

Investor Presentation

Full-year results to 30 June 2023

28 August 2023



Agenda

Full-year results to 30 June 2023

- 1. Business update**
- 2. Financial results**
- 3. Division results**
- 4. Strategy update**
- 5. Outlook**

Our speakers



Rene Sugo
Co-Founder and Group CEO



Kate Denton
Chief Financial Officer

1. Business update



Presented by

Rene Sugo Co-founder & Group CEO



About Symbio

Symbio (ASX: SYM) is a software company changing the way the world communicates

- 1 Large total addressable market (TAM)
- 2 Accelerated by technology megatrends
- 3 Unique & differentiated product
- 4 Entrenched global customer base
- 5 Track record of profit, growth & dividends
- 6 High-quality leadership team

Global customer base includes:



FY23 performance overview

Achieved full-year EBITDA of \$27.7m

Financial highlights:

- Achieved underlying full-year EBITDA of \$27.7m, consistent with revised FY23 guidance.
- Net Revenue Retention (NRR) rate was 105%, demonstrating the strength of Symbio's customer base.
- Achieved FY23 phone number guidance as customers returned to growth in H2.
- OPEX investments in H1 to support and deliver strategic projects. Cost reductions achieved throughout H2 to achieve flat HoH OPEX.
- Business remains debt-free with strong \$35.8m cash position on 30 June 2023.

UNDERLYING EBITDA⁽¹⁾

\$27.7m

Down 22% vs FY22⁽⁴⁾

UNDERLYING NPATA⁽²⁾

\$12.2m

Down 39% vs FY22⁽⁴⁾

RECURRING REVENUE

\$121.3m

Up 8% vs FY22⁽⁴⁾

RECURRING GROSS MARGIN

\$69.4m

Up 6% vs FY22⁽⁴⁾

NRR: TOP 10 CUSTOMERS⁽³⁾

105%

PHONE NUMBERS

7.3m

Up 11% vs FY22

- Underlying EBITDA excludes restructure and impairment costs, gain or loss on sales of businesses, net interest, share scheme and earn-out expenses, acquisition costs, tax, depreciation and amortisation.
- Underlying NPATA excludes amortisation of acquired customer contracts, acquired software and brands, share scheme costs, tax affected restructure and impairment costs, and tax affected gain or loss on sale of businesses.
- NRR (Net Revenue Retention) rate is FY23 revenue compared to FY22 revenue of Symbio's top 10 customers (excluding those that are minutes trading only). These customers combined represent approximately 22% of FY23 revenue. No single customer is more than 5.4% of revenue.
- FY22 continuing operations only numbers are used as comparison to current year. Results of discontinued operations are excluded to provide a like-for-like comparison.

2. Financial results



Presented by

Kate Denton CFO



FY23 Financial summary

Reported Result	FY23 Actual	FY22 Actual ⁽¹⁾	Notes
Revenue	\$210.8m	\$202.6m	
Gross Margin	\$99m	\$95.5m	
Gross Margin %	47%	47%	
Underlying EBITDA	\$27.7m	\$35.4m	2
NPAT	\$1.8m	\$5.8m	
Underlying NPATA	\$12.2m	\$20.1m	3
Earnings per share (cents)	2.08	6.81	
Dividend per share - fully franked (cents)	3.4	8.0	

Key highlights:

- Revenue and margins remained largely flat during the period as customers reset their growth targets.
- EBITDA impacted by lower-than-expected margin growth and an increased cost base to fund Vision 2030. Cost base right-sized for FY24.
- NPAT and underlying NPATA impact solely due to EBITDA declines.
- D&A flat on prior year and expected to remain broadly flat in FY24.
- Declared final dividend of 1.7 cents fully franked consistent with prior periods indicating confidence in the strength of the business going forward.
- Company returning to EBITDA growth in FY24.
- Intrado acquisition contributed \$1.2m EBITDA during the period as we achieved quicker than expected synergies.

1. FY22 continuing operations numbers are used as comparison to current year. Results of discontinued operations are excluded to provide a like-for-like comparison.

2. Underlying EBITDA excludes restructure and impairment costs, gain or loss on sales of businesses, net interest, share scheme and earn-out expenses, acquisition costs, tax, depreciation and amortisation.

3. Underlying NPATA excludes amortisation of acquired customer contracts, acquired software and brands, share scheme and earn-out expenses, tax affected restructure and impairment costs, and tax affected gain or loss on sale of businesses.

Balance sheet & cash flow

Enviably debt-free position and strong cash generating business

Key highlights

- Strong balance sheet with no drawn debt.
- Strong cash conversion ratio consistent with prior years.
- Free cash flow generation of \$6.6m.
- Exceeded expected cash balance at 30 June.
- \$5m cash deployed on the acquisition of Intrado.
- Maintained \$60m undrawn facility to provide flexibility for growth.
- \$5.4m paid in dividends to shareholders.

\$35.8m

Cash at June 30

\$60m

Debt facility (undrawn)

~\$100m

Available liquidity

Operating cash flow	FY23 (\$M)	FY22 (\$M)	Δ (\$M)
Receipts from customers	227.0	221.4	5.6
Payments to suppliers & employees	(197.3)	(188.2)	(9.1)
Cash from customers net of payments to suppliers	29.7	33.2	(3.5)
Cash conversion ratio	>100%	>90%	
Free Cashflow	6.6	7.6	(1)

3. Division results






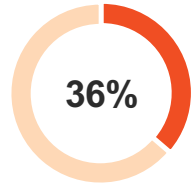
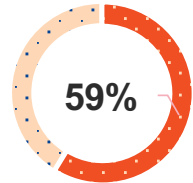
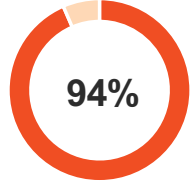
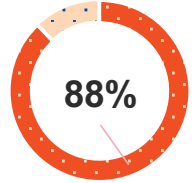
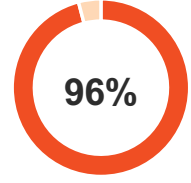
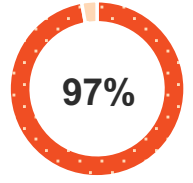
Presented by

