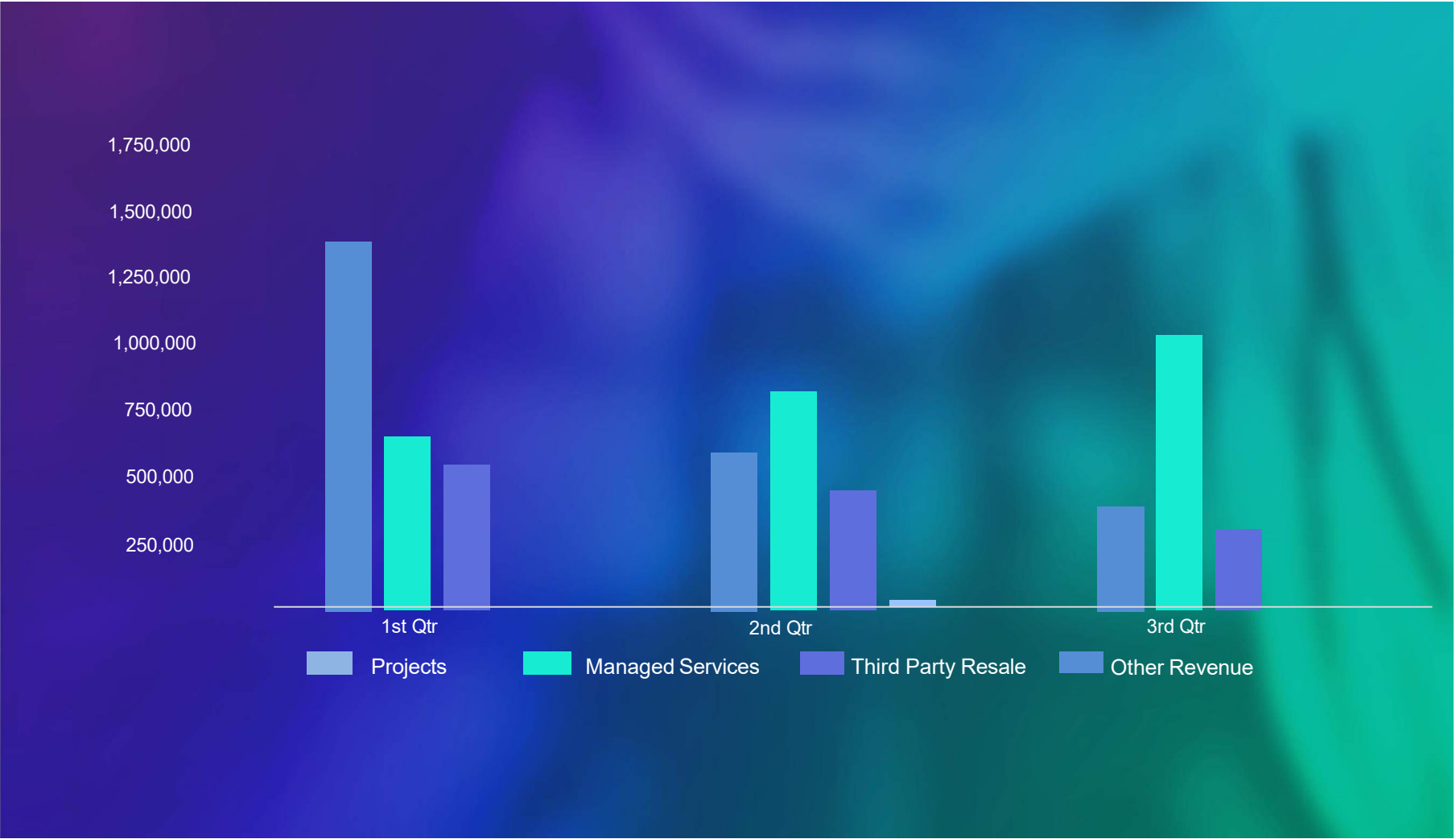
# Successfully Executing Business Plan Achievements

# Growth Ambition\*



\*The above revenue and operational targets are indicative only and are subject to the successful execution of the Company's growth strategy of the period in question. They may also be impacted by other internal and external factors, some of which may be outside the Company's control. They do not represent a formal revenue forecast.

