

whispir

21st July 2021

Q4 FY21 Activities Update

– Investor presentation

A S X W S P



Whispir Today

Profitable ANZ business provides a strong platform for international growth

>2bn Interactions per annum

Products solve a broad range of common business challenges

11,000+ Use Cases

Managed and deployed using Whispir’s no code/low code capabilities, no developers required

>55m Interactions with unique people per annum

Proven product market fit

3 Regions

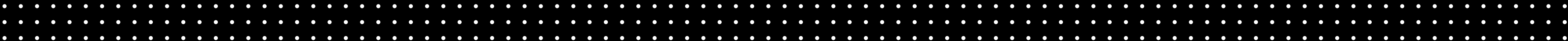
Leading industry channel partners provide efficient routes to market

60 Countries

Global customer base

200+ Staff

Worldwide and growing



Recurring revenues growing

Strong ARR growth reflects underlying business performance, existing customers remain key contributors

\$53.6m 

Q4 FY21 Annualised Recurring Revenue

Q4 FY20 ARR: \$41.7m (pcp)

28.5% GROWTH vs pcp

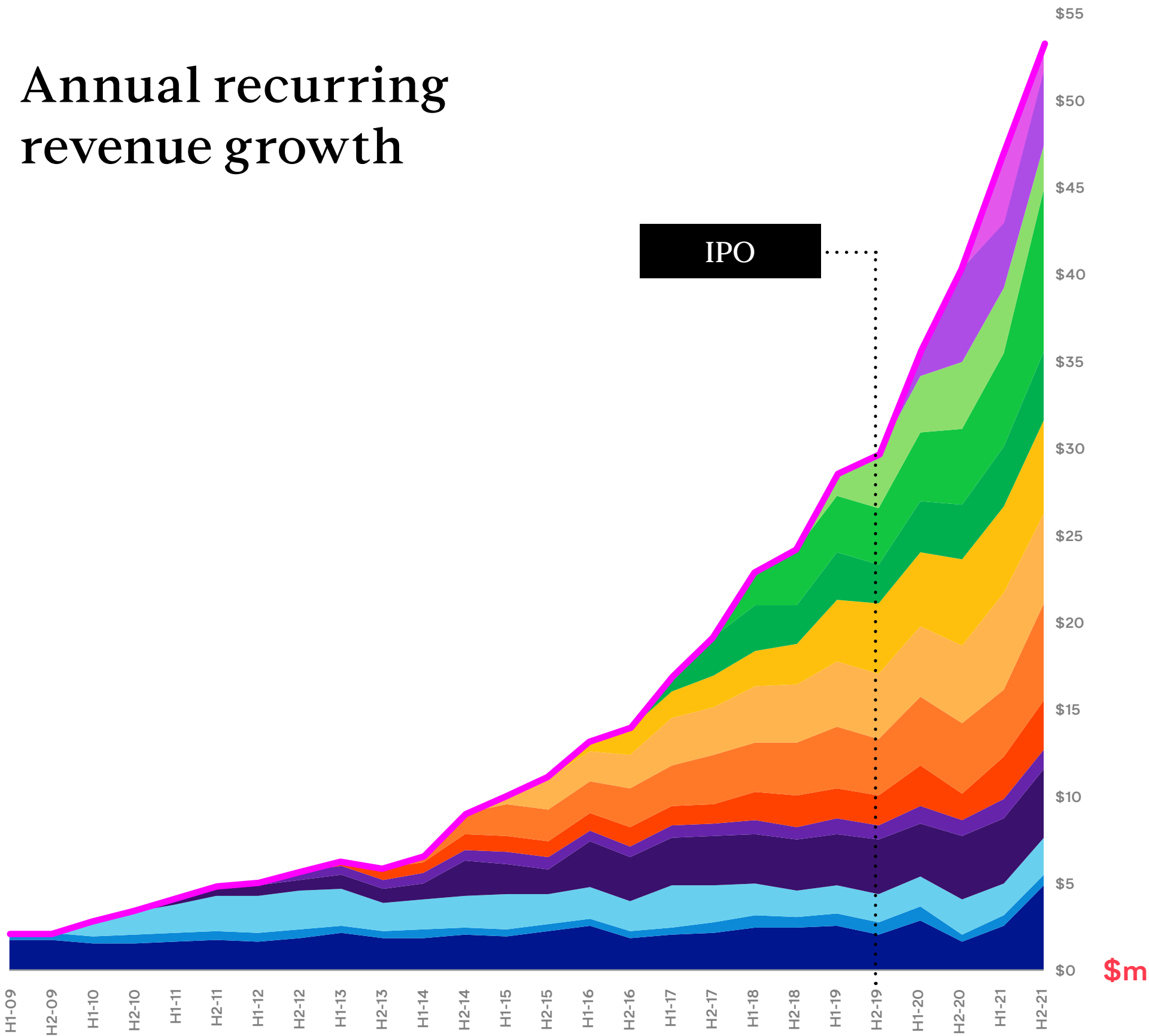
Q3 FY21 ARR: \$50.3m (prior qtr)

