

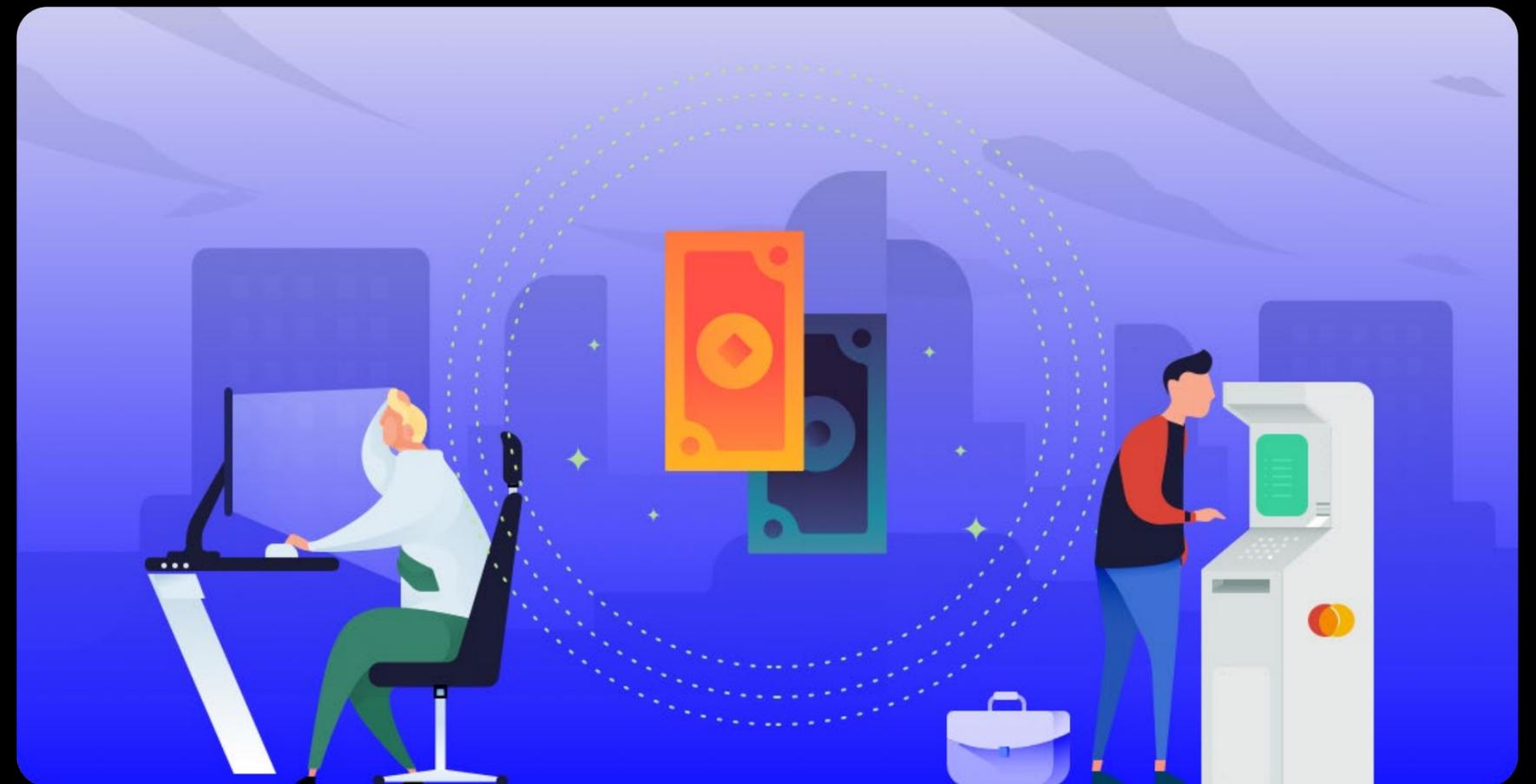
whispir

20 April 2020

# Q3 FY20 Activity Update

Investor briefing materials

A S X W S P



# Recurring revenues growing

Increased platform use by existing customers  
& significant new customer growth

29.4% Growth  
from Q3 FY19

\$40.5m

Q3 FY20

annualised recurring revenue



# Strong Q3 FY20 performance

FY20 Prospectus forecast reaffirmed

Accelerated growth supported by:

- Increased demand for communications software
- Increased platform use for business critical COVID-19 interactions
- Improved productivity and operating efficiency



