

ASX Announcement

28th April 2020

Bigtincan Holdings Ltd March 2020 Quarterly Report & Appendix 4C***New customer wins with focus on operations and cost management, delivering strong cash position, reaffirmation of FY20 guidance.***Highlights from Operating Activities

- Customer cash receipts increased 178% to \$14.9m, from the March 2019 quarter of \$5.4m.
- Cash operating payments increased 63% to \$11.1m, against \$6.8m for the previous corresponding quarter.
- Bigtincan had \$31.5m in cash and cash equivalents at the end of the March Quarter.
- New wins with Fortune 500 companies delivered in the quarter, including DXC.
- Bigtincan introduced its community program offering a coronavirus awareness toolkit and working remotely awareness course, to aid companies embracing working from home and showcase the power of its mobile first solution.
- During the Quarter the Company reviewed its operations, adjusted the operating cost base, and focussed on efficiency and productivity in sales and marketing, product development and general administration across the Company's global operations in light of the global pandemic.
- Bigtincan reaffirmed guidance for FY20, and remains on track to deliver 30-40% organic revenue growth, with stable retention in FY20 as demonstrated by new wins and ongoing market execution.

Bigtincan Holdings Limited (ASX:BTH) ("Bigtincan", the "Company"), 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 Q3 FY20, to accompany the lodgement of this cash report for the quarter ending 31 March 2020 (the "Quarter", "Reporting Period").

Co-Founder and CEO, David Keane, commented: "I'm incredibly proud of the work of the entire Bigtincan team this Quarter. In response to the pandemic, Bigtincan was quick to focus on ensuring that our global teams were empowered to work in a new, safe environment, with 100% of Bigtincan's global workforce working remotely by the end of March 2020.

We communicated with our global customer base detailing our support programs available during and beyond the pandemic, and we communicated the benefits of our diverse operations base, with systems deployed in multiple global locations with full redundancy.

Bigtincan's research and development teams spread across the USA, Australia and EMEA offer security over continued product development and customer support. Bigtincan's customer care teams are well prepared to support our customers as they continue to see Bigtincan's software as a key driver for delivering information and learning to customer facing workers in a more mobile focused environment.

Lastly, Bigtincan has reviewed operations and put in place cost models that provide the operational flexibility that the Company needs, whilst remaining open to new opportunities in the sales enablement space. The team has accomplished this whilst also delivering on key growth initiatives and winning new deals in our market."

Market Development Impact of Global Pandemic

The market for sales enablement continued to grow throughout the Quarter, with new use cases appearing where sales enablement software is being used to deliver key data and information - including information about the pandemic - to customer facing teams with a focus on mobile delivery, allowing remote workers to access information, content, skills and materials faster and more efficiently. This was demonstrated in the Quarter through the take up of Bigtincan's community offer, and engagements with existing customers and prospects.

During the Quarter, the edition-based commercial offering of the Bigtincan platform provided existing customers with the option to add new capabilities, as well as for new customers to add an all-in-one solution that meets their broader use cases.

Bigtincan's focus on eight key verticals underpinned the result by allowing the Company to address counter cyclical market sectors (life sciences, technology, telco), with programs that added value to both customers and Bigtincan. Verticals with new customers, and expansions in the Quarter included Telecommunications/Technology, Financial Services and Life Sciences.

Cash Position and Commentary

Customer cash receipts for the Quarter were \$14.9m, an increase of 178% over the previous corresponding period and a 65% increase over the previous December 2019 quarter of \$9m. Cash growth for the Quarter was driven by large customer deals signed at the end of 2019, the quarter being a traditionally large seasonal cash receipts quarter, and from the business performing as expected with new and expansion business. In addition the Company received \$1.2m in Government grants for the Quarter.

Total Operating cash payments for the Quarter were \$11.1m, a 63% increase over the previous corresponding period.

Bigtincan continued its program to fund longer term development projects, with \$807,000 of costs allocated to capitalised software development.

