

17 August 2022

FY22 Financial Results

Investor Presentation



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- Currency All amounts in this presentation are in Australian dollars unless otherwise stated.
- FY refers to the full year to 30 June.
- Rounding Amounts in this document have been rounded to the nearest \$0.1m. Any differences between this document and the accompanying financial statements are due to rounding.

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Agenda

Major Highlights

Strong financial performance, strengthened leadership team, new strategic telco partnership in Asia to accelerate future growth

FY22 Financial Results

Impressive revenue performance, declining expense run-rate

Regional Update

Strong macro tail winds are enduring

FY23 Outlook

Delivering positive earnings in 2H



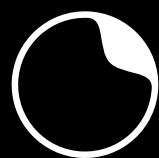
Jeromy Wells

Founder & Chief Executive Officer



Jenni Pilcher

Chief Financial Officer



Whispir today

3 Major Regions

ANZ, Asia and North America

A S X W S P

Whispir is a global communications intelligence company that supplies a no code, Communications-as-a-Service (“CaaS”) platform that enables seamless omnichannel interactions between organisations, their systems and people to solve common communication challenges in terms of compliance, deliverability and engagement across more than 60 countries.





Financial Highlights

- Record revenue \$70.6m revenue, up 48% on PCP
- Strong 3-year CAGR revenue growth of 31.4%
- Transactional Gross Margin improves by 2.5 percentage points
- Operating expenses are reducing with Q4 down 11% on Q3, reflecting successful efficiencies program
- Strong balance sheet – cash \$26.1m and no debt, well funded through to expected profitability in FY23 and cash flow positive during FY24.

Revenue

\$70.6m

\$47.7m PCP; Guidance \$64m–\$68m; 48% growth YoY

Gross Margin

58.5%

59.8% PCP; down 1.3% points due to change in revenue mix

EBITDA*

\$(10.6)m

\$(3.8)m PCP; Guidance \$(11.2)m–\$(13.2)m; loss increased by 186%, better than expected

Cash & Equivalents

\$26.1m

\$49.2m PCP; \$23m cash outflows in line with expectations

*Excluding non-cash share-based payments



Business Metrics

- ARR 3-year CAGR 27.6%
- Strategic leading Asia Telco deal strengthens our operations and limits the opportunity for competitors to enter the market
- 233% new customer growth in North America
- Pandemic recovery providing significant revenue opportunities.

ARR

\$65.4m

\$53.6m PCP; +22% growth YoY

Net CRR

126.6%

115.9% PCP; +10.7% points YoY exceeding expectations

Customer Churn

2.1%

2.4% PCP; improved 0.3% points - well below <5% target

Customers

> 1000

801 PCP; >25% growth



FY22 Financial Results

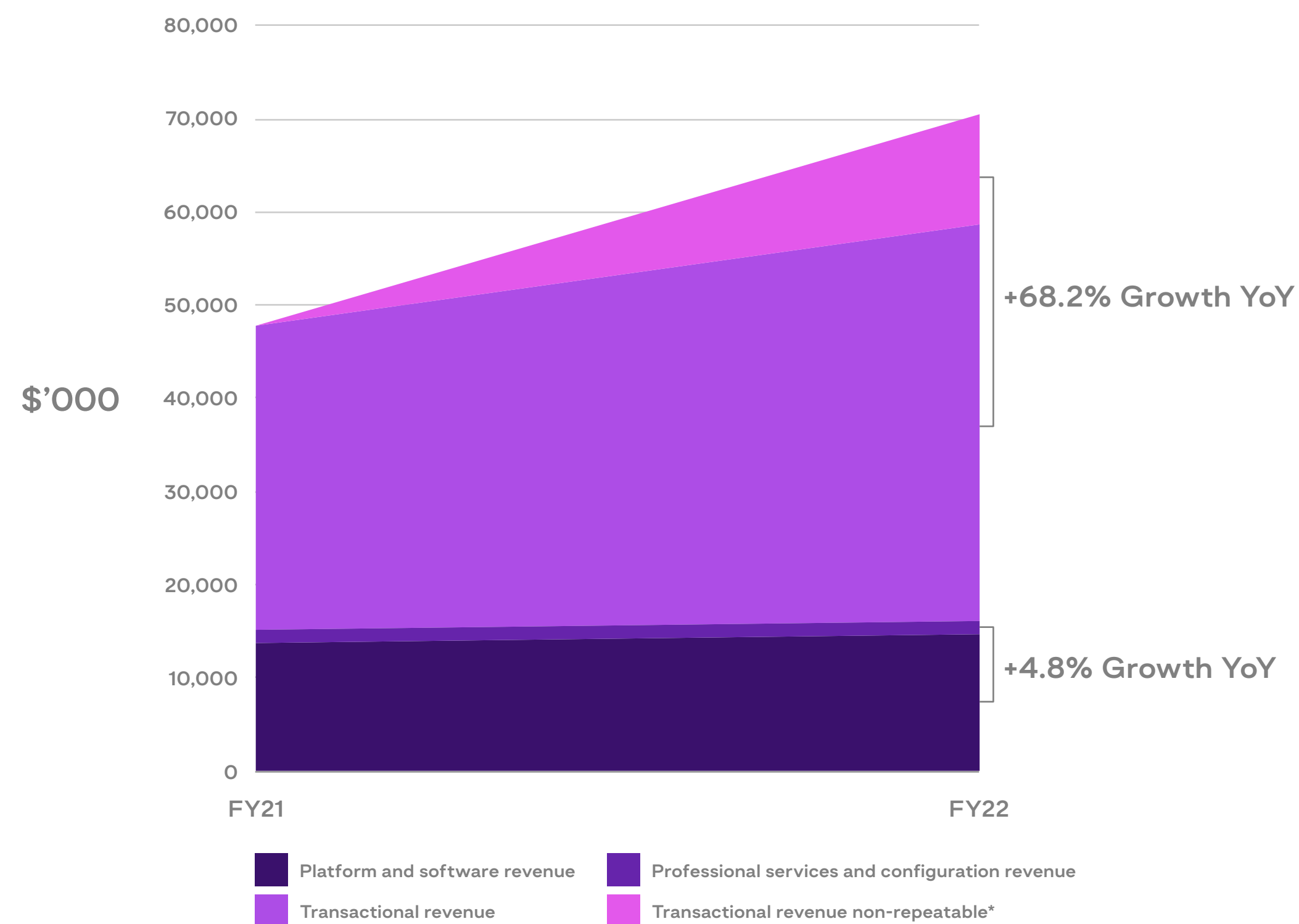
Impressive revenue performance, declining expense run-rate



Revenue \$70.6m (\$47.7m PCP)