Rene Sugo Co-founder & Group CEO



Business Overview

Symbio powers communication for three global markets: software, telecom and enterprise

	Communication Platform as a Service	Telco as a Service	Unified Communications as a Service
	CPaaS Division Symbio Connect	TaaS Division Telcoinabox	UCaaS Division Symbio Enterprise
Market segment:	Software vendors & large telecoms 	Retail telecoms & MSPs 	Enterprise & government 
Growth KPI:	7.3m Phone numbers on Symbio's network	180k Telecom services in operation	144k Enterprise user seats
FY23 Recurring Revenue & Margin:	<div> Recurring Revenue  36% </div> <div> Recurring Margin  59% </div>	<div> Recurring Revenue  94% </div> <div> Recurring Margin  88% </div>	<div> Recurring Revenue  96% </div> <div> Recurring Margin  97% </div>

Customer wins in FY23

Continued growth through new customer wins and account expansion

CPaaS



Global Tier 1 network

Selected Symbio as its primary voice provider in Singapore – now expanding to three Symbio regions.

TaaS



Managed IT provider

Migrated away from incumbent, selected Symbio as its primary voice provider in Australia.

UCaaS



Large tourism operator

- Total contract value: >\$500K over 60 months.
- Deployed Cisco Webex & Contact Center.

CPaaS



Large Australian ISP

Ported 400,000 phone numbers from incumbents to Symbio.

TaaS



Challenger telco

Extended multi-year contract with Telcoinabox, taking mobile, data and voice services.

UCaaS

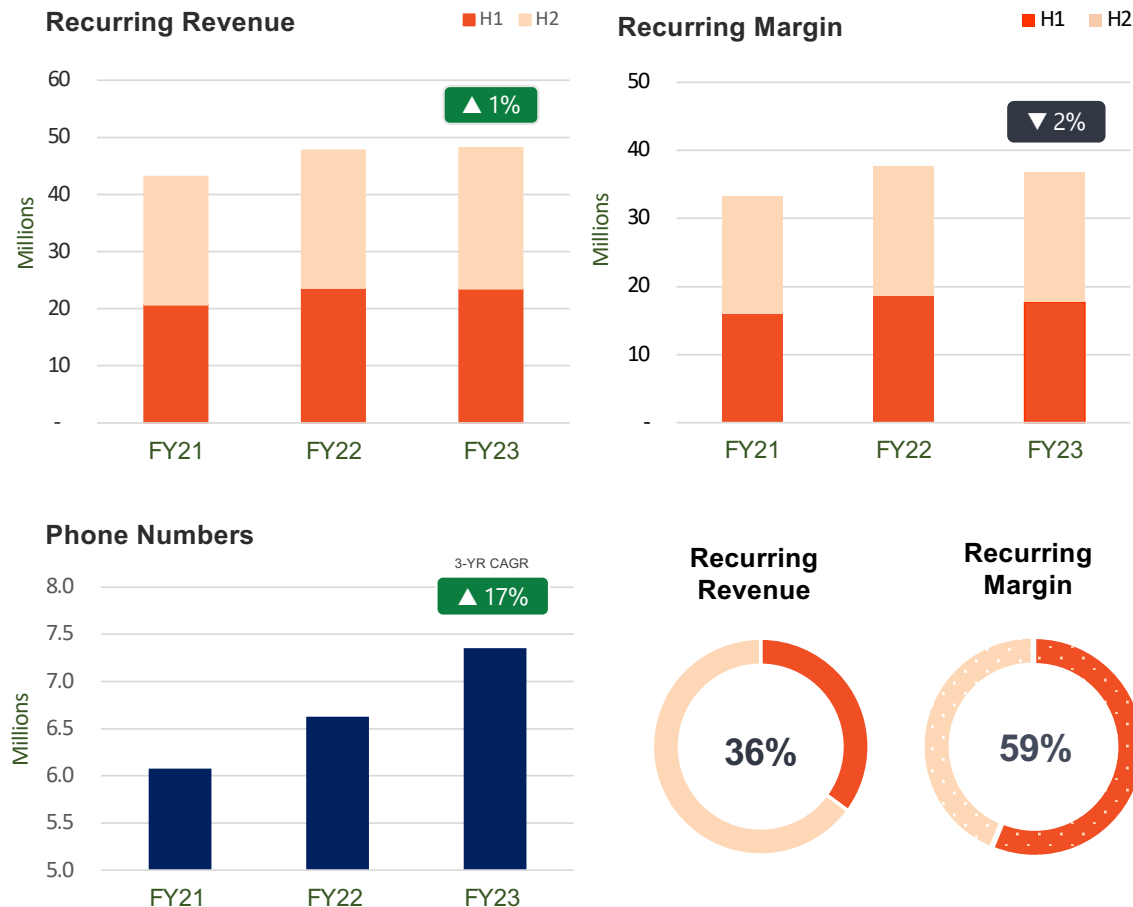


National retailer (NZ)

- Total contract value: >\$300K over 36 months.
- Cisco Webex & SIP across national store footprint.

CPaaS division financial performance

Powering calling and messaging for global telecoms and software vendors



FY23 Performance:

- Returned to organic growth in H2, following the global tech slowdown in H1.
- Post-Covid decline in recurring margin from changes in use cases and returned phone number inventory.
- Underlying growth of 8% in margin and 10% in revenue.

