

For personal use only

whispir

25 August 2021

FY21 Results

– Investor presentation

A S X W S P



Important notice and disclaimer

This presentation is provided for information purposes only. The information in this presentation is in a summary form, does not purport to be complete and is not intended to be relied upon as advice to investors or other persons. The information contained in this presentation was prepared by Whispir Limited (Whispir) as of its date, and remains subject to change without notice. This presentation has been provided to you solely for the purpose of giving you background information about Whispir.

Forward-looking statements

This presentation may include forward-looking statements. Such statements can generally be identified by the use of words such as ‘may’, ‘will’, ‘expect’, ‘intend’, ‘plan’, ‘estimate’, ‘anticipate’, ‘believe’, ‘continue’, ‘objectives’, ‘outlook’, ‘guidance’, ‘forecast’ and similar expressions. Indications of plans, strategies, management objectives, sales and financial performance are also forward-looking statements.

Such statements are not guarantees of future performance, and involve known and unknown risks, uncertainties, assumptions, contingencies and other factors, many of which are outside the control of Whispir Limited (Whispir or Company). No representation is made or will be made that any forward-looking statements will be achieved or will prove to be correct. Actual results, performance, operations or achievements may vary materially from any forward-looking statements. Circumstances may change and the contents of this presentation may become outdated as a result. Readers are cautioned not to place undue reliance on forward-looking statements and Whispir assumes no obligation to update such statements.

No representation or warranty, expressed or implied, is made as to the accuracy, reliability, adequacy or completeness of the information contained in this presentation.

Past performance

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Information is not advice or offer of securities

This presentation is not, and is not intended to constitute, financial advice, or an offer or an invitation, solicitation or recommendation to acquire or sell Whispir shares or any other financial products in any jurisdiction and is not a prospectus, product disclosure statement, disclosure document or other offering document under Australian law or any other law. This presentation also does not form the basis of any contract or commitment to sell or apply for securities in Whispir or any of its subsidiaries. It is for information purposes only.

Whispir does not warrant or represent that the information in this presentation is free from errors, omissions or misrepresentations or is suitable for your intended use. The information contained in this presentation has been prepared without taking account of any person’s investment objectives, financial situation or particular needs and nothing contained in this presentation constitutes investment, legal, tax or other advice. The information provided in this presentation may not be suitable for your specific needs and should not be relied up on by you in substitution of you obtaining independent advice. Subject to any terms implied by law and which cannot be excluded, Whispir accepts no responsibility for any loss, damage, cost or expense (whether direct, or indirect, consequential, exceptional or special damages including but not limited to loss of revenue, profits, time, goodwill, data, anticipated savings, opportunity, business reputation, future reputation, production or profit, any delay costs, economic loss or damage) incurred by you as a result of any error, omission or misrepresentation in this presentation.

Preparation of information

All financial information has been prepared and reviewed in accordance with Australian Accounting Standards. Certain financial data included in this presentation is ‘non-IFRS financial information’. The Company believes that this non-IFRS financial information provides useful insight in measuring the financial performance and condition of Whispir. Readers are cautioned not to place undue reliance on any non-IFRS financial information including ratios included in this presentation.

Presentation of information

- 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.

Third party information and market data

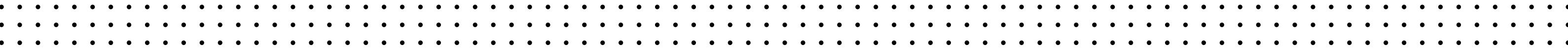
The views expressed in this presentation contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This presentation should not be relied upon as a recommendation or forecast by Whispir. Market share information is based on management estimates except where explicitly identified.

No liability or responsibility

The information in this presentation is general in nature and is provided in summary form and is therefore does not purport to be complete.

To the maximum extent permitted by law, Whispir and each of its affiliates, directors, employees, officers, partners, agents and advisers and any other person involved in the preparation of this presentation disclaim all liability and responsibility (including without limitation, any liability arising from fault or negligence) for any direct or indirect loss or damage which may arise or be suffered through use or reliance on anything contained in, or omitted from, this presentation. Whispir accepts no responsibility or obligation to inform you of any matter arising or coming to their notice, after the date of this presentation, which may affect any matter referred to in this presentation.

This presentation should be read in conjunction with Whispir’s other periodic and continuous disclosure announcements lodged with ASX.



Whispir today

A global scale SaaS company providing a communications workflow platform that automates interactions between organisations and people to innovate engagement and solve a growing range of business challenges.

3 Regions

Leading industry channel partners provide efficient routes to market

801 customers

171 net new customers through FY21

60 Countries

Global customer base

200+ Staff

Worldwide and growing

New customers



Growth customers



Channel partners



Agenda

Business update

Strong ARR and customer growth

Financial results

Well positioned to continue accelerating growth

Strategic focus

Product development and performance across ANZ, Asia and North America

FY22 outlook

Global mega trends provide strong and enduring tailwinds

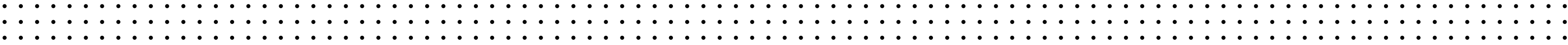


Jeromy Wells – CEO



Justin Owen – CFO

For personal use only



For personal use only

Business update



Annualised recurring revenue growth

Continued growth year-on-year as existing customers extract more value from the platform

\$53.6m

28.5%
YOY GROWTH

FY21 Annualised Recurring Revenue

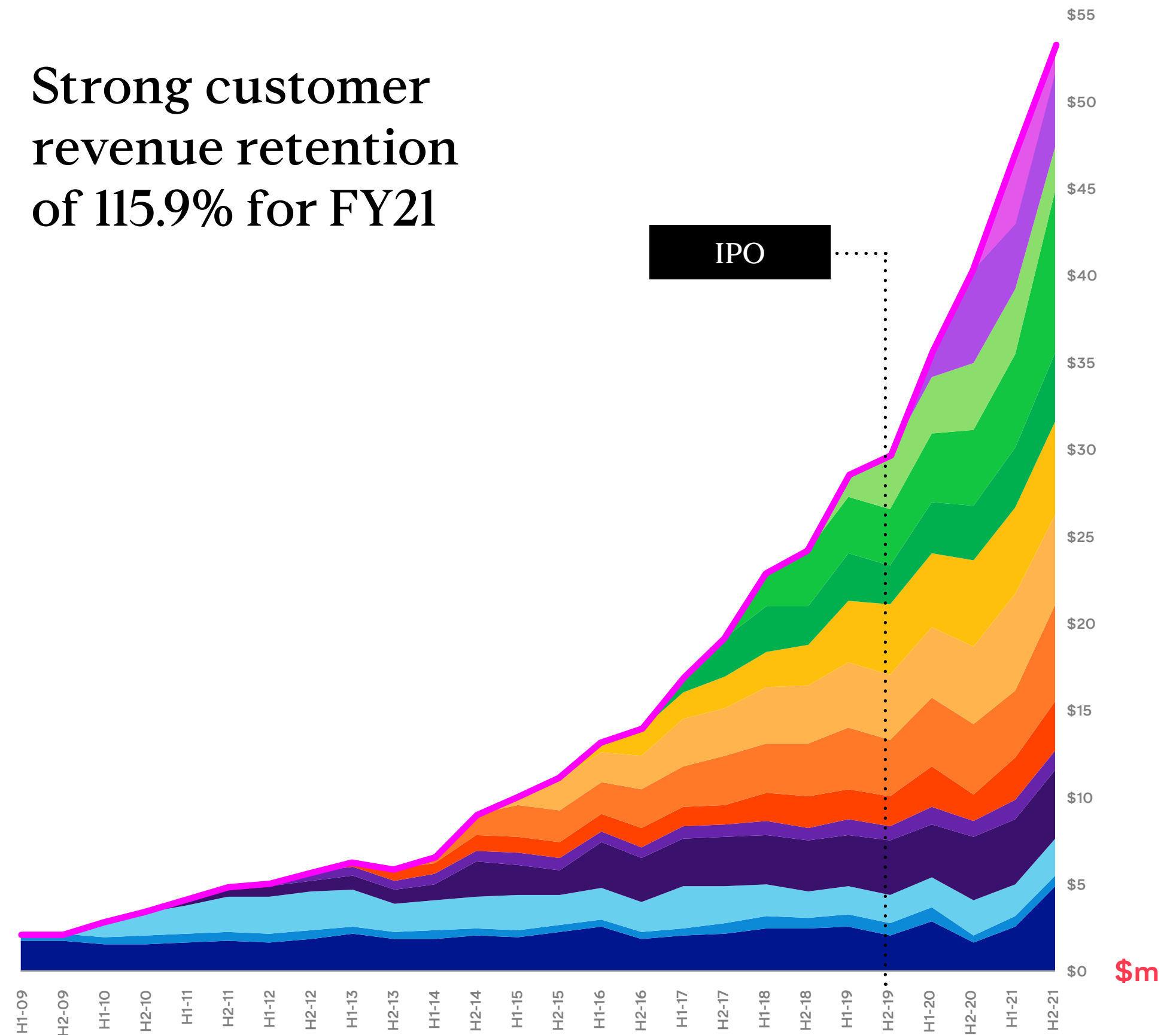
FY20 ARR: \$41.7m

For personal use only

Providing revenue surety for years to come

- Long-term, sticky nature of customer base continues to provide future revenue surety, as they spend more over time
- New customers on boarded in FY21 provide a platform for future revenue growth in FY22 and beyond