+48% Organic Revenue Growth on PCP; 31.4% 3-year CAGR

Revenue Growth YoY by type



Revenue Composition

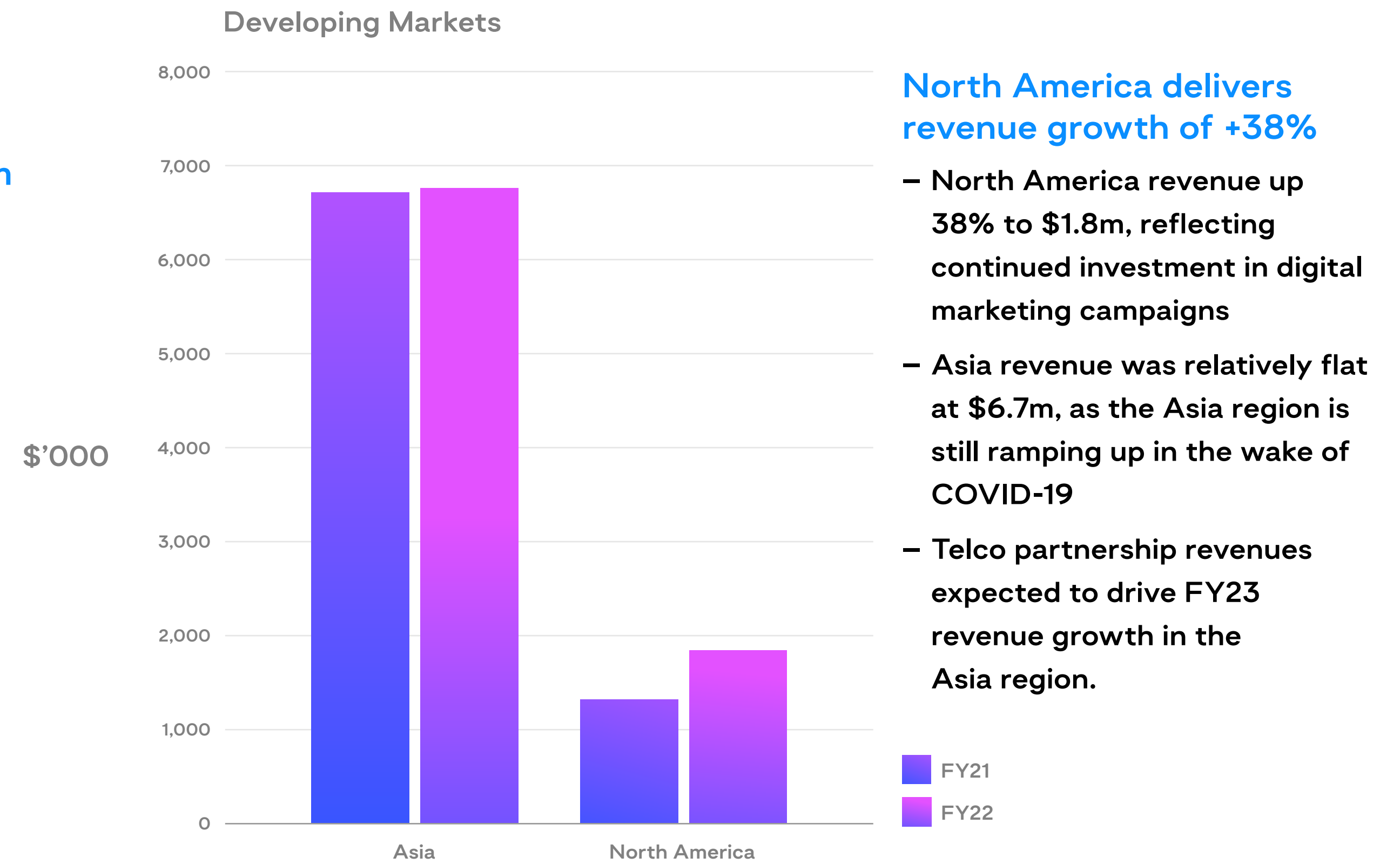
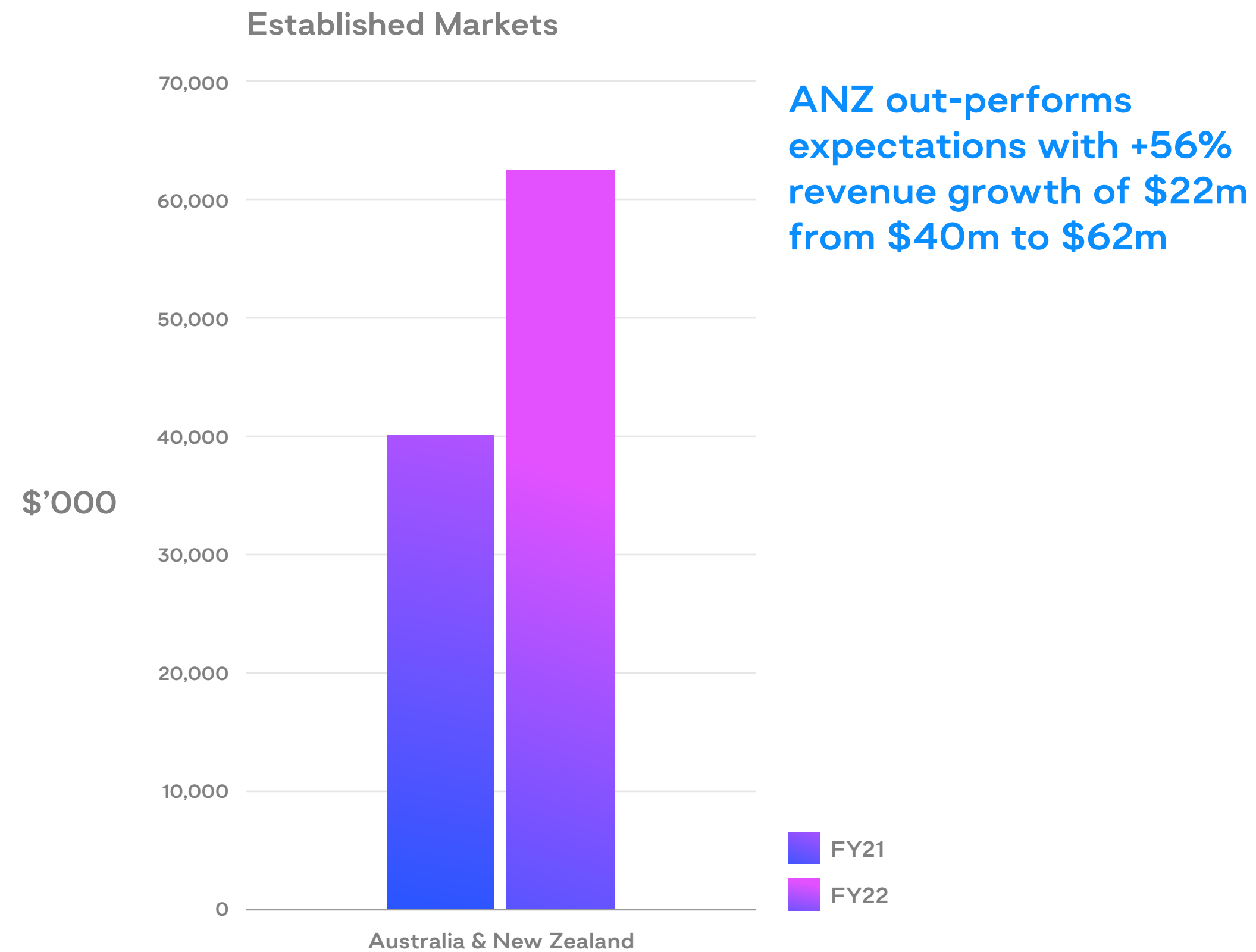
	FY22	FY21
Transactional revenue	77%	68%
Platform revenue	21%	29%
Services and support	2%	3%

Transactional revenue comprised 77% of total revenue, (68% PCP) due to the Australian state health departments vaccine roll out programs in response to Covid-19.



Revenue by Region

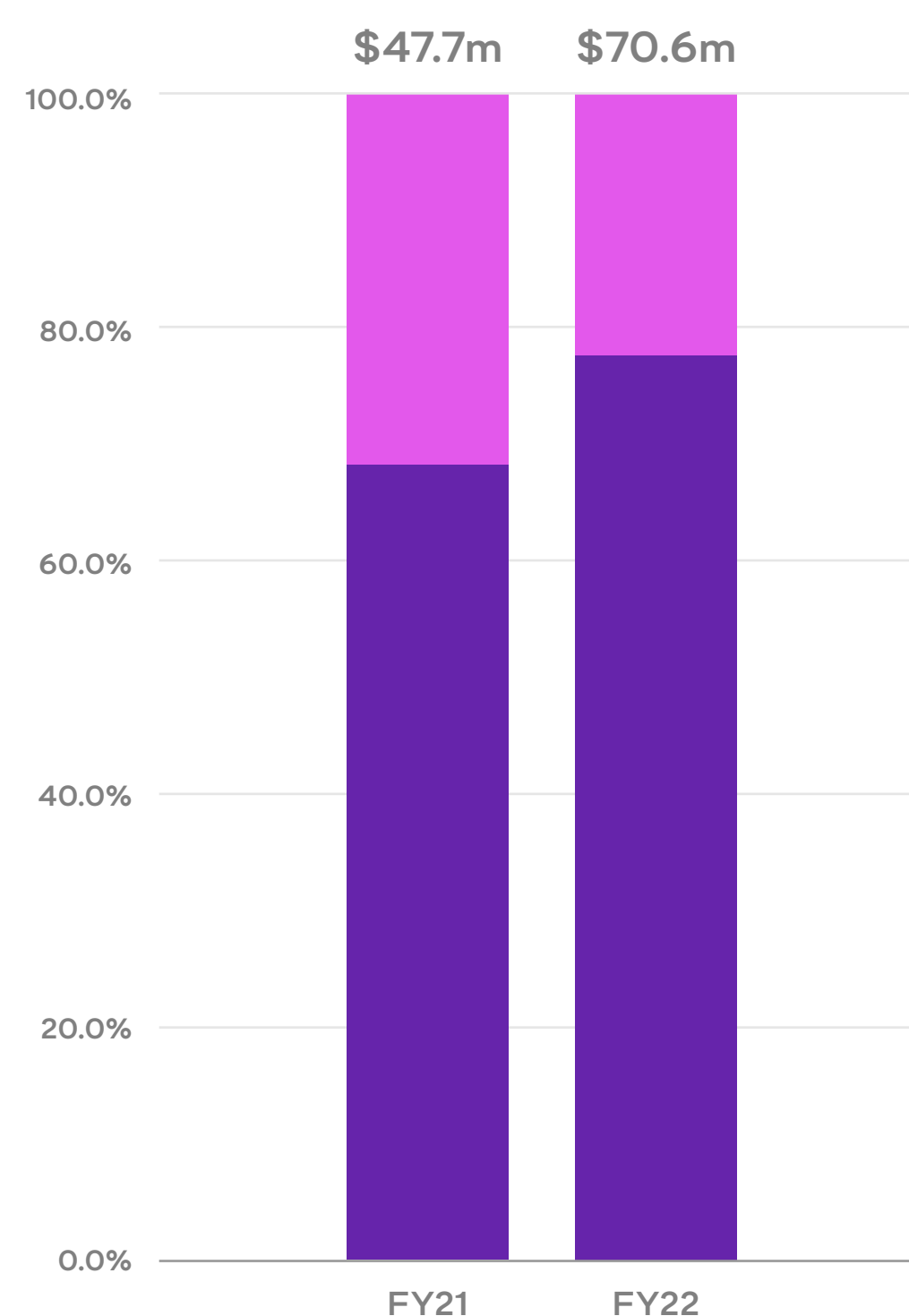
Established customers driving increased platform usage





