

ASX Announcement

27 October 2021

Bigtincan Holdings Ltd September 2021 Quarterly Report & Appendix 4C

Total cash receipts increased 218% from Q1 FY21 with organic cash receipts up 174% over previous corresponding period and strong progress on Brainshark integration

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 to accompany the lodgement of this cash report for the quarter ending 30 September 2021 ("Quarter", "Reporting Period").

Q1 FY22 Cash Flow Highlights

- Total customer cash receipts of \$14.4m, an increase of 218% from Q1 FY21, demonstrating strong cash receipts in a seasonally quieter quarter, including \$2.0m from existing BrainShark, Inc. ("Brainshark") customers acquired during the Quarter. Cash receipts excluding Brainshark were \$12.4m for the Quarter, an increase of 174% from the previous corresponding September 2020 quarter.
- Cash operating payments of \$19.3m, an increase of 67% from Q1 FY21, and 31% higher than Q4 FY21, with \$1.8m related to Brainshark operating cash payments.
- Brainshark cash flow recorded a net positive operating position of \$0.2m.
- Total net operating cash flow of -\$4.9m including initial integration and capital raising costs related to the Company's significant acquisition of Brainshark, investments into system infrastructure and the creation of the Data Products Group headed by Debra Cancro, continued to advance Bigtincan's leadership in data science.
- Bigtincan held \$55.7m in cash and cash equivalents at the end of the Quarter (post full and complete settlement of the Brainshark acquisition) and is well funded to continue executing its growth strategy.

Q1 FY22 Trading Highlights & Outlook

- Integration of Brainshark progressing ahead of the implementation plan, with unification of teams, product offerings, and market facing activities complete.
- New customer wins and customer expansions demonstrate the ongoing ability for Bigtincan to compete and win in the market including initial cross sell between Brainshark and Bigtincan, showing the benefits of scale and customer engagement with new offerings.
- Bigtincan is on track to meet or exceed ARR of \$119m and Revenue of \$109m in FY22.

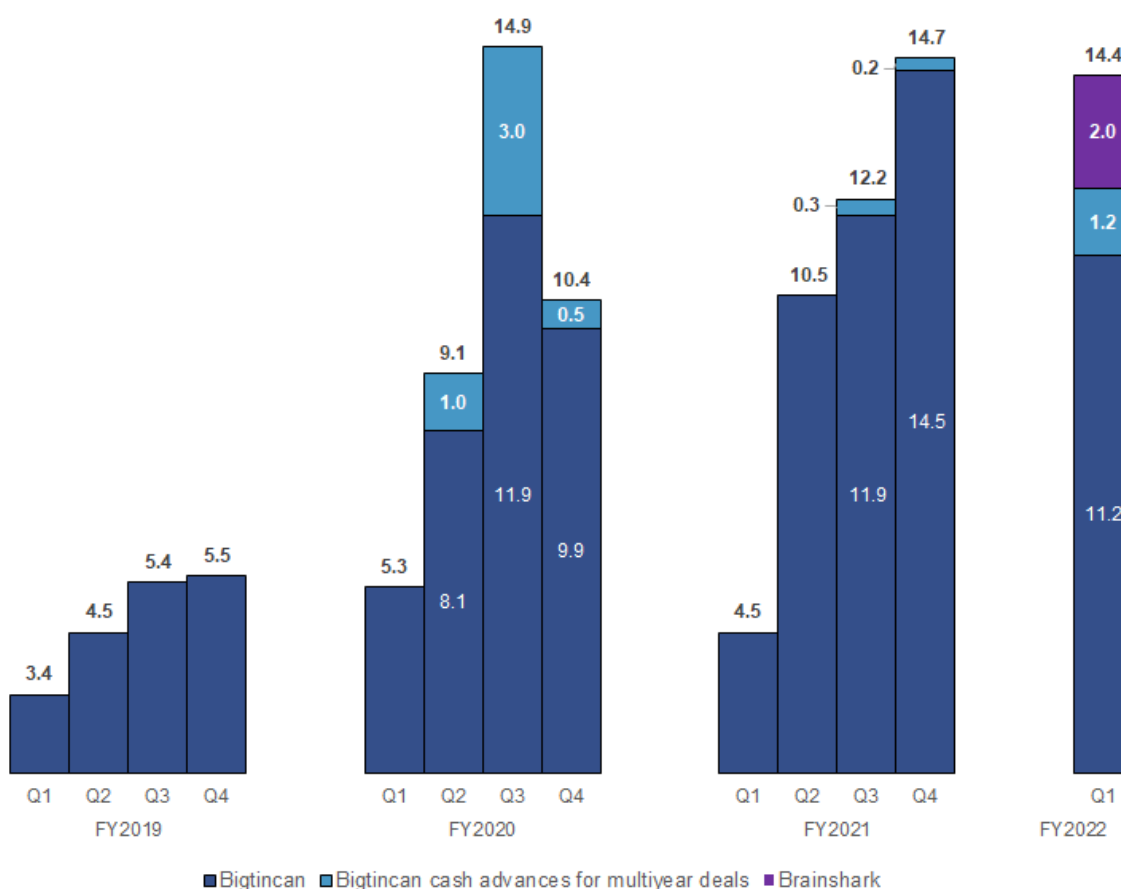
Commenting on the quarterly results, Bigtincan CEO and Co-Founder, David Keane, said: "Bigtincan's team continued to execute our global vision of creating the Buying Experience of the Future for the world's leading businesses and welcome the added value of Brainshark. As we grow, we believe we can do more at scale to create that future, whilst delivering exciting product offerings that make a

