

## BIRDDOG FULLY FUNDED FOR GROWTH, GENERATING POSITIVE CASH FLOWS

### OPERATIONAL HIGHLIGHTS

- 14 New products launched at NAB Trade Show, April 2022 – six hardware & eight software
  - Most of these products now in market and demonstrating strong adoption
- Successful NAB Trade Show in Las Vegas across 23-27 April 2022
  - Zoom joined BirdDog's booth at the industry's biggest trade show in its only presence at the event, reinforcing BirdDog as a vehicle for its corporate market
  - Two 'NAB Best of Show' product awards – across both hardware and software – reinforcing the Company's innovative skill sets across multi-disciplines and its connectivity mantra
- Eight new hires in the business globally, across sales & marketing roles and engineering
- Strengthening of the Sales team in the core North American market, with three new customer-facing hires inside the last month, additional hires are being targeted in the EU/UK
- Poised for the next phase of strategic growth, with BirdDog's Executive Leadership Team (ELT) focussed on:
  - Driving revenue growth across existing markets and adjacent/new verticals
  - Increasing gross margin contribution from new products
  - Continuous execution on the development of the Company's product roadmap, serving to extend BirdDog's competitive and first mover advantage within its core markets
  - Increasing focus on software sales to new and existing hardware sales

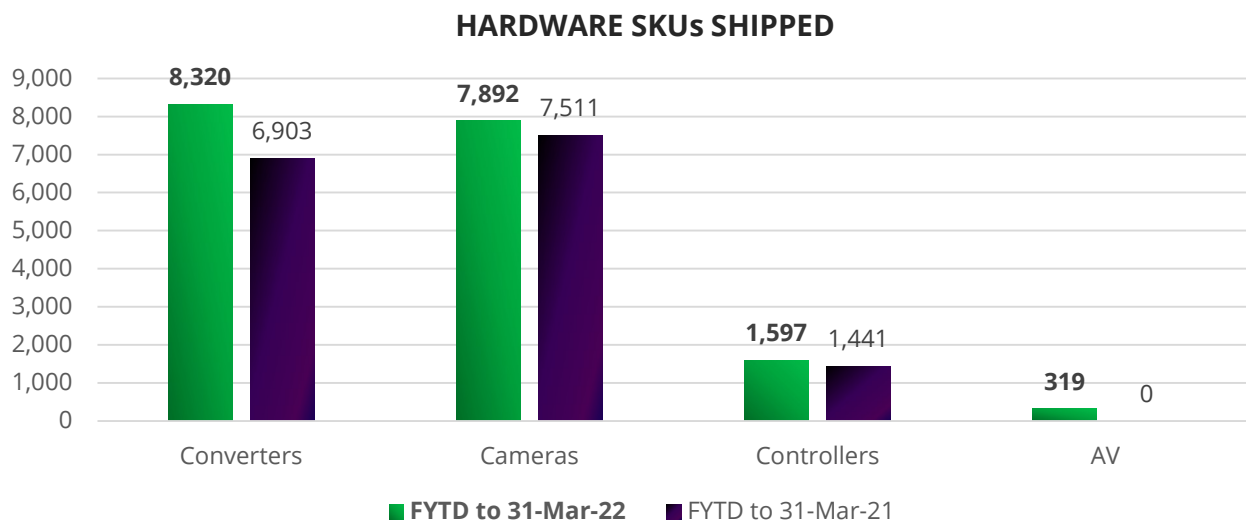
### FINANCIAL HIGHLIGHTS

- Revenue for the quarter of A\$7.1m (US\$5.1m) (unaudited):
  - Seasonally the weakest quarter of each year with northern hemisphere winter breaks and as the industry awaits NAB and latest product enhancements & launches
- Record revenues reported for the nine months to 31 March 2022 of A\$31.1m (US\$23.1m) (unaudited)
- Positive cashflows from operating activities for the March 2022 Quarter:
  - A\$446k positive cashflows from operating activities after excluding Interest & Taxes
  - A\$527k after excluding Inventory Deposits
- Complete repayment of USD-denominated debt of US\$3.68m, leaving a fully undrawn facility of US\$4.5m available until 31 December 2022, absent any further extensions
- Fully funded for growth over next two years and beyond, absent (any) strategic acquisitions
- Strong liquidity position of A\$24.3m+ as of 31 March 2022, (A\$25.3m at today's spot rate)



## SALES

In terms of unit sales for BirdDog's hardware portfolio, for the nine months to 31 March 2022 compared to the nine months to 31 March 2021 (pcp – previous corresponding period), as tabulated below, the overall growth was **14.3%** pcp. The Converters category achieved 20% growth pcp (excluding the “end of life” BirdDog Studios, which ceased being sold in September 2021), Cameras (5%) and Controllers (11%), with the AV Product category (Wall Plates only at this stage) shipping from December 2021 only.