**\$9m**

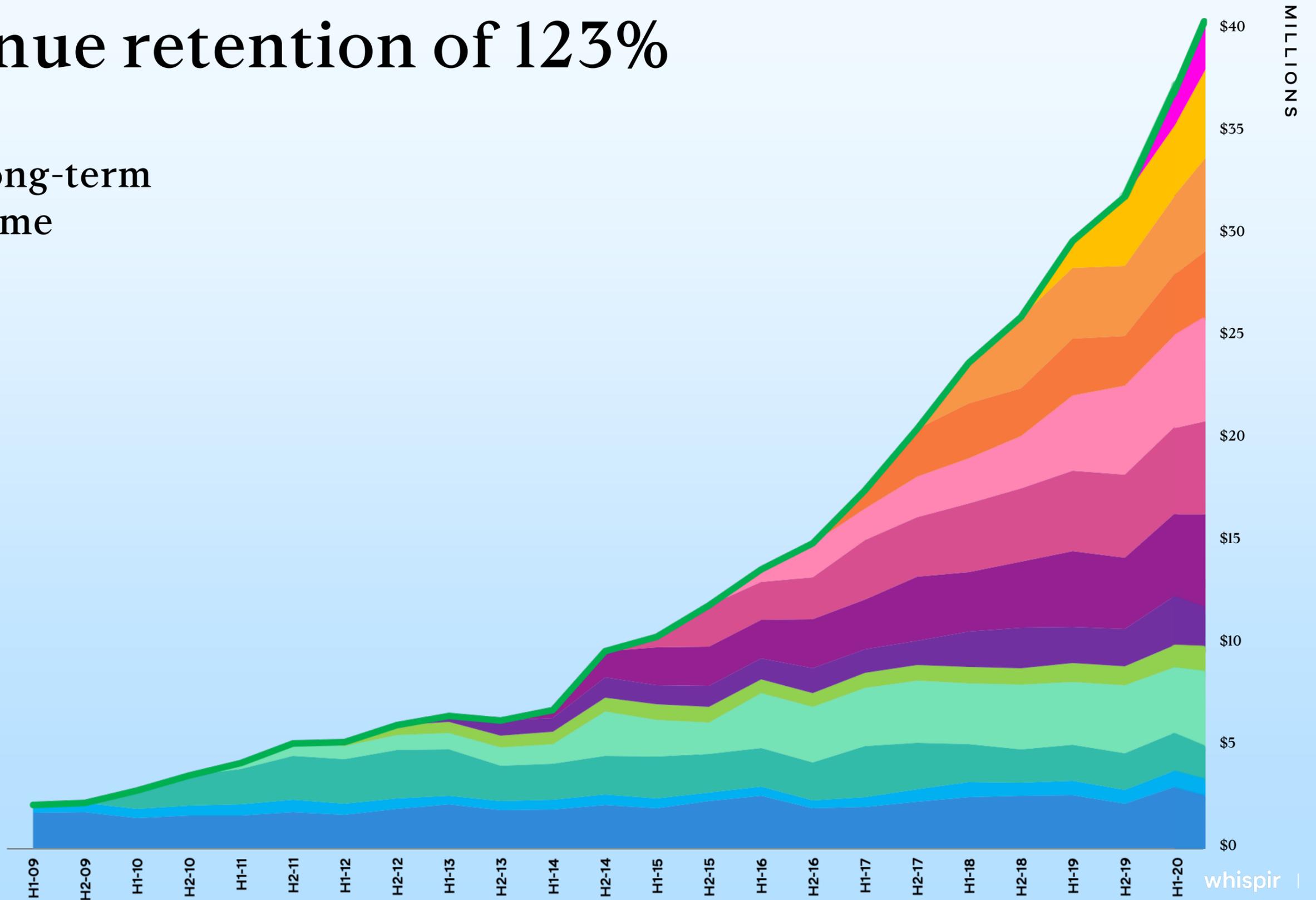
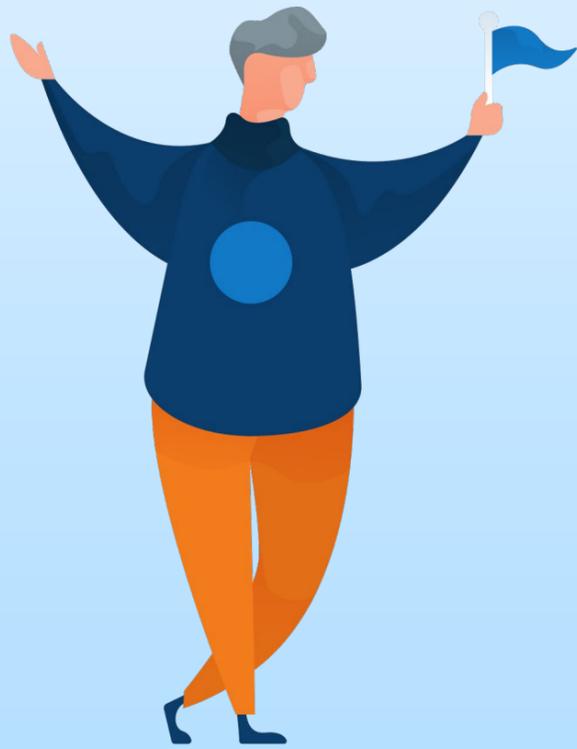
Customer cash receipts