# 2023 Revenues overview



- Revenue Mix has shifted from Project focused (non-recurring) to Managed Services focused (**higher margin** and **recurring**)
- Managed Services revenue has increased 50% from Q1
- The revenue shift translates into shifting from shorter term projects to recurring revenue Managed Services – we’re a company with a strong run rate and higher future customer value
- Managed Services revenue will go up as we partner with customers across their digital and cyber journey.

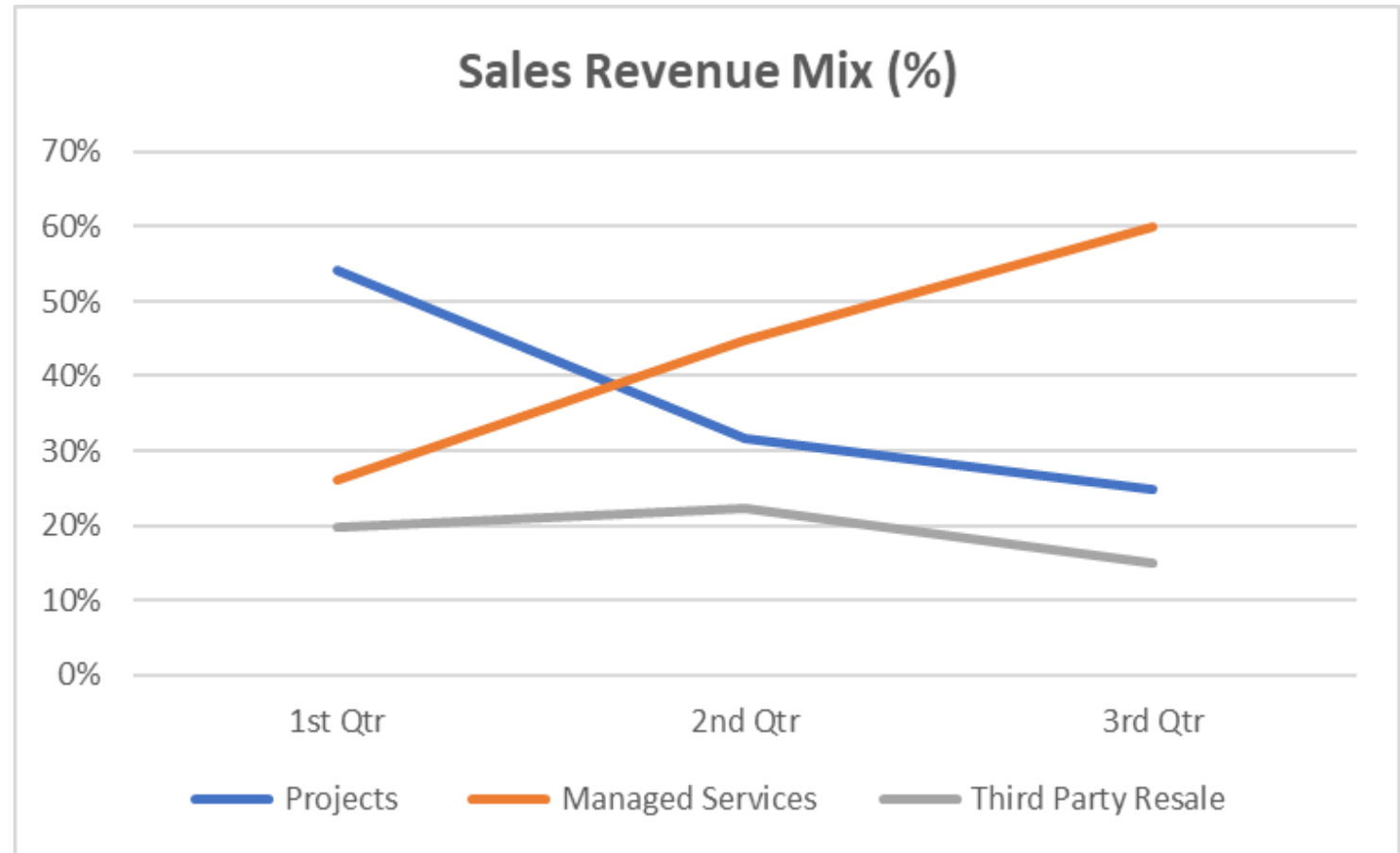
# Revenue mix

## Moving to higher margin managed services



**As large projects taper off and the resulting managed services come online, recurring managed services is becoming a higher proportion of overall revenue.**

