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whispir

ASX Announcement
20 October 2021

Whispir Limited
(ASX : WSP)

Appendix 4C – Q1 FY22

Whispir Limited (ASX:**WSP**, **Whispir** or **Company**) provides its Appendix 4C cash flow and activity report for the quarter ending 30 September 2021 (Q1 FY22, the Quarter).

Highlights

- Q1 FY22 Annualised Recurring Revenue (ARR) of $56.8 million, up 31.8% on Q1 FY21
- Continued customer growth with 33 net new customers onboarded in Q1 FY22 taking total customers to 834; growth of 25.4% on Q1 FY21
- 12-month customer revenue retention of 117.2%
- Q1 FY22 cash receipts of $16.3 million; 55.7% higher than Q1 FY21
- Whispir reaffirms FY22 guidance and remains well-funded to accelerate its growth strategy with a cash and equivalents balance of $43.9 million

Quarterly performance

The global megatrends of digitisation and digital transformation provide strong tailwinds as Whispir meets the increasing demand for communications intelligence; resulting in continued growth in ARR, new customers and cash receipts during Q1 FY22.

Whispir's ARR was $56.8 million for Q1 FY22, representing an increase of 31.8% on the prior corresponding period (pcp). Gross revenue churn year to date was just 2.1%, an improvement on the pcp as Whispir continues to support customers in solving their complex communications challenges.

Whispir onboarded 33 net new customers during the Quarter – which were diverse in both regional and industry attributes – taking total customers to 834 as at 30 September 2021, 25.4% growth on pcp. Whispir's customers grow stickier over time as reflected by the 12-month revenue retention of 117.2%, also highlighting strong levels of product satisfaction and underpinning Whispir's future revenue.

Customer cash receipts in Q1 FY22 were $16.3 million, up 55.7% on pcp and reflects strong underlying business growth.

Operating cash outflows increased by $2.4 million on Q4 FY21 to a total of $2.9 million in Q1 FY21, which is 45.1% above pcp. This is broadly in line with the execution of the Company's growth strategy as it scales globally. The rate of customer cash receipt growth exceeds the rate of increased expenditure. Payments to related parties and their associates totalled $0.5 million, comprising Directors' fees and expenses, and the CEO's base remuneration, short term incentive and expenses for Q1 FY22.

Whispir ended the Quarter with a strong cash and equivalents balance of $43.9 million at 30 September 2021.

Whispir CEO Jeromy Wells said, "Strategic investments across our product roadmap, sales, marketing and customer service continued during the Quarter as we onboard our new customers across ANZ, Asia and North America, while delivering better value for existing customers on the platform.

"This is a strong Quarter of growth for Whispir and we're seeing quality sales momentum across each of our regions. As COVID-related restrictions continue to ease, we're anticipating a return of demand from customers in suppressed industries including transport and aviation. We are ramping up investment in the capability of our global team – which increased by more than 30 people over the quarter – to widen our competitive moat, improve speed to market, and over time, reduce the cost of customer acquisition."

Regional Dynamics and Product Roadmap

Whispir's go-to-market strategy leveraged channel partners and digital direct methods to cost effectively acquire new customers across all three regions during Q1 FY22.

In ANZ, Whispir acquired 7 net new customers including the NDIS Quality and Safeguards Commission, and National Rugby League, while Queensland Health grew its contract to support multiple state-based services.

In Asia, Whispir acquired 13 net new customers including Suzuki, Emapta, and Keppel FELS. In addition to diversifying the go-to-market approach with channel partners, Whispir is focused on expanding in-country resources to increase sales coverage across Singapore, Indonesia, and the Philippines.

In North America, where the majority of customers are self-discovering Whispir's offering online, 13 net new customers were acquired during Q1 including AgVocacy, Ridgefield, and Richland County. Whispir continues to invest in strategic digital marketing to increase brand awareness and build a quality sales pipeline.

A total of $4.1 million was spent on R&D during the Quarter as the Company continues to evolve platform functionality with prediction, detection and automation capabilities.

Whispir's Artificial Intelligence and Product Intelligence teams remain focused on market leading innovation and increasing the lifetime value of customers through positive product experiences. During the Quarter, Facebook Messenger was incorporated into Whispir's Conversations product, which will soon be offered to customers as another channel for audience engagement.

Outlook

The Company remains focused on increasing customer numbers, platform usage and revenue performance across ANZ, Asia and North America in line with its long-term growth strategy.

Mr Wells concluded, "As our customer growth continues, delivering stronger recurring revenues for Whispir, we're pleased to reaffirm our outlook for FY22. ANZ continues to deliver impressive results and we're building momentum in North America and Asia. We anticipate continued growth in our pipeline across all markets where Whispir is well placed to support businesses with their digitisation and digital transformation agendas."

Authorised by the Disclosure Committee.

-ENDS-

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About Whispir

Whispir is a global scale SaaS company, founded in 2001 to provide a communications workflow platform that automates interactions between organisations and people.

Our products enable organisations to improve their communications through automated workflows to ensure stakeholders receive accurate, timely, useful and actionable insights in a manner that is sensitive to individual contexts and preferences. Our customers use Whispir's software to create interactive, multi-party and omnichannel communications from templates, solving simple to complex communications workflow tasks.

Whispir operates across three key regions of ANZ, Asia and North America. More information www.whispir.com

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