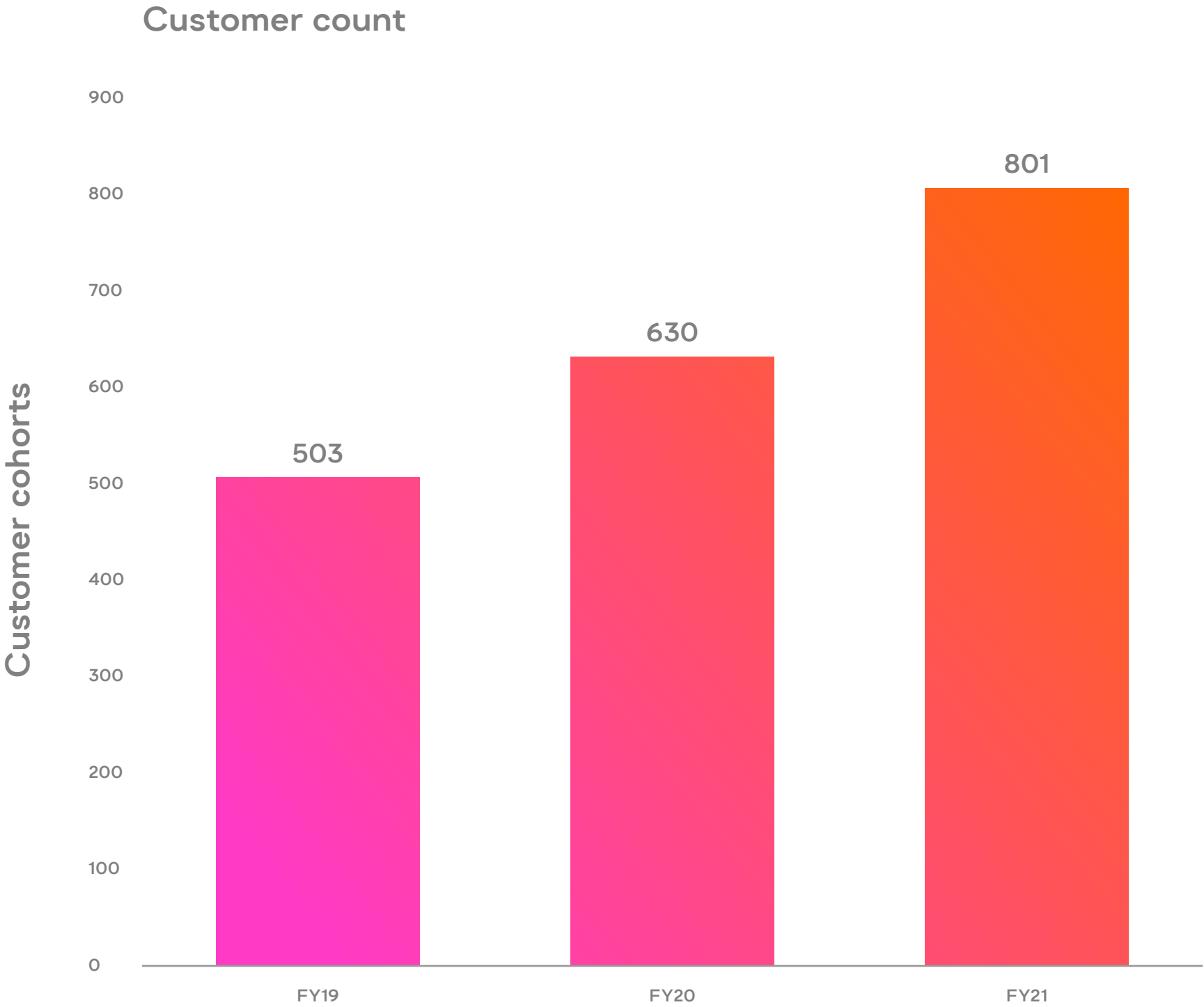
Strong customer revenue retention of 115.9% for FY21



*Excludes fluctuating transactional customers, ARR is on a gross basis

171 net new customers for FY21

- Low code/no code platform attracting new customers across a diverse range of industries
- Cost of customer acquisition down more than 50% due to increased sales efficiency and more digital direct sales



FY21 performance

\$413m

Lifetime value of customer cohort at 30 June 2021
9.0% growth on FY20

26.1x

LTV / CAC ratio improving
FY20: 23.7x

96.7%

Recurring revenue
FY20: 95.6%

\$47.7m

FY21 Revenue
22.1% growth on FY20

60.0%

FY21 Gross margin
FY20: 62.5%

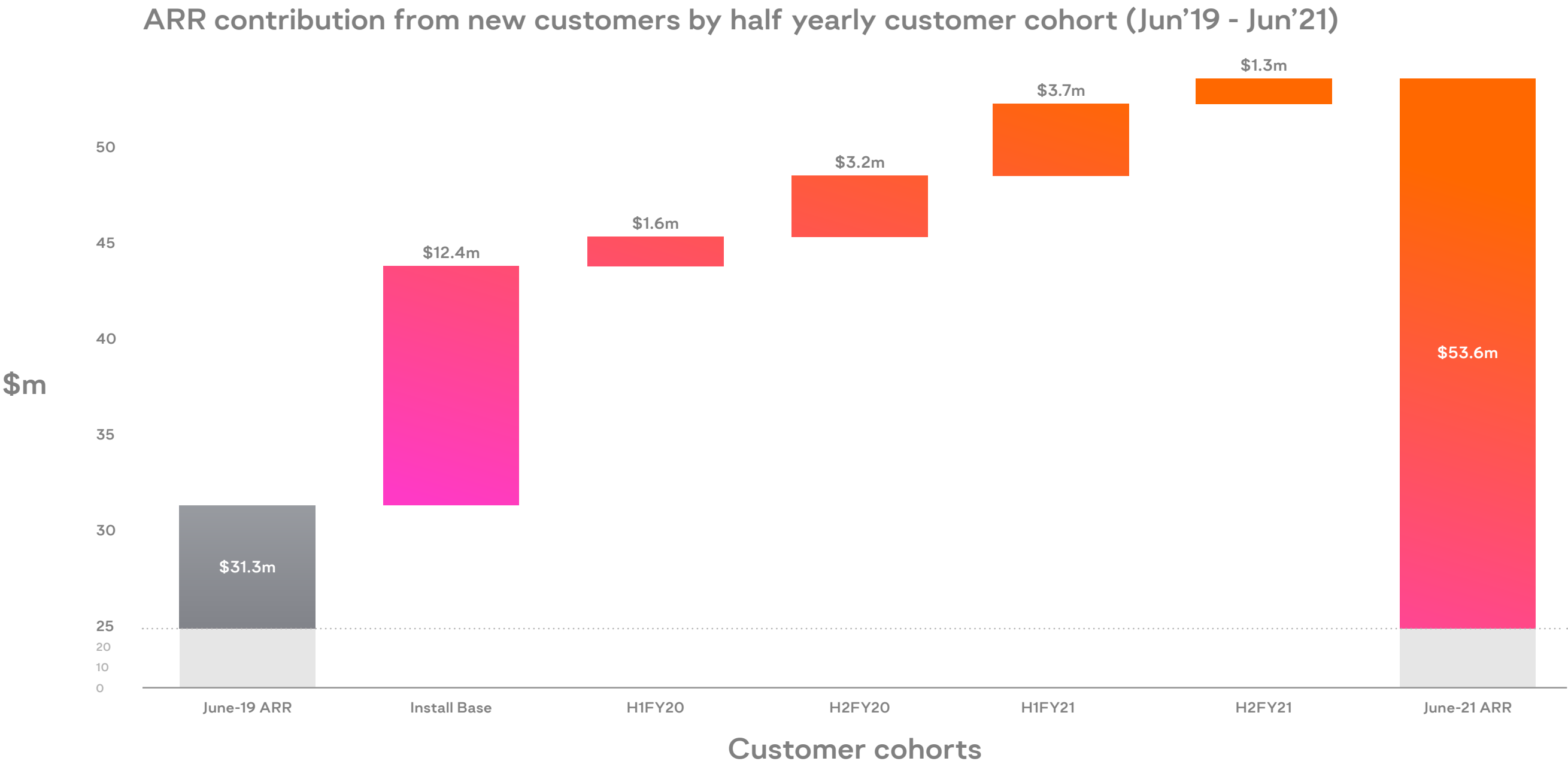
\$(4.7)m

EBITDA excluding non-cash share-based payments
FY20: \$(5.6m)

For personal use only

Strong momentum heading into FY22

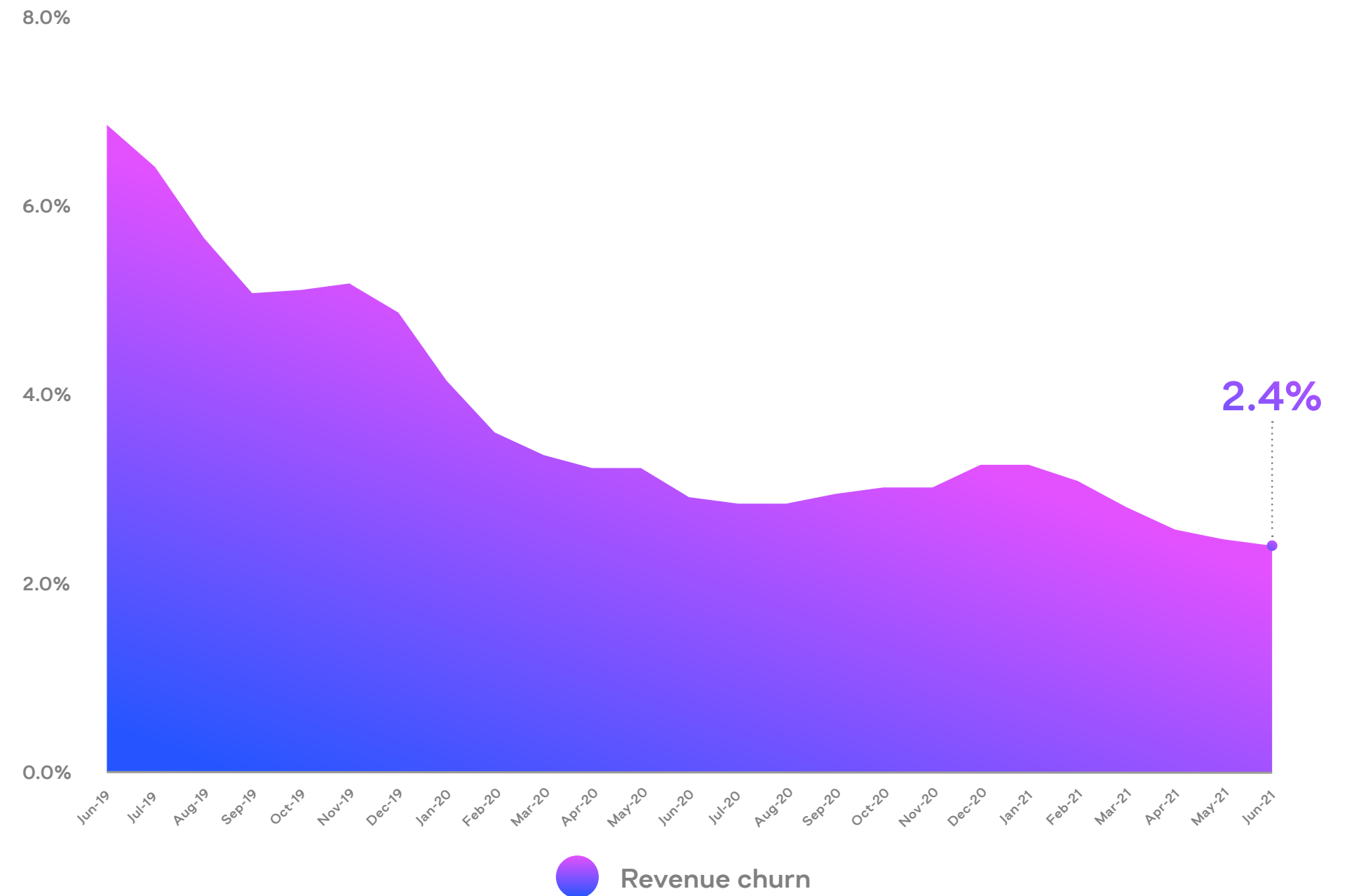
New customer cohorts yet to have material impact on ARR but provide momentum for FY22 and beyond as they increase platform usage over time