**Jun Quarter – 26% of revenue  
Sep Quarter – 45% of revenue  
Dec Quarter – 60% of revenue**



# Sales Objective



## Retain & Grow

### Changes

Sales Team Transformation

Invigorate Sales Routine

Cleansing and Focus of  
Target Market

### Value

Customer and Prospect  
Collaboration

Enhanced Engagement

Early identification of  
Opportunities

Enhanced Customer Value

### Impact

In-Contract Growth - \$300k last  
quarter.

100% success – Managed Service  
Renewals for past 3 months.

Indirect pipeline grew by 270%  
(\$393k to \$1m+) in the last quarter.

Quality Improved - service mix  
aligned to the strategy.

Increased Pipeline with Managed  
Service by 500% (\$400k to \$2.5m)  
over the last 3 quarters.

**Profitable Revenue with 40% to 50% revenue growth - Target by December 2024.**

# Strategic Partnership Channel



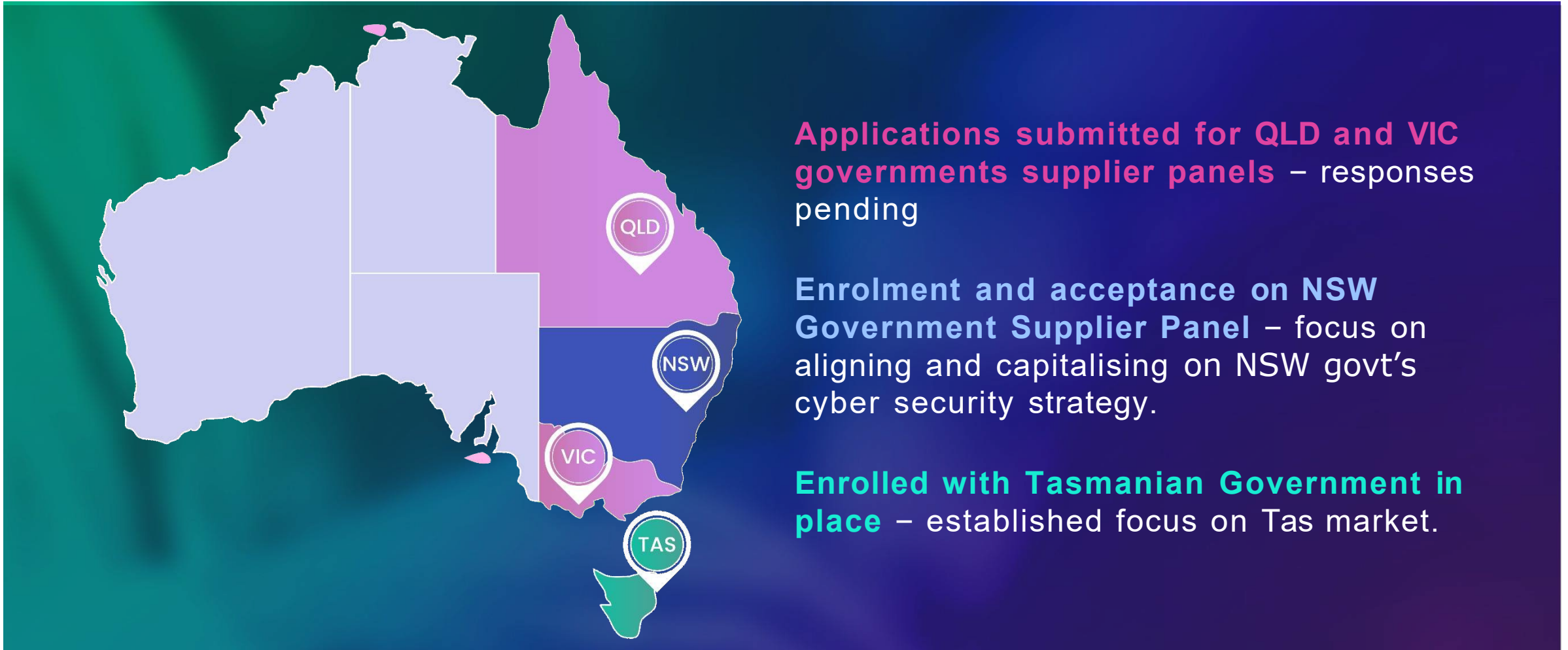
**Marketing and selling EXT's cyber security and IT offering to mid-market corporates - a key pillar of the Company's sales model.**

