

ASX Announcement | 27 July 2022

Bigtincan Holdings Ltd

June 2022 Quarterly Report & Appendix 4C

Total cash receipts increased 113% from Q4 2021 as Bigtincan achieved another operational cash flow positive quarter

Q4 FY22 Highlights

- Total quarterly customer cash receipts of \$31.3m, an increase of 113% from Q4 FY21 cash receipts of \$14.7m, and in line with the Company's forecasts for FY22.
- Cash operating payments of \$31.2m (including Brainshark integration investments), a decrease of \$2.6m from Q3 FY22.
- Bigtincan achieved its third consecutive operating cash positive quarter.
- Bigtincan held \$39.3m cash and cash equivalents as at 30 June 2022.
- Annualised Recurring Revenue (ARR) of \$120m at 30 June 2022, a 126% increase from 30 June 2021.

Bigtincan Holdings Limited (ASX:BTH), owner of Bigtincan and Brainshark, Australia's largest publicly listed sales enablement platform and Software-as-a-Service (SaaS) provider of global sales training, sales content delivery and sales meeting facilitation, has today released its Appendix 4C and Quarterly activities report and is pleased to present commentary to accompany the lodgement of this report for the quarter ending 30 June 2022 ("Quarter", "Reporting Period").

Q4 FY22 Cash Flow

Bigtincan achieved customer cash receipts for the Quarter of \$31.3m, an increase of 113% from Q4 FY21 cash receipts of \$14.7m.

Quarterly cash operating payments were \$31.2m for the Quarter, inclusive of Brainshark integration investments, an increase of 112% from \$14.7m in Q4 FY21, and a decrease of 8% from the previous March 2022 quarter of \$33.8m. This includes fees paid to Directors of \$216k for the Reporting Period.

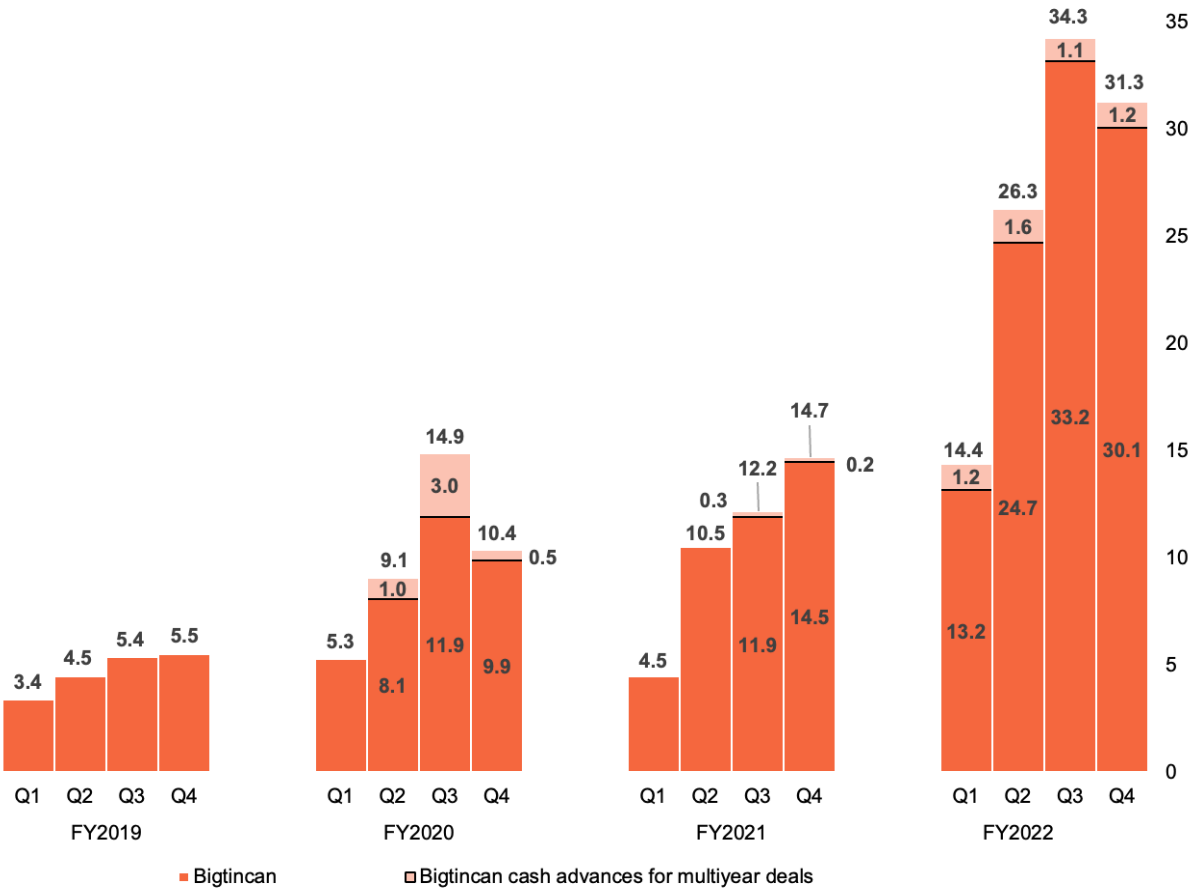
Investments into long-term product development were \$4.7m for the Quarter, a slight increase from Q3 FY22 as Bigtincan made additional investments in the Data Products group in this Quarter.