Revenue churn continues to decline

- Revenue churn at 2.4% reflecting continued stickiness of long-term valued customers
- Whispir retains high value customers and generally churns low value customers in the first 12 months
- Customer churn was 7.8% as at June 30 2021 - highlighting the retention of high value customers and the churn of low value customers often in their first 12 months

Gross revenue churn (3 month average)



Land and expand strategy

Network effect within customers growing revenue and utilisation over time

\$31k

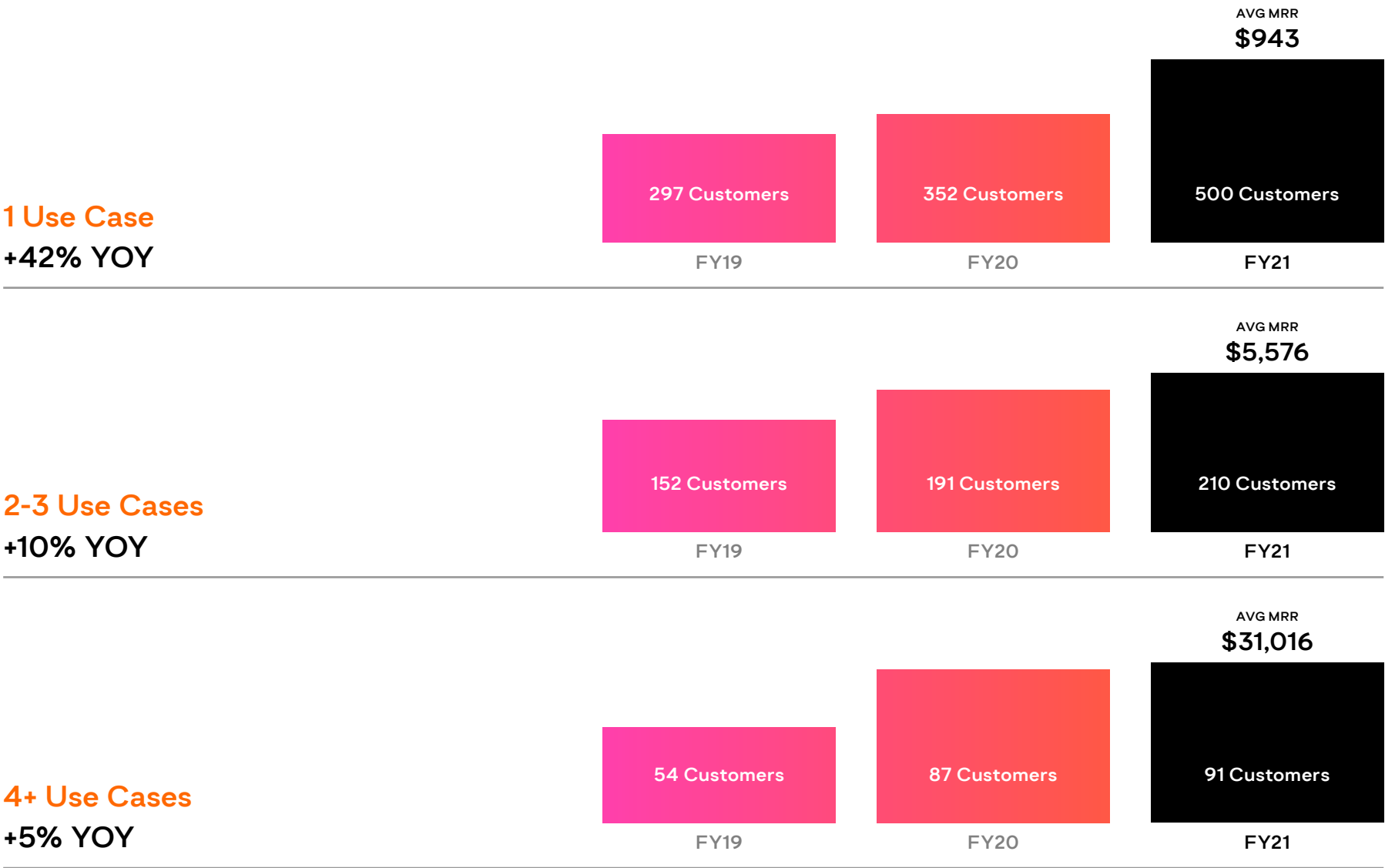
34%
on FY20

4+ Use Cases

Average MRR per customer

\$67k

Average ARR per customer



For personal use only



Chemist Warehouse

A land and expand customer

Chemist Warehouse are the largest pharmacy retailer in Australia, servicing both Australia and New Zealand. They implemented Whispir with one use case, which has now grown to six use cases including ePrescriptions and COVID-19 vaccination communications.

Using Whispir, Chemist Warehouse has enhanced the customer experience through frictionless online sales, contactless click and collect services and automating operational processes.



For personal use only

Financial results



Financial performance

- Revenue increased 22.1% YOY to \$47.7m with significant contribution from ANZ region
- Gross margin percentage reflecting investment for future growth
- Operating EBITDA measures leverage to revenue growth and investment in R&D, sales and marketing
- General and administration demonstrating effective cost management with growing revenue

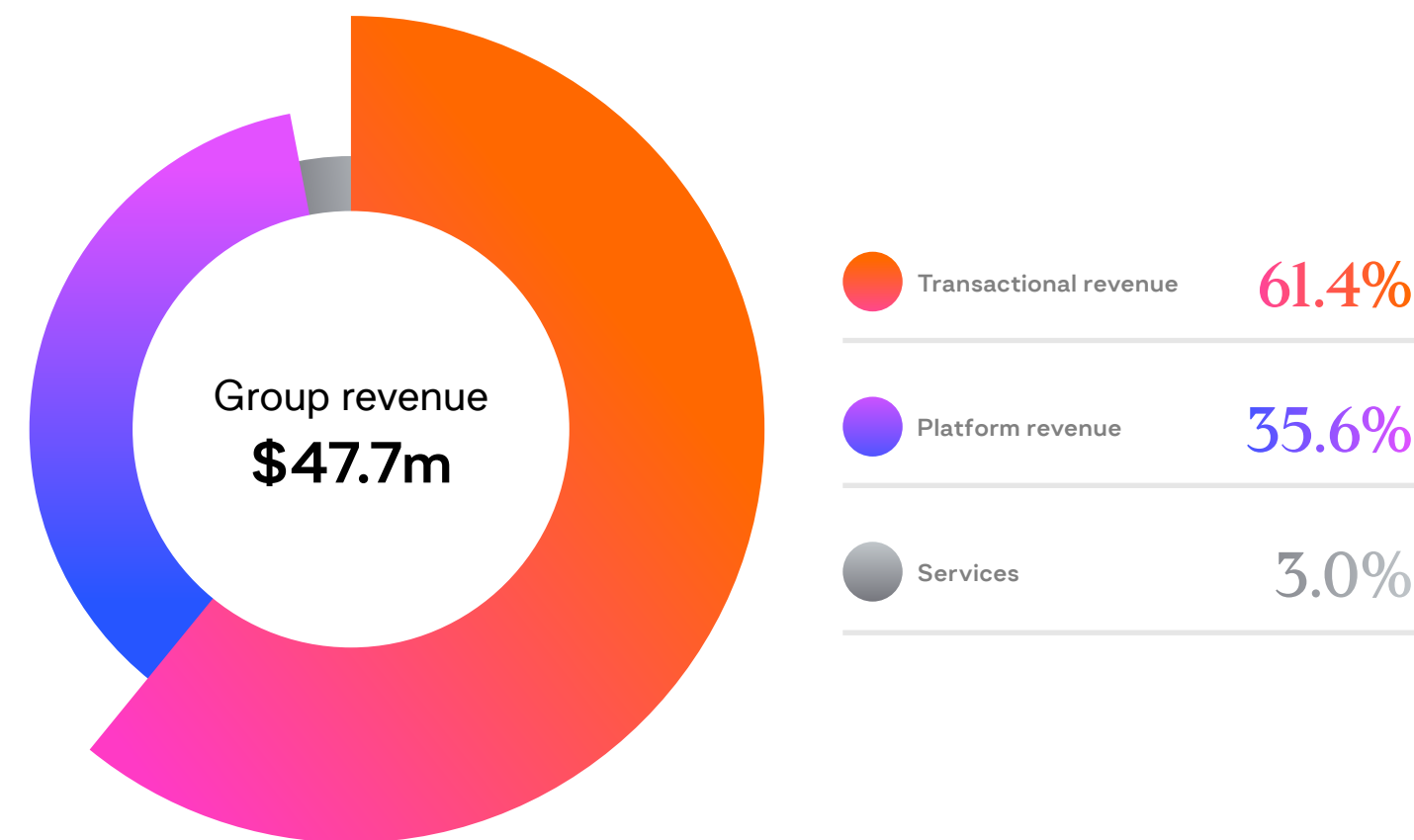
	FY21 (\$m's)	FY20 (\$m's)	YOY Change* (%)
Software revenue	46.3	37.4	23.9%
Professional services revenue	1.4	1.7	(16.0)%
Revenue	47.7	39.1	22.1%
Gross Margin	28.7	24.4	17.3%
Gross Margin %	60.0%	62.5%	(4.0)%
Sales and marketing	(16.9)	(14.2)	(18.4)%
Research and development	(5.0)	(4.3)	(17.3)%
General and administration	(13.0)	(13.2)	1.7%
Total operating expenses	(34.9)	(31.7)	(9.9)%
EBITDA	(6.2)	(7.3)	15.1%
EBITDA (ex non-cash, share-based payments)	(4.7)	(5.6)	17.5%

