

FY 2023 RESULTS

BirdDog Technology Limited (ASX: BDT) ("**BirdDog**", "**BDT**" or the "**Company**"), the global video technology company enhancing quality, speed, and flexibility of video broadcast and communications through a range of solutions, provides an update on the Company's operations for the full year results, ended 30 June 2023.

FY23 HIGHLIGHTS

- **Total revenue of A\$28.8 million, -25% vs prior corresponding period (pcp), reflecting challenging macroeconomic, industry and broader market conditions**
 - BirdDog maintained market share in ~35% industry-wide demand reduction
- **Gross margins stable at 26.4% (26.7% in FY22)**
- **Net profit before tax (NPBT) of (\$4.8 million) reflecting significant investment year:**
 - R&D spend +25% to A\$3.8 million, representing 78%+ of NPBT (118% in FY22)
 - culminated in launch of Remedi – BirdDog's MedTech solution
- **BirdDog's key North American market, along with Asia Pacific, has stabilised notwithstanding challenging macro-economic backdrop**
- **BirdDog continues to optimise its supply chain, logistics and access to key markets**
- **Ongoing inventory rationalisation, A\$15.0 million inventories as at 30 June 2023**
- **Well capitalised with A\$22.6 million cash as at 30 June 2023**
- **Investor webinar to be held at 9:30 AEST, Tuesday 29 August 2023 [Click to register](#)**

Commenting on the results, BirdDog Co-Founder and CEO Dan Miall said:

"While these headline revenue numbers are below internal expectations, I am pleased with how the team has worked hard to solidify our position within the market, including development of enhanced products and solutions for our customers. We are confident in our ability to identify and go after incremental revenues in the near term and beyond, and believe the investments taken place during FY23 will greatly assist in this pursuit, notably our recently launched Remedi offering.

Whilst noting the industry-wide reduction in demand throughout FY23, after consulting our key-stakeholders through our core global markets, we remain convinced that the business will experience a rebound during FY24.

The Company looks forward to providing a wholesome update of our business, current strategy and market opportunities in the coming weeks, particularly regarding our drive for more sustainable earnings, notably software solutions via our expanding BirdDog ecosystem."

FINANCIAL PERFORMANCE

During the year, total revenue invoiced was \$28.8 million, largely reflecting continued challenging macroeconomic, industry and broader market demand conditions. From a geographic perspective, revenue declines in Europe (-35% versus pcp) outpaced the reduction

observed in BirdDog's core U.S. market (21% versus pcp) as well as APAC revenues (-16% versus pcp). BirdDog's LATAM revenues grew +1% versus pcp. BirdDog's gross margin remained stable year on year, at 26.4% (26.7% in FY22).

Net profit before tax (NPBT) recorded a loss of \$4.8 million, reflecting a year of significant investment, notably R&D efforts to expand BirdDog's ecosystem of products and solutions. Specifically, total R&D investment throughout the year grew 25% to \$3.8 million, representing over three quarters of the total FY23 loss before tax. As previously announced, BirdDog expects this investment to buttress future revenue growth, specifically recurring software licensing income – first MedTech revenues anticipated in Q1 FY24. Software license fee income grew 25% to A\$298k in FY23, representing >1% of total revenues, at 90%+ gross margin.

BALANCE SHEET: CASH, INVENTORY & BUY-BACK

The Company's expects the planned inventory unwind will continue throughout the remainder of CY2023. Upon completion of this process, the Company will target three months of inventory held. Current progress is evidenced by the 21% reduction in inventories since December 2022, to A\$15.0 million.

During the year, BirdDog has bought back a total of A\$947,875 worth of shares (7,143,284) to date, including 5,806,111 shares for A\$769,482 during the June quarter. Since the beginning of the Share Buy-Back, the average price of shares purchased is A\$0.1327.

The Company remains well funded as it plots its return to growth and is well placed to do so with A\$15.0 million in inventory and A\$22.6 million in cash on balance sheet as of 30 June 2023.

MANUFACTURING & SUPPLY CHAIN ENHANCEMENTS

Throughout the year BirdDog continued its efforts to optimise supply chain, logistics and access to key markets. Beyond the previously disclosed "Project Moose" - BirdDog's plan to establish a direct North American logistics centre - the Company made ongoing improvements across its global supply chain, following COVID-related disruptions. This supplements additional key distributor appointments in China, Germany and Singapore, as outlined within the Company's June quarterly update.

Specifically, BirdDog is well advanced in further diversifying manufacturing partners, expanding its current pool of suppliers, and in some cases renegotiating terms with existing parties. By doing so, BirdDog continues to enhance the speed of delivery of innovation to its primary markets, paving the way for next generation solutions delivery. The Company expects this to directly aid margin expansion over time.

STRATEGY UPDATE

Targeting revenue growth across new & existing verticals, the Company is confident in its ability to rapidly expand into new markets (e.g., MedTech/Remedi) with increasing ARR contribution over time. This is evidenced by its commitment within FY23 to invest in R&D, alongside deployment of BirdDog's own intellectual property to drive competitive advantages.



The Company continues to focus on measurable return on investment across sales & marketing activities, further enhancing market reach and ensuring its first-mover advantages are maintained. Equally, the Company remains steadfast on further driving BirdDog ecosystem and capability improvements via targeted partnership & OEM advancements.

The Company will provide further updates with respect to this strategy in September.

FY23 RESULTS WEBINAR

The Company will host a webinar with Co-Founder and CEO, Dan Miall and CFO, Barry Calnon today, Tuesday, 29 August 2023, at 9:30am AEST. Investors and interested parties can register for the webinar via the following link:

https://us02web.zoom.us/webinar/register/WN_LY-g5hljQbqUb0OVwDFNTQ

Investors can submit questions prior to the webinar to sam@nwrcommunications.com.au or do so via the Q&A function on Zoom.

- 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

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