The Company held total cash and cash equivalents of \$39.3m as at 30 June 2022, with a strong accounts receivables position heading into the first quarter of FY23.

Operating Cash Position

Bigtincan achieved its third consecutive Quarter of positive net operating cash in Q4, which included \$0.8m in costs related to the integration of Brainshark into the core business. Backing these costs out, the underlying net cash from operating activities would have been \$0.9m.

Quarterly Cash Receipts (A\$m)



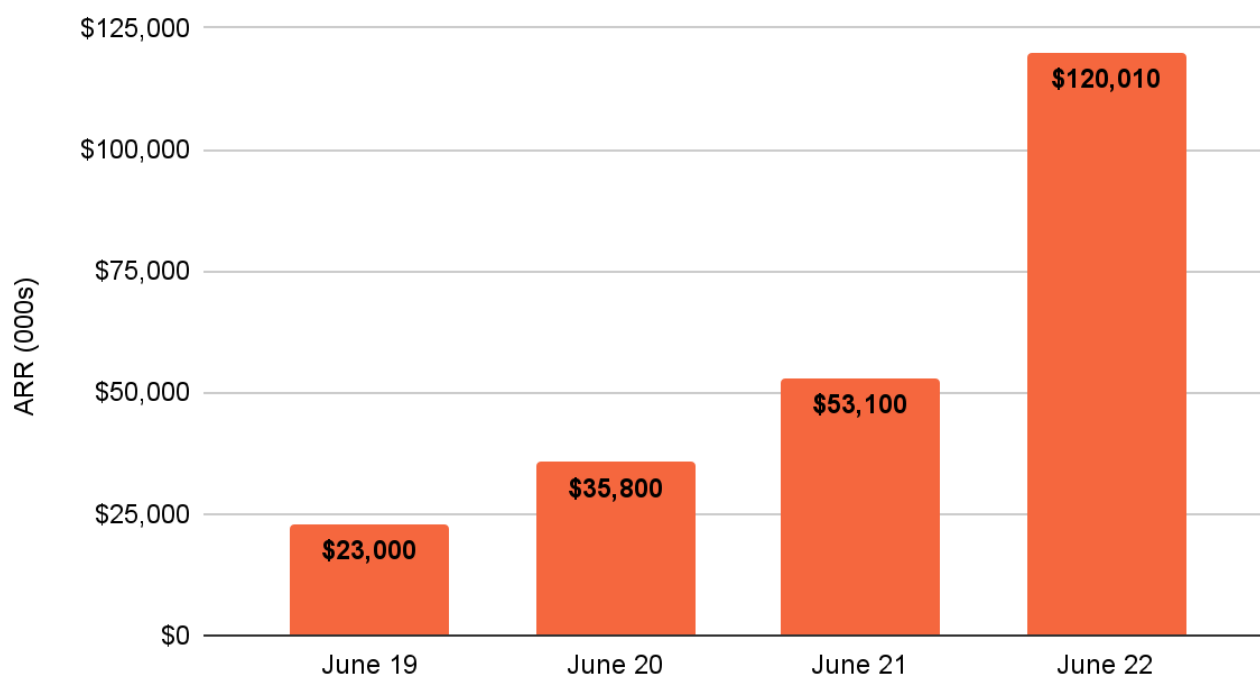
Cash Outlook

Based on the structure of the Company post completion of the Brainshark acquisition, Bigtincan reconfirms the target for Cash Flow Breakeven¹ to be achieved in FY23. Bigtincan expects that Operating Expenses, capitalised R&D spending, PPE and lease liabilities will reduce within FY23 to be in the range of \$31m-\$33m per quarter².

ARR Growth

Bigtincan grew Annualised Recurring Revenue to \$120m from the \$99m announced at the Brainshark acquisition in August 2021, and from \$53.1m at end June 2021, with growth coming from new logo deals and expansion sales to both the existing customer base and customers added through Brainshark.

ARR (000s)



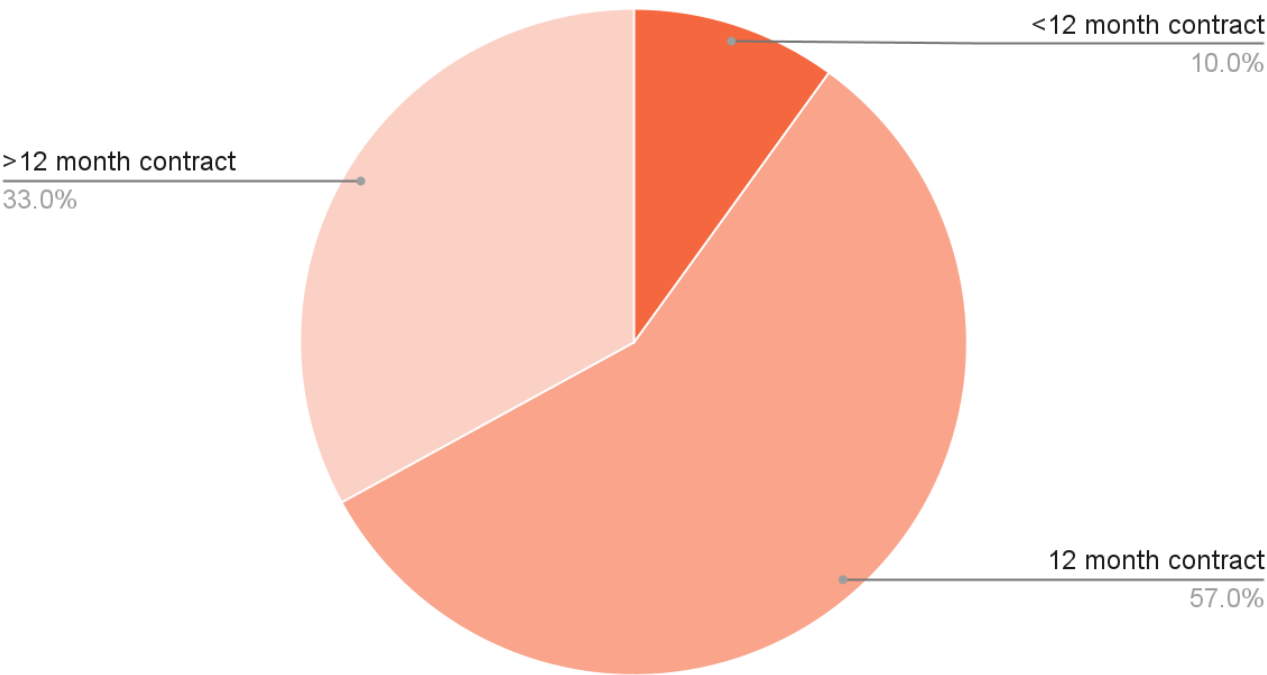
¹ Cash flow breakeven refers to positive net cash flows after taking into account capex, seasonality and other net working capital expenses.

