

ASX Announcement

31 January 2019

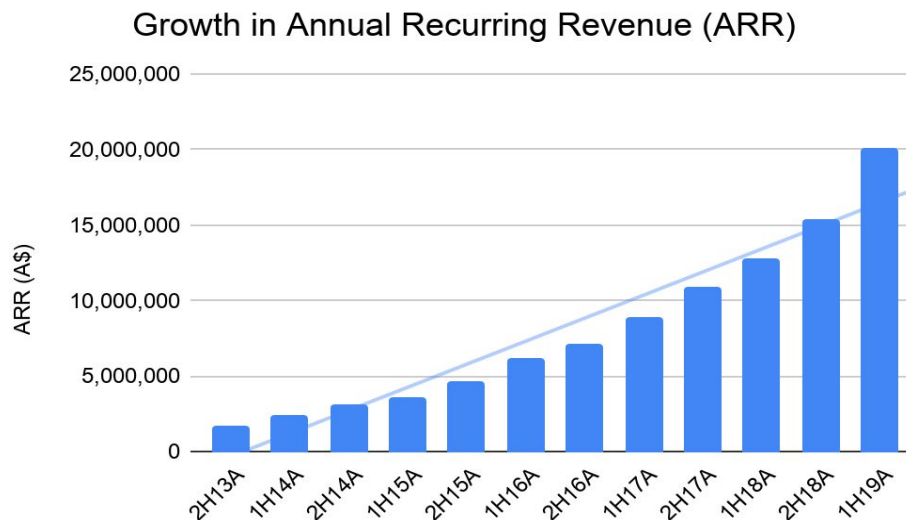
Bigtincan Holdings Ltd December 2018 Quarterly Report & Appendix 4C

Milestone \$20.8m annualised recurring revenue (ARR) achieved with 63% year-on-year growth rate

- \$20.8m ARR up from \$12.8m in December 2017: 63% YoY growth and 35% growth in the past 6 months.
- Key enterprise customer wins including American Express, Anheuser Busch, Broadcom/CA, McKesson, Major League Baseball and Campbell's Soup
- Completion of acquisition of FatStax - a leading provider of SaaS sales enablement to the manufacturing industry, based in Indianapolis, USA.
- Phase 1 of Zunos product integration completed.
- Cash receipts from operations for the quarter of \$4.5m.
- Cash balance at 31 December 2018 of \$13.6m.
- Bigtincan technology focus leads to strong recognition by Gartner in key industry report.

Bigtincan Holdings Limited (ASX:BTH) ('Bigtincan'), a global software company providing a leading AI-powered sales enablement automation platform, has today released its Appendix 4C and is pleased to present commentary on activities in Q2 FY19 to accompany the lodgement of this cash report for the quarter ending 31 December 2018.

During this quarter Bigtincan continued to execute on its successful growth strategy, driving new and expansion revenue to exceed \$20m ARR from \$12.8m in December 2017, passing the critical \$20m milestone in ARR for SaaS companies.



ARR growth was driven by wins in key vertical markets including telecommunications, manufacturing, life sciences and retail.

Bigtincan also announced the completion of the acquisition of FatStax, LLC (FatStax) in Indianapolis, USA, bringing significant new technology, go-to-market footprint and expertise to Bigtincan. This acquisition together with technology from the earlier purchase of Zunos Technologies Pty Ltd (Zunos) continues to prove valuable in winning and renewing customers as they benefit from rapid additional core functionality.

Customer Wins

During the quarter, the company continued its land and expand program with new wins globally including these Fortune 500 and Enterprise organizations;

- American Express
- McKesson
- Broadcom/CA
- Anheuser Busch
- Major League Baseball
- Campbell's Soup

The Sales Enablement Market continues to be one of the software industry's fastest growing markets, and Bigtincan's intense focus on delivering against customer needs has been key in driving marketplace success and growth.

Acquisition of FatStax

Bigtincan announced the completion of its acquisition of FatStax, LLC on 22 November 2018 bringing significant new capabilities and benefits to Bigtincan. FatStax is a leading provider of mobile sales enablement platform software with a focus in the manufacturing vertical.

FatStax brings Bigtincan complementary technology, excellent people, recurring revenue and an expanded go-to-market footprint which complements Bigtincan's existing North American footprint with operations in Indianapolis and Detroit in the Midwest and in San Diego, California. Bigtincan is now working closely with FatStax on integration activities which will result in a unified and enhanced offering for Bigtincan customers.

Zunos Integration

Bigtincan continued its integration work with Zunos during the quarter, progressing in key areas of branding/website, account management, technology roadmap, financial systems and go-to-market strategy and completed the first phase of the product integration plan.

Cash Position and Commentary

Cash receipts for the quarter were \$4.5m, and exclude any multi year payments. This is slightly below management target and is offset by an increase in accounts receivable as at 31 December 2018.