**(\$1.4m)**

Reduced net cash outflows from operating activities to (\$1.4m), down from (\$2.1m) to Q2 FY20

# Strong revenue retention of 123%

Our customers are long-term  
& spend more over time



## Notes

- \*Cohort analysis excludes DBS Bank Singapore as a former customer, fluctuating transactional customers and one-off items such as paid proof of concepts.

# New customers

Includes multiple government departments and agencies deploying Whispir for COVID-19 with most up and running in <24hrs

Customers

558

49 net new customers  
in Q3 FY20



# Critical use cases

New customers this quarter include:

6

Federal Government  
Departments &  
Agencies



16

State Government Departments & Agencies



Health



Police



Transport



Corrections

8

International  
Brands



# COVID-19 go-to-market strategy

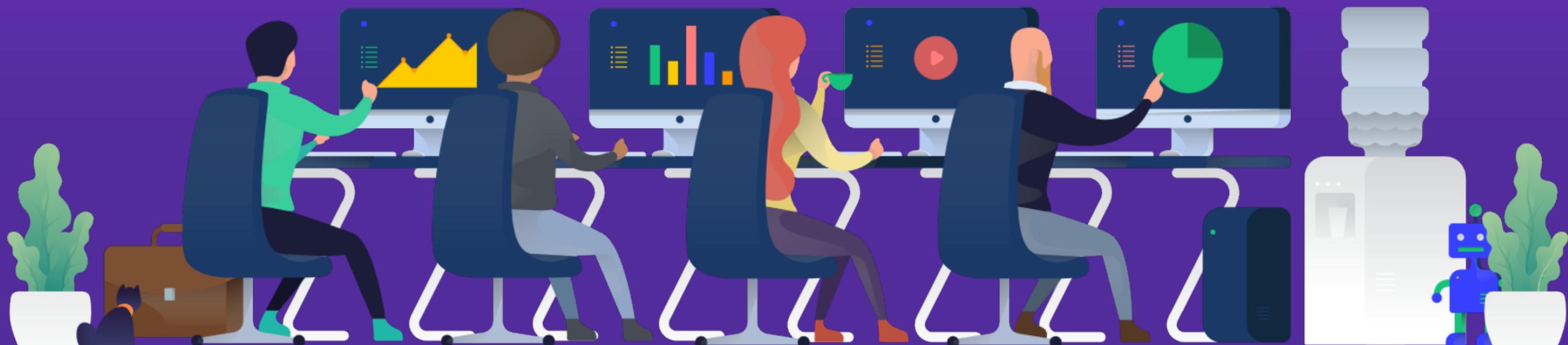
12 ready-to-use templates

+

Ten COVID-19 communication guiding principles

=

You can interact with your people, suppliers and business partners in real time, consistently and at scale with full audit trails, with confidence.