As at 31 March 2020, Bigtincan had \$31.5m in cash and cash equivalents, and is well funded to execute on its growth plans.

New Customer Wins

During the Quarter the Company announced a new customer (DXC Technologies) and continued to focus on both expanding existing customers (including Nike, Wolters Kluwer, Phoenix Contact and AT&T) and acquiring new customers ("logo wins" including Mass Mutual, Emergent, White Hat Security and Socure).

Awareness and Community Support Program - Coronavirus and Working Remotely Courses

Showcasing the importance of Bigtincan's mobile first solution and its contribution to the sales enablement community, the Company released two information courses during the Quarter to work in the Bigtincan learning solution. These courses are free of charge through to end CY2020 for existing customers and members of the Sales Enablement Society and are designed for organisations that want to ensure their teams are as well prepared as possible for the current situation, and well placed for the future recovery. The program has already proven to be successful, empowering teams with communications and skills during this time. Details of this program are available on the Bigtincan website.

XINN Integration

Bigtincan acquired XINN in October 2019 bringing to Bigtincan the next generation of document automation technology for sales enablement that is used to transform the way financial services firms engage with their customers. The XINN acquisition delivered new technology, deeply experienced people and a focus in the financial services sector. This Quarter Bigtincan completed the people integration & substantially progressed financial and technical integration. Phase 1 integration of XINN document automation is now available in core Bigtincan platform software.

During the Quarter, Bigtincan established the Automation Product Unit to focus on automation technologies and apply automation across the entire Bigtincan product family, offering benefits for enterprise customers in all industry sectors, looking to maximise the productivity of human resources through automation, driving cost, quality and speed advantages in their business operations.

FY20 Outlook

Bigtincan remains on track to deliver 30-40% organic revenue growth in FY20 and expects retention to remain stable.

ABOVE INFORMATION

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[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.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity	
Bigtincan Holdings Limited	
ABN	Quarter ended ("current quarter")
98 154 944 797	31 MARCH 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (Nine months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	14,897	29,264
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(858)	(2,351)
(d) leased assets	-	-
(e) staff costs	(8,748)	(21,951)
(f) administration and corporate costs	(1,514)	(4,714)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	22
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	1,224	1,382
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	5,007	1,652

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	(11,609)
(c) property, plant and equipment	(105)	(179)
(d) investments	-	-
(e) intellectual property	(807)	(2,422)
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-

	(d) investments	-	-
	(e) intellectual property	-	-
	(f) 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)	(24)	(237)
2.6	Net cash from / (used in) investing activities	(936)	(14,447)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	26	20,096
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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 – Capitalised issue costs	(42)	(1,275)
3.10	Net cash from / (used in) financing activities	(16)	18,821

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	27,413	25,442
4.2	Net cash from / (used in) operating activities (item 1.9 above)	5,007	1,652
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(936)	(14,447)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(16)	18,821
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	31,468	31,468

5.	Reconciliation of cash and cash equivalents	Current quarter	Previous quarter
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	\$A'000	\$A'000
5.1	Bank balances	31,468	27,413

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)	31,468	27,413

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
155
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments:

The above relates to Directors fees paid in the period.

7. Financing facilities

*Note: the term "facility" includes all forms of financing arrangements available to the entity.
Add notes as necessary for an understanding of the sources of finance available to the entity.*

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-
-	-

7.5 Unused financing facilities available at quarter end

-

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8. Estimated cash available for future operating activities

	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	5,007
8.2 Cash and cash equivalents at quarter end (Item 4.6)	31,468
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	31,468
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	n/a as 8.1 is net cash positive from operating activities for the quarter ended 31 March 2020

If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

- 8.6

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: n/a

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: n/a

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: n/a

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.

Date: 28 April 2020

Authorised by: **Tom Amos, Chairman – Bigtincan Holdings Limited**
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.