The increase in cash payments for the quarter included a non recurring amount of approximately \$800k.

During the quarter, investing activities included the acquisition of FatStax which resulted in a cash payment of \$2.6m.

For the month of December 2018, Bigtincan met its stated target of matching monthly recurring revenue with monthly operating expenses on a normalised basis.

Bigtincan remains on track to deliver its objective of 35-40% revenue growth in FY19 and expects retention to remain stable.

Product Releases

During the quarter, Bigtincan continued to focus on innovation in the technology suite, releasing new versions of the core Bigtincan Hub product as well as achieving a key milestone in completing the first phase of the Zunos product integration plan.

Bigtincan's strategy of providing an integrated solution across content, learning and information for customer facing workers is continues to drive market evolution.

Strong Marketplace Recognition

During the quarter Bigtincan continued to show market leadership with a very strong result in the Gartner report for the sector issued in October 2018. Bigtincan was the only vendor in the Gartner report that ticked all boxes for the review criteria versus key global competition. In their report Gartner² note;

“Bigtincan is one of best established DCMS and sales enablement platform vendors in this market, offering a comprehensive set of DCMS capabilities in Bigtincan Hub product, and has sold to a diverse set of verticals, including high tech, life sciences, manufacturing, and retail.”

Report details are available at [online](https://goo.gl/qV8yAJ) at goo.gl/qV8yAJ

ABOVE INFORMATION IS NOT ADVICE

The above information is not and is not intended to constitute, financial advice, or an offer or an invitation, solicitation or recommendation to acquire or sell Bigtincan Holdings Limited shares or other financial products in any jurisdiction and is not a disclosure document or other offering document under Australian law or any other law. Actual results, performance or achievements of the Company could be materially different from those expressed in, or implied by, any forward-looking statements contained herein. This advice is for information purposes only.

Bigtincan Holdings Limited does not warrant or represent that the above information is free from errors, omissions or misrepresentations or is suitable for your intended use. The above information has been prepared without taking account of any person's investment objectives, financial situation or particular needs and nothing contained in the above information constitutes investment, legal, tax or other advice. The above information may not be suitable for your specific needs and should not be relied upon by you in substitution of you obtaining independent advice. Subject to any terms implied by law and which cannot be excluded, Bigtincan Holdings Limited accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) incurred by you as a result of any error, omission or misrepresentation in the above information.

[1] Bigtincan uses certain measures to manage and report on its business that are not recognised under AAS or IFRS. These measures are collectively referred to under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC. Annualised Recurring Revenue (ARR) represents contracted, recurring revenue on an annualised basis.

[2] Gartner uses the acronym DCMS to represent Digital Content Management for Sales – their reference for Sales Enablement

Quarterly report for entities subject to Listing Rule 4.7B

APPENDIX 4C- DECEMBER 2018 QUARTERLY CASH FLOW

Name of entity

Bigtincan Holdings Limited

ABN

98 154 944 797

Quarter ended ("current quarter")

31 December 2018

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	4,491	7,909
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	(904)	(1,521)
	(d) leased assets	-	-
	(e) staff costs	(5,256)	(10,115)
	(f) administration and corporate costs	(1,299)	(2,627)
1.3	Dividends received (see note 3)	1	1
1.4	Interest received	78	122
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	634	785
1.8	Other	(4)	(4)
1.9	Net cash from / (used in) operating activities	(2,259)	(5,450)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(42)	(105)
	(b) businesses (see item 10)	(2,593)	(5,843)
	(c) investments	-	-

	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(2,635)	(5,948)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	(2)	870
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other		
	(a) Capitalised issue costs	(2)	(20)
3.10	Net cash from / (used in) financing activities	(4)	850

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	18,525	24,175
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,259)	(5,450)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,635)	(5,948)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(4)	850

4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	13,627	13,627

5.	Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1	Bank balances	13,627	18,525
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	13,627	18,525

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	198
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

For the quarter ended 31 December 2018, payments to directors for fees and salaries of \$198,358 were made.

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	


8. Financing facilities available	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Add notes as necessary for an understanding of the position</i>		
8.1 Loan facilities		-
8.2 Credit standby arrangements		-
8.3 Other (please specify)		-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	
9.3 Advertising and marketing	350
9.4 Leased assets	
9.5 Staff costs	5,000
9.6 Administration and corporate costs	1,200
9.7 Other	
9.8 Total estimated cash outflows	6,550

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions \$A'000	Disposals
10.1 Name of entity	FatStax, LLC	-
10.2 Place of incorporation or registration	Indiana, USA	-
10.3 Consideration for acquisition	2,593 (1,800 USD)	-
10.4 Total net assets	Purchase price allocation pending	-
10.5 Nature of business	Software	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:  Date: 31 January 2019.
(Director/Company secretary)

Print name: Mark Theodore Ohlsson.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.