*YOY percentage movement based upon values denominated in \$'000's

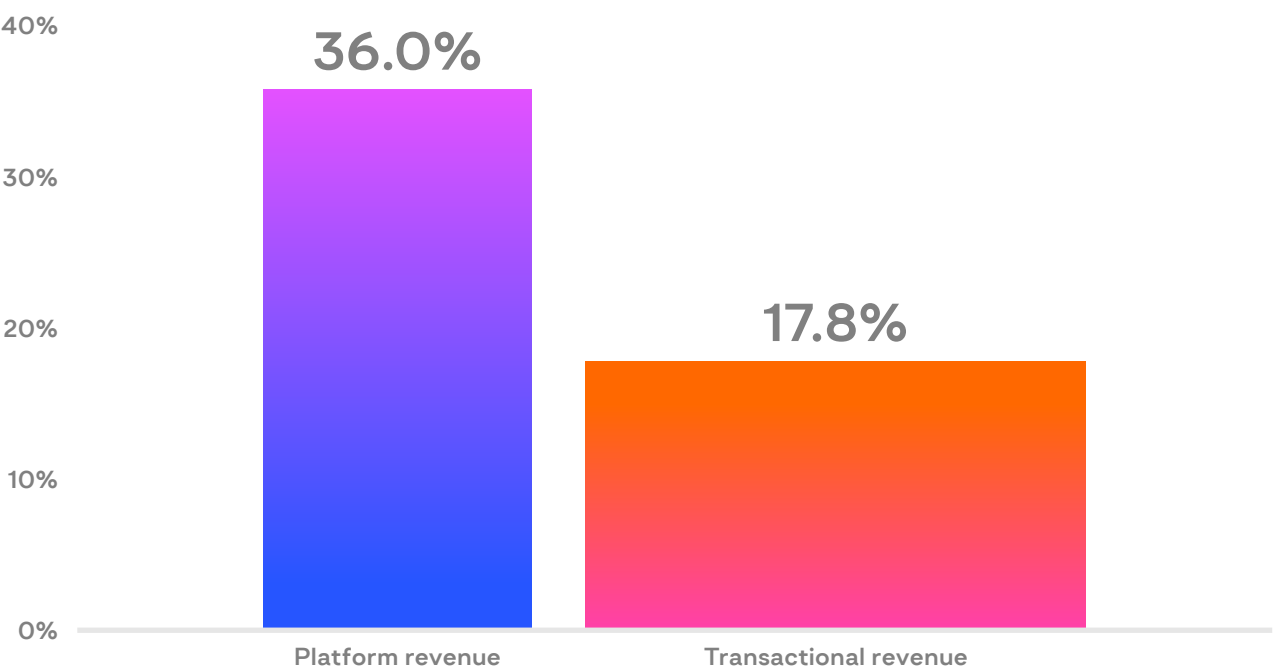
Driving growth through the platform

Exceptional platform revenue growth

FY21 Revenue composition



FY21 Revenue growth PCP



Balance sheet

Whispir is well-funded to execute its growth strategy

- Net investment in Whispir platform increased 36% year on year
- Cash balance strengthened by capital raise
- Well positioned to execute on strategic objectives
- No debt

A\$('m)

30 June 2021

Statutory

Assets

Current assets

Cash and cash equivalents	49.2
Trade and other receivables	6.5
Contract acquisition costs	2.3
Other current assets	2.4

Total current assets	60.4
-----------------------------	-------------

Non-current assets

Intangibles	10.8
Contract acquisition costs	1.4
Other non-current assets	3.2

Total non-current assets	15.4
---------------------------------	-------------

Total Assets	75.8
---------------------	-------------

Liabilities

Total liabilities

Trade and other payables	(13.4)
Contract liabilities	(2.0)
Other liabilities	(4.7)

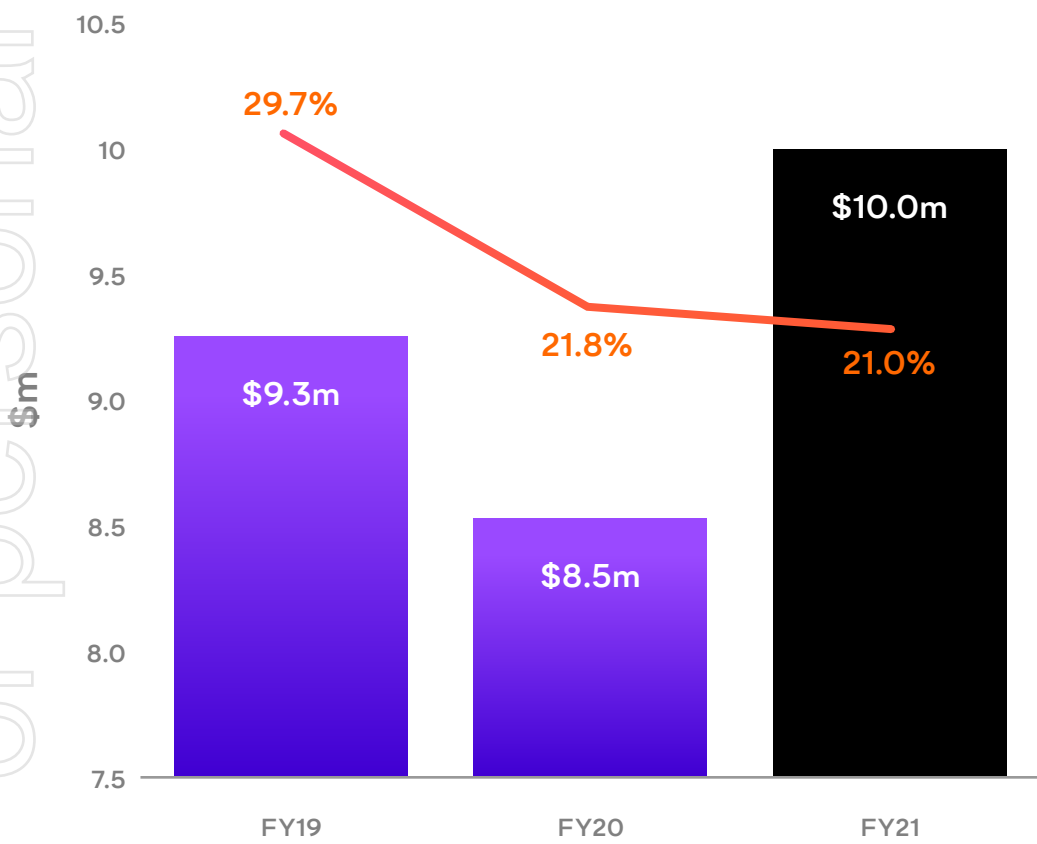
Total liabilities	(20.1)
--------------------------	---------------