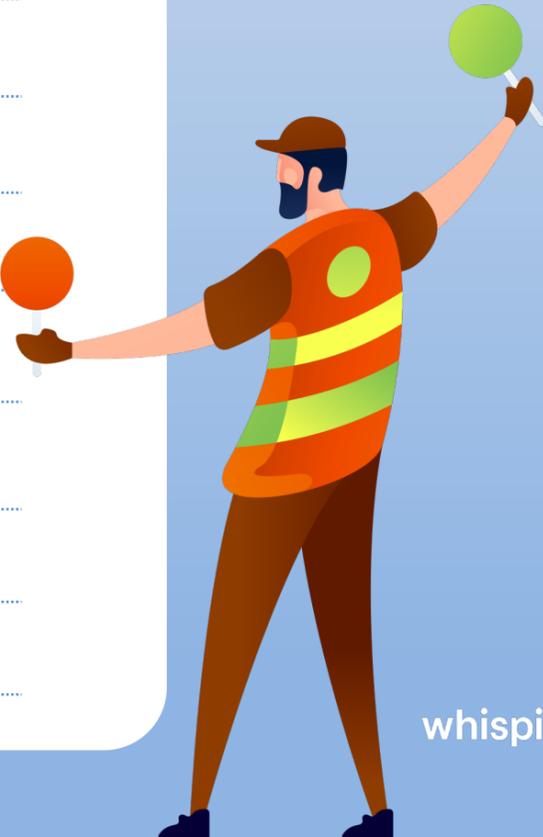
# Customers use our ten guiding principles to keep their stakeholders informed and master their COVID-19 communications.

## Ten COVID-19 Communication Guiding Principles

1. Engage with all your stakeholders
2. Deliver consistent, standardized and useful communications
3. Ensure communications are timely
4. Ensure communications and responses are actionable
5. Record all interactions for auditing purposes
6. Ensure your communications are secure and encrypted
7. Restrict access to any sensitive information
8. Ensure your communications support engagement over multiple channels and platforms
9. Be prepared to be flexible and quickly modify content or update
10. Establish processes to ensure statutory reporting obligations are met

## Core Whispir Capabilities

- Manage dynamic stakeholder profiles
- Bundled Communications Templates
- Automate communications processes
- One click response rules
- Full on-demand audit trails
- Encryption at rest and automated data redaction
- Customisable security permissions and controls
- Advanced omnichannel capabilities
- Easy to modify processes
- Automate statutory reporting