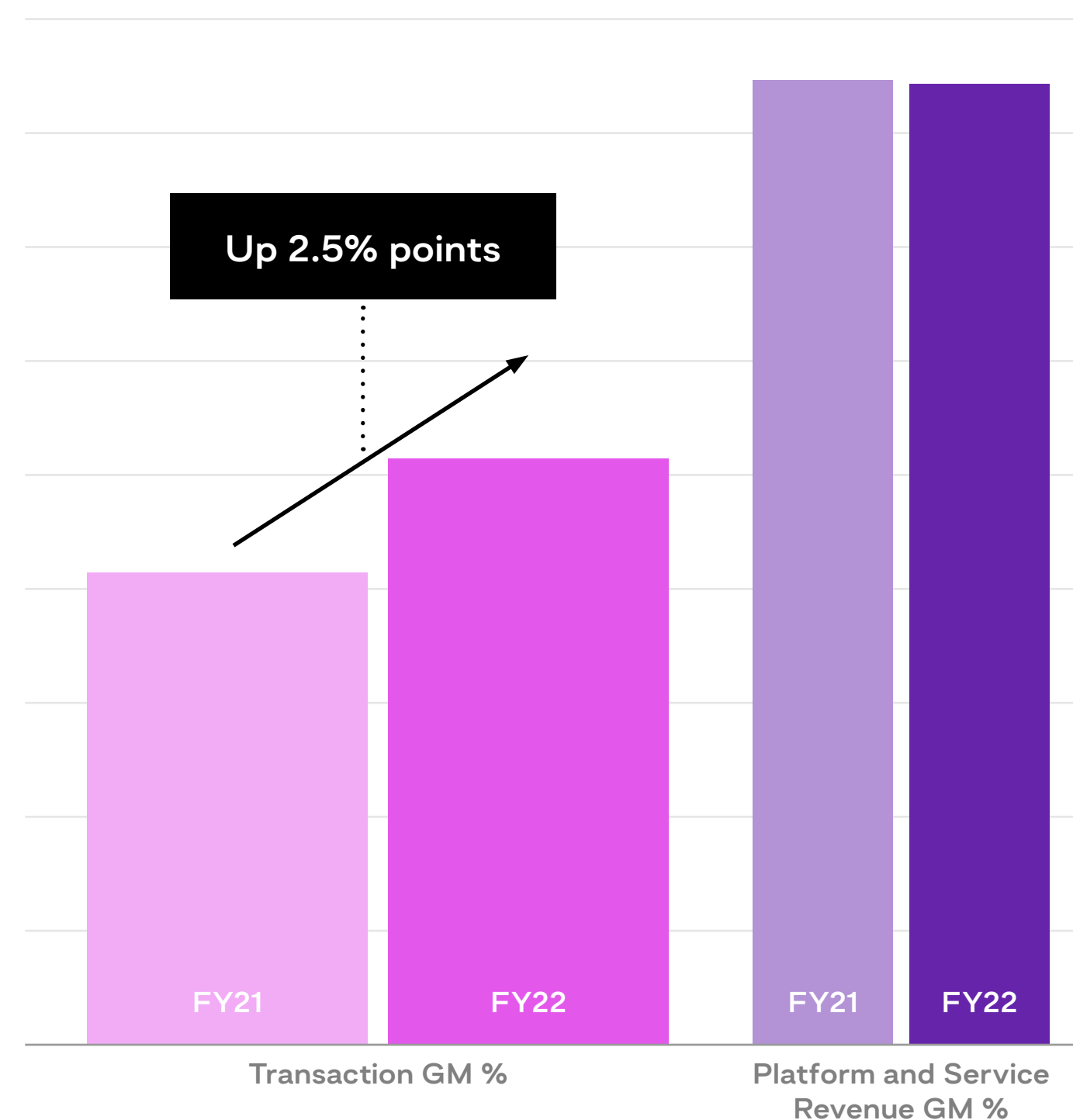
Gross Margin 58.5% (59.8% PCP)

Revenue mix change causes short-term impact on Group GM; underlying GM improves



Revenue Composition

- Gross Margin (GM) is down slightly from 59.8% to 58.5%
- This is due to transactional revenue being a larger proportion of total revenue this year (77.4%) compared to the prior year (68.0%). Transaction revenue has a lower GM than platform and services revenue.



Gross Margin by Product

- GM from transaction revenue up 2.5 percentage points
- GM from platform and services revenue in line with PCP.



Operating Expenses \$52.0m

Q4 down 11% on prior quarter as cost efficiencies continue

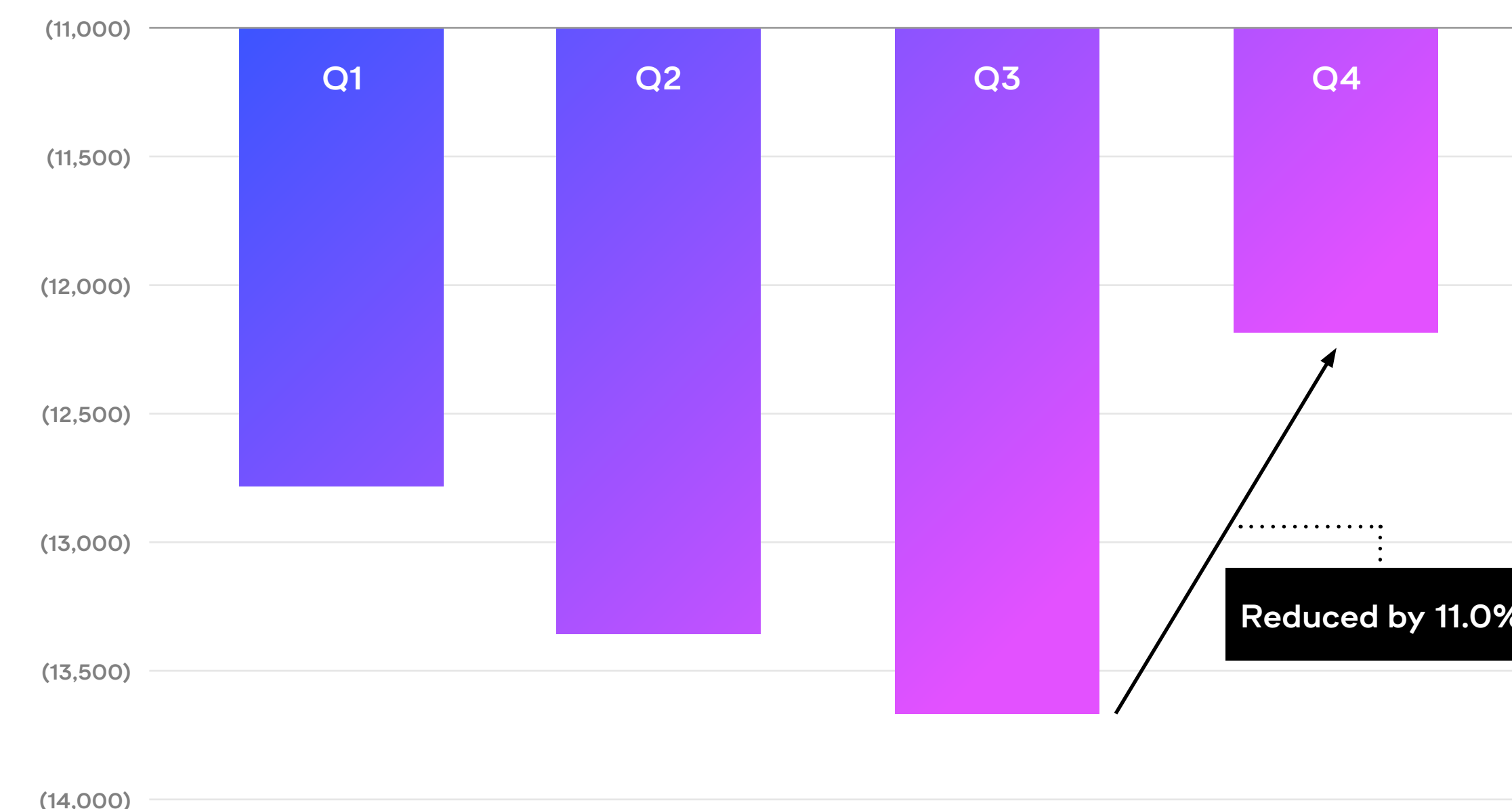
- Q4 operating expenses down 11% on Q3 to \$12.2m (\$48.7m annualised run-rate). This is the lowest for the year, reflecting the Group’s cost efficiency program, which will continue into FY23.

Note: Strong conviction to generate positive earnings during 2H FY23. To illustrate, the Group only requires \$81.2m revenue, at a 60% gross margin, to cover Q4 annualised expense run rate.**

*Operating expenses are those which form part of EBITDA, and therefore exclude all depreciation & amortization, interest, tax and non-cash share-based payments.