FY23 Achievements:

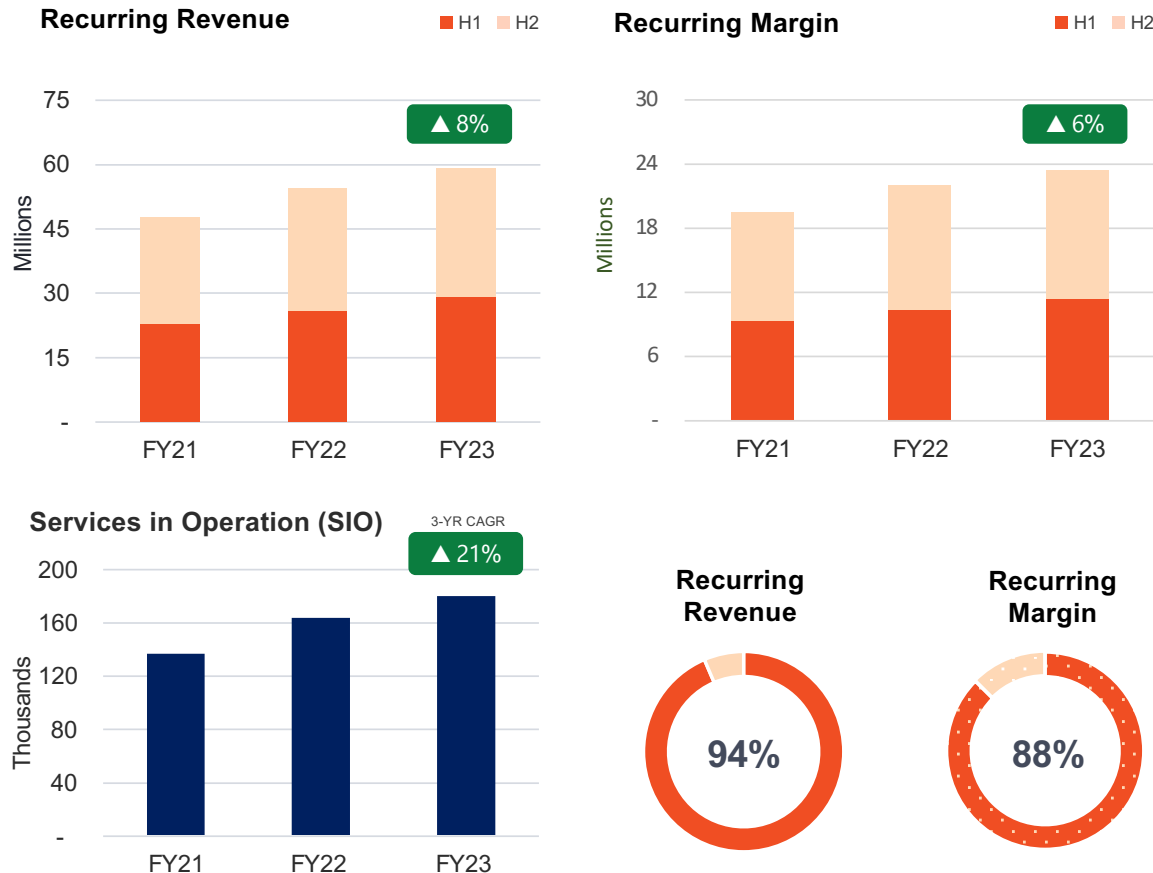
- Net YoY increase of 11% in phone numbers.
- Major port complete: 400K numbers added late in Q4.
- Launched Malaysia network coverage in May. Now with seven customers in trial or signed agreements, and 13 in the sales pipeline.

FY24 Focus:

- Technology consolidation and transformation to increase efficiency and reduce costs.
- Targeting break-even in Singapore by the end of FY24.
- Planning Taiwan organic entry in H2.

TaaS division financial performance

Powering voice, data and mobile services for retail telecoms and MSPs



FY23 Performance:

- Mobile SIOs grew in all new product categories including Mobile Broadband and Data Pooling Plans.
- Strong organic growth in hosted phone number products.
- Underlying recurring margin growth of 8% after customer migration costs.

FY23 Achievements:

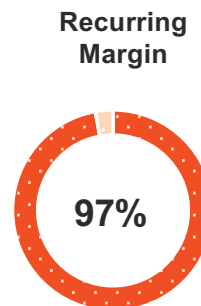
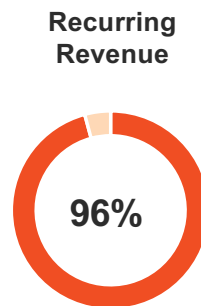
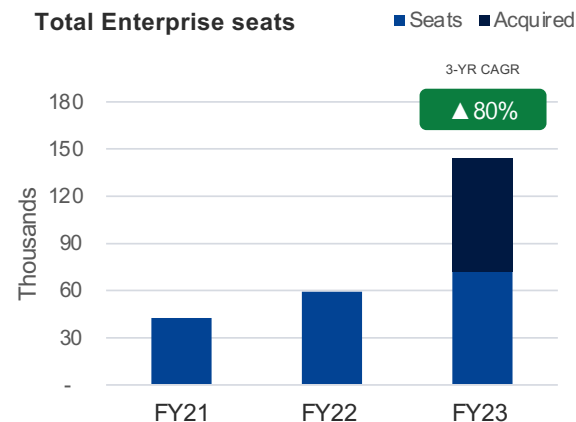
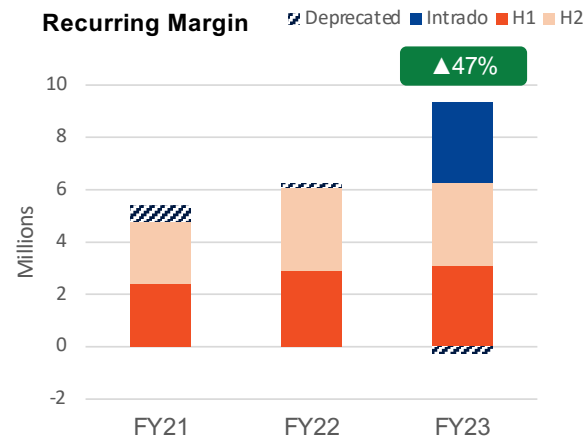
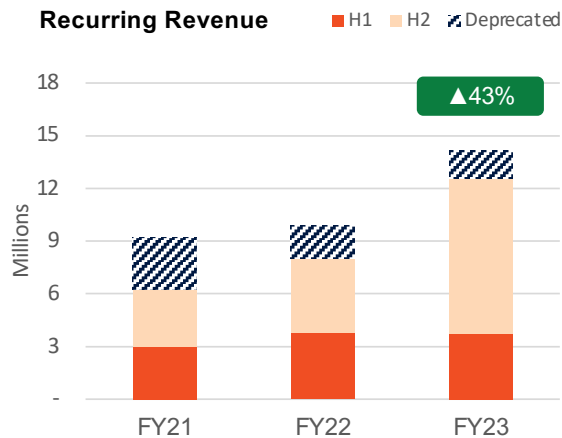
- Completed record customer migrations.
- Retired legacy platforms, reducing operating costs. Entering FY24 on a single, unified platform.
- Delivered new products including highly sought-after capabilities in Mobile Data and 5G.