Long term customers provide future revenue surety

New use cases increasing platform usage and revenue contribution from existing customers.

Customer revenue retention was strong at 115.9% underpinning stable and sustainable ARR growth.

Annual recurring revenue growth



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

Consistent customer growth

Strong tailwinds and the structural shifts to digitisation, automation and personalisation means Whispir is meeting a clear unmet need

801 Customers



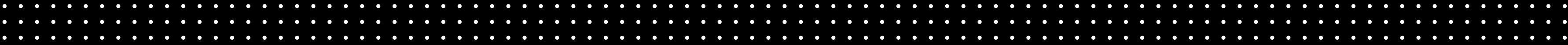
51 net new customers in Q4 FY21

630 customers Q4 FY20

27.1% GROWTH YoY

Consistent strong quarterly performance

- higher transaction volumes from existing customers and growth in net new customers driving customer cash receipts
- maintaining strong cost management with net cash used in operating activities at \$(0.5) million
- cash and equivalents balance of \$49.2 million to accelerate strategic growth plan, and no debt



Multiple growth drivers

Key industry trends creating strong tailwinds



Digital transformation projects



Adoption of cloud-based communication systems



Increased focus on customer experience & engagement



Data-driven customer insights & intelligence



AI & machine learning functionality



Innovation & improved productivity

Focus on execution of plans to accelerate growth

Accelerating product roadmap

- Enhance platform functionality
- Create higher-margin products

Drive new and existing customer growth in ANZ and Asia

- Increase utilisation by existing customers
- Digital transformation and digitisation projects drive new and existing customer growth

Market expansion North America

- Largest market opportunity
 - Persona led strategy to achieve growth

Accelerating investment in capability

95%

Engineering Capacity Increased
Overall increase in development capacity

140%

Operations & Support
To bolster server performance and increase reliability to our customers

700%

Security & Protection
Security Staff increased to reduce our risk footprint

100%

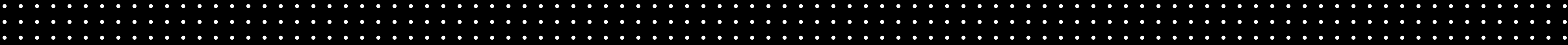
Increase in focus on on-boarding initiatives
To make customer trial experiences convert at higher rates

150%

Increase in channels focus
To bring new messaging channels online

300%

Increase in data science & mathematics roles
To bring AI and Machine Learning programs to market faster



From messaging to communications intelligence

Data lake project

Natural language processing project

Intelligent prediction applications

✓

✓

✓

Completed

Message type predictor

- we are able to predict the message type (eg crisis, marketing, appointment booking) with 87% accuracy

Tone of voice analyser

- we have trained and deployed a model to predict tones being conveyed in messages (eg joyful, surprised, warm) with 94% accuracy

Engagement score

- we have built an algorithm that allows us to measure levels of engagement across all channels for each message sent out

Up next

Sentiment analyser

- we want to be able to predict sentiment in messages. This will be used in a number of use cases including alerting negative sentiment on replies to allow triaging of conversations

Engagement predictor

- we want to be able to predict levels of engagement of a message before it gets sent out to give the customer the opportunity to make changes to the message before it gets sent, driving engagement