**For illustrative purposes only, this is not FY23 revenue guidance.

Operating Expenses*





Contribution Margin by Region

Multiple levers to improve Margin in FY23

Regional contribution to EBITDA*

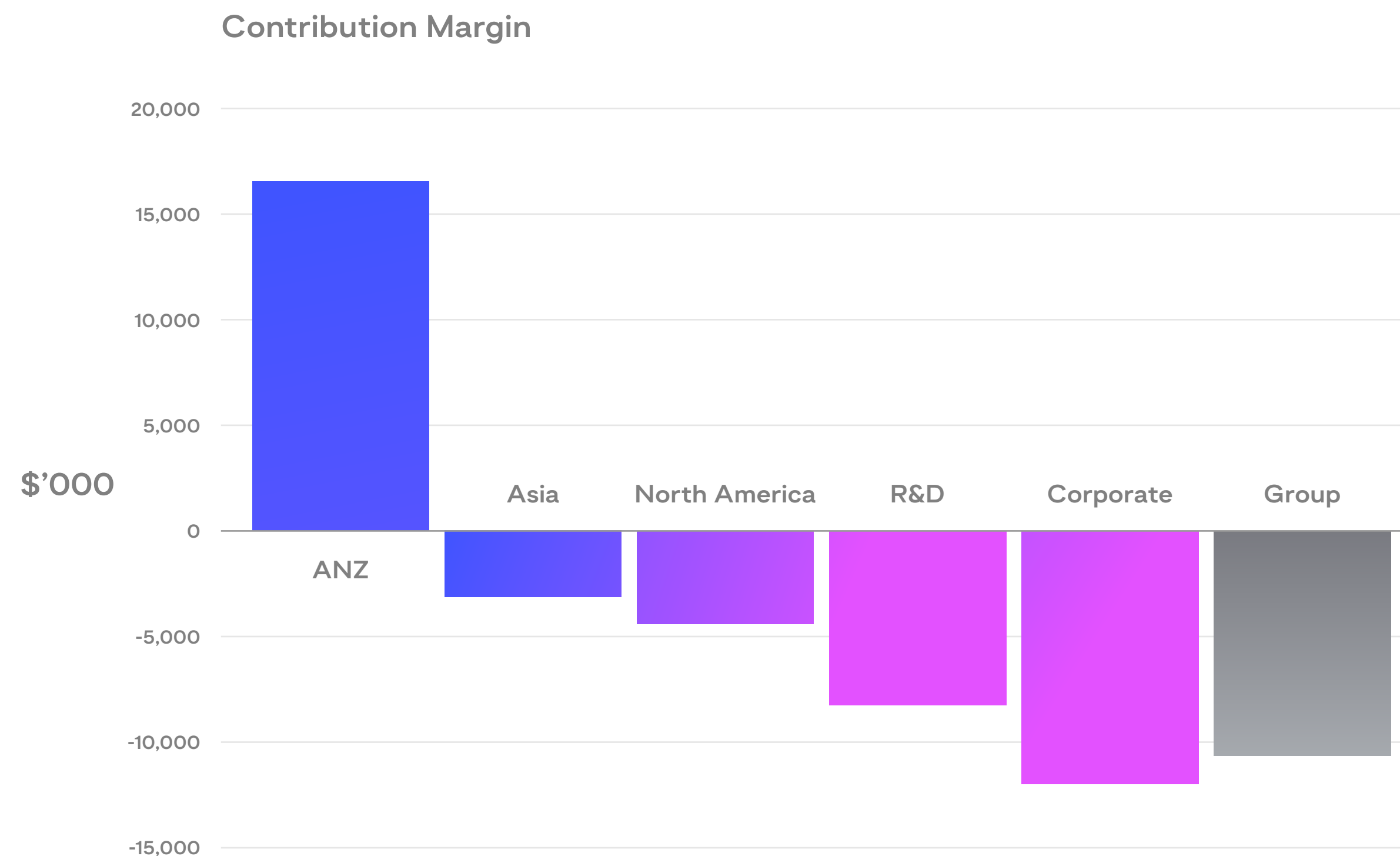
- ANZ \$16.1m is the company's profit engine and an established growing market
- Asia \$2.5m loss, before telco transaction revenue which will kick in from FY23
- North America \$4.7m loss while in scale up phase.

In addition, the Group:

- Invested \$16.2m on research & development (\$8.6m of this is capitalised), 23% of revenue; and
- Incurred \$11.9m on supporting central corporate costs (eg ASX & governance, HR, finance, executive, IT etc), 17% of revenue.

Group EBITDA loss \$10.6m

Total cash outflows (before working capital timing) \$19.2m.



*EBITDA excluding share-based payments



ARR \$65.4m (\$53.6m PCP)

+22% Growth on PCP; 3-year CAGR 27.6%

ARR continues to demonstrate solid, consistent growth over time.

Included in ARR:

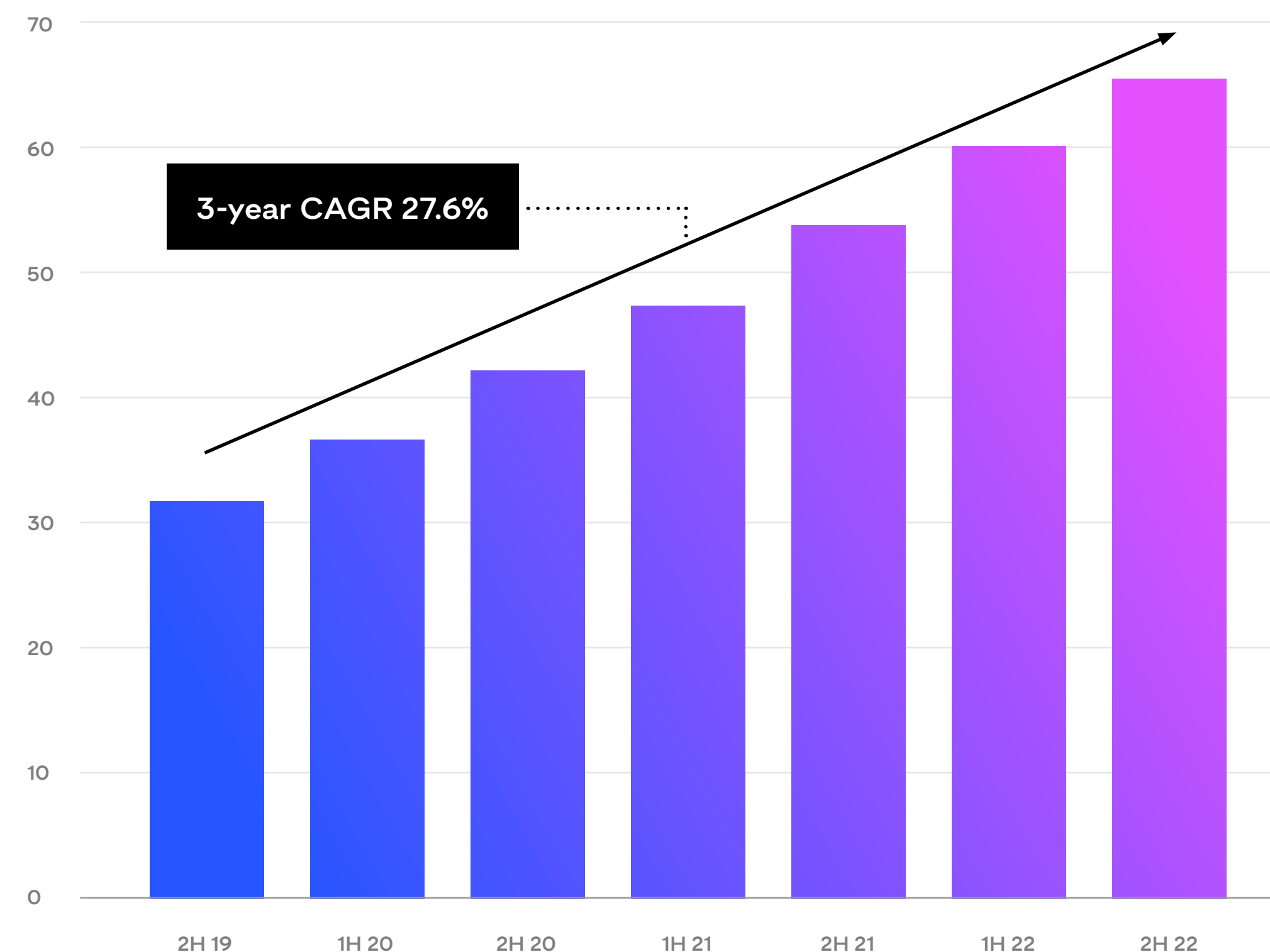
- Repeatable revenues for the month of June annualised, with some adjustment for seasonality.

Not yet included in ARR (upside):

- New customers signed since 30 June that are contributing to revenue
- Sales pipeline opportunities.

There is considerable potential revenue upside for FY23 revenue beyond the ARR of \$65.4m.