difference to our customers and the industries in which they operate. Bigtincan holds a strong cash position and a clear roadmap for growth, positioning the Company well for Q2 FY22, as we continue to execute on our strategy and deliver further value for customers, employees and investors.”

Cash Position and Commentary

Customer cash receipts for the Quarter were \$14.4m, an increase of 218% from the previous corresponding September 2020 quarter of \$4.5m. The acquisition of Brainshark was completed on 8 September 2021 and contributed \$2m to operating cash flow. Excluding Brainshark cash flow of \$2m and cash advances of \$1.2m, cash receipts represented a 147% organic increase from Q1 FY21.

Quarterly Cash Receipts (A\$m)



Total operating cash payments were \$19.3m, an increase of 67% from Q1 FY21 and 31% higher than Q4 FY21. This also included fees paid during the Reporting Period to Directors (including the executive Director) and related parties of \$263k.

During the Quarter, within investing activities, was the acquisition payment of Brainshark. Bigtincan continued its program to undertake and invest in longer-term development projects, with \$2.6m of costs allocated to capitalised software development. In addition, as part of the other investing activities, acquisition costs in the form of advisor fees (\$5.7m), legal and accounting (\$0.7m) and one-off Brainshark working capital adjustments (\$2.4m) related to the acquisition, were incurred during the Quarter.

As at 30 September 2021, Bigtincan held \$55.7m in cash and cash equivalents net of the full payment for the acquisition of Brainshark and the associated successful capital raise of \$136.5m.

Customer Wins and Expansion

Notable customer wins for the Quarter included Alyaxis, Trinetx and Bio-Rad Laboratories with expansion wins including Linx Cargo, Ashfield Healthcare, Reddit, State Street and T-Mobile. Bigtincan also secured a contract with Asurion for Content Hub and Learning Hub worth circa \$2m in total, at the end of the Quarter.

Brainshark Acquisition and Integration Progress

During the Quarter, Bigtincan entered into and completed an agreement to acquire 100% of Brainshark, which combined two of the leading providers of sales readiness solutions for training, coaching and onboarding, adding enterprise-grade capabilities to create the most complete Sales Enablement Platform in the market.

Combining Brainshark with Bigtincan's sales enablement platform is transformative for customers and their customer-facing teams. With the acquisition, Bigtincan added best-in-class solutions for course authoring, course content creation, 1:1 video coaching with AI-scoring, and readiness scorecards to help customers train, coach, and assess the buyer-readiness of all customer-facing teams including frontline sellers, field marketing and support.