## PRODUCT LAUNCHES

- Six new hardware products covering BirdDog's Cameras, Converters, AV & Monitor portfolios, to drive incremental revenues across those primary categories:
  - BirdDog's award-winning ('NAB Trade Show Best Monitor Recorder') Cloud-first Core 5 and Core 7 monitors represent the Company's entry into the 'on-camera' monitor market, specifically designed for live production outlets
  - Open Gear (Converter) represents BirdDog's first foray into the broadcaster's server rack, with 40k racks globally and 10 'slots' per rack available for the Open Gear card
  - BirdDog's "pod" – an NDI® to USB Adaptor – is fuelling the Company's push into the new AV market vertical. The pod is a world-leading NDI® to USB Webcam device that accesses any NDI® video and converts to a USB webcam, enabling connection to Zoom (and Microsoft Teams, Google Meet etc) and any conferencing or software application that supports a USB Webcam input



- Eight new software SKUs released, to energise and drive forward the software revenue contribution:
  - The software-embedded hardware approach is deliberate, promoting BirdDog awareness, with 50,000+ BirdDog hardware units in the field, upgradable remotely
  - Developing the Company's software as a service model via the cloud-based infrastructure products, including BirdDog Cloud and Cloud Connect, which is poised to deliver scalable revenue at very healthy margins
- Feature updates across the entire product portfolio for the 50,000+ existing BirdDog hardware customers, including cloud-native architecture embedded in every BirdDog SKU (both existing and new)

## STRATEGIC GROWTH

BirdDog is fully funded for growth as the Company approaches FY23, with a raft of new products and partnerships that see it poised to commence the next exciting phase of growth, underpinned by long-term, strategic forays into:

- **Products**
  - Software-enabled hardware, throughout BirdDog's entire product portfolio/suite
  - An extensive and brand-new range of AV products – higher margin products
  - Propelling the accelerated evolution of AV & Broadcast industries with BirdDog's unique technology and IP
- **Partnerships**
  - Strategic partnerships with A-grade global companies, including cloud-native architecture
  - BirdDog Cloud: BirdDog Silicon 2 enables direct integration with BirdDog Cloud for BirdDog's hardware pieces – with 50,000+ units already in the wild – to expand the Company's software revenues
  - Cloud Connect: a recurring revenue model with universal device support

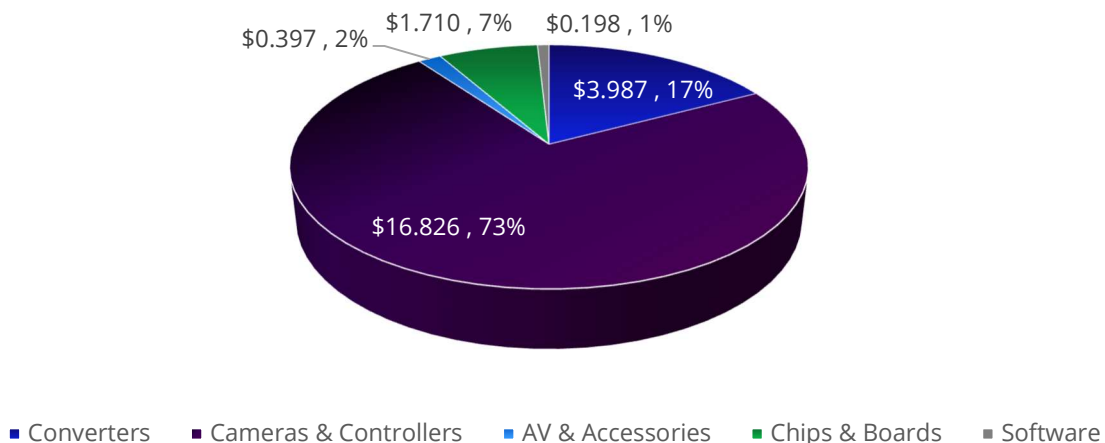
## FINANCIAL PERFORMANCE

BirdDog recorded revenue in the quarter of A\$7.1m (US\$5.1m) and A\$31.1m (US\$23.1m) for the nine months to 31 March 2022, as revenue growth remained strong through Q3 FY22 despite the March quarter consistently being the Company's – and the broader industry's – quietest period, coupled with minimum buying patterns prior to the April NAB Trade Show.