FY24 Focus:

- Launch eSIM mobile capability – a high-growth potential product set.
- Enhanced data product offerings.
- Enhanced customer experience (CX) through artificial intelligence (AI) self-service tool.

UCaaS division financial performance

Powering calling and collaboration services for corporate and government clients



FY23 Performance:

- Organic seats growth of 22% YoY.
- Organic revenue declined slightly due to a shift in install base to channel sales model.
- Intrado acquisition contributed \$1.2m EBITDA during the period as we achieved quicker than expected synergies.

FY23 Achievements:

- Completed the acquisition and integration of Intrado Australia collaboration business, realising synergies.
- Launched Microsoft Teams Operator Connect in Australia, New Zealand, and Singapore.
- Launched a new enterprise customer self-service portal.

FY24 Focus:

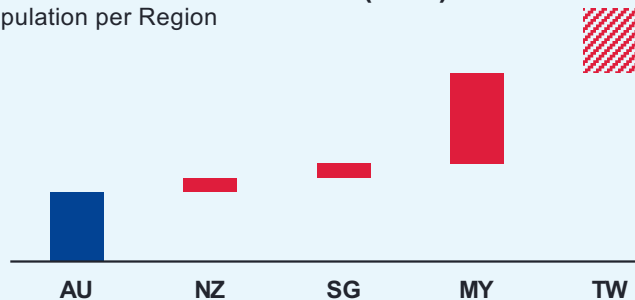
- Accelerate sales, further embed collaboration partner relationships, leverage growth from ex-Intrado partners and continue the delivery of acquisition synergies.
- Continued focus on growing Cisco Webex and Teams calling capabilities in Singapore and adjacent markets.

Relative phone number unit economics by market

Multi-regional coverage is critical for both margin growth and new number growth

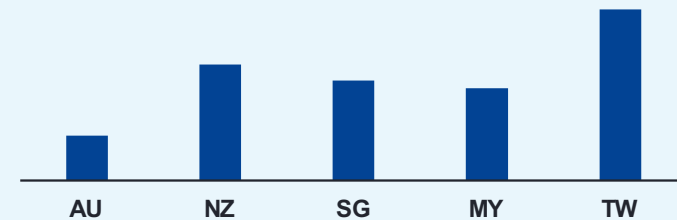
Total Addressable Market (TAM)

Population per Region



Recurring Revenue per Number – FY23

per Region



Market highlights

- Symbio doubled its TAM to over 70 million people with the addition of Malaysia.
- Taiwan launch will grow the TAM to nearly 94 million people, an increase of approx. 270% relative to Australia-only.
- Dominant cloud voice carrier in the Australian market with circa 10% share of fixed numbers.
- Leveraging **existing** high-quality global customer base to fuel regional scale opportunity.

Revenue highlights

- Australian market maturing with price pressure due to customer cost savings requirements and increased competition.
- International markets offer significantly higher growth potential with additional TAM, compelling unit economics and little competition.
- Australian CPaaS recurring revenue forecast flat going into FY24 due to customer re-contracts with retention discounts.
- However, gained greater share of wallet with customer commitments, setting up for long term profit growth.

Investing for the future

Technology and platform investment is paying off, underpinning key achievements throughout FY23