Notably, during the Quarter, Bigtincan has seen initial cross selling of a unified offering with existing Bigtincan customers T-Mobile and State Street purchasing Brainshark technology. Bigtincan expects cross sell and upsell opportunities to accelerate throughout the rest of FY22.

This market progress together with rapid progress in human, systems, product and customer integration is an indication of the success of the program of work undertaken by Bigtincan M&A teams globally and the growing execution abilities being created through successful integrations. In the 5 weeks post completion of the acquisition, Bigtincan global teams;

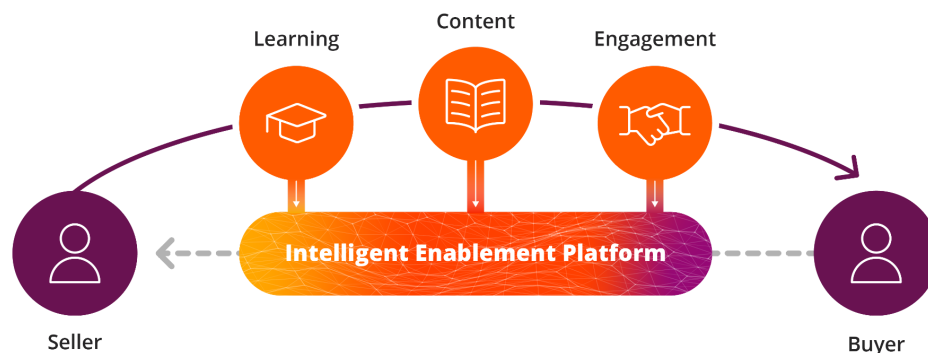
- Completed human resource integration including finalisation of updated organisation structure.
- Unified product offerings into the Bigtincan multi-Hub product strategy allowing customers to purchase Brainshark based technology under the Learning Hub product umbrella. From October 2021 Brainshark products have become an offering in the Bigtincan Learning Hub product line.
- Unified system operations including product support, product and corporate marketing, customer care, sales and marketing, finance and engineering groups.
- Commenced work on the integration of the Brainshark technology into Bigtincan's Intelligent Enablement Platform layer that connects each product Hub.

These results demonstrate the scalability of the Bigtincan Multiple Hubs product strategy where value can be created either inside each Hub or through the addition of new Hubs to drive new logos as well as cross sell and upsell opportunities, and the experience and execution ability of the global team.

Product Update

During the Reporting Period, Bigtincan continued to reinforce product leadership with new versions of existing products and new capabilities added to the overall product suite. These included;

- Day 0 support for Apple iOS15 including adding support for multitasking, Quick Notes and Widgets, as well as performance improvements and updated features like search on iPhone and iPad.
- Released Content Hub v5.7 adding to Bigtincan’s central repository for accessing marketing and sales assets, creating buyer personalised documents and best in-class presentation tools, bringing buyer centric meetings, collaborative deal rooms, and conversational intelligence insights together.
- Launched Bigtincan Studio v2, the next generation content creation tool for interactive sales, training and coaching content. Bringing gorgeous content into the buying experience.
- Released Learning Hub v5.19 bringing updates for enhanced accessibility, machine driven translations for training content and workflow updates for managing live (yet remote) training. Expanding the market learning Sales Readiness solution with new capabilities suitable to a blended approach to training and coaching.