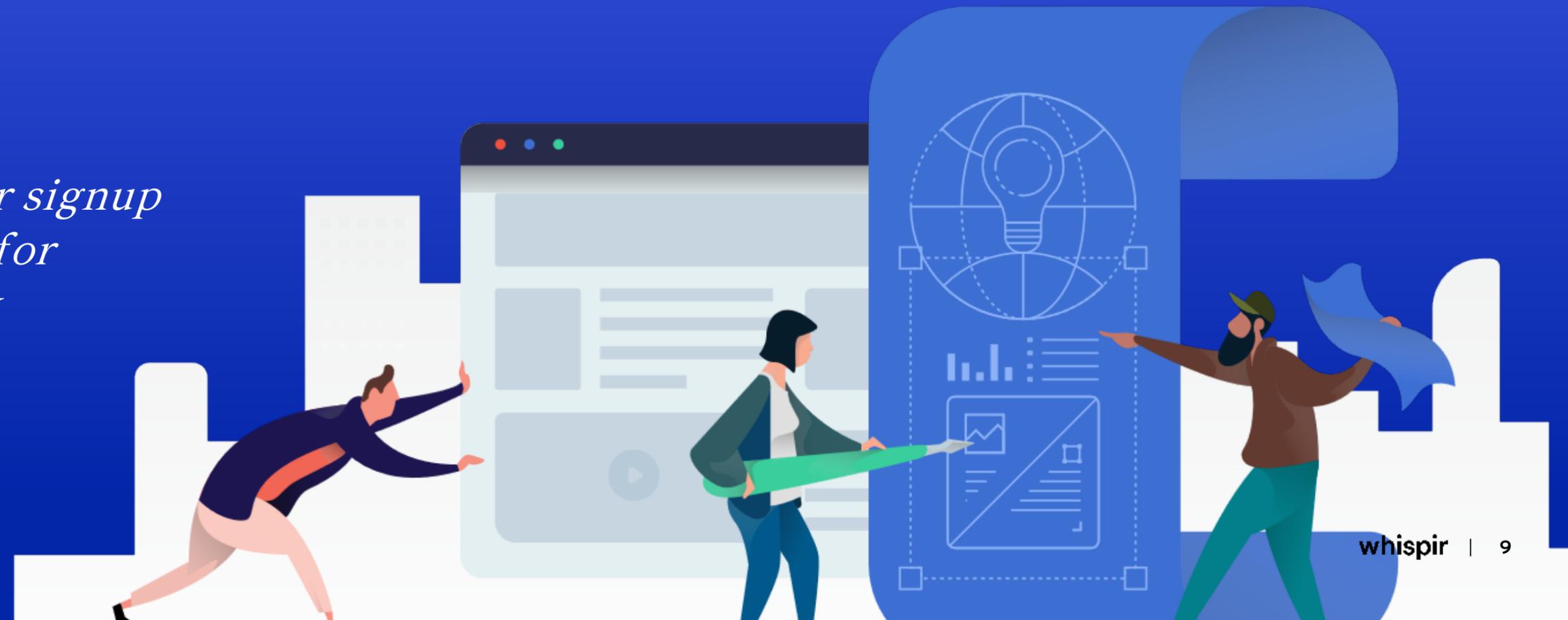
WHISPIR

# Best Practice Templates

*Whispir's COVID-19 templates are available free of charge to existing customers*

OR

*As part of a new customer signup starting from A\$95 /pm, for COVID-19 templates only*



# 12 ways to engage with people and keep them informed



## Customer Advisory

Facilitate ongoing, seamless engagement with your brand, build confidence and competitive advantage during rapidly changing market environments.



## Service Delivery Advisory

Proactively inform service recipients of altered business operations, manage expectations and ensure easy feedback paths.



## Supplier Advisory

Ensure critical supplier/vendor relationships are uninterrupted. Deploy safe engagement paths for continuous operations, even during alternate work arrangements.



## Remote Working Notice

Issue notice to internal and external stakeholders on how best to reach staff at alternate work location.



## Template Launcher

Issue notice to internal and external stakeholders on how best to reach staff at alternate work location.



## Wellness Report

Simple and efficient method for an individual to declare any sickness and symptoms. Communicates and informs those that need to know directly.



## Community Advisory

Relieve anxiety, enhance collaboration and maintain community fellowship. Travel advisories, health and safety protocols, FAQs, case status and containment, self service advisories, resource sharing and more.



## Instant Teleconference & Instant video

Simple, high-touch, remote engagement of diverse stakeholders anywhere they are and on any schedule. Connect. Engage. Thrive.



## Statutory Reporting

Assist rapid response to any mandatory COVID case reporting requests. Person-to-person Contact tracing, travel declarations and self / medically declared quarantine notices.



## Business Continuity Planning

Request staff to work from home or at an alternative location. Track acknowledgements and update location daily. Assist with contact traceability in the event of exposure to COVID-19.



## Advisory Communications

Easily inform your staff of the latest Epidemic status, any actions to take, and any protocols external stakeholders should follow when engaging your organisation.