CPaaS

Launched Malaysian network in <12 months, proving platform scalability

Maintained outstanding record of network uptime, quality & availability

Established the South-East Asia Hub for simplified multi-country access

TaaS

Added a host of in-demand capabilities such as 5G and Data Pooling

Enhanced customer service with self-service portals & automation

Migrated off legacy platforms, reducing operating overheads

UCaaS

Acquired Intrado Australia – doubling the number of enterprise Seats

Expanded Microsoft capabilities with the launch of Operator Connect

Upgraded self-service capabilities for Enterprise and Government clients

4. Strategy update



Presented by

Rene Sugo Co-founder & Group CEO



Opportunity overview

Industry megatrends are accelerating our growth and enabling market disruption



Future of Work

CUSTOMER CHALLENGE

Need for technology that enables worker productivity and collaboration

SYMBIO STRATEGY

Partnering with UCaaS market leaders including Cisco and Microsoft



Enterprise Cloud

CUSTOMER CHALLENGE

Need to deliver modern, cloud-based communication services

SYMBIO STRATEGY

Telecom connectivity with the speed, scale and flexibility of software



Emerging Asia

CUSTOMER CHALLENGE

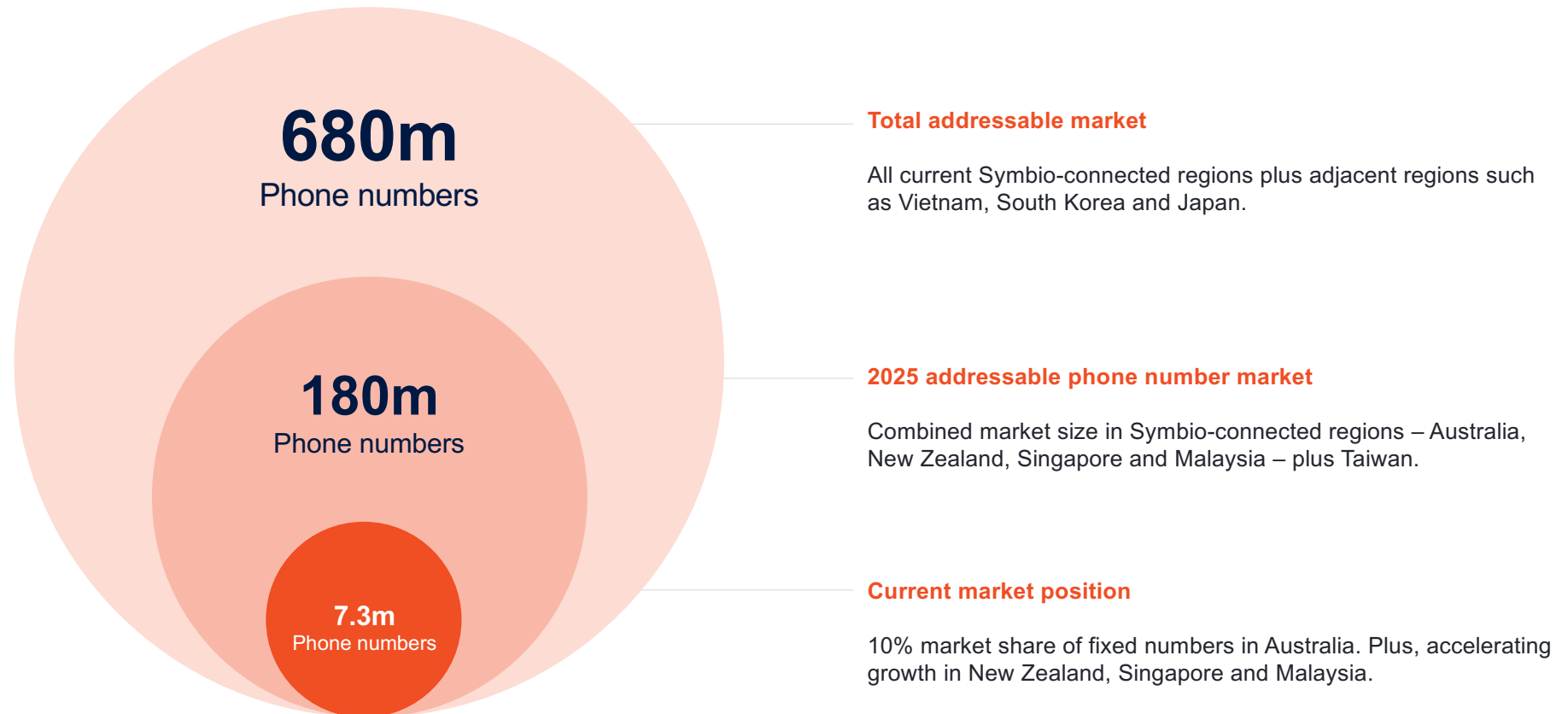
Need to connect global workforce, and serve high-growth Asian markets

SYMBIO STRATEGY

Become the preferred supplier for calling and messaging in Asia-Pacific

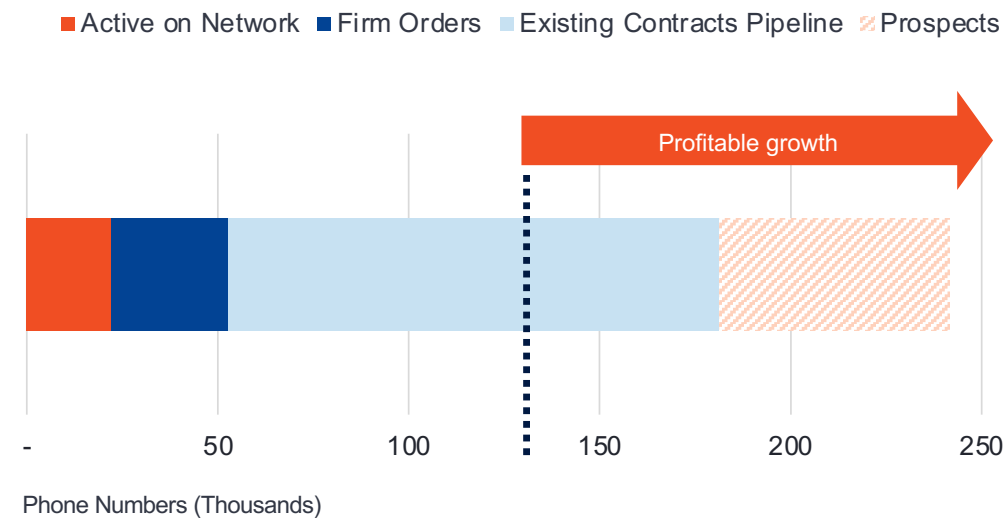
Strategy overview

Significant market opportunity is being unlocked through Asian expansion



Singapore update

Building momentum towards cash flow break-even in FY24



Greenfield opportunity of approx. 7.25m numbers

Customers include:

zoom

Five9

fuze

didlogic

CM.com

Achievements:

- Accelerating towards cash flow break-even.
- Able to achieve this milestone with the existing customer pipeline.
- Disposed of legacy non-core data network assets to reduce costs (effective FY24 Q2).
- Over 22K numbers in production with 31K firm orders in provisioning.

Outlook:

- Over 100 wholesale customers signed or engaged in sales process for Singapore.
- Substantial pipeline of customers expected to sign agreements with Symbio in H1 FY24.
- Meaningful pool of new prospects for future growth.
- South-East Asia Hub is a compelling differentiator, enabling dual region coverage at lower cost.
- Expected to reach break even in FY24.

Malaysia update

Officially launched into this strategically important market

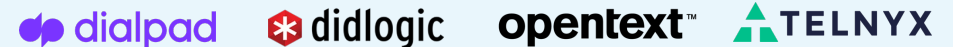
FY23 summary:

- Seven customers in trial or signed agreement, additional 14 prospects in our pipeline.
- Submitted application to Malaysian telecom regulator to operate a voice network and host numbers.
- Received Malaysia Digital Economy Corporation (MDEC) status and tier-two license, allowing Symbio to commence trading.

