

ASX Announcement | 31 August 2023

Bigtincan Holdings Ltd

Full Year FY23 Results and 4E

Bigtincan reports record Adjusted EBITDA of \$8.3m and EBITDA positive results for 2H FY23, as the company completes transition to cash flow breakeven.

FY23 Highlights

- Adjusted EBITDA¹ of \$8.3m.
- Transition of business to cash flow breakeven² with 2H FY23 EBITDA positive of \$0.1m.
- New and expand revenue growth offset global macroeconomic conditions together with M&A combined to grow Total Revenue by 13% year on year to \$123m.
- ARR of \$130m with additional \$7.5m ARR in July from the delayed Modus transaction for a total of \$137.5m.
- Completion of the industry's first highly scalable Intelligent Enablement Platform for Enterprise organisations.
- Launch of GenieAI™, Bigtincan's Large Language Model based technology.
- Fast Company listed Bigtincan at #8 in The Most Innovative Companies in Enterprise 2023³.

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 4E and is pleased to present commentary to accompany the lodgement of this report for FY23.

¹ Adjusted EBITDA includes adjustments for acquisition, share based payments and one-off items

² Cash flow breakeven refers to positive operating cash flows after taking into account capex and other net working capital expense

³ : <https://www.fastcompany.com/90847317/most-innovative-companies-enterprise-2023>

Business Commentary

In FY23, Bigtincan executed on its transition to cash flow breakeven and EBITDA positive results, whilst adding over 150 new logo customers and expanding ARR with 500 customers worldwide, delivering on its vision of creating the buying experience of the future for its customers.

FY23 saw this growth in new logo and expand offset macroeconomic conditions that impacted Bigtincan particularly in the technology sector where increased inflation, and reduced overall technology investment resulted in abnormally accelerated churn.

In FY23, Bigtincan continued to execute on its M&A program, taking advantage of macroeconomic conditions to complete the announced acquisition of SalesDirector.ai in December 2022. Bigtincan also progressed the Modus Engagement Inc. (Modus) acquisition within the year, with completion shortly after year end. Together these deals bring over 120 new customers and expertise in sales enablement to Bigtincan. With the completion of the slightly delayed Modus acquisition, pro-forma ARR in July 2023 is \$137.5m.

Bigtincan's strategy of combining the organic growth engine with M&A has enabled Bigtincan to offset the impact of the global economic downturn to complete its transition, improve its EBITDA position, and put the business in a strong position for FY24.

Bigtincan continues to be recognised as one of the world's leading providers of sales enablement technology, with over 2,000 customer deployments, users in over 50 countries, and a market leading technology set with the impacts of AI technology presenting new opportunities for growth in FY24 and beyond. In 2H FY23 Bigtincan was recognised by Fast Company who named Bigtincan #8 in its Most Innovative Companies in Enterprise list for 2023.

During FY23, the combination of revenue growth and cost management including restructuring programs resulted in material improvements in EBITDA results.

"FY23 was a transformative year for Bigtincan with the company facing the challenges of an uncertain economy, whilst growing revenue and achieving record Adjusted EBITDA levels within the year" said David Keane, CEO and Co-founder of Bigtincan. "In a challenging time, the global team at Bigtincan continued to deliver for our customers with commitment to building a global leader in a key sector of technology for our world."

Multi-Hub Growth and Future Outlook

In FY23, Bigtincan completed its Intelligent Enablement Platform (IEP) accelerating the ability for customers to purchase multiple Hubs with a unified platform approach. ARR from Multi-Hub was 27% of total ARR at end June 2023, with the number of Multi-Hub customers growing 15% faster

than in FY22. In FY23, Multi-Hub customers spent 92% more than Single-Hub customers (\$207k vs \$108k) creating a stickier customer experience.

Bigtincan expects the impact of the completion of the IEP technologies to have an ongoing impact in FY24 and beyond as more customers look to obtain the benefits of unifying sales enablement technology into a single provider.

EBITDA Improvements

Bigtincan saw a material increase in both Adjusted EBITDA and EBITDA in FY23 with Adjusted EBITDA at \$8.3m improving by over 100% vs FY22, and EBITDA improving by \$5.6m to (\$5.1m) with 2H FY23 EBITDA at \$0.1m.