The logo for Trend Micro, featuring a stylized blue and white circular icon to the left of the word "TREND" in a bold, sans-serif font, with "MICRO" in a smaller font below it.	<ul style="list-style-type: none"><li>• Excite provides its Security Operations Centre as a Service (SOCaaS) security operations services to support Trend's managed cyber detection and response service to Trend's Australian client base.</li><li>• 3 customer contracts on-boarded and operational since June 2023 – all expected to deliver strong recurring revenues to EXT.</li><li>• Growing new customer pipeline - Trend's customer base includes &gt;700 managed enterprise clients</li></ul>
The logo for Schneider Electric, featuring the word "Schneider" in a bold, sans-serif font above the word "Electric" in a smaller font, with a stylized blue and white circular icon to the left of "Electric".	<ul style="list-style-type: none"><li>• EXT's managed security services business Brace168 has a partnership with multi-national digital automation and energy management group Schneider Electric</li><li>• To date, the partnership has delivered 6 contracts for cyber security services with Schneider Electric customers</li><li>• Partnership designed to help Schneider Electric's Australian operational technology (OT) customers minimise their cyber risk exposure and meet compliance requirements</li></ul>
The logo for Vocus, featuring the word "VOCUS" in a bold, sans-serif font, with a stylized blue and white circular icon to the left of the "V".	<ul style="list-style-type: none"><li>• EXT has executed an expanded agreement with leading fibre and network solutions provider Vocus; Vocus will on-sell EXT's Cyber Managed Detection and Response (MDR) services to Vocus customers.</li><li>• EXT currently focused on enabling Vocus sales teams and building the opportunity pipeline - Services are expected to be in the market in near future</li><li>• Product launch next quarter, working on over 6 material opportunities</li></ul>

**New business pipeline & successful closure of new business both growing**

# Penetration of Government sector channel

## Major national market and revenue opportunity



# Project sales



Strong recent growth in  
Project business



10 projects renewed or  
extended with existing  
customers over the past  
quarter



7 new projects  
commenced with new  
customers in the same  
period

# Other key recent deliverables



Successful execution of business plan  
– seamless end-to-end cyber security  
and IT services coupled with best-in-  
class customer service and cost  
management focus – solid progress  
towards profitability



Aiming for consistent, sustainable profit  
by December 2024



Ongoing disciplined approach to cost  
management delivering positive  
bottom-line outcomes - allocation of  
resources to delivering revenue and  
customer service



Re-branding of business to Excite  
Cyber complete - ASX-listed company  
name change to Excite Technology  
Services Limited (ASX: EXT), replacing  
previous company name, Cipherpoint  
(ASX: CPT)



EXT's managed IT and security services  
subsidiary Excite IT successfully  
achieves its earn-out milestone –  
achieved EBITDA of \$1.057m, 132% of  
EBITDA target



Ongoing focus on our people:  
Ben Fursman appointed Chief  
Customer Officer. Neal Costello  
appointed to Account Management  
Role with focus on customer retention  
and upsell. New Sales Specialist from  
Salesforce appointed to sales team.

# Investment Focus



## Channel Enablement

- Accelerate indirect channel performance by enabling key channel partners (Vocus, Schneider, Trend)
  - Sales and presales support, nationwide
  - Presales skills and capacity
  - Training with key vendor partners



## Technology and Systems

- Automation
  - Capacity Expansion
  - Scale and Resiliency
  - Consolidation and integration
-



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