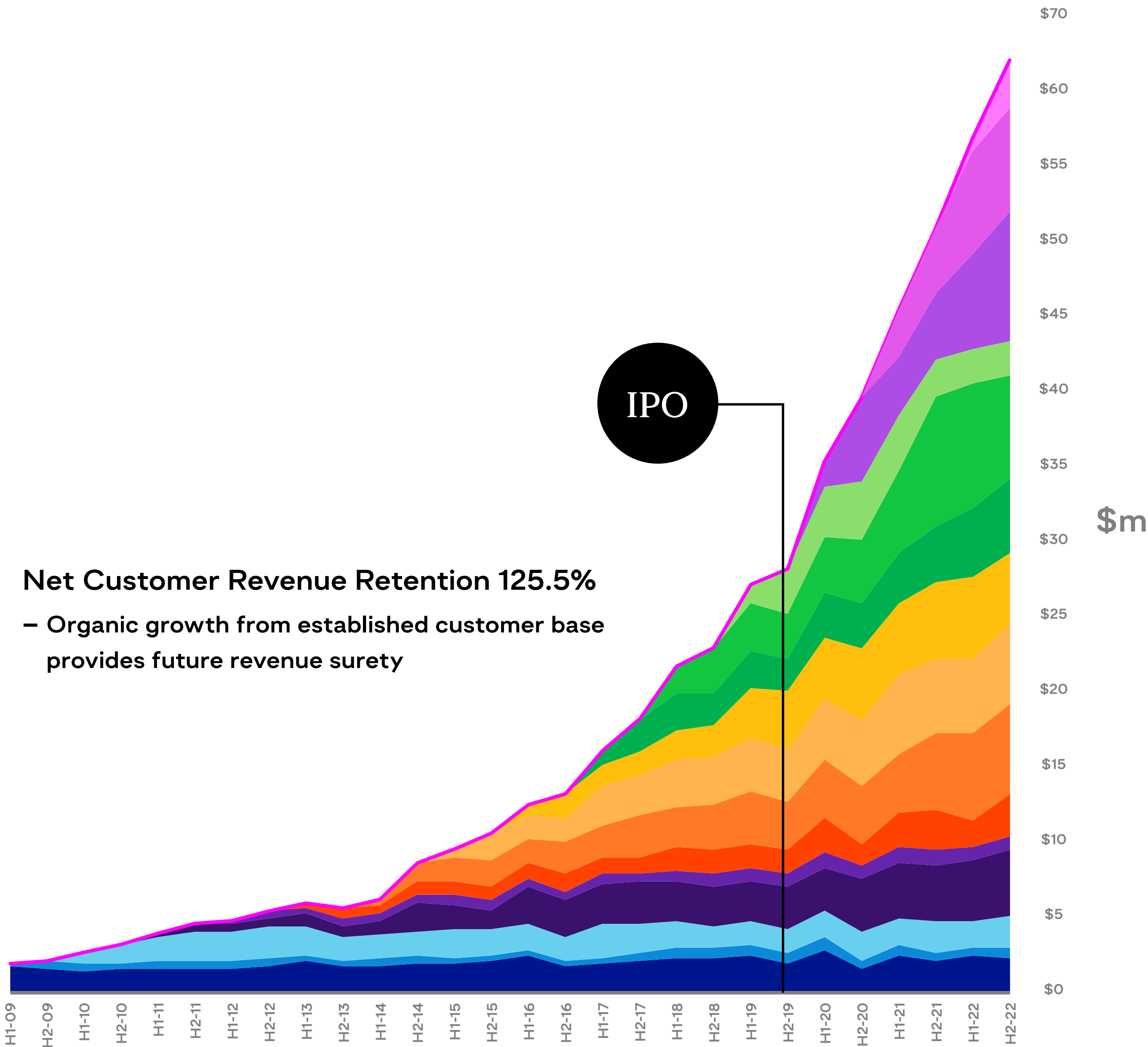
ARR A\$m





“Land & Expand” strategy increases customer revenue

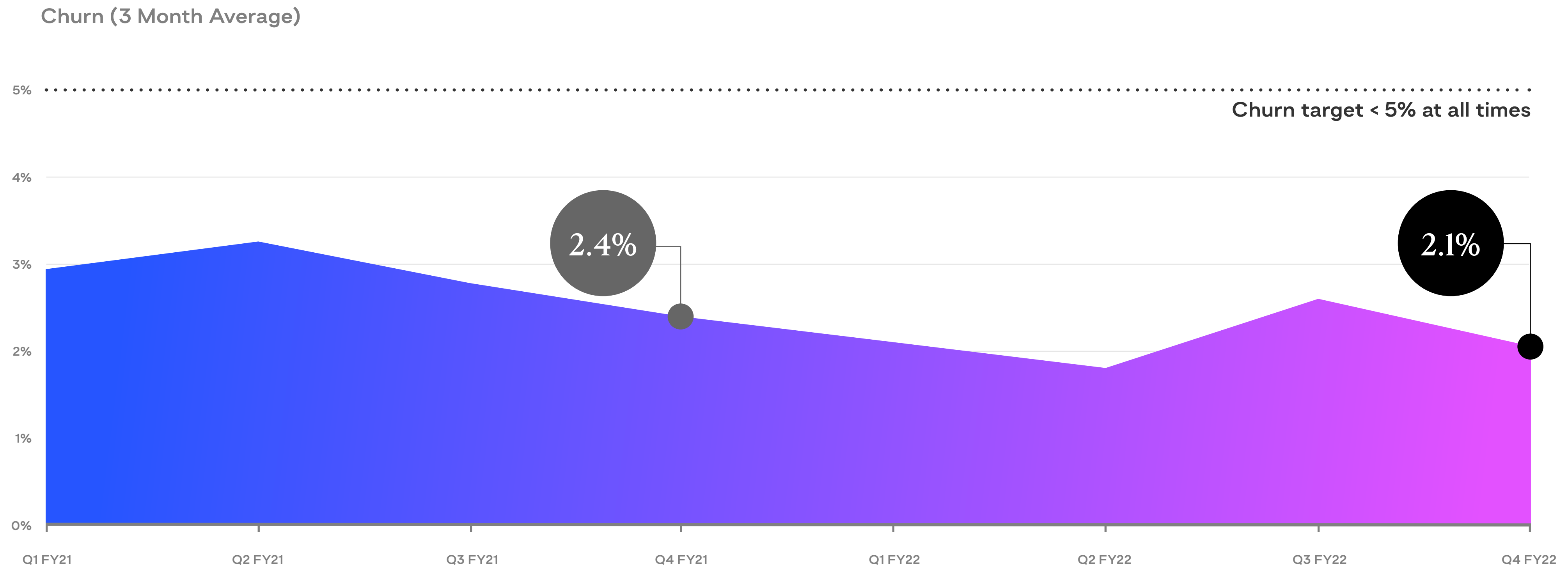
Many customers, particularly those across our established base, have ramped up their use of the platform and increased use cases post the pandemic.





Annualised revenue churn continues downward trend

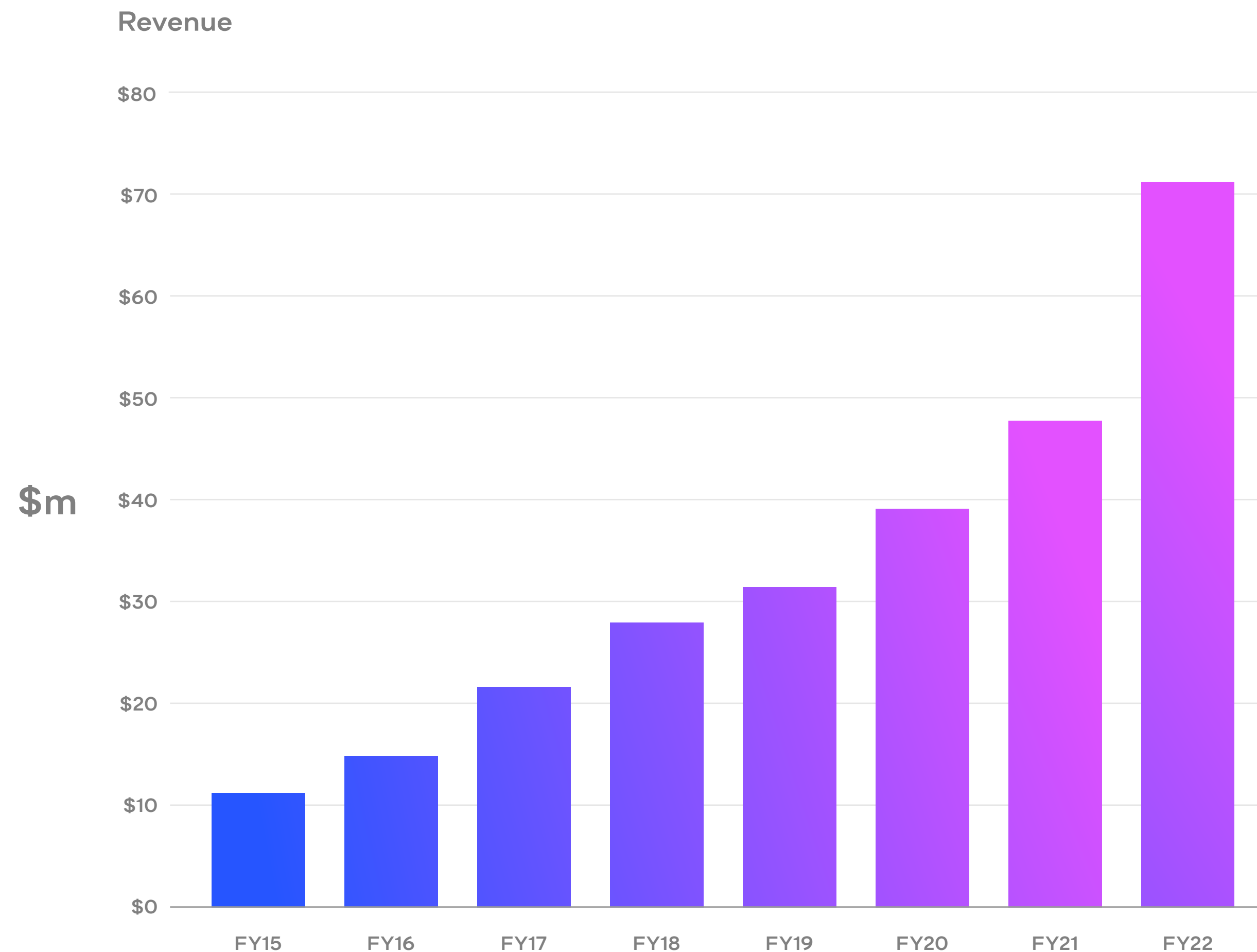
Our no-code platform ensures easy adoption and expansion as our customers scale and find new applications for our technology. Whispir becomes an essential provider of operational infrastructure.





100% Organic Revenue Growth Sustained Over Time

Whispir has delivered strong organic revenue growth from the Whispir platform consistently over many years.





Financial Performance

Record revenue, operating expenses optimised

Revenue growth of +48% driven by Whispir partnering with major healthcare providers to deliver personalised communications during Australia's pandemic response

- Gross margin 58.5%, down slightly from 59.8% PCP due to larger mix of transactional revenue as a % of total revenue
- Operating expenses growth of 61% reflecting investment in the product roadmap and sales and marketing
- EBITDA* of \$(10.6)m, up from \$(3.8)m PCP.

*Excluding share-based payments

For the year ended 30 June

	2022 \$'000	2021 \$'000	Change \$'000	Change %
Total revenue	70,623	47,731	22,892	48%
Cost of services	(29,331)	(19,173)	(10,158)	53%
Gross profit	41,292	28,558	12,734	45%
Gross margin %	58.5%	59.8%	NA	-2%
Operating expenses	(60,724)	(37,828)	(22,896)	61%
Net interest and income tax expense	(4)	(384)	380	-99%
Net loss after tax	(19,436)	(9,654)	(9,782)	101%
Add back: depreciation and amortisation	6,822	3,977	2,845	72%
Add back: net interest and tax	4	385	(381)	-99%
Add back: share-based payments	2,031	1,523	508	33%
EBITDA (excluding non-cash share-based payments)	(10,579)	(3,769)	(6,810)	181%



Financial Position

Strong cash position and no debt

- Cash on hand \$26.1m, no debt
- Capitalised development intellectual property asset \$15.7m
- Net assets \$38.4m.