FY24 priorities:

- Signing and on boarding high priority global customers, building phone number inventories.
- Continue product feature build out to provide standard operating environment across all new markets.
- Complete Tier 1 interconnections (pending Tier 1 license).
- Opportunity to open the market for Enterprise products.

Malaysia trial customers include



“Symbio consistently meets our stringent criteria for quality, reliability, scalability and coverage... We are now successfully serving regions including Singapore, Malaysia, and beyond.”



Sudip Chatterjee,
Chief Business Officer, Globe Teleservices

Taiwan update

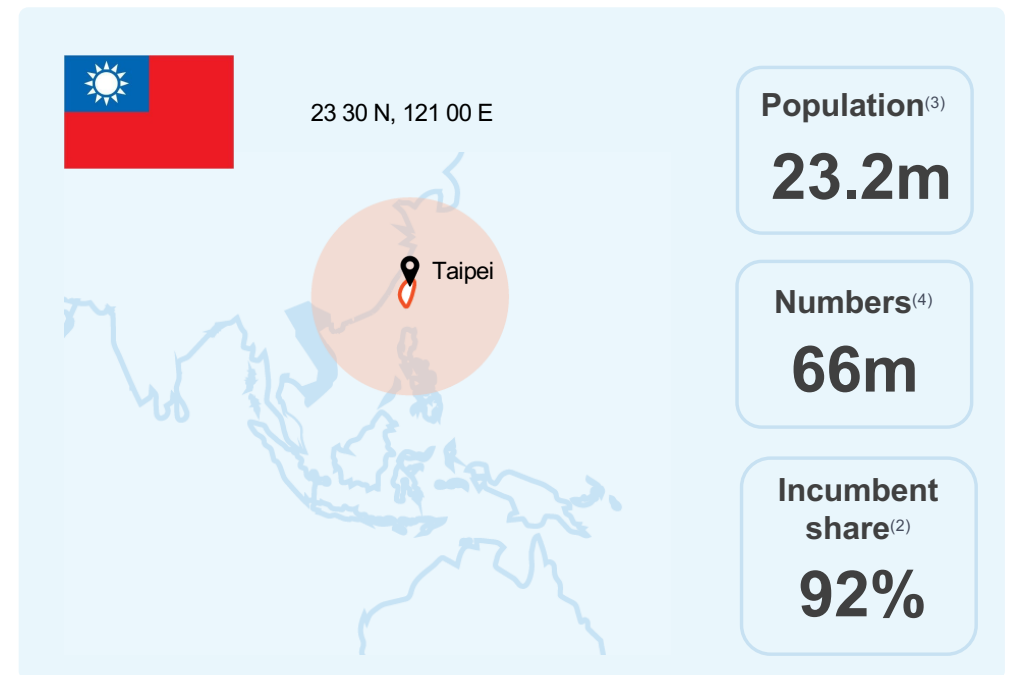
High-technology economy ready for cloud communications

Strategy & progress:

- Planned Taiwan acquisition progressed to due diligence stage but did not meet our strict valuation requirements.
- We remain committed to entering this key market and are in planning for an organic entry.
- Symbio has developed a strong market knowledge during the prior process and is confident of achieving organic market entry expecting less investment than acquisition entry.

Business case:

- Global customers are interested in Taiwan coverage and consider this a key strategic market.
- Similar market size to A/NZ and a regional tech hub. ⁽¹⁾
- Incumbent voice network has 92% market share of fixed numbers ⁽²⁾ – does not offer Symbio-style products.



Environmental, Social & Governance overview

Symbio is committed to 'a future transformed' and has adopted science-based ESG targets.



Diversity

40/40/20 gender diversity, equal pay, and employment regardless of age and physical ability.



Renewable energy

FY25 target: 100% of company-owned and operated sites transitioned to renewable energy.



Reduced emissions

FY30 target: 42% reduction in Scope 1 and 2 emissions, measure and reduce Scope 3 emissions.



Reduced waste

FY25 target: 100% of e-waste is diverted from landfill.



Security

Targeting zero reportable cybersecurity incidents.



Community

Investment target established by FY25.

5. Outlook and guidance



Presented by

Kate Denton CFO

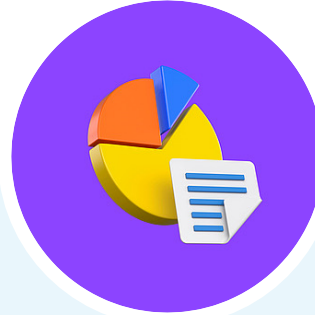


FY24 priorities and outlook



Organic Growth

- Focus on organic growth across all three divisions in Australia.
- Achieve cashflow breakeven in Singapore by Q4 FY24, accelerate profitable growth.
- Onboard strategic customers in Malaysia.
- Continue to grow TAM with initial product offering in Taiwan via organic market entry.



Operating Efficiency

- Deliver flat CapEx and OpEx in FY24.
- Improve profitability and return to EBITDA growth in FY24.
- Increase levels of customer self-service and automation in all business segments.
- Reduce network operating costs across all markets.



