



BirdDog Technology Limited

ACN 653 360 448

Registered Office

C/o JM Corporate Services

Level 21, 459 Collins Street

Melbourne VIC 3000

28 January 2022

BirdDog Reports Record Revenues, Launches Several New Products and Successfully lists on the ASX

Trading Update for the period ending 31 December 2021

Operational Highlights

- Successful listing on the ASX following an oversubscribed \$33.0m capital raise
- Continued program of inventory build-up, resulting in substantial confidence for ongoing ability to deliver products in line with growing customer demand
- Supply chain now secured through to calendar year 2023
- Multiple new product launches including PF120 Camera, SDM Embedded NDI modules, BirdDog Play 4K NDI Player and the proprietary Cloud Connect BirdDog Software platform
- New products now in market have demonstrated strong adoption across various industries and customers
- Expansion of the development team with multiple engineers and designers hired
- 5-year extension to the licensing agreement with NewTek / Vizrt secured resulting in more favourable commercial terms
- Successful forward planning of componentry, with three new hardware products scheduled to be released in H2 FY22

Financial Highlights

- Record revenues reported for the Half to 31 December 2021 of \$24.5m (unaudited) representing a 15% increase on a PCP basis
- Strong underlying EBITDA, with an underlying EBITDA margin of ~10% (unaudited) for the Half to 31 December 2021
- Fully funded to execute on developing and launching the Company product roadmap to continue to extend our competitive and first mover advantage within BirdDog's core markets, while continuing to expand further into adjacent verticals

BirdDog Technology Limited (ASX: BDT) ("**BirdDog**" or the "**Company**") 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), is pleased to provide an update on its progress for the three (and six) months ending 31 December 2021 (Q2 FY22 and H1 FY22).

Q2 FY22 Achievements

Q2 FY22 represented a significant quarter of achievements for the company. BirdDog successfully listed on the ASX following a \$33.0m capital raise, providing the Company with the necessary funding to continue its global growth strategy. Following the IPO capital raising management have now begun the process of investing in supply chain enhancement via the build out of inventory in anticipation of the continued growth in the sales volumes of its core products along with ensuring continued minimal impact from ongoing global supply chain challenges.

During the quarter the Company also successfully launched multiple new products, including the award winning PF120 Camera, SDM Embedded NDI modules, BirdDog Play 4K NDI Player and the proprietary Cloud Connect software platform. These products are now flowing into the market and exhibiting strong adoption across a range of industries and customers.



Since the IPO, BirdDog has continued to expand its development team, with the hire of multiple product engineers and designers, facilitating the continued execution of the company's extensive product roadmap.

Importantly, BirdDog successfully secured a material 5-year extension to its licensing agreement with NewTek / Vizrt, resulting in a more favourable fee structure and default conditions.

The company continued to see strong take-up of its existing products across both PTZ cameras and Converters, via both existing and new customers. The BirdDog team continued to progress multiple initial opportunities with its SDM product, the sales of which are expected to deliver better margins than historical products.

Supply chain management and inventory build-up programs continue to gather pace, specifically focusing attention on core product components, which would otherwise present near and long-term manufacturing challenges. The BirdDog team remains highly confident in the continued timely supply of all current and upcoming products to market.

The Company has observed an increase in customers deploying *in-venue* NDI® systems, built around BirdDog products and platforms, in addition to existing remote or hybrid workflows. This has resulted in an even larger addressable market for BirdDog's products and a faster than anticipated acceleration of product demand.



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Financial Performance

BirdDog recorded revenues of \$24.5m for the half, representing an 14.8% increase on the prior corresponding period. Revenue growth remained strong through the Q2 FY22 despite COVID-19, as the Company continued to increase sales of its core products, expand its existing product portfolio and develop new NDI® based technologies.

Q1 FY22 saw some pull forward of seasonal orders which would traditionally be placed in Q2. This came as a result of the Company's distribution partners and downstream customers continuing to be conscious of global supply chain issues that may be exacerbated through calendar year 2022.

This has provided BirdDog with a strong platform to build upon into the balance of FY22 with demonstrated demand for the Company's existing and new hardware and software products. Product adoption from customers across telehealth, online education, live streaming, sporting events, government and military continues to accelerate, as use cases generate awareness and demand for NDI® embedded technology.

This is expected to culminate in a strong result for the business in H1 FY22, with an unaudited underlying EBITDA margin of ~10% (as compared to Underlying FY21 Pro-forma EBITDA Margin of 6.8%), set to benefit from continued sales momentum into H2 FY22.