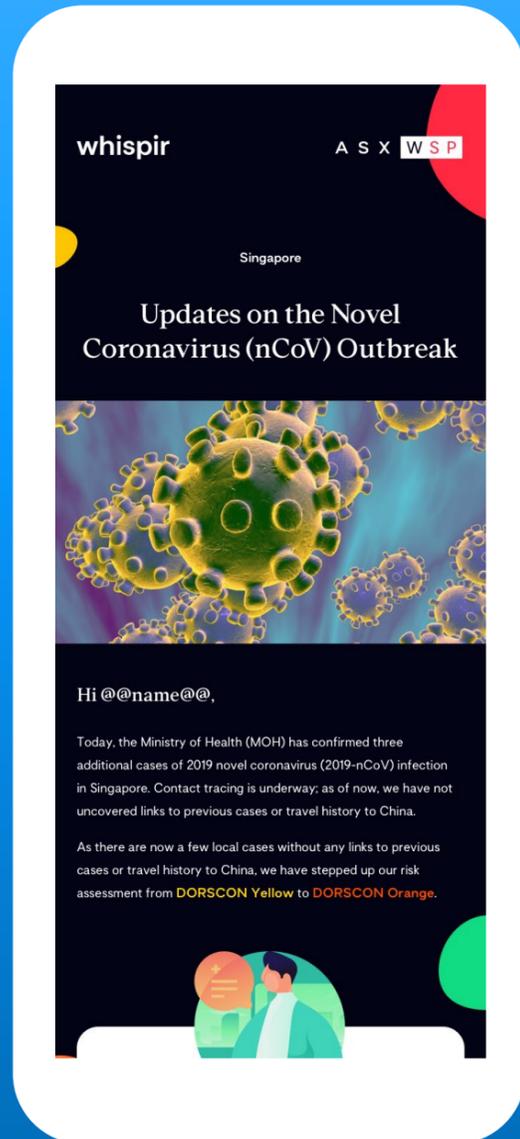


## Travel Declaration

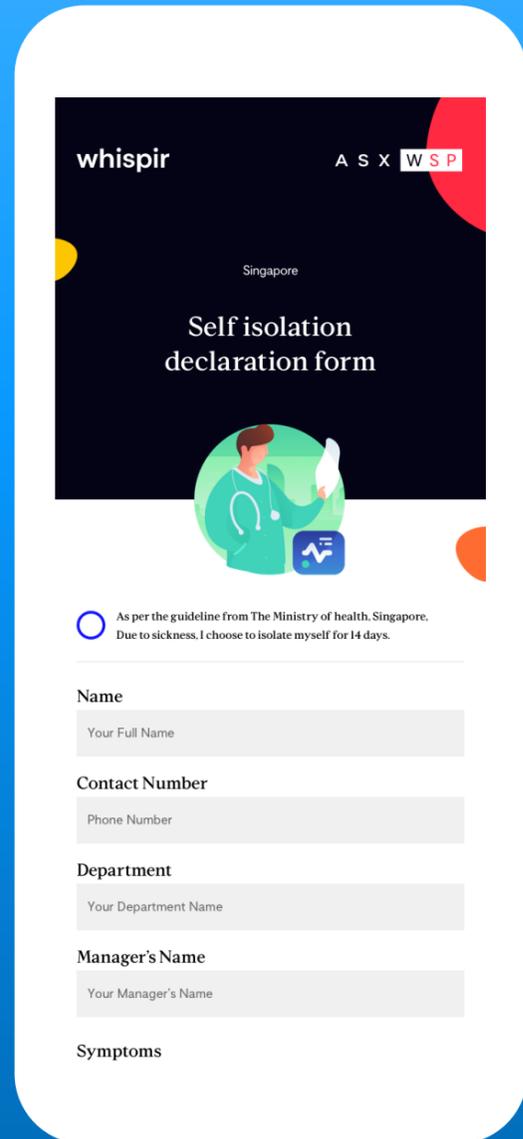
Simple method for staff and stakeholders to declare their recent travel and exposure history. Ensure compliance with all entry protocols and allows for auditable contact traceability.