Outlook

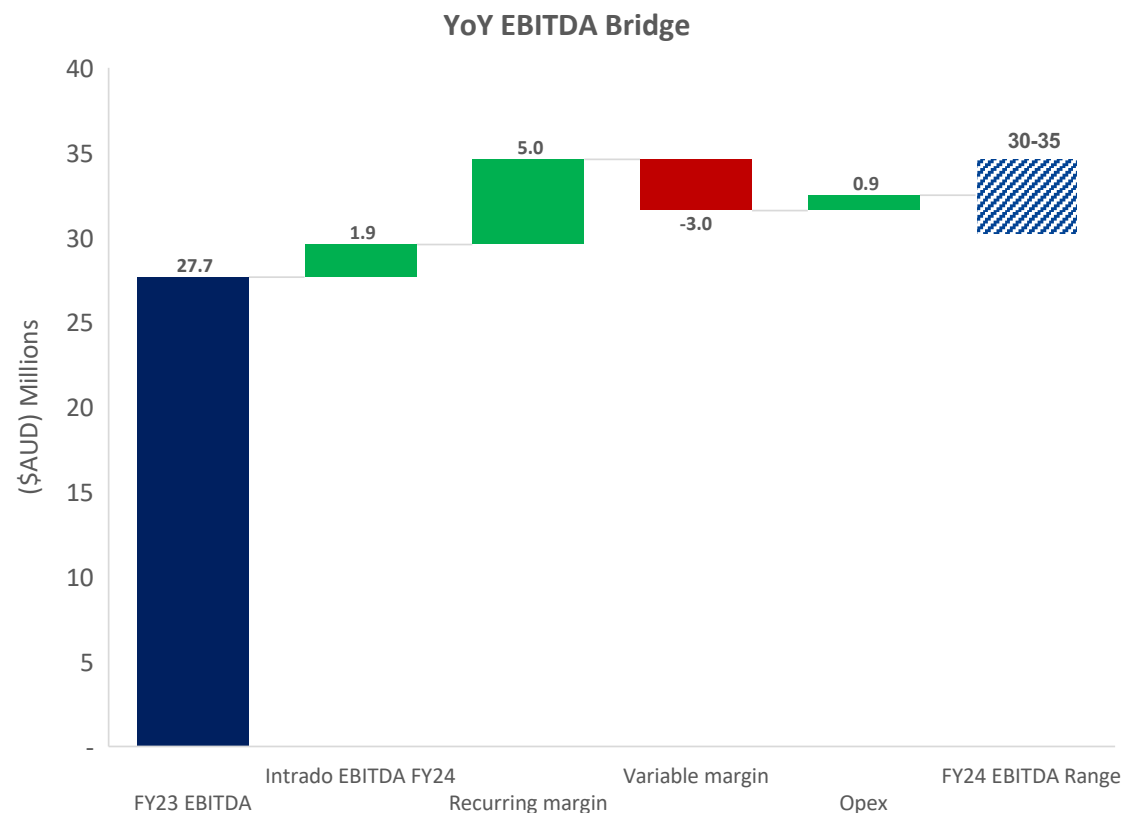
- Long-term growth is supported by technology megatrends.
- Clear strategic vision and focus on execution.
- Maintain KPI growth levels across all business segments.
- Deploy balance sheet strength for growth across organic and inorganic opportunities.

FY24 EBITDA guidance - \$30m to \$35m

Simplified business delivering accelerating revenue and margin growth

FY24 Guidance:

- Intrado EBITDA contribution to increase by \$1.9m.
- Recurring margin increase of \$5.0m due to net growth in Singapore, UCaaS & TaaS. Improved margins through savings in network costs.
- Variable margin decrease due to price pressure from customer focus on cost savings.
- Target flat OPEX while executing strategic goals and market expansion (excluding acquisitions).
- CAPEX is forecast at \$22m in line with FY23.



1. In the above graph 'EBITDA' excludes restructure costs, net interest, share scheme costs and earn out expenses, acquisition costs, tax, depreciation and amortisation.

Why Symbio?



High-quality business

- Customers include large global software companies, multi-national enterprise and government.
- Our revenue is connected to critical long-term use cases.
- Strong balance sheet.
- Experienced management team and Board.



Executing APAC expansion vision

- Targeting **100M numbers** on our network by 2030.
- Singapore customers growing targeting break even in FY24.
- Malaysia in production with 6 customers onboarding.
- Planning Taiwan organic market entry.
- Paused additional markets to focus on success of existing markets.



Unique competitive advantage

- The quality and flexibility of a Tier 1 network.
- Consistent customer experience across multiple countries.
- Deep control via APIs and self-service customer portals.
- Globally recognised brand and outstanding product quality.



Focus on returning to growth in FY24

- Profitable, cash generating, no drawn debt and ample cash to fund future growth plans.
- Organic growth across three synergistic SaaS businesses.
- Technology investment to improve profitability and operating efficiencies.
- Focus on returning to EBITDA growth in FY24.

Thank you

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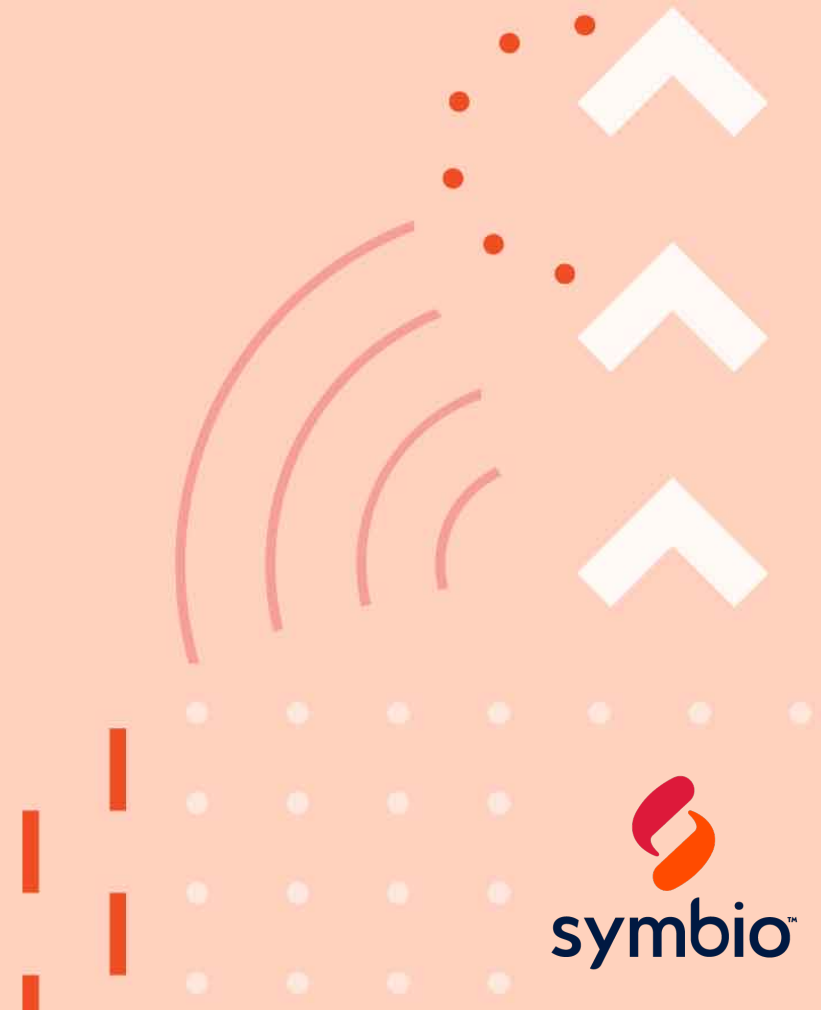
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Appendix



