

## ASX Announcement

26 April 2023

### **Symbio Q3 Trading Update** ***Market conditions improve and organic growth returns.*** ***EBITDA guidance confirmed.***

Symbio Holdings Limited (ASX: SYM or “the Company”), a leading voice communications software provider, today provides a trading update for the period ending 31 March 2023. The company confirms its FY23 EBITDA guidance in the range of \$26 million - \$28 million, with stabilised market conditions driving organic growth across its three business divisions. Initiatives to optimise operating costs are also expected to establish a lower cost run-rate in FY24.

Symbio’s strategic expansion into Singapore, Malaysia and Taiwan also continues apace increasing the company’s total addressable market (TAM) by 170 per cent to 100 million people by 2024. Momentum in Singapore is building. Malaysia is scheduled for customer trials commencing on 12 May 2023. Taiwan preparations for market entry are progressing well.

**Symbio Co-Founder and CEO Rene Sugo** commented: “Symbio has seen good organic growth across all our three business divisions since our last trading update as market conditions in the global technology sector have stabilised and customers are refocussed on sales growth. I am pleased to be able to confirm Symbio’s FY23 EBITDA guidance in the range of \$26 million - \$28 million.”

“We continue to see demand improving from our customers both domestically and globally. The business has also been focussed on execution of key projects around automation, system optimisation and improving customer experience through self-service portals and APIs. These projects will provide significant opportunities for operating cost reduction across the business leading into FY24.”

#### **Performance update:**

Since the company reported its first-half FY23 financial result, trading conditions have improved across the business, with organic run-rates rising across all divisions in Q3.

#### **CPaaS**

The CPaaS business unit has overcome its 1H23 headwinds and returned to organic growth in Q3. Phone numbers on network are expected to reach 7.4 million by end of June (+12% YoY), including the 400,000 new number order which was delayed from Q1. This exit run rate, organic growth momentum, reduced cost base and increased TAM positions the CPaaS business unit for strong financial performance in FY24.

### *UCaaS*

Organic seat growth in the UCaaS business unit remains steady and is on track with organic seats expected to reach 73,000 by the end of June (+24% YoY). The acquisition of Intrado Australia's Cisco-focused end-to-end Cloud Calling, Contact Centre, and Collaboration business, announced in February 2023, is now complete and is currently being integrated into the wider business. This acquisition effectively doubles Symbio's UCaaS division, adding 60,000 seats, and will enable Symbio to provide services to key partners and Enterprise & Government customers. The acquired business will be fully integrated by the end of FY23 and is expected to start delivering immediate network and technology synergies.

### *TaaS*

The TaaS business unit is performing in line with expectations, with SIO growth on track to reach 185,000 SIO by the end June (+12% YoY). Growth has predominantly been driven by increased take up of the mobile MVNO products. The business unit is also on track to complete systems rationalisations and simplifications which will reduce operating expenses for FY24.

### **Strategy update:**

#### *Singapore*

Symbio's momentum in Singapore continues to build, with several strategic clients completing network integration, testing, and establishing their sales and marketing operations in the country. Cost reductions attained through the optimisation of the legacy data network in Singapore are on track for completion by 30 June 2023. The phone numbers on the network doubled in the last quarter, and if current trends continue cash flow break-even should be reached in FY24.

#### *Malaysia*

Symbio is scheduled to soft-launch Malaysia with four global customers on 12 May 2023, with a full commercial launch scheduled for the end of June 2023. Our customer pipeline is strong with many customers taking advantage of Symbio's unique South-East Asia Hub to launch into Singapore and Malaysia simultaneously. We expect the availability of Symbio's services in Malaysia will assist in take-up and growth in Singapore.

#### *Taiwan*

Symbio intends to enter the Taiwan market by way of acquisition and M&A discussions are underway. Symbio continues to make good progress in its discussions with Taiwan regulators and tier-one carriers.

## Outlook:

Commenting on the outlook, Rene Sugo said:

"It is pleasing to see the global technology sector improve in Q3 and return to a growth focus. Symbio's strong balance sheet and clear strategic vision will allow us to capitalise on the supportive mega-trends that underpin our long-term growth, both domestically and in Asia."

"Our Asian expansion strategy is particularly exciting and will allow us to significantly increase our total addressable market by 170 per cent to over 100 million people within the next two years."

"Symbio's focus is on reducing operating costs while materially increasing total addressable market for our high-quality global customers. The strength of our business, unique value proposition, and clear strategic vision will continue to drive business outcomes and position Symbio for long-term recurring revenue and margin growth."

This announcement has been authorised for release by the Board.

**ENDS**

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## About Symbio

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

Symbio's technology replaces old-fashioned telecom networks with software, making it faster and easier to deliver modern cloud-based communication services, unlocking endless new applications for calling, messaging and phone numbers.

Symbio is the backbone for the global cloud communication industry. Over 500 service providers – from telecom start-ups to the world's biggest software companies – rely on Symbio for the connectivity, quality and expertise they need to solve complex communication challenges.

Headquartered in Sydney, Symbio powers billions of calls and messages each year, owns networks in three countries and employs over 450 staff worldwide.

For more information about Symbio visit [www.symbio.global](http://www.symbio.global)