² Subject to stable foreign exchange.

Enterprise Customer Base Leads to Increase in Multi-year deal ARR coverage

Bigtincan's continued focus on enterprise customers led to continuing growth in multiyear contracts, with contracts in excess of 12 months now comprising 33% of Bigtincan ARR as of end June 2022, showing the long term revenue coverage of the business.

ARR by Contract Length June 2022



FY22 EBITDA Outlook

As announced in Bigtincan's May 2022 Business Update, Bigtincan expects to report its maiden Adjusted EBITDA positive full financial year results for FY22, with a forecast uplift from 1H FY22 Adjusted EBITDA of \$1.2m.

Product and Technology Update

In Q4 FY22, Bigtincan continued its track record of quarterly releases with over 70 capabilities released across the 3 core Hubs. Q4 saw the general release of updates to both Learning Hub and Engagement Hub that bring the Bigtincan design system to these products allowing users to gain a unified experience across each of the Hubs.

Learning Hub

Learning Hub (using Brainshark technology) passed several milestones in the quarter including;

- New Course Catalog Experience - brings unified Hub view to this most used part of the platform.
- In progress curriculum indicators - allow users to see their progress across curriculum and quickly take up where they left off no matter how they were engaging across the system.

Content Hub

Content Hub v5.9.3 released including the ability to embed new types of content into a sales enablement scenario. During the quarter GUESS Inc released a new case study together with virtual experiences leader Matterport at retailcustomerexperience.com demonstrating the benefits of this technology. GUESS used Content Hub v5.7 to provide a “digital twin of its sample space [built] with a Matterport camera and then share it with store managers globally to replicate in-person [visits]”.

Engagement Hub

Biggest release in Engagement Hub history, with updated user experiences, updated conversational intelligence analytics, and updated customer engagement features bringing even more insights to Bigtincan customers when they engage with their customers digitally or physically.

New Customer Wins and Expansion

During the Quarter, Bigtincan continued its track record of new customer wins and expansions across key vertical markets and geographic areas. Post Brainshark integration, Q4 saw growth in the number of new logo wins and expansion deals with an increase for Q4 FY22 over FY21 of 90% in new logo deals and 171% in expansion deals.

New wins in Q4 included: Lumen, Jayco Australia, Los Angeles Clippers, Biohaven Pharmaceuticals, Inc. Bio-Techne Corp, Consilio, Incyte Corporation, McLaren Group

Expansion deals closed in Q4 included: WL Gore & Associates, Roche Diabetes Care, Brookdale Senior Living, Allianz Life Insurance, Abbott Laboratories, (CPA Global) Clarivate, ADP Corporation, Farmers Insurance Group

Patent Grant

During the Quarter Bigtincan was granted Australian patent No 2021200811 for a method and system for providing contextual electronic content. The method provides for monitoring one or more contextual parameters to detect a change in the values of the one or more parameters and

retrieving content from one or more content sources based on the changed contextual parameter.

The method includes applying weights associated with the content to the retrieved content, generating results based on the weighted content and providing the generated results to the user device based on one or more device parameters.

This latest patent adds to the 15 existing patents covering core aspects of the Bigtincan platform, further strengthening the Company's intellectual property portfolio.