Adjusted EBITDA as a % of revenue improved from 3.8% in FY22 to 6.5% in FY23, with total operating expenditure as a % of revenue reducing from FY22 of 105% to 99% in FY23.

Product and Technology Update

In FY23, Bigtincan significantly expanded its capabilities, delivering over 185 new features and enhancements with a focus on innovation and an improved user experience. Key milestones include the completion of Brainshark modernisation, the introduction of next-gen analytics, and the debut of Digital Sales Rooms for enhanced buyer-seller interaction. These were accompanied by revolutionary features in learning and content authoring such as Tone of Voice analysis in CoachingAI.

In addition, FY23 saw the completion of the first generation of Bigtincan's Intelligent Enablement Platform that ties together its core technology set to allow for cross platform integration across its multiple Hubs. The IEP provides a new unified offering, seamless access to content across all Hubs, and new intuitive navigation updates for Multi-Hub customers.

The launch of GenieAI™ added to Bigtincan's leadership position in the marketing and sales technology landscape. We launched GenieAI with functionalities including chat, search, and text generation, feedback from customers taking part in the early adopter program is showing positive results. This paves the way for Bigtincan to leverage AI technology to bring transformative changes, driving significant productivity and value gains for our customers.

Bigtincan's approach to implementing generative AI technology places a strong emphasis on enterprise needs for privacy, security, and transparency. With GenieAI, Bigtincan has designed a set of flexible implementation options while ensuring that content remains within Bigtincan's secure ecosystem. This robust strategy allows Bigtincan to explore groundbreaking applications such as AI role play for realistic sales training scenarios. Investors can expect GenieAI technologies to add to Bigtincan revenues in FY24 and beyond.

Potential Control Proposal Update

Bigtincan has received a number of expressions of interest regarding potential control transactions. Morgan Stanley, as financial advisor, is assisting Bigtincan to evaluate these inbound expressions of interest from multiple parties. Bigtincan has established a data room to facilitate due diligence investigations for those interested parties whose expressions of interest are considered by the IBC to be in Bigtincan's interests to progress.

An important input to the progression of the process has been the finalisation of the Full Year FY23 results and the detailed financial statements and commentary in the Appendix 4E which have been released today.

These expressions of interest are preliminary in nature and there is no certainty any transaction will eventuate. Bigtincan remains committed to executing its strategic plan and maximising shareholder value. The Bigtincan IBC will only progress expressions of interest that are in the best interests of all shareholders.

FY24 Outlook

Based on Bigtincan's view of the market, Bigtincan's aspiration is to progress its Multi-Hub development to hit 30%+ of the ARR base, GenerativeAI technology to begin to add to revenue, and the abnormal churn experienced in FY23 to return to historic levels. Financial advisor program to conclude.

Bigtincan will continue to build on metrics achieved in FY23:

- Cash flow positive
- ARR, Revenue and EBITDA growth

Bigtincan will provide FY24 guidance at the AGM.

Investor Webinar

Bigtincan Holdings Limited (ASX:BTH) ("Bigtincan") is scheduled to announce its financial results for the full year ended 30 June 2023 on 31 August 2023. Bigtincan is pleased to invite shareholders and investors to attend a webinar during which management will provide an overview of results. The webinar will be hosted via Zoom and commence at **11.00am (AEST) on Thursday 31st August 2023**.

Details of the event are as follows:

Event: Bigtincan Holdings Limited Full Year FY23 Results Investor Webinar

Presenters: Chief Executive Officer and Co-founder, David Keane, Global Head of Finance, Cyril Desouza, Chief Product Officer, Stefan Teulon and Senior Vice President of Marketing, Pam Dearen.

Date and Time: Thursday 31 August 2023 at 11.00 am AEST (US 9.00pm ET 30 August)

Where: Zoom Webinar - details to be provided upon registration

To register your interest for the webinar please click through to the link below:

https://janemorganmanagement-au.zoom.us/webinar/register/WN_YnSqY2inQRixfH0Me5NYiQ

After registering your interest, you will receive a confirmation email with information about joining the webinar. Participants will be able to submit questions via the panel throughout the presentation, however we encourage shareholders and investors to send questions via email beforehand to jm@janemorganmanagement.com.au

Authorised by: Tom Amos, Chairman – Bigtincan Holdings Limited

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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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