Net (liability)/assets	55.7
-------------------------------	-------------

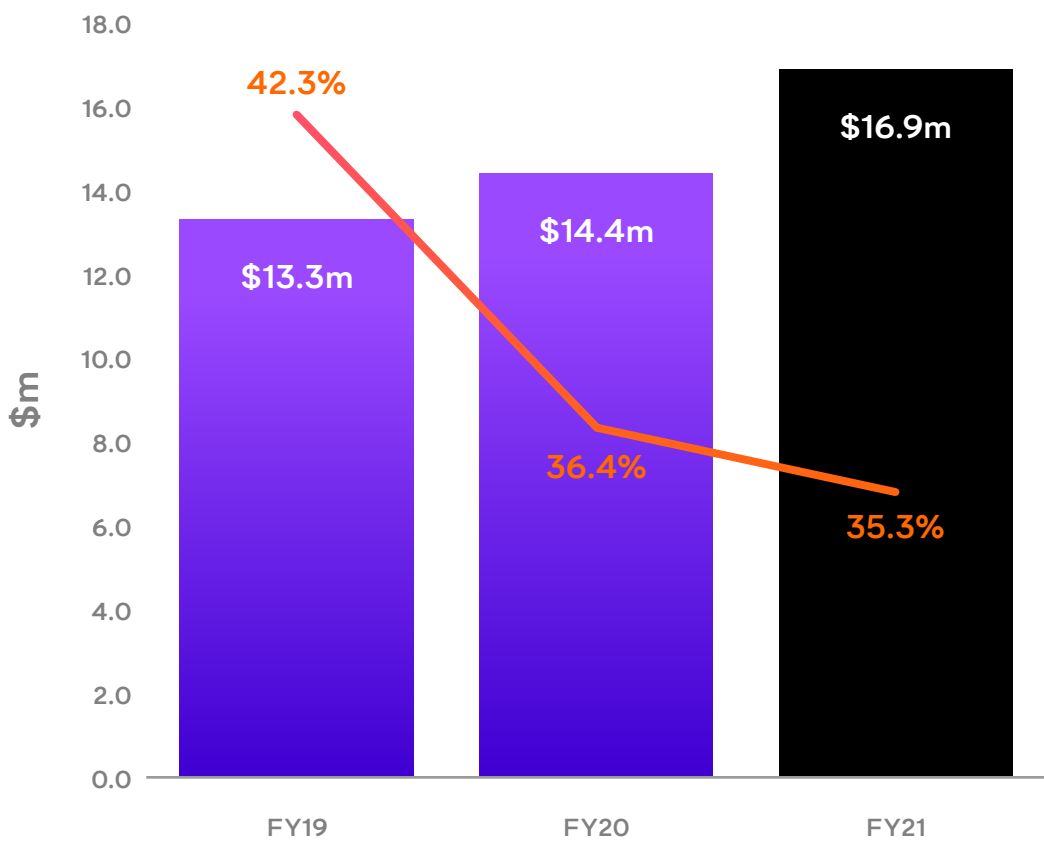
Improving operational leverage

Maintaining investment in strategic activities

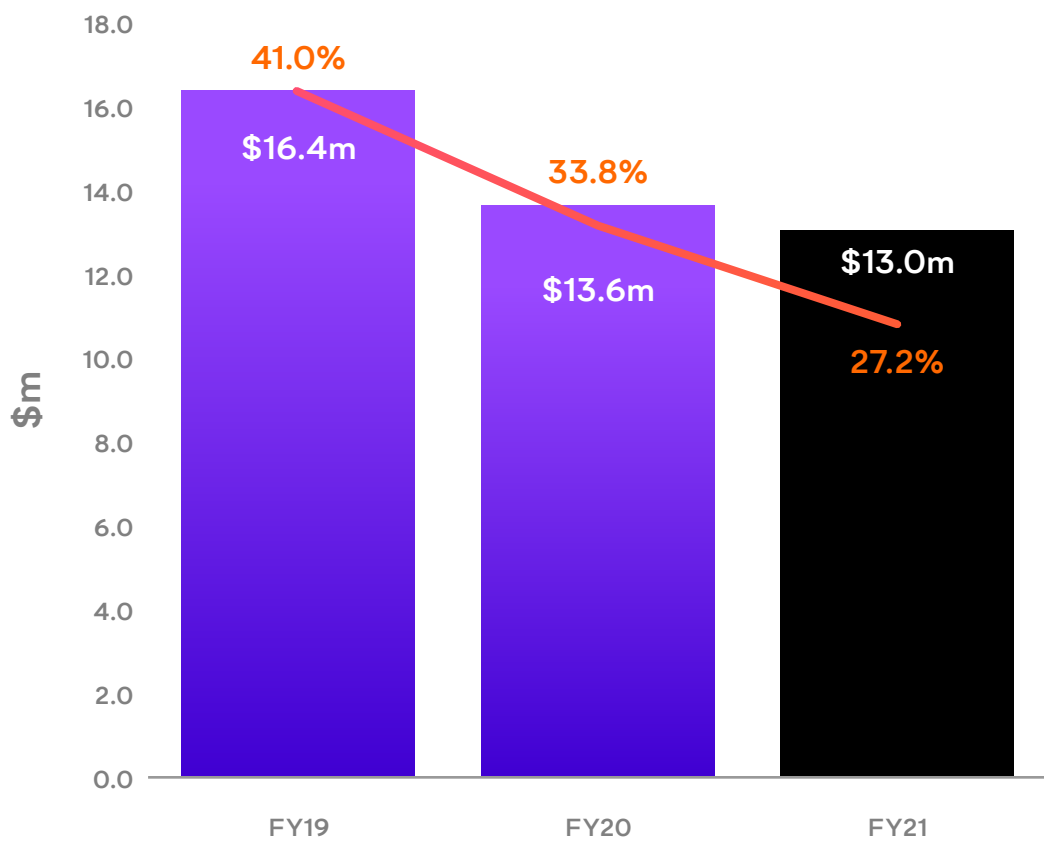
R&D (Cash Spend) as a percentage of revenue



S&M as a percentage of revenue



G&A as a percentage of revenue



For personal use only

Strategic focus



Execution of plans to accelerate growth

Accelerating the
product roadmap

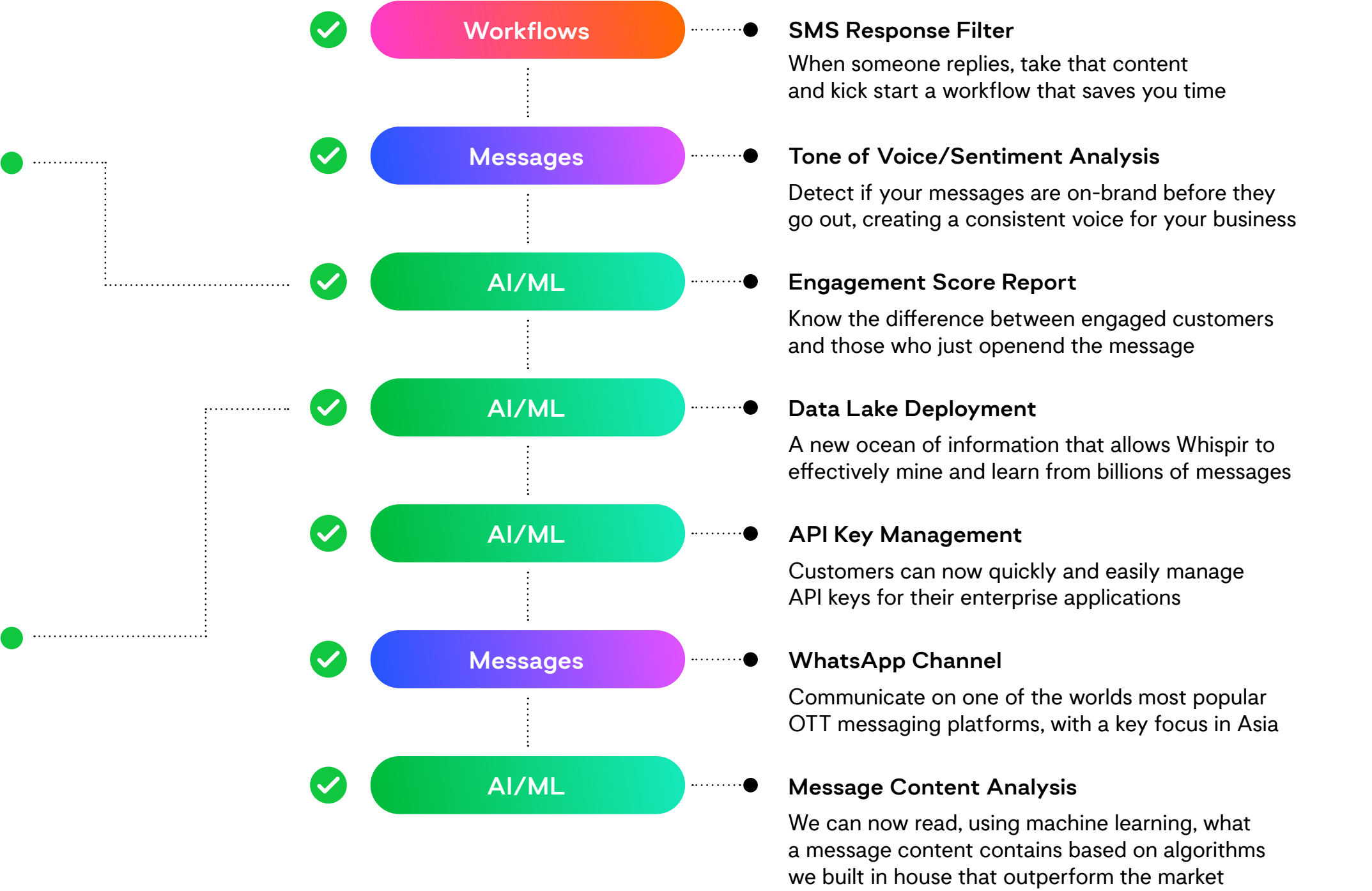
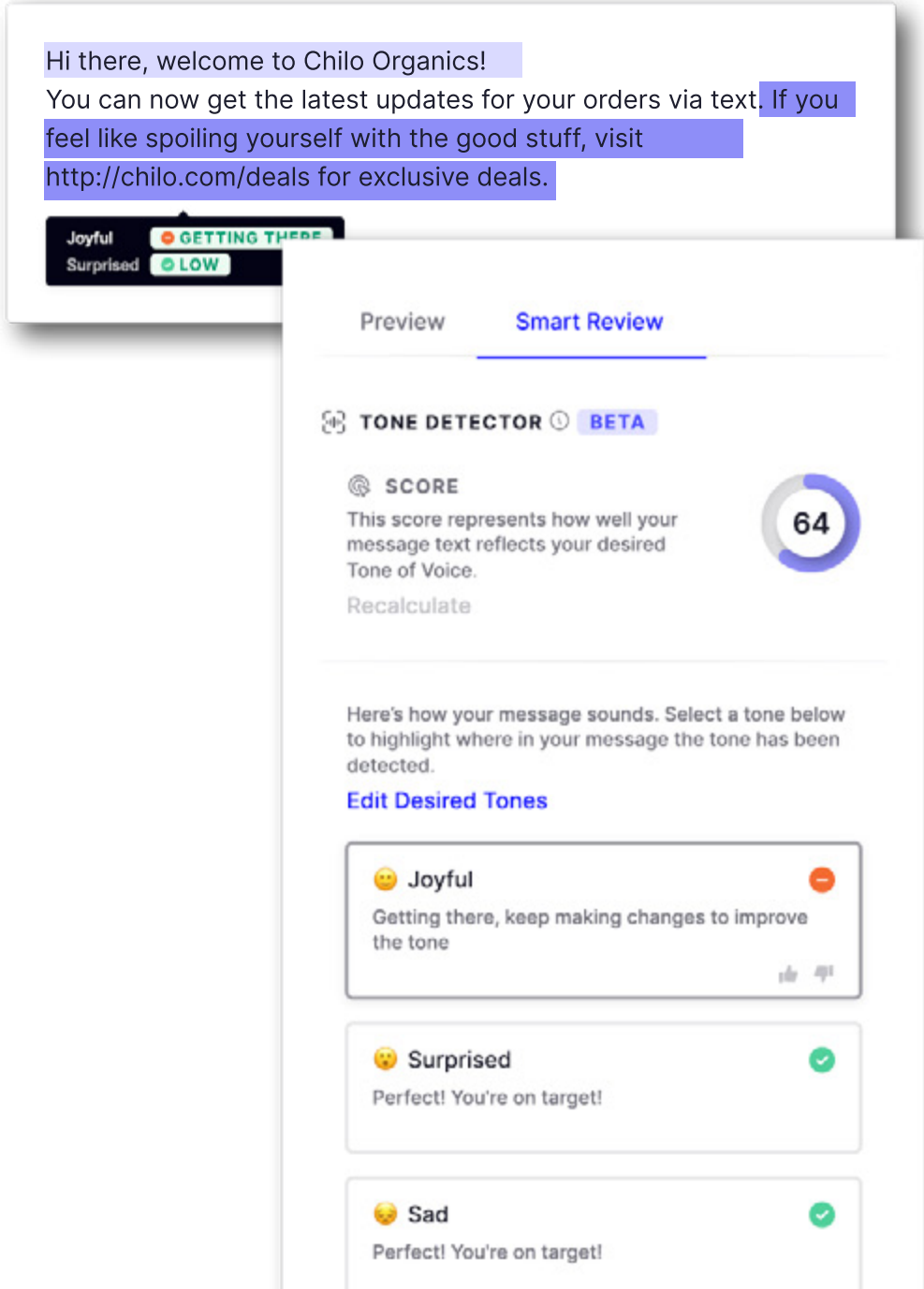
Growing our
customer base