Spam detection

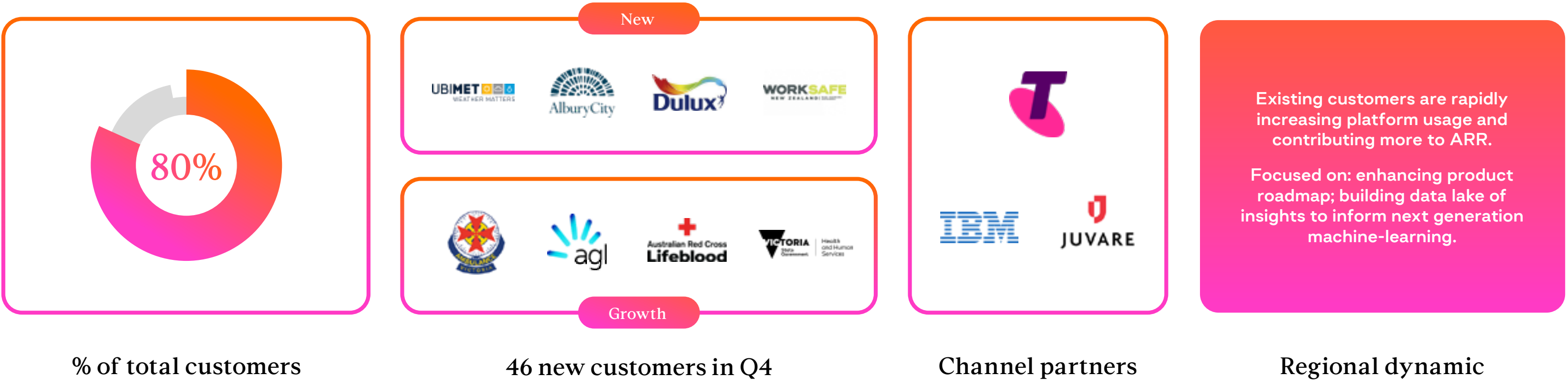
- we want to be able to detect when spammers attempt to use our product to prevent such misuse



Fiona Milne, Head of AI & Data

Driving new & existing growth in ANZ

Core driver of new and existing customer growth in Q4 FY21





Health
and Human
Services

Department of Health and Human Services Victoria

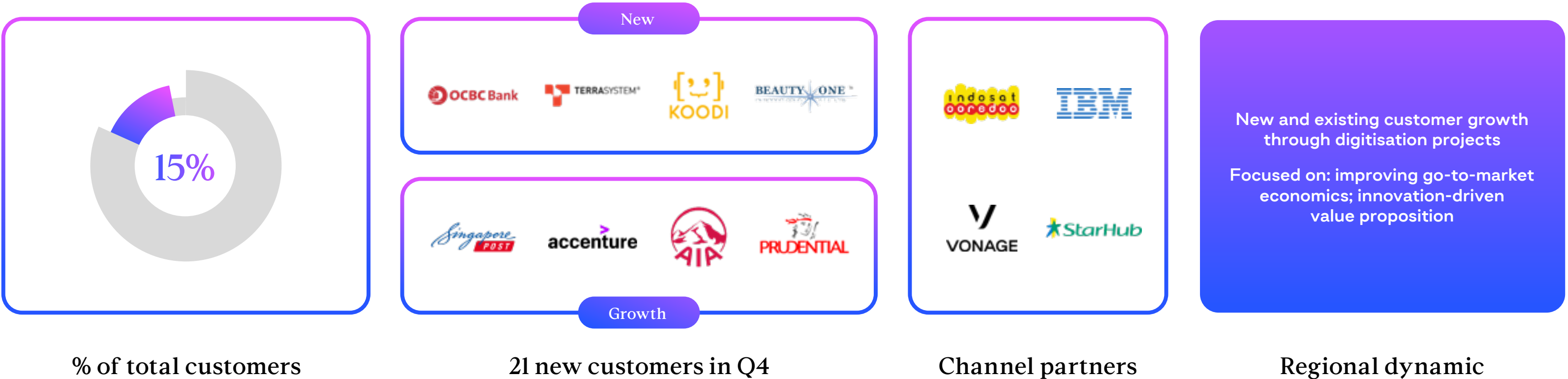
Victoria's Department of Health and Human Services is one example of a customer using Whispir's platform for end-to-end vaccine communication including.

- Whispir is providing Covid Vaccine Management Communication service to multiple State Health Departments across Australia.
 - End-to-end vaccine communications
 - Vaccine appointment confirmation
 - Post vaccination surveys
- Expedite vaccine roll out process by reducing no-show and cancellation
- Optimise vaccine volume planning
- Proactively engaging citizens to follow up on post vaccination symptoms



Driving new & existing growth in Asia

Scaling our proven channel sales capability to generate new customer relationships and qualified sales leads





FWD Insurance

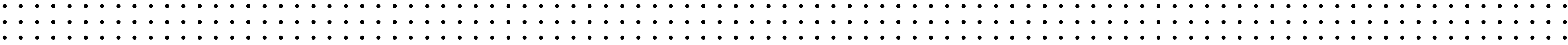
Established in 2014, FWD Philippines is now the 4th largest insurer in the country, focused on providing easy-to-understand products supported by a fresh digital-led experience.

