# CUSTOMER REVENUE SEGMENTATION REPORT

**FISCAL YEAR 2023**

**DeepShield Systems, Inc.**

**CONFIDENTIAL AND PROPRIETARY**

**Report Date: December 31, 2023**

**Prepared By: Finance Department**

**Reviewed By: Robert Kessler, Chief Financial Officer**

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## 1. EXECUTIVE SUMMARY

This Customer Revenue Segmentation Report provides a detailed analysis of DeepShield Systems, Inc.'s ("Company") revenue distribution across customer segments for Fiscal Year 2023 (January 1, 2023 - December 31, 2023). Total recognized revenue for FY2023 was $32,547,892, representing a 42.3% increase from FY2022.

## 2. REVENUE BY INDUSTRY VERTICAL

### 2.1 Primary Industry Segments

- Energy & Utilities: $11,391,762 (35%)

- Maritime & Offshore: $8,136,973 (25%)

- Manufacturing: $6,509,578 (20%)

- Critical Infrastructure: $4,882,184 (15%)

- Other Industries: $1,627,395 (5%)

### 2.2 Year-over-Year Growth by Segment

- Energy & Utilities: +47.2%

- Maritime & Offshore: +38.9%

- Manufacturing: +41.5%

- Critical Infrastructure: +35.8%

- Other Industries: +28.4%

## 3. REVENUE BY SOLUTION TYPE

### 3.1 Product Revenue

- OT Network Security Platform: $13,019,157 (40%)

- SCADA Protection Suite: $6,509,578 (20%)

- Maritime Security Module: $4,882,184 (15%)

### 3.2 Service Revenue

- Implementation Services: $3,254,789 (10%)

- Managed Security Services: $3,254,789 (10%)

- Professional Services: $1,627,395 (5%)

## 4. CUSTOMER CONCENTRATION ANALYSIS

### 4.1 Top Customer Analysis

- No single customer represents more than 8% of total revenue

- Top 10 customers collectively represent 42% of total revenue

- Average revenue per top 10 customer: $1,367,211

### 4.2 Customer Size Distribution

- Enterprise (>$1B revenue): 45% of total revenue

- Mid-Market ($100M-$1B): 35% of total revenue

- Small/Medium Business (<$100M): 20% of total revenue

## 5. GEOGRAPHIC REVENUE DISTRIBUTION

### 5.1 Regional Breakdown

- North America: $16,273,946 (50%)

- Europe: $8,136,973 (25%)

- Asia-Pacific: $4,882,184 (15%)

- Rest of World: $3,254,789 (10%)

### 5.2 Key Growth Markets

- Middle East: +65% YoY

- Southeast Asia: +52% YoY

- Northern Europe: +48% YoY

## 6. RECURRING REVENUE ANALYSIS

### 6.1 Revenue Type

- Annual Recurring Revenue (ARR): $22,783,524 (70%)

- Non-Recurring Revenue: $9,764,368 (30%)

### 6.2 Contract Terms

- Average Contract Length: 36 months

- Revenue Under Multi-Year Contracts: 85%

- Average Annual Contract Value: $174,589

## 7. CUSTOMER RETENTION METRICS

### 7.1 Retention Rates

- Net Revenue Retention: 118%

- Gross Revenue Retention: 95%

- Logo Retention Rate: 92%

### 7.2 Expansion Revenue

- Upsell Revenue: $4,882,184

- Cross-sell Revenue: $3,254,789

## 8. SALES CHANNEL ANALYSIS

### 8.1 Direct vs. Indirect

- Direct Sales: $22,783,524 (70%)

- Channel Partners: $9,764,368 (30%)

### 8.2 Partner Categories

- System Integrators: $4,882,184 (15%)

- Value-Added Resellers: $3,254,789 (10%)

- Technology Partners: $1,627,395 (5%)

## 9. DISCLAIMERS AND LIMITATIONS

This report contains confidential and proprietary information of DeepShield Systems, Inc. The financial data presented has been prepared in accordance with the Company's revenue recognition policies and applicable accounting standards. All figures are unaudited and subject to adjustment during year-end close procedures.

This report may not be reproduced, distributed, or disclosed without the express written consent of DeepShield Systems, Inc. The information contained herein is intended solely for internal use and due diligence purposes.

## 10. CERTIFICATION

The undersigned hereby certifies that the information contained in this report is true and accurate to the best of their knowledge as of the date of this report.

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Robert Kessler

Chief Financial Officer

DeepShield Systems, Inc.

Date: December 31, 2023

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