As at 30 June

	2022 \$'000	2021 \$'000
Assets		
Current assets		
Cash and cash equivalents	26,077	49,173
Trade and other receivables	5,954	6,511
Prepayments	2,190	1,700
Contract acquisition costs	2,579	2,324
Interest bearing assets	1,957	649
Total current assets	38,757	60,357
Non-current assets		
Property, plant and equipment	1,266	1,215
Intangibles	15,725	10,806
Right-of-use assets	656	1,973
Contract acquisition costs	1,560	1,430
Total non-current assets	19,207	15,424
Total assets	57,964	75,781
Liabilities		
Current liabilities		
Trade and other payables	11,734	12,623
Contract liabilities	2,966	1,871
Employee benefits	2,265	1,703
Lease liabilities	915	605
Total current liabilities	17,880	16,802
Non-current liabilities		
Trade and other payables	1,292	917
Contract liabilities	67	156
Employee benefits	130	-
Lease liabilities	225	2,216
Total non-current liabilities	1,714	3,289
Total liabilities	19,594	20,091
Net assets	38,370	55,690



Regional Update

Strong macro tail winds are enduring



Australia and New Zealand

Australia and New Zealand continue to deliver positive earnings for the Company

A high value base of blue-chip enterprise and government customers continue to increase their utilisation of the Whispir platform year on year, providing future revenue surety.

Importantly during the period Whispir provided critical communications services to State Health Departments to support essential vaccination roll out services - validating the capacity and flexibility of the Whispir Platform to service complex critical workloads.

FY22 Highlights

- Revenue \$62.0m, +56% YoY
- Contribution margin \$16.1m
- Major expansion from existing State health department customers during vaccine campaigns.

Growth Strategy

- Expand existing Telstra channel partnership
- Capitalise on post-pandemic adoption and use cases
- Leverage state/local government use cases for repeatable high-value growth.

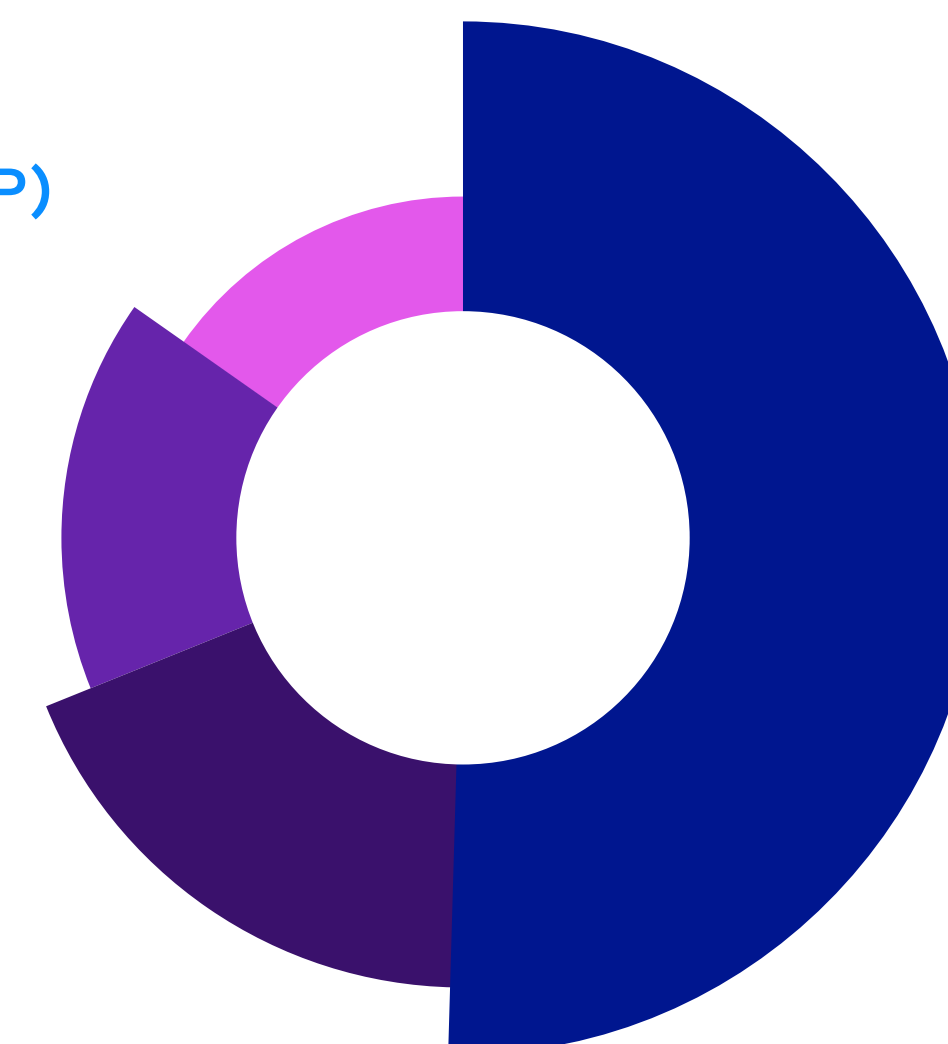
Sample of new customers added in FY22



Sample of growth customers



130 employees (133 PCP)





– Case Study

Victoria Police

Powering Australian-first reporting tool.

One of the largest policing services in Australia, Victoria Police is working to help protect the entire Victorian community. STOPIT is a text-in service powered by Whispir to combat unwanted sexual behaviour on public transport. Members of the public experiencing, or witnessing such behaviour can instantly and discreetly report these incidents.

To initiate the service, commuters simply text 'STOPIT' to a dedicated phone number. Users will then receive a text with a link to a form asking for details of the incident and each notification is sent directly to the police for intelligence gathering and investigation purposes.

Initial use cases

- **Opt-in SMS:** Keyword text-in to initiate reporting workflow
- **Automation:** Inbound text triggers an SMS with a link to a form for completion. Submitted forms sent to police for investigation
- **Dedicated Alias:** Inbound communications will be clearly authored by Victoria Police
- **Rich messaging:** A dedicated microsite with input fields for data gathering with media upload capabilities
- **Reporting features:** Detailed insights to help inform and refine processes.

Customer benefits

- **Increase reporting:** Members of the public can easily report incidents discreetly without having to confront offenders
- **Enhance community engagement:** Providing information to police assists in investigations and helps public perceptions of safety
- **Deter potential offenders:** Overwhelming presence of campaign posters on transport, and the discreet nature of reporting will deter offenders.



Asia

Transformational mega deal signed with Asia's leading telco

High quality, multi-lingual team targeting 3 key markets – Singapore, Indonesia, and the Philippines. With investments in localised content relevant to industry-based personas are delivering a growing pipeline of opportunities.

Manila is now the location of Whispir's second largest office with 58 full time employees to achieve cost saving whilst accelerating growth.

FY22 Highlights

- Revenue \$6.7m, +1% YoY
- Contribution margin \$(2.5)m
- Major telco partnership signed
- Development hub established in Philippines.

Growth Strategy

- Build out new telco channel partnership to grow revenue in FY23
- Leverage marketing efficiencies to accelerate customer acquisition
- Capitalise on post-pandemic adoption and use cases
- Focus on large enterprise deal opportunities.

Sample of new customers added in FY22

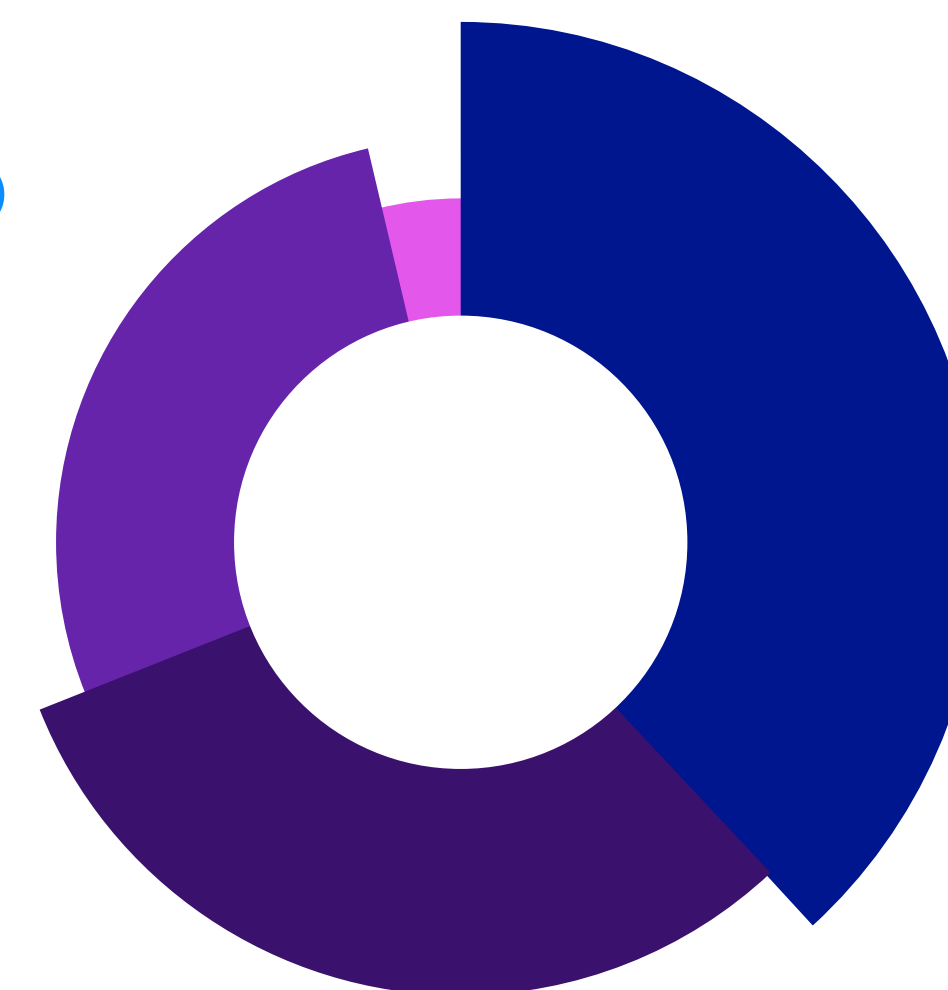


Sample of growth customers



84 Employees (50 PCP)

- Technology & Product
- Customer Success
- Sales & Marketing
- Corporate/Administration





– Case Study

DHost Pte Ltd

Retail rejuvenation for the win in a post-pandemic world

DHost is a venue connectivity systems integrator specialising in driving innovative technology implementation for various vertical markets and industry throughout the Asia Pacific region. DHost helps Lippo Mall – owned by one of Indonesia's largest listed property company – to lead with a digital approach to bring footfall back to stores.

