



Chairman's Address – Cipherpoint Limited
Annual General Meeting 31 August 2023, Melbourne 15:00 AEST

On behalf of the Board and our management team, I would like to extend a warm welcome to those joining us for the Annual General Meeting of Cipherpoint Limited ('the Company').

I'd like to use this opportunity to acknowledge the progress the Company has made in the financial year to 31 March 2023. There's no question, that where we find ourselves today, we are now living in an era of unparalleled technological growth. In just a few short years we have seen huge shifts in investment in cloud computing, the rise of blockchain, an irreversible cultural shift to working from home and in the last year the popularisation of AI-based tools. But with such innovations also come challenges, such as increased cyber threats and compliance. The unprecedented public disclosure has reinforced this fact and raised awareness on the impacts of breaches for organisations and their customers. That's where the Group's advisory and cyber risk capability play an important role, ensuring that we are ever ready to prepare and respond to the threats and incidents of our customers.

The financial year kicked off on a positive note, with both the Brace168 and VIT Cyber Security divisions surpassing their revenue targets in the June 2022 quarter when compared to the corresponding period in the prior year. The sale of the Group's cp.Protect and cp.Discover technology assets to archTIS Limited was also finalised with the receipt of a further \$200,000 in deferred consideration.

The Group was not immune to market challenges, parting ways with a key client in the second quarter. While the immediate hit to revenue was realised in the September 2022 quarter, the team moved to close immediate sales opportunities, welcoming 10 new key customers while management implemented measures to trim costs where possible without impacting revenue generation.

In July 2022, the Company announced its intention to acquire Excite IT. The strategic rationale underpinning the acquisition was to enhance the Company's capabilities not only in cyber managed services and advisory but also to diversify into IT and Cloud solutions. To support the acquisition, the Group secured a further \$2.3 million in funding from existing and new investors by way of placement, rights issue and convertible note instruments.

In the December 2022 quarter, we saw the deployment of our Security Operations Centre (SOC) in Tasmania. In addition, we also welcomed ExciteIT to the Group. With Bryan Saba joining as our new CEO and managing director. This was quickly followed by major customer win Healius announced in December 2022.

In early 2023, we marked a significant operational milestone as the Company reported its first cashflow positive quarter. This achievement was propelled by substantial customer acquisitions, notably Keyton (formerly Lend Lease Retirement Living), coupled with our strategic initiatives to optimize overhead and reduce corporate expenses. The Company is also in the early stages of building and enabling channel partnerships with our strategic partners including Schneider and Trend Micro. Investing in these partnerships is widening our addressable market and is already generating a steady flow of new customer opportunities.

Our Board of Directors has undergone a transformation during the year. Given the relative size of the Company, we've sought to maintain a compact board where each member plays not only a role

in the strategy of the Company, but is also able to contribute in an operational capacity. These changes reflect our strategic decision to bring fresh perspectives and new expertise that align with the objectives of the Group as well as the expectations of our Shareholders.

This past financial year for Cipherpoint Limited has been transformative for the Company. Against the backdrop of a rapidly evolving technological landscape, we have looked to bolster our advisory and cyber risk capabilities to meet increasing cyber threats and compliance challenges. Following the deployment of our Security Operations Centre in Tasmania, we will now look to train and develop our human resources to meet future customer demand.

In the coming weeks, we will provide our Shareholders and the market with further updates on the branding and strategy of the Group.

I welcome the opportunity to work with our new CEO and Managing Director Bryan Saba, and am confident the renewal of our board will provide fresh insights into the future strategy of the Company. I extend my thanks to our shareholders, staff, management and advisors for their confidence and ongoing support. Thank You.

A short Q&A based on emails and feedback from shareholders follows this address as follows:

1. What is the status of the Group's Rebranding?

The Group is currently in the process of rebranding and is now trading under the name "Excite Cyber". One of the changes with the rebranding is renaming the listed parent entity from "Cipherpoint Limited" to "Excite Technology Services Limited". The wholly owned operating entity "Cipherpoint Australia Pty Ltd" will be renamed "Excite Cyber Pty Ltd". With the rebrand, we have launched a new website and updated Company collateral that combines the Group's divisions comprising Brace168, VIT and Excite into two operational divisions comprising IT and Cloud Services and Cyber Security Services.

2. How will the Company fund the deferred consideration component of the acquisition of Excite IT due in the December quarter?

Management are currently in consultation with the vendor of the Excite IT business to meet the deferred consideration component of the acquisition. This may involve amending terms of the agreement to meet available resources.

3. Will the Company achieve positive operational cashflow this year?

While we are unable to provide shareholders with a forecast of future results, management has the goal of achieving consistent cashflow breakeven operations in early 2024.

4. How will the Company improve communication channels with current and potential shareholders?

Management are currently in consultation with a range of providers to improve market communications with existing and potential new Shareholders. These channels may include regular web-based updates, media interviews and shareholder events. More details will be provided once established.

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This release has been authorised by the Board.

Further information

For further information, please visit **Error! Hyperlink reference not valid.**cipherpoint.com

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