18 July 2024

### Darktrace plc 4Q and FY 2024 Trading Update

### Accelerating Net ARR added growth drives strong growth in ARR and Revenue

Darktrace plc (DARK.L) (together with its subsidiaries, "Darktrace" or "the Group") a global leader in cyber security AI, today provides a trading update for its fourth quarter and full financial year ended 30 June 2024.

**Operating and Financial Performance**

At FY 2024 constant currency rates[1], Darktrace's Annualised recurring revenue ("ARR") at 30 June 2024 was $782.2 million, representing year-over-year growth of 22.7%[2]. This implies Net ARR added for the year of $144.9 million, for a year-over-year decline of (0.3)%. In the fourth quarter, Darktrace added net ARR of $51.1 million, for year-over-year growth of 12.4% on a constant currency basis. This marked an acceleration in year-over-year growth and the third consecutive quarter of upward trajectory in Net ARR added.

Darktrace's FY 2024 Revenue is expected to total at least $689.5 million, for year-over-year growth of at least 26.4%. This incorporates fourth quarter revenue of at least $183.1 million, reflecting year-over-year growth of at least 24.6%.

Reflecting strong customer success efforts and continuing economic stability, One-year gross ARR churn at 30 June 2024 was 6.3%, a 0.3 percentage point improvement on March 2024 and a 0.5 percentage point improvement year-over-year. Darktrace's Net ARR retention rate at 30 June 2024 was 106.6%, improved by 1.3 and 2.0 percentage points from March 2024 and June 2023, respectively, as a stabilised churn environment enabled a greater proportion of the continued improvements in upsell activity to be reflected in Darktrace's Net ARR retention rate.

With 9,735 customers at 30 June 2024, year-over-year growth in Darktrace's customer base was 10.6%. It added 936 net new customers since June 2023, 333 of which were added in the fourth quarter. Darktrace continues to drive a significant amount of new ARR added from its existing customer base but expects new customer ARR additions to increase through FY 2025.

Though its accounts for the reporting periods are not yet fully closed, Darktrace's preliminary view is that its direct cost profile has remained relatively stable, leading it to expect a full-year Gross margin in the range of recent reported periods.

At this point in time, due to regulation governing, and market practices surrounding, the proposed Thoma Bravo acquisition, Darktrace is not providing its expected FY 2024 Adjusted EBITDA margin and Free cash flow conversion (of Adjusted EBITDA), or an outlook for its FY 2025 performance.

Note that Darktrace reports ARR in constant currency, established as the average rates on the last day of the prior financial year[3]. Applying FY 2025 rates to the Group's ARR balance for 30 June 2024 and all prior comparison periods, results in a rebased ARR balance of $777.0 million, implying Net ARR added for FY 2024 of $143.7 million. These amounts become the new amounts against which Darktrace will measure constant currency ARR and Net ARR added growth for FY 2025.

Darktrace will update investors on its full FY 2024 results, its annual report and accounts for the year ending 30 June 2024, and, if applicable, its performance outlook for FY 2025, in due course.

(1)    The Group's primary currency exposures are the British Pound and the Euro converting to its US Dollar reporting currency. For FY 2024, its constant currency rates are 1.2682 and 1.0908 for the British Pound and the Euro, respectively.

(2)    Darktrace's USD ARR at 30 June 2024 was $777.0 million, for year-over-year growth of at least 21.9%.

(3)    For FY 2025, Darktrace is using constant currency rates of 1.2648 and 1.0735 for the British Pound and the Euro, respectively. For reference, ARR at the end of the most recent five quarters, at FY 2025 and FY 2024 constant currency rates, rebases to the following

amounts:

| (in $millions) | 30 Jun 2023 | 30 Sept 2023 | 31 Dec 2023 | 31 Mar 2024 | 30 Jun 2024 |
|---|---|---|---|---|---|
| FY 2025 CC Rates | $633.4m | $654.3m | $697.6m | $726.3m | $777.0m |
| FY 2024 CC Rates | $637.3m | $658.4m | $702.1m | $731.1m | $782.2m |

**Poppy Gustafsson, CEO of Darktrace, said:**

"We are pleased with the strong close to our financial year, which saw the third consecutive quarter of upward trajectory in year-over-year Net ARR added growth. This, alongside a reduction in gross ARR churn, an improvement in net ARR retention, and continued margin strength, demonstrate that the significant changes we implemented across the business to prepare for our next phase of growth are having a sustained positive impact.

The Thoma Bravo offer to acquire Darktrace continues to progress as expected, with our shareholders voting overwhelmingly in favour of the offer. The regulatory processes are proceeding with relevant waiting periods having expired and formal and informal clearances being received in line with the anticipated timelines. As we await the conclusion of the remaining regulatory processes, we remain fully focused on bringing more of our AI-powered cyber security products to additional customers around the world, and we remain excited about the many opportunities ahead for our business."

**About Darktrace**

Darktrace (DARK.L), a global leader in cybersecurity artificial intelligence, is on a mission to free the world from cyber disruption. Breakthrough innovations from our R&D teams in Cambridge, UK, and The Hague, Netherlands have resulted in over 200 patent applications filed. Rather than study historic attacks, Darktrace's technology continuously learns and updates its knowledge of your business data and applies that understanding to help transform security operations to a state of proactive cyber resilience. The Darktrace ActiveAI Security Platform™ provides a full lifecycle approach to cyber resilience that can autonomously spot and respond to known and unknown in progress threats within seconds across the entire organisation, including cloud, apps, email, endpoint, network and operational technology (OT). Darktrace, which listed on the London Stock Exchange in 2021, employs over 2,400 people around the world and protects over 9,700 customers globally from advanced cyber threats. To learn more, visit http://www.darktrace.com.

**Cautionary Statement**

This announcement contains certain forward-looking statements, including with respect to the Company's current targets, expectations and projections about future performance, anticipated events or trends and other matters that are not historical facts. These forward-looking statements, which sometimes use words such as "aim", "anticipate", "believe", "intend", "plan", "estimate", "expect" and words of similar meaning, include all matters that are not historical facts and reflect the directors' beliefs and expectations, made in good faith and based on the information available to them at the time of the announcement. Such statements involve a number of risks, uncertainties and assumptions that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement and should be treated with caution. Any forward-looking statements made in this announcement by or on behalf of Darktrace speak only as of the date they are made. Except as required by applicable law or regulation, Darktrace expressly disclaims any obligation or undertaking to publish any updates or revisions to any forward-looking statements contained in this announcement to reflect any changes in its expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

**Enquiries:**

Luk Janssens - Investor Relations Darktrace
Direct: +44 7811 027918
luk.janssens@darktrace.com

luk.janssens@darktrace.com

Headland - PR advisor
Henry Wallers
Direct: +44 7876 562 436
hwallers@headlandconsultancy.com

END


TSTGPUUCMUPCGQM