Acquisitions

Bigtincan conducted two immaterial business acquisitions in the Reporting Period adding technology and skills in specific verticals and geographic territories funded via a combination of cash and scrip.

Investor Relations Update and Full Year Results

During Q4 FY22 Bigtincan continued to expand investor relations programs including upgrading results templates, aligning with the Company's updating branding and expanding investor communications through a unified Twitter account (@bigtincan).

Bigtincan will be releasing full year FY22 results to the market on 25 August 2022 and will be conducting investor briefings associated with the release.

Above Information

The above information is not and is not intended to constitute financial advice, or an offer or an invitation, solicitation or recommendation to acquire or sell Bigtincan Holdings Limited shares or other financial products in any jurisdiction and is not a disclosure document or other offering document under Australian law or any other law. Actual results, performance or achievements of the Company could be materially different from those expressed in, or implied by, any forward-looking statements contained herein. This advice is for information purposes only.




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[1] Bigtincan uses certain measures to manage and report on its business that are not recognised under AAS or IFRS. These measures are collectively referred to under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC. Annualised Recurring Revenue (ARR) represents contracted, recurring revenue on an annualised basis.

Bigtincan is helping the world's leading brands facilitate the buying experience of the future.

Everything we offer is designed to be smart, flexible, and easily adapted to unique business processes with highly personalized experiences that people and brands love. We're on a mission to help companies deliver branded buying experiences that are engaging, personalized, provide value, and guide people to the best decisions with confidence. World-class companies like Nike, Guess, Prudential, and Starwood Hotels trust Bigtincan to enable customer-facing teams to intelligently prepare, engage, measure and continually improve the buying experience for their customers.

For more information about Bigtincan (ASX: BTH), visit: bigtincan.com or follow Bigtincan on social media:

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Bigtincan Holdings Limited

ABN

98 154 944 797

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	31,269	106,216
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	(1,596)	(5,902)
	(d) leased assets	-	-
	(e) staff costs	(24,189)	(85,711)
	(f) administration and corporate costs	(5,435)	(17,680)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	14	68
1.5	Interest and other costs of finance paid	(12)	(39)
1.6	Income taxes paid	(2)	(47)
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	Net cash from / (used in) operating activities	49	(3,095)

2.	Cash flows from investing activities		
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2.1	Payments to acquire:		
	(a) entities		
	(b) businesses	(1,215)	(119,777)
	(c) property, plant and equipment	(105)	(641)
	(d) investments	-	-
	(e) intellectual property	(4,675)	(16,578)
	(f) other non-current assets	-	-
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)	(1)	(6,087)
2.6	Net cash from / (used in) investing activities	(5,996)	(143,083)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	136,425
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	(2)	638
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(6,747)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-

3.9	Other ³ – Capitalised issue costs and repayment of lease liabilities	(180)	(1,121)
3.10	Net cash from / (used in) financing activities	(182)	129,195

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	45,405	56,259
4.2	Net cash from / (used in) operating activities (item 1.9 above)	49	(3,095)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5,996)	(143,083)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(182)	129,195
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	39,276	39,276

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	39,276	45,405
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)	39,276	45,405

6. Payments to related parties of the entity and their associates

6.1 Aggregate amount of payments to related parties and their associates included in item 1

**Current quarter
\$A'000**

216

³ Capitalised issue costs of (\$9k) for the quarter and (\$418k) for the 12 months to June 2022. Repayment of lease liability of (\$171k) for the quarter and (\$703k) for the 12 months to June 2022.

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:

The above relates to Directors fees paid in the period.

7. Financing facilities

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.

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-
-	-

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

7.5 Unused financing facilities available at quarter end

-

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.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	49
8.2 Cash and cash equivalents at quarter end (Item 4.6)	39,276
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	39,276
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	N/A

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

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

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

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.

Date: 27 July 2022

Authorised by: **Tom Amos, Chairman – Bigtincan Holdings Limited**
(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.