

MONTHLY MRR GROWTH REPORT

DeepShield Systems, Inc.

December 2023

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For Internal Use and Authorized Recipients Only

1. EXECUTIVE SUMMARY

This Monthly MRR Growth Report provides a detailed analysis of DeepShield Systems, Inc.'s Monthly Recurring Revenue (MRR) performance for December 2023. All figures are presented in USD unless otherwise noted.

1.1 Key Metrics Overview

- Total MRR (December 2023): \$3,245,000
- Net MRR Growth: +8.2% month-over-month
- New MRR Added: \$312,000
- Churned MRR: \$52,000
- Expansion MRR: \$98,000
- Net Revenue Retention: 118%

2. DETAILED MRR ANALYSIS

2.1 Revenue Composition

- Enterprise Contracts: \$2,185,000 (67.3%)
- Mid-Market Accounts: \$812,000 (25.0%)
- SMB Segment: \$248,000 (7.7%)

2.2 Product Line Distribution

- ICS Security Platform: \$1,947,000
- SCADA Protection Suite: \$682,000
- Maritime Security Module: \$421,000
- Subsea Infrastructure Protection: \$195,000

3. CUSTOMER METRICS

3.1 Account Statistics

- Total Active Customers: 187
- New Customers Added: 12
- Churned Customers: 2
- Net Customer Addition: 10

3.2 Average Contract Value (ACV)

- Enterprise: \$89,500
- Mid-Market: \$42,600
- SMB: \$15,300

4. GROWTH DRIVERS

4.1 New Business Performance

- Direct Sales: \$198,000
- Channel Partners: \$114,000
- Geographic Distribution:
 - North America: 65%
 - Europe: 22%
 - Asia-Pacific: 13%

4.2 Expansion Revenue

- Feature Upgrades: \$58,000
- User Count Increases: \$25,000
- Module Additions: \$15,000

5. CHURN ANALYSIS

5.1 Churn Breakdown

- Voluntary Churn: \$38,000
- Involuntary Churn: \$14,000
- Churn Rate: 1.6%

5.2 Churn Reasons

- Budget Constraints: 45%
- M&A Activity: 30%
- Product Fit: 15%
- Other: 10%

6. SEGMENT PERFORMANCE

6.1 Industry Vertical Growth

- Energy & Utilities: +12.3%
- Manufacturing: +9.1%
- Maritime Operations: +7.8%
- Critical Infrastructure: +6.5%

6.2 Geographic Growth

- North America: +8.9%
- EMEA: +7.4%
- APAC: +6.8%

7. SALES PIPELINE

7.1 Qualified Opportunities

- Total Pipeline Value: \$4,850,000
- Late Stage Opportunities: \$1,720,000
- Expected Close Rate: 35%

7.2 Sales Cycle Metrics

- Average Sales Cycle: 92 days
- Proposal to Close: 31 days
- Trial Conversion Rate: 42%

8. FORWARD-LOOKING INDICATORS

8.1 Q1 2024 Projections

- Projected MRR Growth: 7-9%

- New Logo Target: 15-18
- Expected Churn Rate: 1.4-1.8%

8.2 Strategic Initiatives Impact

- Maritime Module Enhancement: +\$150,000 potential
- Channel Partner Expansion: +\$200,000 potential
- Enterprise Feature Release: +\$180,000 potential

9. DISCLAIMERS AND NOTES

This report contains confidential and proprietary information of DeepShield Systems, Inc. The financial metrics and projections contained herein are prepared in accordance with our standard reporting methodology and have not been audited. Historical figures may be subject to adjustment based on subsequent reconciliation.

Forward-looking statements and projections are based on current market conditions and internal analysis. Actual results may vary materially from projections due to various factors including market conditions, competitive landscape, and general economic conditions.

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 below.

Prepared by:

Robert Kessler

Chief Financial Officer

DeepShield Systems, Inc.

Date: January 5, 2024

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