Market
expansion

Accelerating the product roadmap

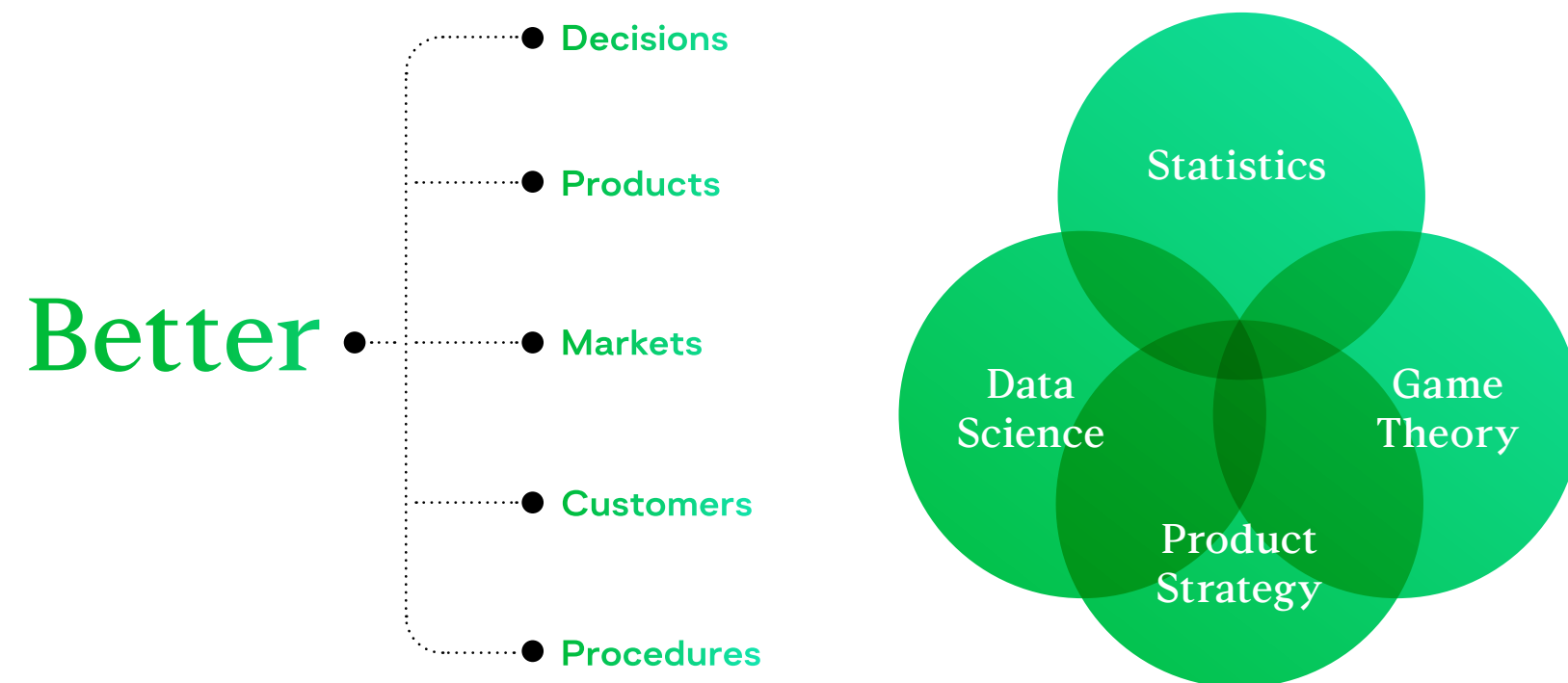
Committed to investing in our people, their capacity and capability, to deliver brilliant basics and enhance product intelligence

Create SMS



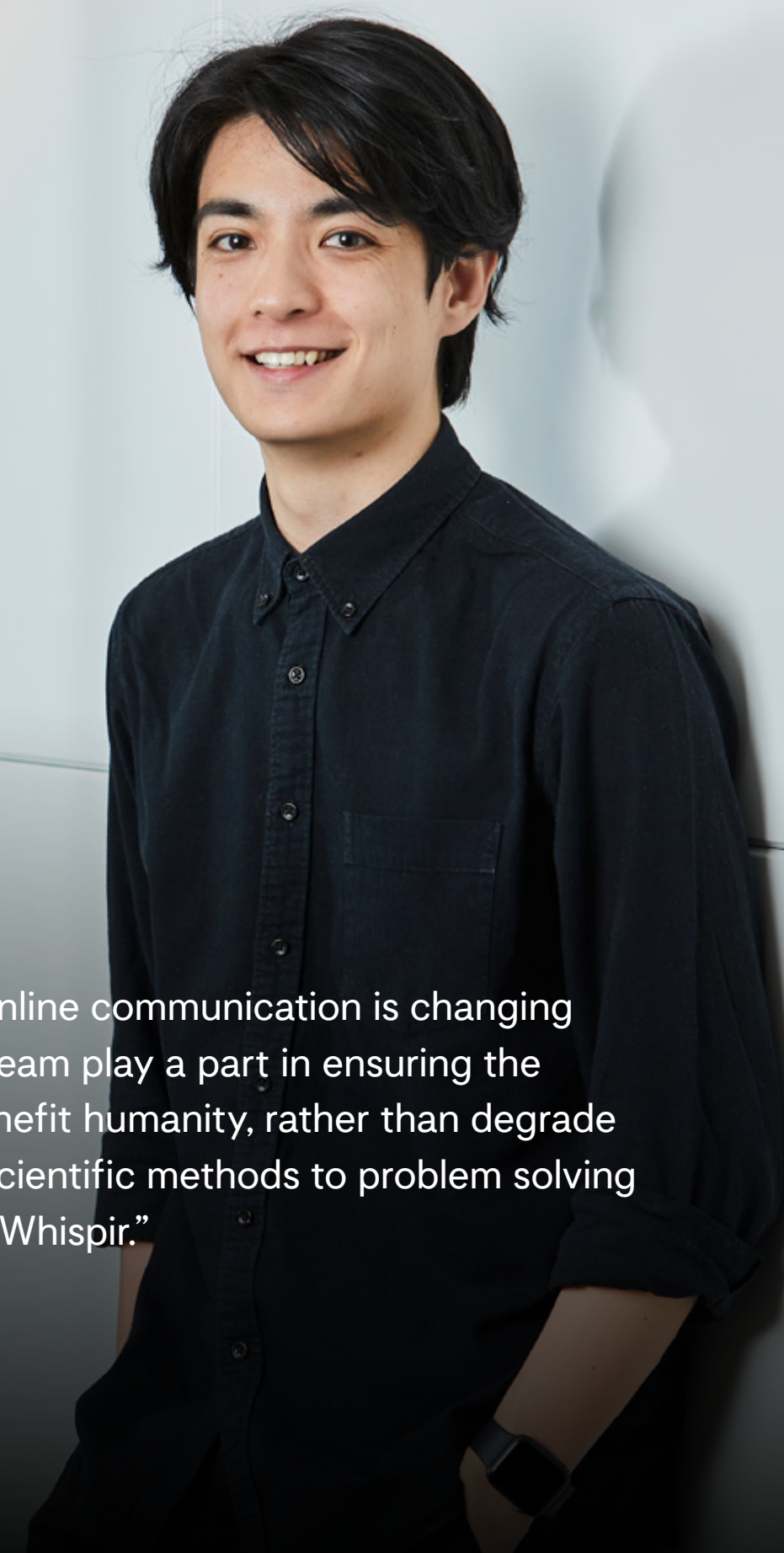
The Product Intelligence team

Whispir has a dedicated **product intelligence and strategy** function, tasked with enabling various departments at Whispir to make better decisions using data science and statistical methods. This means we can rely more on intellect instead of sheer volumes of people to get ahead of the competition. To date, it's found us more profitable customers, better markets to pursue, and helped teams prioritise features that deliver more value with less effort.



“It’s clear that online communication is changing drastically. My team play a part in ensuring the changes will benefit humanity, rather than degrade it, by applying scientific methods to problem solving and strategy at Whispir.”

Dr Brian Oakely
Product Analyst



Embedding prediction, detection and automation to increase engagement and message value

Several projects completed and dozens more in the pipeline

FY21	FY22
Data lake project	Intelligent messaging paths
Natural language processing project	Contact enrichment
Intelligent prediction applications	High performance messaging channels

- Accelerate monetisation of machine learning prediction models
- Incorporate diversity in language detection tools
- Speed up automation pathways
- Accelerate contact enrichment programs
- Monetise data lake

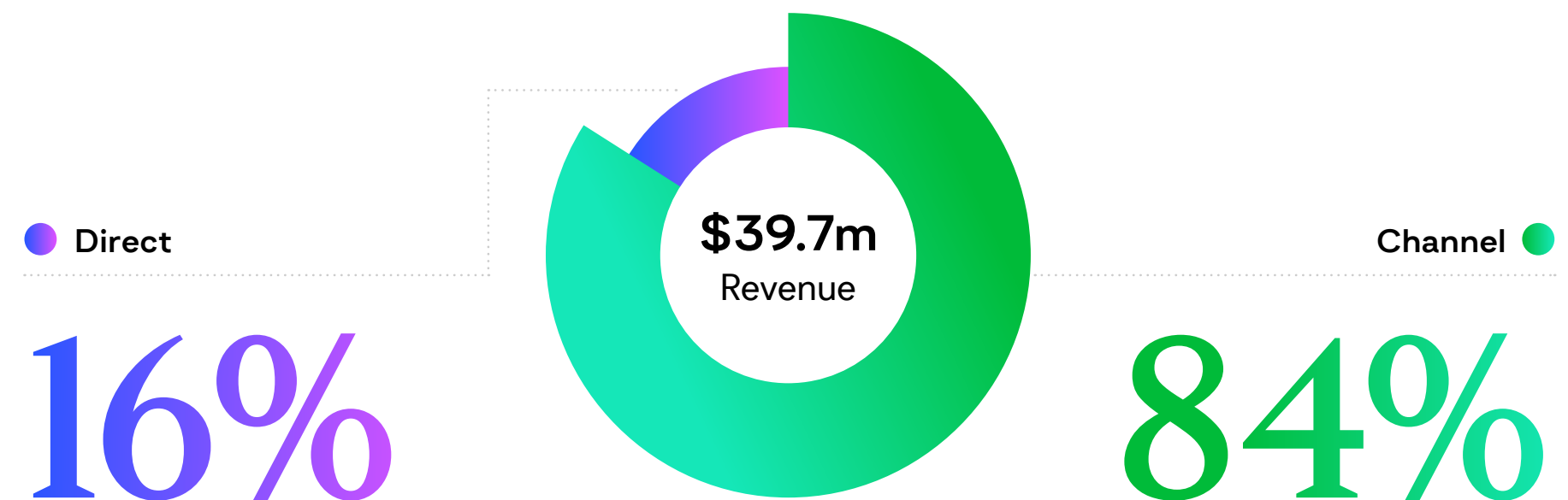


ANZ - driving new & existing customer growth

Long-term enterprise customers increasing platform activity and record new customer growth

- 83% of Group revenue
- 107 net new customers in FY21 (FY20: 118)

Revenue by distribution model - Australia & New Zealand



Strategic Focus

- New customers being acquired through digital direct strategy at attractive acquisition cost
- Digital transformation tailwinds provide future growth opportunities from new and existing customers

Partnerships

- Telstra Partnership 2.0 renewed until FY24
- Leveraging existing channel partners with IBM, Juvare and digital direct for cost-efficient CAC



Christchurch City Council

Crisis communications within the ring of fire

Christchurch sees a high occurrence of earthquakes and seismic activity year-round. The Christchurch City Council (CCC) uses Whispir for crisis management and disaster response.