Using Whispir, DHost enables a performance enhancement for Lippo Mall, securing the rollout of public Wi-Fi across 40+ super malls, with Whispir as a core part of the value proposition to help retailers create new ways to engage with their customers more effectively.

Initial use cases

- **Customer engagement:** Facilitated via SMS-triggered incentives, personalised loyalty programs, and mall event announcements
- **SMS and Rich Message:** Used to help manage events and gain feedback through surveys
- **QR codes:** These make for easy form completion

Customer benefits

- **Higher conversions:** 9 - 12 million: projected annual footfall as malls reopen fully + additional insights to fuel visitorship
- **Enhanced reporting:** real-time insights into how features are working and how they can be improved
- **Multi-channel communications:** more ways to reach customers
- **Improve reputation:** accomplished through engaging and tailored content



North America

A year of investment - building sales and marketing capacity

A growing sales pipeline and faster sales cycles provide an early return on investments made in a new marketing technology stack and talented sales and marketing team to drive our ambitious agenda.

Whispir is increasingly well placed to assist targeted industry personas in selected industry verticals as they respond to macro trends requiring them to drive productivity while keeping costs down and improving engagement.

FY22 Highlights

- Revenue \$1.8m, +38% YoY
- Contribution margin \$(4.7)m
- Significant expansion of customer base +233%.

Growth Strategy

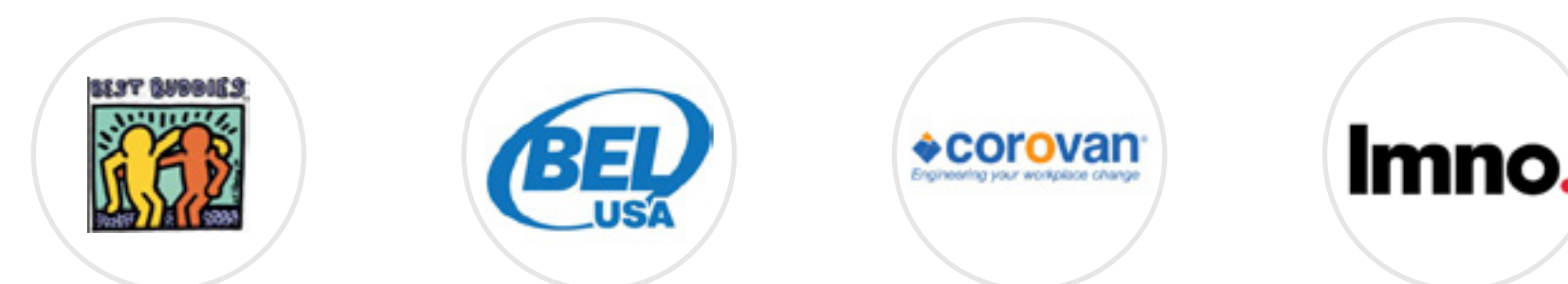
- Focus on high value customer segments
- Targeting SMB* & SME* via focussed industry personas
- Leverage FY22 digital marketing campaigns to accelerate new customer growth.

*SME - USD 100m to 1bn revenue
*SMB - USD 20m to 100m revenue

Sample of new customers added in FY22

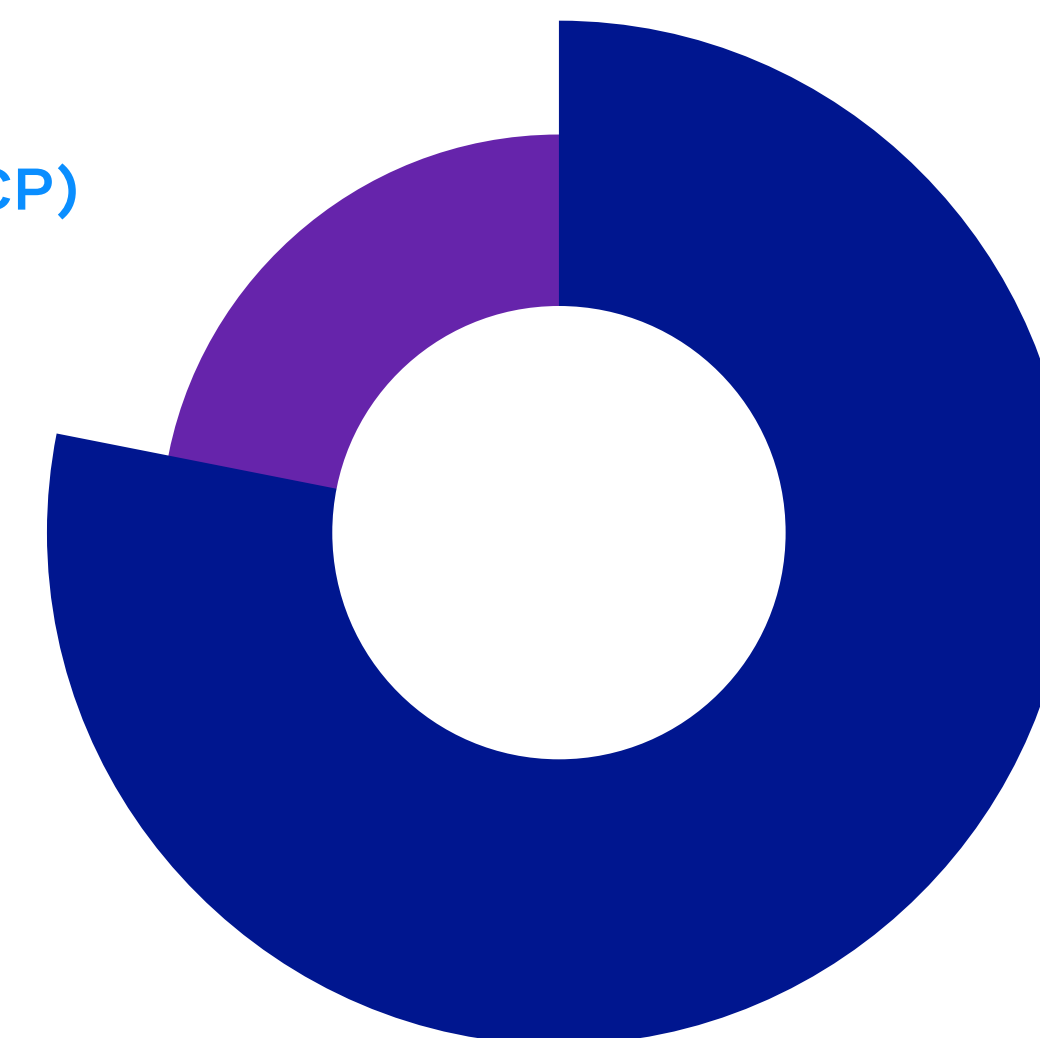


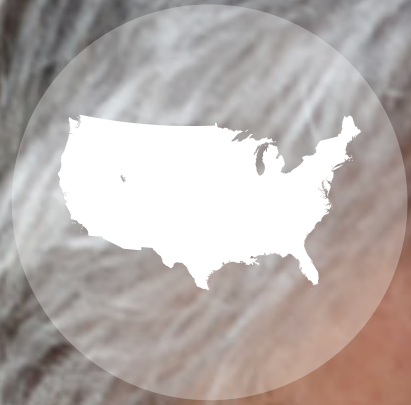
Sample of growth customers



23 employees (14 PCP)

- Sales & Marketing
- Customer Success





– Case Study

Best Buddies

Overall donation increase of 500%.

Best Buddies is an international nonprofit organisation that raises millions of dollars for one-to-one friendships, integrated employment, leadership development, and inclusive living for individuals with intellectual and developmental disabilities (IDD).

Using SMS, they have increased donations by 500% and have implemented the platform across multiple Best Buddies locations in America.

Initial use cases

- **Multichannel, centralised platform:** to drive donations through a variety of streams including SMS, email and rich message
- **Speed of engagement:** use SMS to drive last-minute fundraising drive campaigns
- **Customisation and personalisation:** Craft and personalise messaging to regions and donor segments to increase engagement

Customer benefits

- **Reduce manual processes:** Using automation and workflows, increase donations through targeted and automated messaging
- **Improved open rates:** Best Buddies open rates are 95%, well above industry standard
- **Streamline event management:** increase attendance at events and manage fundraising efforts
- **Real-time insights:** see open rates, track emails, and see the true value of their efforts.



Whispir for Impact

The non-for-profit sector can benefit from communications intelligence as much as the other industries we service.

Most NFPs are generally unable to realise the full benefits of communications technology on their own. What most NFPs don't understand – is that **communications technology can help address and solve for a lot of their challenges for example:**

Revenue is down?

Adding more intelligent donor communications and fundraising messaging increases revenue.

Struggling with manual operations?

Automated communications can reduce cost and free up more time to serve those who need it the most.

FY22 Highlights

40

Grew the number of customers we service in the NFP sector to more than 40.

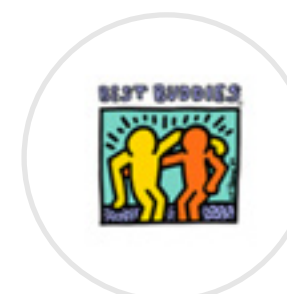
15,000

Joined the 1% Pledge with over 15,000 other companies.