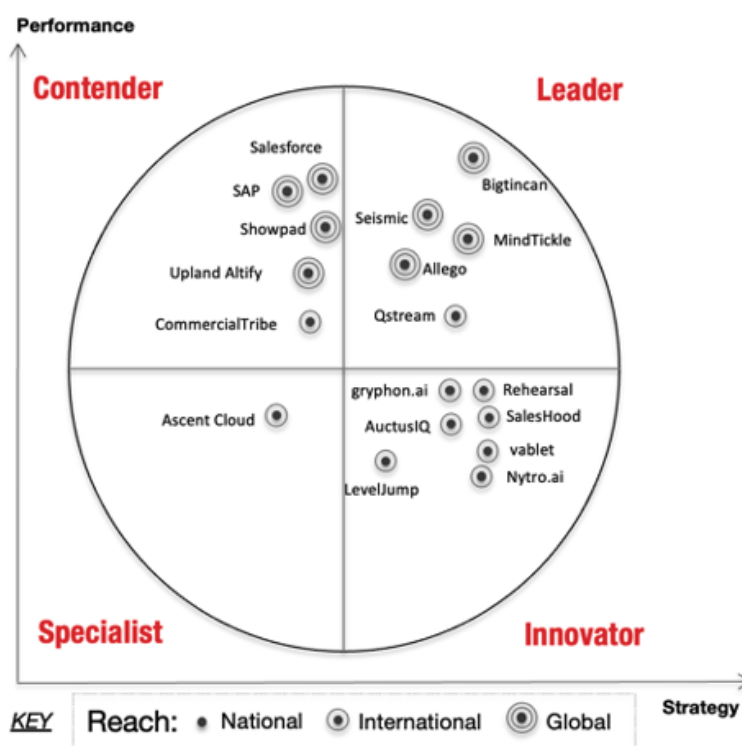
Data Products Group

During Q1 FY22 Bigtincan established the Data Products Group headed by Debra Cancro, the founder of recently acquired VoiceVibes, to extend the use of data to create new products and capabilities inside existing products, that can add to Bigtincan’s long term leaders in sales enablement. During the period, Bigtincan began to make investments in the Data Product Group including scaling up infrastructure and executing on the hiring plan to support the group.

For more information on Products and Technologies investors can review the video recording of the Product and Technology Investor Briefing at <https://investor.bigtincan.com>.

Market Leadership

Together with Brainshark, Bigtincan has continued to grow its market leading position in the sales enablement market during the Quarter. This is demonstrated in the latest Aragon Research - 2021 Globe for Sales Coaching and Learning released in October 2021. A diagram from that report is shown below with the full report available at <https://www.bigtincan.com/download-aragon-research-globe-for-sales-coaching-and-learning-2021/>



Q2 FY22 Activites and Outlook

During the quarter, Bigtincan announced the details for the FY21 Annual General Meeting to be held virtually on 24 November 2021, and welcomed two new Directors to the Board - see related ASX announcements for more information.

Starting with a strong baseline from a traditionally seasonally quieter quarter coupled with rapid progress on the Brainshark integration, Bigtincan is on track to meet or exceed ARR of \$119m and Revenue of \$109m in FY22.

ABOVE INFORMATION

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.

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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	30 SEPTEMBER 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	14,389	14,389
1.2	Payments for		
	(a) research and development	(274)	(274)
	(b) product manufacturing and operating costs	(37)	(37)
	(c) advertising and marketing	(1,074)	(1,074)
	(d) leased assets	-	-
	(e) staff costs	(14,669)	(14,669)
	(f) administration and corporate costs	(3,226)	(3,226)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	19	19
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	1	1
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	Net cash from / (used in) operating activities	(4,871)	(4,871)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	(118,005)	(118,005)
	(c) property, plant and equipment	(58)	(58)
	(d) investments	-	-
	(e) intellectual property	(2,614)	(2,614)
	(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)	(8,785)	(8,785)
2.6	Net cash from / (used in) investing activities	(129,462)	(129,462)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	136,425	136,425
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	32	32
3.4	Transaction costs related to issues of equity securities	(6,747)	(6,747)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(94)	(94)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	Net cash from / (used in) financing activities	129,616	129,616

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	60,422	60,422
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,871)	(4,871)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(129,462)	(129,462)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	129,616	129,616
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	55,705	55,705

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	55,705	55,705

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)	55,705	55,705

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
263
-

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)	(4,871)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	55,705
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	55,705
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	11

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: 27 October 2021

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.