Use Case

- Automated workflows to create end-to-end messaging to be used in the event of a crisis
- Communications across multiple channels - SMS, email, and more
- Integrated with the Pacific Tsunami Warning Centre (PTWC), to automatically alert CCC Civil Defence Emergency Management duty officers to upcoming event

Benefits

- Respond in real-time and send a notification using multiple channels to key contacts within minutes
- Immediate and swift response is paramount to the safety to the citizens of Christchurch City Council

This customer persona and suite of use cases can be replicated across all three regions, Australia and New Zealand, Asia and North America.

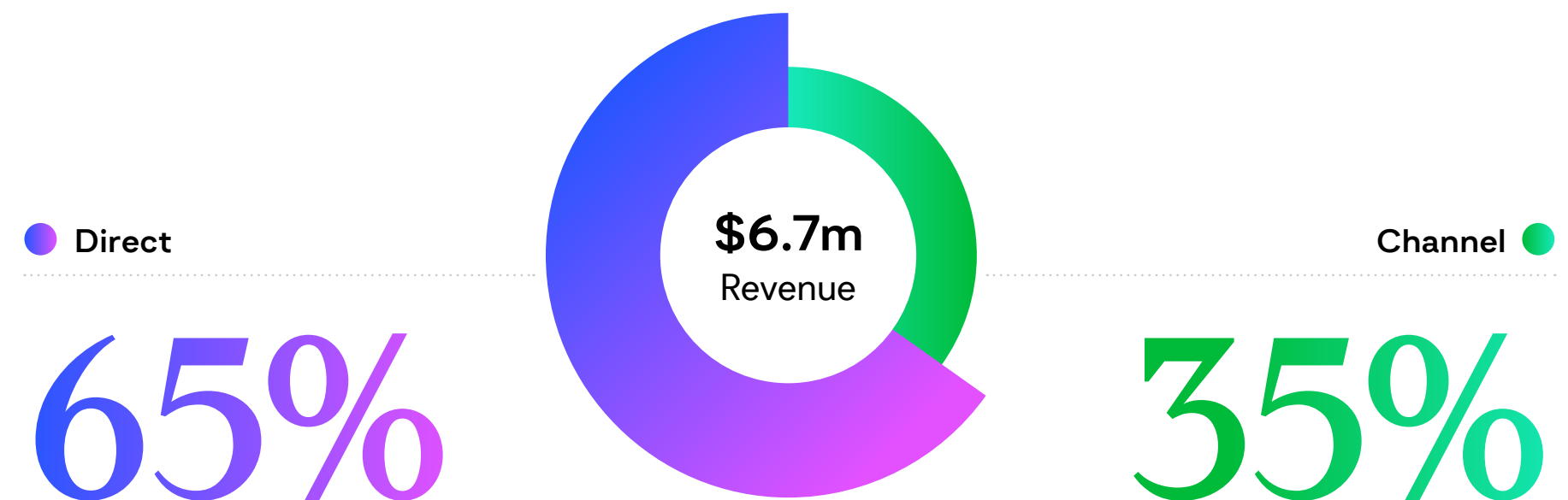


Asia – driving new & existing customer growth

Resurgence of COVID-19 resulted in a short-term deferral of new customer revenue

- Significant long-term opportunity to scale in this market
- 46 net new customers in FY21 (FY20: 10)
- COVID-19 impacted existing customers activities as customers juggled competing priorities and deferred planned campaigns till vaccination rate >80%

Revenue by distribution model - Asia



Strategic Focus

- Aligned go-to-market sales approach, expanding local headcount and increasing points of presence regionally (Philippines, Singapore and Indonesia)
- Persona-led digital direct lead generation

Partnerships

- Channel partnerships with re-sell partners: StarHub, IBM, Indosat
- Leveraging systems integration relationships and sell-with partners: Deloitte, Accenture, Vonage, Amazon Web Services



M1

Dramatically improving customer response rates from 20% to 80%

M1 is one of Singapore's most vibrant and dynamic communications companies, providing mobile and fixed services to over two million customers.

Use case

- Internal communications workflows so retail teams can, send real-time information automatically escalated to the correct channels
- Business Continuity Communications with pre configured and approved templates automated in response to an issue
- Automated incident communications expediting recognition and resolution of issues
- Automated workflows alerting subscribers to network issues

Benefits

- Increase customer satisfaction through real time alerts regarding network downtime, maintenance, outages and resumption of services
- Pre approved communications templates enhance and optimise automated communications workflows saving time and resources
- Track and report engagement to refine internal processes and procedures

This customer persona and suite of use cases can be replicated across all three regions, Australia & New Zealand, Asia and North America.

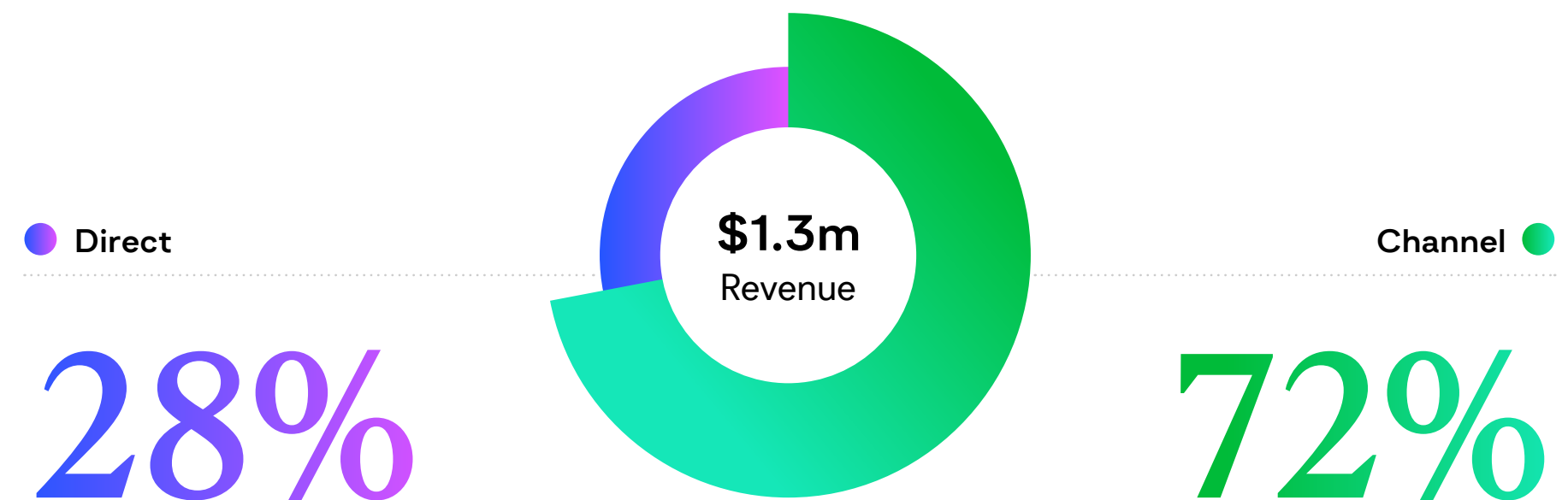


North America – greenshoots

Our largest market opportunity with a strong product market fit in the underserved SME to SME sector where Whispir's low code/no code capability is well placed to meet the needs of organisations with \$10m - \$1bn in revenue

- <5% of Group revenue
- 18 net new customers in FY21

Revenue by distribution model - Americas



Strategic Focus

- Building our culture, increasing headcount and senior leadership to accelerate growth
- Strong execution against go-to-market strategy in 2H21 focusing on personas identified within the SME and SMB markets (~150k potential customers)

Partnerships

- Contemporary go-to-market partnerships (Variedy) and value-added resellers (CDW)
- Leveraging traditional channel partnerships to target key personas with 8x8, Carahsoft, AWS and Vonage



uniqueTAXx

Whispir's low code/no code capability has strong product market fit with under serviced SME and SMB sectors across North America

uniqueTAXx is an accounting firm specialising in tax preparation, and managing companies' bookkeeping.

Use case

- Multi-channel communications platform to send SMS and emails to effectively manage clients
- 2-way mass communication to request and receive tax and financial documents
- Automated workflows to send reminders regarding deadlines and upcoming appointments

Benefits

- Sophisticated workflows saves hours in having to manually send communications
- Automated deadline reminders and requests for additional documents save on resourcing
- Streamlined and automated communications saves on admin and allows uniqueTAXx to focus on acquiring new customers
- Easily manage a large portfolio of customers

This customer persona and suite of use cases can be replicated across all three regions, Australia and New Zealand, Asia and North America.



Our bench strength is our people and their capability



Jeremy Wells
CEO and Founder



Justin Owen
CFO



Tobias Brix
COO



Chris Regan
Chief People Officer



Brad Dunn
CPO



Patrick Armitage
CMO



Kerry Boys
Head of Diversity & Inclusion



Matt Lambie
CTO



Fiona Milne
Head of AI & Data



Marta James
Director of Digital Transformation and Transition



Wayne Lee
VP ANZ



Andrew Fry
VP ASIA



David Gilbert
VP Americas



Dima Vovchak
VP of Group Services



Kristy Pinson
Director of Sales Northern Australia

We have built a strong leadership team to support our talented staff in driving innovation, and generating positive customer experiences.