# Whispir branded templates for reference

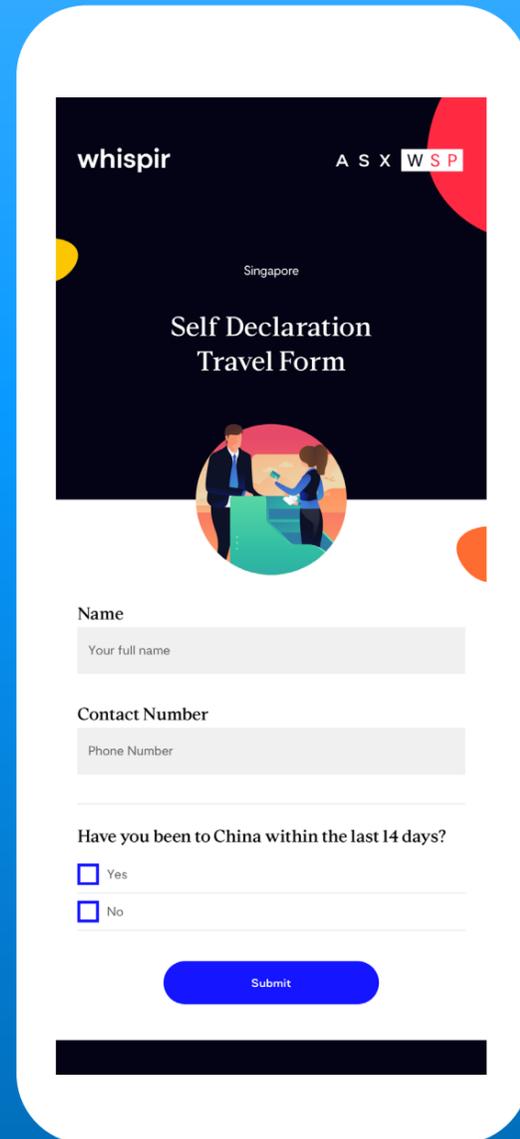
Advisory



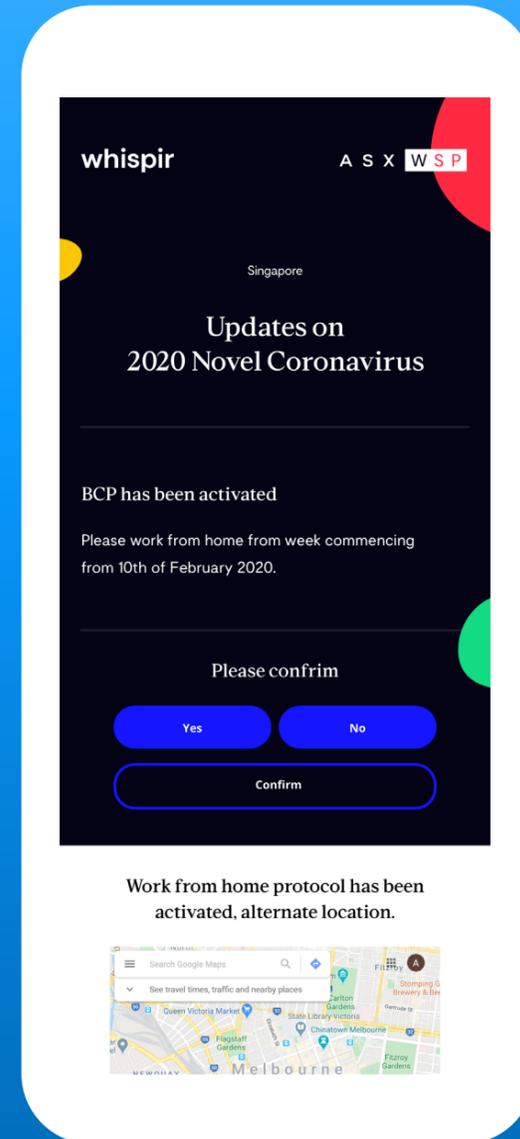
Wellness



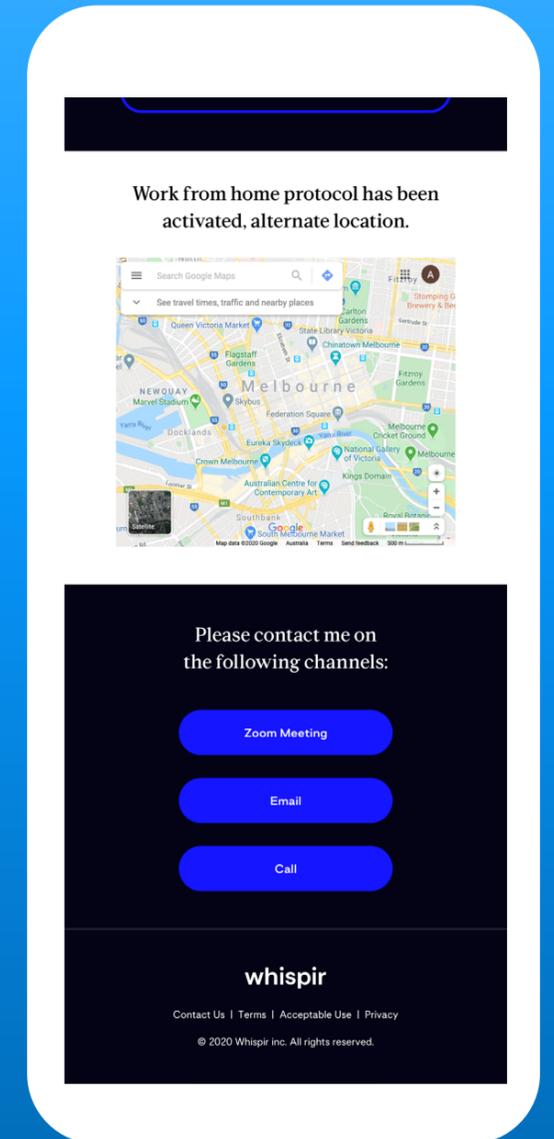
BC Plan



Travel Declaration



Remote Worker Video engagement



# Joint COVID-19 go-to-market strategy

## The Whispir advantage



Implemented within 24hrs



Secure communications



Easy to update and modify



No IT development required



Multiple delivery channels – SMS, WhatsApp, voice, email



Full audit trails

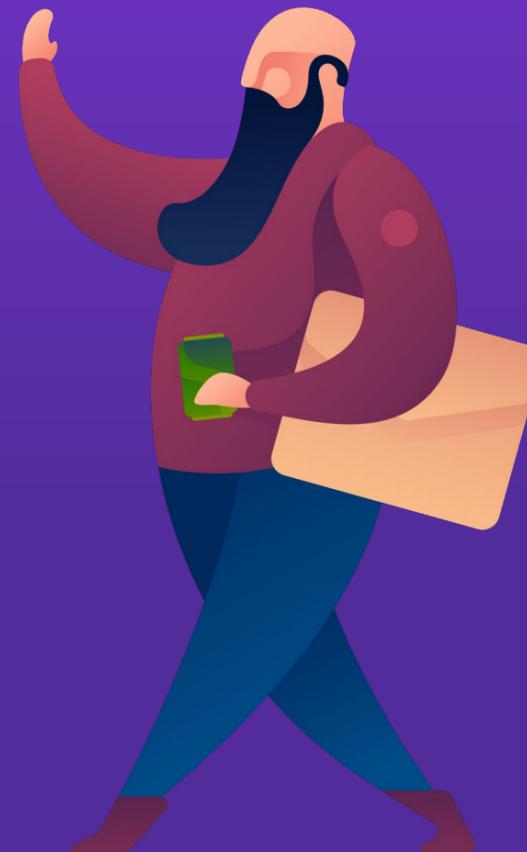
## Partners



Australia



Asia



# Diversity of use cases

Creates strong pipeline of future cross selling opportunities for FY21 and beyond



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

# Investment in R&D

Maintaining and enhancing competitive advantage



**\$1.04m in  
capitalized  
R&D expenses  
in Q3 FY20**



**\$6.5m invested  
in R&D in  
FY20 YTD**

\$3.4m of R&D Capitalised  