BirdDog continued to achieve strong sales across its core Camera and Converter products during Q3 FY22, recording 14.3% pcp growth for hardware units, whilst expanding its product portfolio with new hardware and software offerings and developing new platform technologies. The revenue contribution by hardware category is illustrated below in US\$ million, noting global sales are denominated in US\$ and the fluctuations of the AUD to US\$ exchange rate impact the revenues and margins as currently reported in the Company's financials:



### BDT REVENUE - US\$M 9 MONTHS TO 31 MARCH 2022



## CASH FLOW

BirdDog generated positive cash flows from operating activities in Q3 FY22 having emerged from an active last 10 months, which included the completion of its IPO on 20 December 2021 and the doubling of its global headcount from 18 in June 2021 to 35 today, excluding the three NEDs.

Cash inflows from operating activities for Q3 FY22 totalled \$31,000 (Q2 FY22: cash outflows of \$8.33m). Enhanced cash inflows, excluding net Interest of \$62,000 (Q2 FY22: \$51,000) and Corporate Income Taxes of \$352,000 (Q2 FY22: \$NIL), were \$446,000 (QY FY22: cash outflows of \$8.27m), while cash flows excluding Inventory Deposits came in at \$527,000 (Q2 FY22: cash outflows of \$1.18m). The importance of Inventory Deposits to BirdDog's business is explained in some detail immediately below within the 'Inventory management' section.

The Company had cash available at the end of the quarter of A\$24.3m, being the equivalent of A\$25m at the quarterly average USD FX rate of 0.7235, rather than the 31 March 2022 spot rate of 0.7482, noting today's spot rate is 0.7099.

Access to the entirety of the Company's US\$4.5m (A\$6m) Trade Facility, denominated in US\$, with Export Finance Australia remains fully undrawn – with the 31 December 2021 drawn balance of US\$3.68m having been repaid on 1 February 2022 – and will continue to be fully available through to the scheduled facility review date of 31 December 2022.

## INVENTORY MANAGEMENT

BirdDog's Inventory Deposits are critical to the business and the value of deposits made in each quarter substantively impacts the reported cash flows from operating activities.

In line with the Company's Use of Funds disclosed within the November 2021 Prospectus, BirdDog's focus on building inventory has driven the continued de-risking of its supply-chain challenges that businesses in the industry are currently facing daily and ensured the Company's distribution channel is adequately stocked, particularly following key trade events such as NAB.

BirdDog will continue to place forward-looking, risk mitigating and supply-chain assuring 30% Inventory Deposits with its manufacturing partners, which will continue to be separately



identified at item 1.8 of the quarterly Appendix 4Cs. This tactic de-risks BirdDog's supply chain and protects the Company from the more extravagant supply-chain susceptibilities that all global businesses are facing.

The Company's statutory, quarterly reported working capital position is impacted by timing lags between paying Inventory Deposits, manufacturing the Finished Goods Inventory, its third-party logistics (**3PL**) receipting the Finished Goods and selling through BirdDog's distribution channel.

### ADDITIONAL INFORMATION

The table below illustrates the expenditure comparison against the Company's 'Use of Proceeds' table in the Prospectus dated 18 November 2021:

Use of Proceeds	Year 1 per Prospectus	Actual amount spent to date, since listing
Inventory Build	\$11,150,000	\$2,095,000
IP Management	\$100,000	\$27,000
Research & Development	\$1,750,000	\$504,000
Manufacturing Development	\$750,000	\$224,000
Regulatory Management	\$250,000	\$38,000
Marketing Activities	\$750,000	\$294,000
Working Capital	\$3,100,000	\$898,000
Expenses of the Offer	\$1,920,000	\$1,928,000
<b>Total</b>	<b>\$19,770,000</b>	<b>\$6,008,000</b>

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in item 6.1 of the Appendix 4C was A\$140,000 that comprised Director fees, salary and superannuation for the CEO/Managing Director, Independent Chair and Non-executive directors (**NEDs**).