6+

Invested in partnerships that support our key partners.

Some of the causes who work with us





– Case Study

Donate Direct

Helping DonateDirect deliver more goodwill

DonateDirect partners with dozens of charities to connect home essentials, such as furniture and electrical goods, directly with those in need.

Whispir centralises and digitises two way communications to increase interactions with charities and coordinate contact.

Initial use cases

- **Multichannel communications:** to simplify the process of liaising with different charities to coordinate exchange of goods
- **API integration:** link with existing systems to reduce manual intervention and improve automation
- **Onboard and train volunteers:** easily onboard new volunteers and provide them with orientation and training materials using the full capabilities of rich messaging.

Customer benefits

- **Streamline operations:** remove manual and laborious processes through digital communications
- **More time to focus on the cause:** with admin digitised, there is more time to work with charities in sourcing much needed items.



Product Activities in FY22

Our investment in FY22 brings us to next-generation services, increasing our data insight footprint and moving to a single portfolio view for FY23

Next Generation Services

Cloud-native services for low-code/no-code composition and dispatch of messages with the highest engagement. Built for our Sparx platform, coming to all Whispir customers, soon.

Next Generation Services

Rich Form Reporting

Ensuring that next-generation form responses are captured with fidelity and reporting that brings meaning to campaigns

Contact Management

User-Defined Flexibility

Cloud-native architecture designed for web scale, with data schemas specified by our Customers

Identity Management

Leading Authentication Services

Modern security infrastructure designed for trust with flexibility to seamlessly accommodate MFA, SSO and Enterprise configurations

Delivery Gateway

Next-Generation Routing

Scalable message routing for new services, to support our future channel growth, routing and event alerting

Intelligence

Content Analysis & Scoring

Applying Machine Language to help creators craft meaningful content, and score the response as an engagement metric

Core Platform

Expansion of Whispir's core platform to implement more messaging use cases and provide secure, reliable communication at scale.

Push Notifications

Scheduling, Rich Content and Prioritisation

Supports for scheduling, sound & images, plus specification of priority to define device behaviour. Includes callbacks for improved API experience

Message Trust

Observability & Redaction

Provide enterprise-ready redaction of message (content and attachments) for email and web channels

Core Services

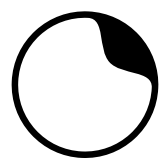
Continuous Improvement

Commenced uplift of core security, identity management, scaling and resilience to align with emerging threats, architecture patterns & future growth

Data Lake

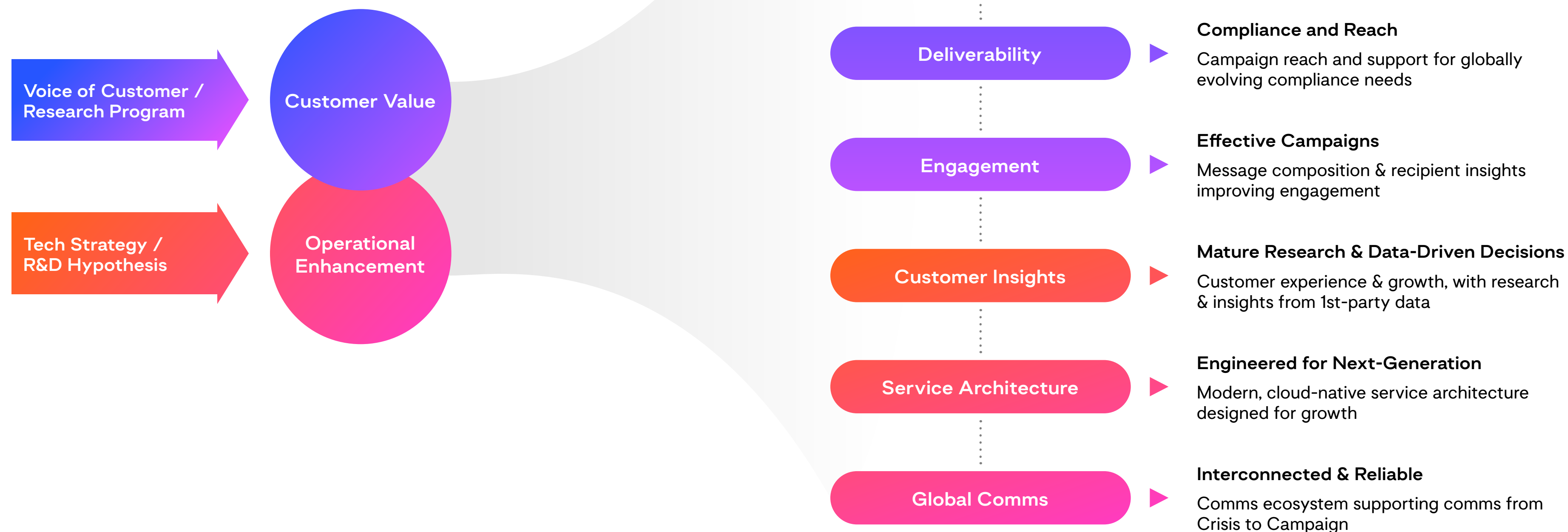
Growth of Data Services

Progressive capture and analysis of on-platform events to shape insights, serve cross-platform reporting and support digital experience programmes



FY23 Accelerating customer impact in our roadmap

Whispir provides intelligent communications for enterprises and small-business, with common challenges in terms of compliance, deliverability and engagement.





FY23 Outlook

Delivering positive earnings in 2H



FY23 Outlook

- Continuing to deliver strong revenue growth in all regions
- Improvement in gross margin as regions scale
- Continuation of efficiency program to drive further reduction in operating expenses
- Delivering positive earnings in second half
- Well funded with no debt and no further capital requirements to deliver positive cash flows during FY24



We are Whispir

Vision

Human engagement
with people at scale

Promise

The world's highest
engagement rates

Mission

A way to communicate
more humanly



Glossary

Profit or loss

- **Software revenue:** revenue generated from collecting contracted monthly licence and transaction fees from customers based on a contracted fee per user and cost per transaction;
- **Professional services revenue:** professional fees in respect of implementation, configuration, training and integration fees;
- **Cost of service:** the costs relating to the delivery of the software including the costs of running the data centre, wages and salaries of data centre based Whispir staff and the carrier cost in delivering transactions;
- **Gross profit:** total revenue less cost of services;
- **EBITDA:** earnings (or losses) before interest, income tax, depreciation and amortisation. Amortisation of contract acquisition costs are included within EBITDA. Management uses EBITDA to evaluate the operating performance of the business. EBITDA can be useful to help understand the cash generation potential of the business. EBITDA should not be considered as an alternative to measures of cash flow under IFRS and investors should not consider EBITDA in isolation from, or as a substitute for, an analysis of the results of Whispir’s operations; and
- **EBIT:** earnings (or losses) before interest and income tax.

Definitions

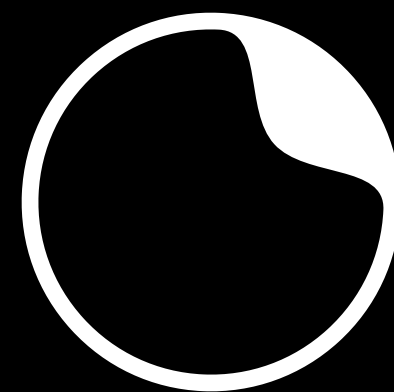
- **TAM:** Total Addressable Market;
- **SME:** Small to Medium Enterprise;
- **SMB:** Small to Medium Business.

Cash flow

- **Capitalised development:** proportion of the wages and salaries of employees whose activities relate to the development of software;
- **Capital expenditure:** investment in property, plant and equipment including leasehold improvements and IT equipment;
- **Working capital:** trade and other receivables, contract acquisition costs, other current assets, less trade and other payables and income received in advance;
- **Operating cash flow:** EBITDA after the removal of non-cash items in EBITDA (such as share-based payments, amortisation of contract acquisition costs and net foreign exchange difference) less net interest paid and changes in working capital; and
- **Free cash flow:** operating cash flow less capital expenditure.

Financial metrics

- **Gross margin:** gross profit divided by revenue expressed as a percentage;
- **EBITDA margin:** EBITDA expressed as a percentage of total revenue;
- **EBIT margin:** EBIT expressed as a percentage of total revenue;
- **Contract acquisition cost:** commission and other direct costs incurred in winning new customers;
- **Customer acquisition cost (CAC):** expenses directly incurred in winning new customers, which includes the contract acquisition costs, divided by the total number of new customers won in the period;
- **Customer revenue retention %:** revenue earned from customers in a year divided by the revenue from the same customer cohort in the corresponding prior year;
- **Customer churn %:** number of customers lost in the last twelve months (LTM) divided by number of opening customers in the period;
- **Revenue churn %:** Opening MRR of customers churned in LTM compared to opening MRR of customer cohort;
- **Lifetime value of customer (LTV):** ARR per customer multiplied by the gross margin for the period, divided by the customer churn in the period. The LTV of the customer cohort represents the LTV multiplied by the number of customers at the period end;
- **Annualised recurring revenue (ARR):** recurring revenue from the final month in a period (licence and transaction revenue) adjusted for Monthly Messaging Days multiplied by 12 months;
- **Monthly Messaging Days:** monthly messaging days vary each month depending on days within the transactional billing cycle (26th day to the 25th day of the reporting month). To enable monthly comparisons on a consistent basis, ARR and related SaaS metrics are adjusted to a standard number of days per month to remove this volatility. The standard month is 30.4 days (365 days / 12 months); and
- **Research and development % spend of revenue:** The total of the research and development expenditure recorded in the statement of profit or loss (excluding amortisation) and the capitalised spend in the period divided by revenue.



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