- FWD Group spans 10 markets in Asia including Hong Kong SAR & Macau SAR, Thailand, Indonesia, the Philippines, Singapore, Vietnam, Japan, Malaysia and Cambodia.
- FWD's Customer Solution's team required a capability to promote adoption and retention of their award winning "FWD Tapp" mobile app for new and existing customers. A seamless customer onboarding experience was crucial in keeping with FWD's commitment to fresh customer experiences.
- Using Whispir's rich message communications workflow, FWD customers are provided a personalised and frictionless app activation flow, maximising both customer satisfaction and one-click app installs.



North American market expansion

Momentum strong with 12 new customers added across the region





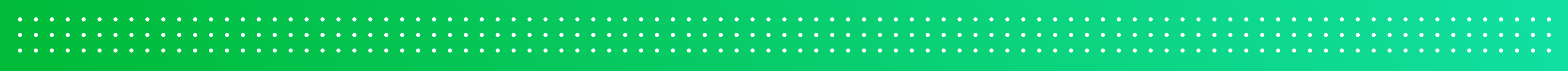
Fiberglass Products Inc

Fiberglass Products Inc, deploys communications solution to connect the organisation and improve compliance and safety by 25%.

- The organisation required Whispir's Communications platform to address several key areas:
 - A communications platform to greatly increase the ability to communicate internally.
 - Deploy and streamline a real-time incident reporting system.
 - Standardise compliance training with consistent communications.
- The Whispir platform provides solutions to FPI's communication challenges in three distinct ways:
 - Produce a communications solution to aid in achieving a 25% improvement in continuous compliance and safety.
 - Leverage Whispir's high accessibility via personal devices to allow faster onboarding and safety training for new employees.
 - Lower workforce turnover and reduced hiring costs; via greater employee engagement with the infield workforce, who are remote.



Strong growth outlook



Powerful growth strategy

Multiple levers to increase market penetration



Increasing platform use with
existing customer base



Acquiring new customers



Diversification of
channel partners



Whispir Store, evolving
to SMB marketplace



Increasing presence within three
key markets – ANZ, Asia and US



Increasing product offering
to drive adoption

Customer diversity

Platform supports variety of use cases across business coordination, stakeholder engagement and crisis communications



Financial Services



Emergency Services



Utilities & Infrastructure



Local Government



Federal Government



Education



IT, Telecoms & Media



Healthcare



Transport and Logistics



Resources & Mining



Consumer / Media / Technology



State Government

Our Purpose

Change the
way the world
communicates



Our Vision

A world where
organisations
communicate
like people



We Believe

Value is created,
when people
are engaged

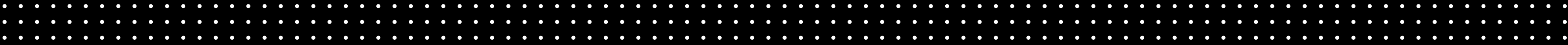


Our Promise

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



Connect Engage Thrive



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- 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.

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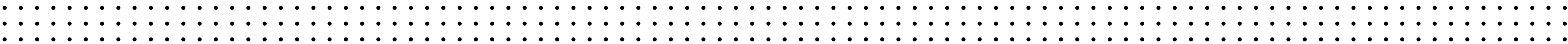
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Glossary

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

- **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.

Financial metrics

- **Gross margin:** gross profit divided by revenue expressed as a percentage;
- **EBITDA margin:** EBITDA expressed as a percentage of total revenue;
- **EBIT margin:** EBIT expressed as a percentage of total revenue;
- **Contract acquisition cost:** commission and other direct 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;
- **Customer revenue retention %:** revenue earned from customers in a year divided by the revenue from the same customer cohort in the corresponding prior year;
- **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;
- **Annualised recurring revenue (ARR):** recurring revenue from the final month in a period (licence and transaction revenue) adjusted for Monthly Messaging Days multiplied by 12 months;
- **Monthly Messaging Days:** monthly messaging days vary each month depending on days within the transactional billing cycle (26th day to the 25th day of the reporting month). To enable monthly comparisons on a consistent basis, ARR and related SaaS metrics are adjusted to a standard number of days per month to remove this volatility. The standard month is 30.4 days (365 days / 12 months); 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.