We have made some key changes to support our growth and commitment in becoming a communications intelligence company, including appointing:

- **Chris Regan** as Chief People Officer, to strengthen our people team as we continue to expand globally
- **Patrick Armitage** as Chief Marketing Officer based in Colarado, driving our Marketing-led growth strategy right from the heart of our target growth market
- **Kerry Boys**, Head of Diversity and Inclusion, already making a significant impact in creating an inclusive workplace

The past year marked the first of many ‘Women of Whispir’ event’s with the aim of connecting our global network of women to support each other in maximizing their potential.

Our diversity makes us stronger

15%	37%	45%	51%
LGBTQI+	multi-ethnicity	of non-white ethnicity	parents
Benchmark: 3%		Benchmark: 37%	

FY22 Outlook

For personal use only



Digital transformation a global mega trend

Automation & digitisation trends providing short and long-term growth opportunities

- Studies suggest the efficiency and rate of adaptation of digitally transformed businesses to a post-pandemic era are much higher than traditional businesses
- Global technology investment rapidly increasing
- Digital experience accounts for majority of global information & communications tech investment
- Digital transformation projects fast-tracked by years
- Digital now main form of customer/stakeholder engagement
- Process automation increasing productivity
- Increased budgets for digital transformation

\$336bn



(USD) Digital transformation market size value in 2020

23.6%

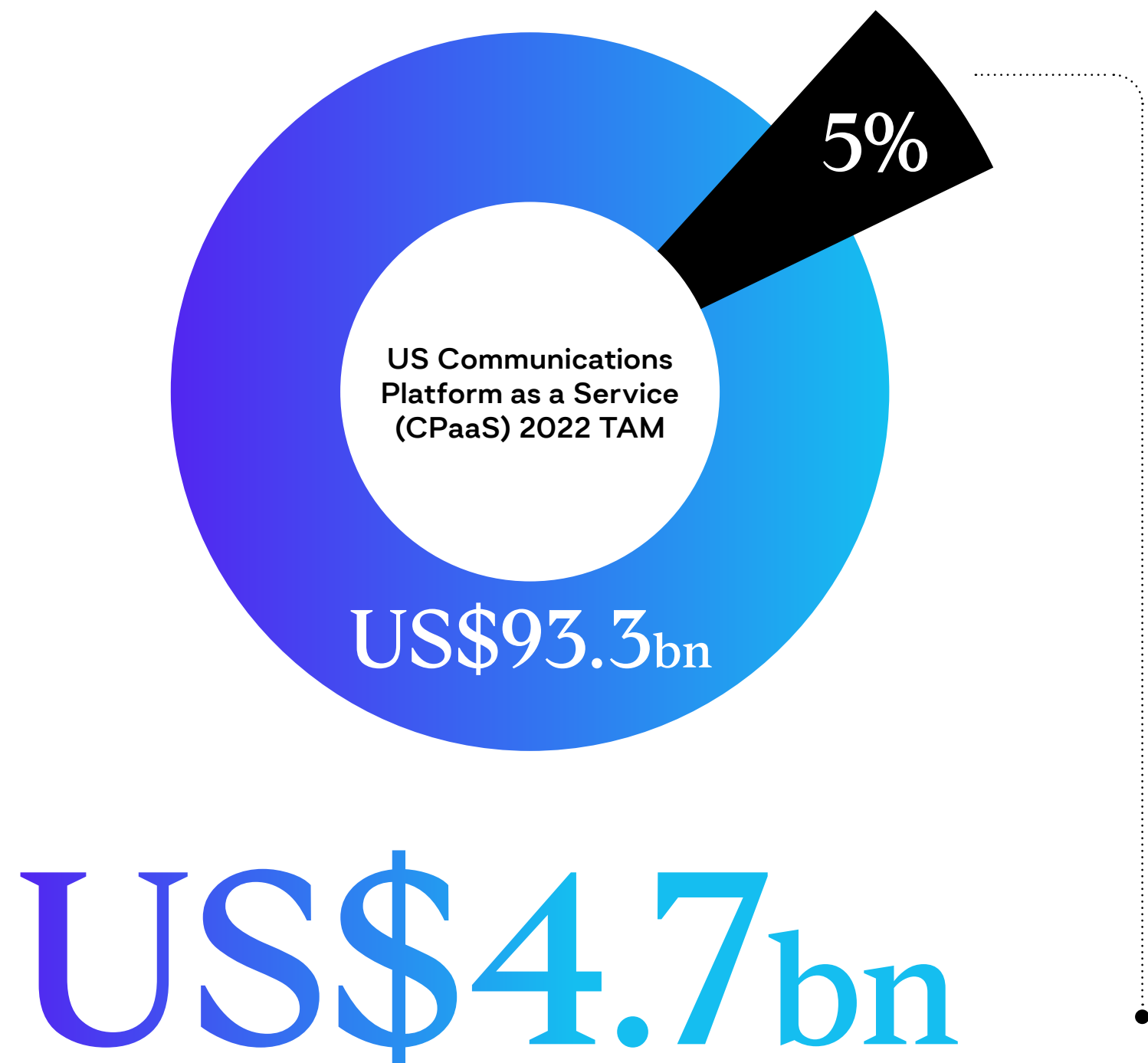


Digital transformation market size CAGR from 2021 to 2028

Whispir's US\$4.7bn North American TAM

Leveraging ANZ blue-chip customer references across operational coordination, customer engagement & crisis communications

- Five key industries collectively account for just 5% of US CPaaS TAM of US\$98bn
- US\$4.74bn opportunity in Whispir's North American target markets
- Targeting four key personas where we have proven expertise within ANZ and Asia
- Underserviced SME and SMB organisations
- US\$10m - US\$1bn in revenue
- Ideal product market fit
- Aligns with no code/now code capability

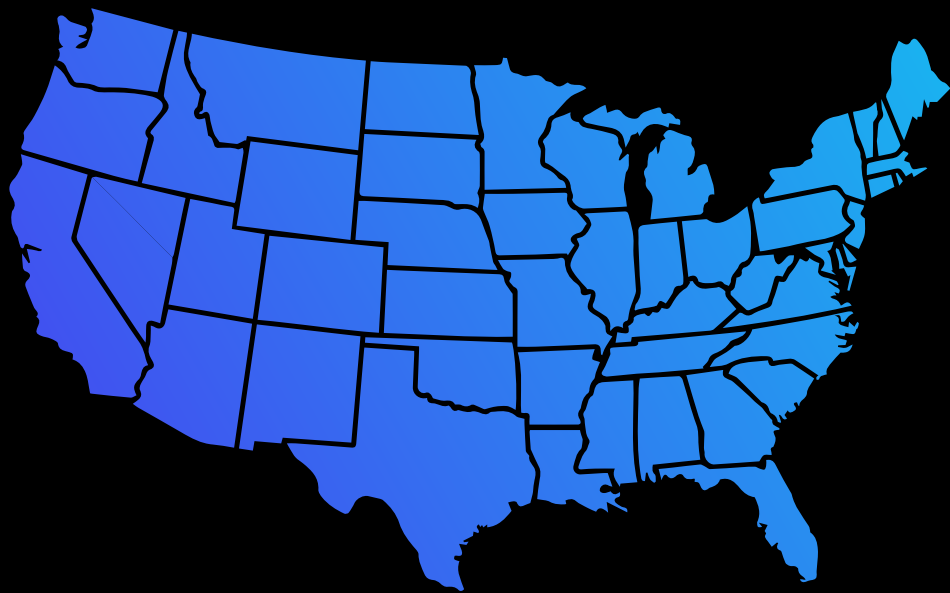


Whispir's targeted North American TAM by 2022*

*Forrester, 'Market Insight Study for Whispir', February 2021

Focus on high value under-served customer needs

Our product intelligence function researches underserved customers to ensure we focus on markets and product features that deliver the most value to customers



FY22 guidance*

FY22ARR

\$65.4m - \$70.0m

22-31% YOY growth

\$(15.5)m - \$(13.0)m

EBITDA (excl. SBP)

230-177% down on FY21

FY22 Revenue

\$57.2m - \$60.2m

20-26% YOY growth

\$17m - \$18m

R&D

70-80% increase on FY21

*We are providing a range given the current global situation; which provides many opportunities for Whispir, but makes planning and forecasting with certainty – challenging.

Our Purpose

Change the
way the world
communicates



Our Vision

A world where
organisations
communicate
like people



For personal use only

We Believe

Value is created,
when people
are engaged



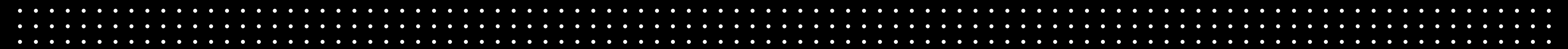
Our Promise

Enabling you to
master connection
and engagement
with other people
at scale



Connect Engage Thrive

For personal use only



Appendix

Financial Performance

- Operating EBITDA performance reported in \$’000

	FY21 (\$’000)	FY20 (\$’000)	YOY Change* (%)
Software revenue	46,275	37,361	23.9%
Professional services revenue	1,456	1,734	(16.0)%
Revenue	47,731	39,095	22.1%
Gross Margin	28,658	24,430	17.3%
Gross Margin %	60.0%	62.5%	(4.0)%
Sales and marketing	(16,862)	(14,241)	(18.4)%
Research and development	(4,982)	(4,249)	(17.3)%
General and administration	(12,990)	(13,216)	1.7%
Total operating expenses	(34,834)	(31,706)	(9.9)%
EBITDA	(6,176)	(7,276)	15.1%
EBITDA (ex non-cash, share-based payments)	(4,653)	(5,638)	17.5%

*YOY percentage movement based upon values denominated in \$’000’s

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

- **MRR:** Monthly Recurring Revenue
- **CAGR:** Compound Annual Growth Rate
- **S&M:** Sales & Marketing;
- **G&A:** General & Administration;
- **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 and IPO offer costs.

Financial metrics

- **Annualised recurring revenue (ARR):** recurring revenue (licence and transaction revenue) from the final month in a period (MRR) multiplied by 12 months;
- **Gross margin:** gross profit divided by revenue expressed as a percentage;
- **Contract acquisition cost:** commission 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;
- **Install base:** tolling customers existed before the reporting period
- **Customer revenue retention %:** revenue earned from customers in the referenced period divided by the revenue from the same customer cohort in the corresponding prior period. The calculation has been updated in June 2021 to exclude customers who were not with Whispir for the full 12 months in the corresponding prior period.
- **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;
- **LTV/CAC:** The ratio of the Lifetime value (LTV) of new customers to the CAC;
- **Recurring Revenue %:** recurring revenue as a % of total revenue; 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.

For personal use only

