



## ASX Announcement

20 January 2022

**Whispir Limited**

(ASX : WSP)

## Appendix 4C – Q2 FY22

Whispir Limited (**Whispir** or **Company**) provides its Appendix 4C Cash Flow and Activity Report for the Quarter ending 31 December 2021 (**Q2 FY22** or **the Quarter**).

### Highlights

- Annualised Recurring Revenue (**ARR**) of \$60.0 million, up 26.6% on the prior corresponding period (**PCP**)
- Cash receipts for the Quarter of \$25.4 million; 56.2% higher than Q1 FY22, a 124.6% increase on PCP
- Gross new customers acquired during the Quarter increased by 119% on PCP
- New customers with high-growth potential signed across all regions during the Quarter

### Quarterly Performance

Whispir has delivered another strong Quarter with a significant boost in new customers acquired. Both new and existing customers are driving increased utilisation of the Whispir platform and generating many new use cases. This is evidenced by the continued strong growth in ARR and cash receipts during Q2 FY22.

ARR has increased 26.6% over PCP to \$60.0 million, up 5.6% on the first Quarter.

Net cash used in operating activities for the Quarter was \$3.1 million, in line with expectations and broadly consistent with Q1 FY22. Whispir ended the Quarter with a strong cash and equivalents balance of \$38.1 million and no debt.

Quarterly cash receipts increased 56.2% on Q1 FY22 to \$25.4 million. Managing COVID was a key driver for growth, particularly for government customers across Australia and New Zealand. These tailwinds continue to reinforce the valuable role Whispir plays in keeping organisations and communities connected as they navigate the challenges of COVID.

Operating cash outflows for the Quarter increased 49.0% over PCP to \$28.6 million. This is in line with expectations and reflects the increase in cost of sales to support revenue growth, together with the planned investment in sales and marketing activities, and the Whispir platform.

A key focus for the Quarter has been the successful establishment of an Inside Sales function.

“Our sales function continues to mature, and the investment in our people is producing serious results. Over the past Quarter we have acquired new customers with high-growth potential in North America, ANZ and Asia,” said CEO and Founder, Jeromy Wells.

“As announced to the market in December, [the Singtel deal](#) provides us with an unmatched competitive advantage in the APAC market and confidence that our strategy and product roadmap are absolutely aligned to the aspirations of large enterprise customers.”

Payments to related parties and their associates totalled \$0.2 million comprising Non-executive Directors fees and expenses and the CEO's base remuneration and expenses for the Quarter.

### Regional Customer Growth

Gross new customer growth for the Quarter was well ahead of plan, including a significant uplift across ANZ, Asia and North America, and represented an overall increase of 119% compared to the PCP.

ANZ secured 74 new customers by continuing to leverage trusted relationships with our channel partners and included several enterprise contracts - a major federal government customer and a state-based utility company.

Asia is showing signs of recovery after being significantly impacted by COVID throughout FY21 and Q1 FY22. In addition to the recently announced Singtel deal, the region acquired 19 new customers with many based in Indonesia and the Philippines.

"The recently announced Singtel deal validates that we are leading the market when it comes to security, privacy, scalability and resilience and this approach can be leveraged for new and existing customers, across all our markets," commented Jeromy Wells.

North America signed 34 new customers in Q2, including a major insurance provider. Our new digital presence with region-specific content, case studies, and pricing, has led to increased sales and pipeline growth. This improved sales productivity in the Quarter was generated from a mix of the direct sales team and aligned channel partner sales activity, which continue to focus on core industry personas.

"The global megatrend of digital transformation occurring in all regions is expected to endure for many years, and we are well placed to support enterprises as they transition to new ways of working," commented Jeromy Wells.

### Product Roadmap

Investment in Data and Artificial Intelligence has enabled Whispir to provide its customers with relevant and timely communication functionality. The 'Tone of Voice' feature was successfully launched in the Quarter, enabling customers to craft SMS messages that reflect their brand, identity, and unique personality, providing for engaging and dynamic content.

### Outlook

Whispir had an impressive Q2 and remains on track to deliver results in line with previously upgraded FY22 guidance, which is outlined in the table below:

	Original FY22 Guidance	Upgraded FY22 Guidance
<b>Revenue</b>	\$57.2m - \$60.2m	<b>\$64.0m - \$68.0m</b>
<b>EBITDA *</b>	\$(15.5)m - \$(13.0)m	<b>\$(13.2)m - \$(11.2)m</b>
<b>ARR</b>	\$65.4m - \$70.0m	<b>No Change</b>
<b>Investment in R&amp;D</b>	\$17.0m - \$18.0m	<b>No Change</b>

\* Excluding share-based payments

Jeromy Wells said, "We continue to attract quality talent to ensure our communications intelligence platform and product roadmap will continue to evolve and deliver the highest engagement rates across an ever-expanding range of channels.

The growth we have experienced throughout the Quarter reinforces that our people and product strategy is delivering results. From significant enterprise customer wins to our impressive growth in new customers, particularly in North America, we continue to diversify and de-risk our business.

Enabling our customers to manage their COVID responses and communications has contributed to our improved performance this Quarter. In working with our customers to provide communications intelligence during the pandemic, we are becoming their trusted partner in navigating the new normal. The expansion in use cases goes far beyond the needs of managing COVID, particularly as we become embedded in our customer's operations."

Half-year results and investor presentation will be released on Tuesday, 22 February 2022.

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](http://www.whispir.com)

## Appendix 4C

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

**Name of entity**

WHISPIR LIMITED

**ABN**

89 097 654 656

**Quarter ended ("current quarter")**

31 December 2021

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	25,445	41,737
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(10,684)	(17,529)
(c) advertising and marketing	(1,504)	(3,147)
(d) leased assets	-	-
(e) staff costs	(10,560)	(19,376)
(f) administration and corporate costs	(5,729)	(7,587)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	32	141
1.5 Interest and other costs of finance paid	(110)	(219)
1.6 Income taxes paid	(2)	(2)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(3,112)</b>	<b>(5,982)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(207)	(438)
(d) investments	-	-
(e) intellectual property	(2,162)	(4,093)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
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 (term deposits)	(118)	(162)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(2,487)</b>	<b>(4,693)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	9	9
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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 (payment of finance lease liabilities)	(247)	(387)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(238)</b>	<b>(378)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	43,931	49,173
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,112)	(5,982)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,487)	(4,693)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(238)	(378)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	27	1
4.6	Cash and cash equivalents at end of period	38,121	38,121

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	37,611	43,421
5.2	Call deposits	510	510
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)	38,121	43,931

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	247
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<p>Payments to related parties disclosed in 6.1 above are comprised of Non-executive Directors' fees and expenses and the CEO's base remuneration and expenses for the current quarter.</p> <p><i>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.</i></p>		

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements		
7.3	Other (credit cards)	119	2
7.4	<b>Total financing facilities</b>	<b>119</b>	<b>2</b>
7.5	<b>Unused financing facilities available at quarter end</b>		117
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.		
	Credit card facilities are utilised across three providers: • NAB AUD 50k, secured at 12.75%. • Silicon Valley Bank USD 25k, unsecured at 15.37%. • Amex AUD 35k, unsecured 20.74%.		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(3,112)
8.2	Cash and cash equivalents at quarter end (item 4.6)	38,121
8.3	Unused finance facilities available at quarter end (item 7.5)	117
8.4	Total available funding (item 8.2 + item 8.3)	<b>38,238</b>
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>12</b>
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	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:	
8.6.2	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:	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*

### 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: 20 January 2022

Authorised by: By the Disclosure Committee  
(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.