Revenue and margin

	FY23			FY22			Growth Trend	
Segment	Revenue (\$M)	Margin (\$M)	Margin %	Revenue (\$M)	Margin (\$M)	Margin %	Revenue Growth %	Margin Growth %
CPaaS								
Recurring	48.1	36.9	77%	47.7	37.6	79%	0.8%	-1.9%
Variable	84.8	26.1	31%	84.8	25.9	31%	0%	0.8%
Total	132.9	63.0	47%	132.5	63.5	48%	0.3%	-0.8%
TaaS								
Recurring	59.0	23.4	40%	54.6	22.0	40%	8.1%	6.4%
Variable	4.1	3.2	78%	5.6	3.8	68%	-26.8%	-15.8%
Total	63.1	26.6	42%	60.2	25.8	43%	4.8%	3.1%
UCaaS								
Recurring	14.2	9.1	64%	9.9	6.2	63%	43.4%	46.8%
Variable	0.6	0.3	50%				100%	100%
Total	14.8	9.4	64%	9.9	6.2	63%	49.5%	51.6%
Group Total								
Recurring	121.3	69.4	57%	112.2	65.8	59%	8.1%	5.5%
Variable	89.5	29.6	33%	90.4	29.7	33%	-1.0%	-0.3%
Total	210.8	99.0	47%	202.6	95.5	47%	4.0%	3.7%

*There has been a \$2.6m margin reclassification in prior year from variable margin to recurring margin within the TaaS segment to better reflect the products reported. These adjustments have been applied in both the current and prior period. FY22 is made up of continuous operations only.

Cash utilisation

Cash Utilisation	FY23 \$M	FY22 \$M
Statutory operating cash flow	28	25
Expenditure on fixed assets & software development	(21.4)	(16.9)
Free cash flow	6.6	8.1
Dividend payments	(5.4)	(6.4)
Increase in equity	0.5	-
Proceeds on disposal	1.7	29.1
Business acquisitions	(5.6)	-
Business investment	-	(7.2)
Net debt movement	-	-
Other	(4.6)	(3.7)
Net movement in cash	(6.8)	19.9
Opening cash balance	42.6	22.7
Closing cash balance	35.8	42.6

Balance sheet

	Jun 23(\$M)	Jun 22(\$M)
Cash	35.8	42.6
Other current assets	48.4	45.7
Current liabilities	(43.1)	(38.9)
Net current assets	41.1	49.4
Working capital	48.6	54.6
Debt (current)	-	-
Debt (non-current)	0.0	0.0
Total Debt	0.0	0.0
Net Debt	(35.8)	(42.6)
Net Assets/Total Equity	164.3	162.0
Intangible assets	94.7	82.8
Net tangible assets	69.6	79.2

Underlying EBITDA

	FY23 (\$M)	FY22 (\$M)*
NPAT	1.8	5.8
<i>Add back:</i>		
Depreciation and amortisation	18.8	20.0
Income tax expense	(0.2)	2.0
Net interest	0.8	1.6
Costs related to acquisition	0.7	0.1
Gain on sale of businesses	-	-
Restructuring costs	1.0	0.2
Impairment of assets	-	-
Share scheme and earn out expenses	4.8	5.7
Underlying EBITDA¹	27.7	35.4

* FY22 is made up of continuous operations only

1. Underlying EBITDA: excludes restructure and impairment costs, gain or loss on sale of businesses, net interest, share scheme and earn out expenses, acquisition costs, tax, depreciation and amortisation.

Continuing & Underlying NPATA

	FY23 (\$M)	FY22 (\$M)
Group NPAT	1.8	14.7
<i>Add back</i>		
Amortisation from acquired intangible asset	4.3	8.4
Acquisition & restructure costs	1.3	0.2
Staff share scheme	4.8	5.7
Tax applicable	-	-
Underlying NPATA	12.2	29.0
NPAT from discontinued operations	-	(8.9)
Continuing NPATA	12.2	20.1

H1 FY22 underlying NPATA is amended to be consistent with the Underlying NPATA definition:

Underlying NPATA excludes amortisation of acquired customer contracts, acquired software and brands, share scheme and earn-out expenses, tax affected restructure and impairment costs, and tax affected gain or loss on sale of businesses

Reconciliation of changes in TaaS

Symbio has adjusted the internal recharge methodology within the TaaS segment to better reflect the products reported. These adjustments have been applied in both the current and prior period.

Segment	FY23			FY22			Growth Trend	
	Revenue (\$M)	Margin (\$M)	Margin %	Revenue (\$M)	Margin (\$M)	Margin %	Revenue Growth %	Margin Growth %
As reported in FY22								
Recurring	59.0	23.4	40%	54.6	19.4	36%	8.1%	20.6%
Variable	4.1	3.2	78%	5.6	6.4	114%	-26.8%	-50%
Total	63.1	26.6	42%	60.2	25.8	43%	4.8%	3.1%
Recurring - Change in internal recharge methodology	-	-		-	2.6			
Variable - Change in internal recharge methodology	-	-		-	-2.6			
New methodology applied from FY23								
Recurring	59.0	23.4	40%	54.6	22.0	40%	8.1%	6.4%
Variable	4.1	3.2	78%	5.6	3.8	68%	-26.8%	-15.8%
Total	63.1	26.6	42%	60.2	25.8	43%	4.8%	3.1%

1. FY22 is made up of continuous operations only.

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