### **BIRDDOG EXECUTIVE DIRECTOR & CEO, DAN MIALL, COMMENTED:**

*"It's been another significant quarter, as we strategically and carefully expand our team across our key markets. We are most excited about the near-term product roadmap, validated by our extensive February 2022 tour in the US with key partners, further reinforced at the highly successful and just concluded NAB Trade Show where customer appreciation for all things BirdDog was palpable.*

*"We were extremely pleased to win awards at NAB, where our innovation was recognised in a new vertical for us (the Core 5 & Core 7 within the on-camera monitor market) alongside software that underpins the BirdDog philosophy of software-enabled hardware. One of the comments from the judging panel resonates: "this award usually goes to one company ... but your innovation has made us rethink. In fact, you guys have such a depth of products, it is amazing!"*

*"Following the successful US trips and critical NAB trade show where we successfully launched 14 new SKUs, we are confident of delivering strong growth in coming quarters. We are strongly placed given the strength of our balance sheet, validation of our strategic direction, product roadmap and the calibre of global partnerships we are building collectively. New and existing vertical markets in hardware to our cloud infrastructure will considerably accelerate software revenue contributions."*

**- Ends -**

**Authorised for release by the BirdDog Technology Board**





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**ABOUT BIRDDOG**

BirdDog is a global video technology company that enhances the quality, speed and flexibility of video through a range of solutions, augmented with NDI® (Network Device Interface).

This enables video-compatible products to communicate, deliver and receive high-definition video over a computer network in a broadcast-quality, low-latency manner, that is frame accurate and suitable for switching in a live production environment.

BirdDog develops and manufactures a range of connected solutions, including:

- Pan-tilt-zoom (PTZ) Cameras
- Box Cameras
- Converters
- AV Products
- Controllers & Accessories
- Monitors
- NDI® Embedded Smart Display Modules
- Cloud Software Platforms

End users of BirdDog's products cover a wide range of market segments, including Professional Video, Broadcast, Audio Visual and large private and public sector organisations.

For more information on BirdDog, please visit [www.birddog.tv](http://www.birddog.tv)

**WELCOME TO THE WORLD OF NDI®. WE'VE BEEN EXPECTING YOU.**



## Appendix 4C

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

**Name of entity**

BirdDog Technology Limited

**ABN**

18 653 360 448

**Quarter ended ("current quarter")**

31 March 2022

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	8,528	26,497
1.2 Payments for		
(a) research and development	(400)	(1,204)
(b) product manufacturing and operating costs	(5,957)	(21,038)
(c) advertising and marketing	(233)	(623)
(d) leased assets	(40)	(144)
(e) staff costs	(1,106)	(3,170)
(f) administration and corporate costs	(265)	(609)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	3
1.5 Interest and other costs of finance paid	(65)	(202)
1.6 Income taxes paid	(352)	(352)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material - <b>Inventory Deposits</b> )	(82)	(7,368)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>31</b>	<b>(8,210)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(6)	(26)
(d) investments	-	-



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(e) intellectual property	-	-
	(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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(6)</b>	<b>(26)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	33,000
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	-	(2,921)
3.5	Proceeds from borrowings	-	4,928
3.6	Repayment of borrowings	(5,208)	(10,663)
3.7	Transaction costs related to loans and borrowings	-	(8)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(5,208)</b>	<b>24,336</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	30,452	9,258
4.2	Net cash from / (used in) operating activities (item 1.9 above)	31	(8,210)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6)	(26)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(5,208)	24,336
4.5	Effect of movement in exchange rates on cash held	(953)	(1,042)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>24,316</b>	<b>24,316</b>

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	24,316	30,452
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>24,316</b>	<b>30,452</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	140
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	6,014	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	6,014	-
7.5	<b>Unused financing facilities available at quarter end</b>		6,014
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.		
	The USD-denominated Trade Loan with Export Finance Australia ( <b>EFA</b> ) is secured by a general security deed over the whole assets of BirdDog Australia Pty Ltd. EFA charge a margin in addition to a base rate that in aggregate currently approximates 6.5% per annum, with the facility available until 31 December 2022.		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	31
8.2	Cash and cash equivalents at quarter end (item 4.6)	24,316
8.3	Unused finance facilities available at quarter end (item 7.5)	6,014
8.4	Total available funding (item 8.2 + item 8.3)	30,330
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	N/A
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	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	
8.6.2	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	
8.6.3	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	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

## 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.

29 April 2022

Date: .....

The Board of Directors

Authorised by: .....  
(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.