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	\$2,014,000
IP Management	\$100,000	\$20,000
Research & Development	\$1,750,000	\$104,000
Manufacturing Development	\$750,000	\$0
Regulatory Management	\$250,000	\$14,000
Marketing Activities	\$750,000	\$61,000
Working Capital	\$3,100,000	\$898,000
Expenses of the Offer	\$1,920,000	\$1,509,000
Total	\$19,770,000	\$4,620,000

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\$73,000 that comprised Director fees, salary and superannuation for the CEO/Managing Director, Independent Chair and Non-executive directors.



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BirdDog Executive Director & CEO, Dan Miall, commented:

Q2 FY22 has been the most significant in BirdDog's history with the management team focussing significant efforts on the listing process, in conjunction with navigating global supply chain issues, the development and launch of multiple new products and the broader impacts of COVID-19. Despite these challenges the business continued to perform exceptionally well, generating record revenues in H1 FY22 as the adoption of NDI® technology continues to proliferate the global Audio Visual and Broadcast market.

As we enter H2 FY22 we are particularly excited about the trajectory we are plotting for new products and the impact this will have on the business overall. Since the beginning of calendar year 2022 we have already announced and shipped the first of many near-term pivotal product releases, Cam Control 3. This software system combines our inherent NDI® expertise with Machine Learning and Neural Network technology allowing the BirdDog camera system to lock onto an individual within a video frame and automatically control our robotic PTZ cameras to continue focussing on the target, similar to an autopilot. This is a truly revolutionary advancement in remote and physically distanced video production and will enhance BirdDog's position as the system of choice for users from low budget internet streaming through to the largest of broadcasters.

Throughout the remainder of Q3 we will be continuing with our release schedule of next-generation products based on extensive cumulative in-house R&D, including Cloud SaaS, Cameras and additional enterprise infrastructure products.

We anticipate 2022 to become another step change in the growth of the BirdDog business, as the Broadcast and AV industries migrate more fully to modern IP networking-based paradigms. With BirdDog now adequately funded we are already accelerating our product roadmap to stride further ahead in our technology and commercial leadership within our core markets, while continuing to expand further into adjacent areas."

- Ends -

Authorised for release by the BirdDog Technology Board

For further information on BirdDog, please visit the Company's website at www.bird-dog.tv or contact:

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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 high-quality, low-latency manner, that is frame accurate and suitable for switching in a live production environment.

BirdDog develops and manufactures a range of solutions, including:

- Pan-tilt-zoom (PTZ) Cameras
- Box Cameras
- Converters
- AV Products
- Controllers & Accessories
- 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.



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 December 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	7,841	17,969
1.2 Payments for		
(a) research and development	(259)	(804)
(b) product manufacturing and operating costs	(7,329)	(15,081)
(c) advertising and marketing	(246)	(390)
(d) leased assets	(66)	(104)
(e) staff costs	(1,012)	(2,064)
(f) administration and corporate costs	(109)	(344)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(51)	(137)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (Inventory Deposits)	(7,095)	(7,286)
1.9 Net cash from / (used in) operating activities	(8,326)	(8,241)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(8)	(20)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
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)	-	-
2.6	Net cash from / (used in) investing activities	(8)	(20)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	33,000	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	(2,680)	(2,921)
3.5	Proceeds from borrowings	4,928	4,928
3.6	Repayment of borrowings	-	(5,455)
3.7	Transaction costs related to loans and borrowings	(5)	(8)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	35,243	29,544

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,566	9,258
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(8,326)	(8,241)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(8)	(20)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	35,243	29,544
4.5	Effect of movement in exchange rates on cash held	(23)	(89)
4.6	Cash and cash equivalents at end of period	30,452	30,452

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	30,452	30,452
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)	30,452	30,452

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	73
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

7. Financing facilities <i>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.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	6,202	5,072
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	6,202	5,072
7.5 Unused financing facilities available at quarter end		1,130
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.		
Trade loans with Export Finance Australia (EFA) are 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 recently extended and available until 31 December 2022.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(8,326)
8.2 Cash and cash equivalents at quarter end (item 4.6)	30,452
8.3 Unused finance facilities available at quarter end (item 7.5)	1,130
8.4 Total available funding (item 8.2 + item 8.3)	31,582
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	3.79
<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.

28 January 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.