in FY20 YTD



**New product  
development**

- Visual workflow enhancements
- Messaging encryption & privacy improvements

# New senior leadership

Adding high quality capacity to leadership team



## Matt Lambie

CHIEF TECHNOLOGY OFFICER

**Funding Societies Aug 2019 - Mar 2020**  
Chief Technology Officer

**MoneySmart Nov 2016 - Aug 2019**  
Chief Technology Officer

**The Frontier Group Jan 2002 - Nov 2016**  
Founder and Chief Information Officer

**PACC Software Group Jan 1998 - Jan 2002**  
Field Agent (Software Development)



## Ben Erskine

HEAD OF MARKETING

**Xero 2015-2020**  
Head of Marketing Operations  
Senior Marketing Manager (SaaS)

**SunPower 2012-2015**  
National Marketing Manager (Renewable Energy)

**Jemena 2008-2012**  
Marketing Services Manager (Energy Infrastructure)

**Other industry experience:**  
Enterprise software, Finance, Consumer electronics



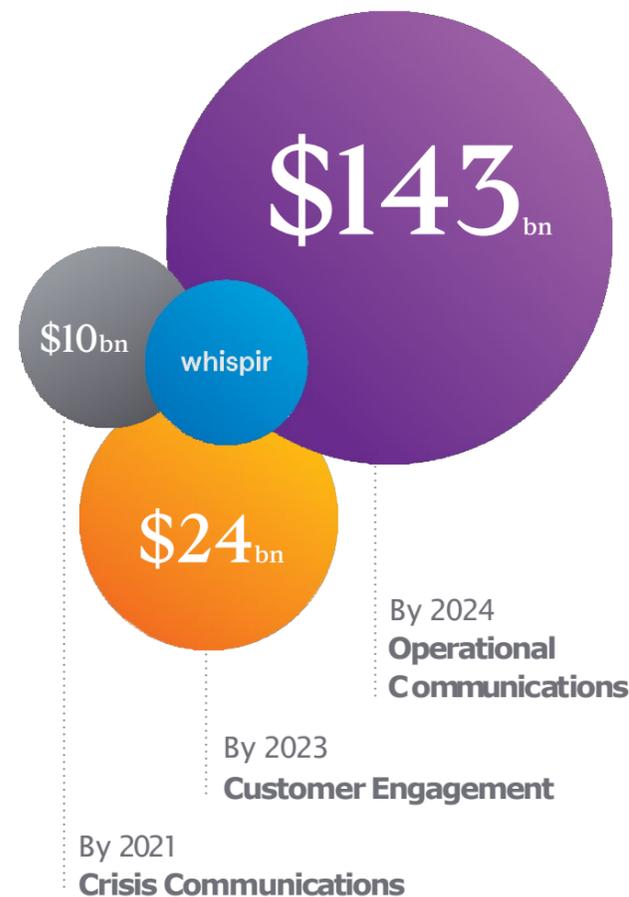
# Strong growth outlook



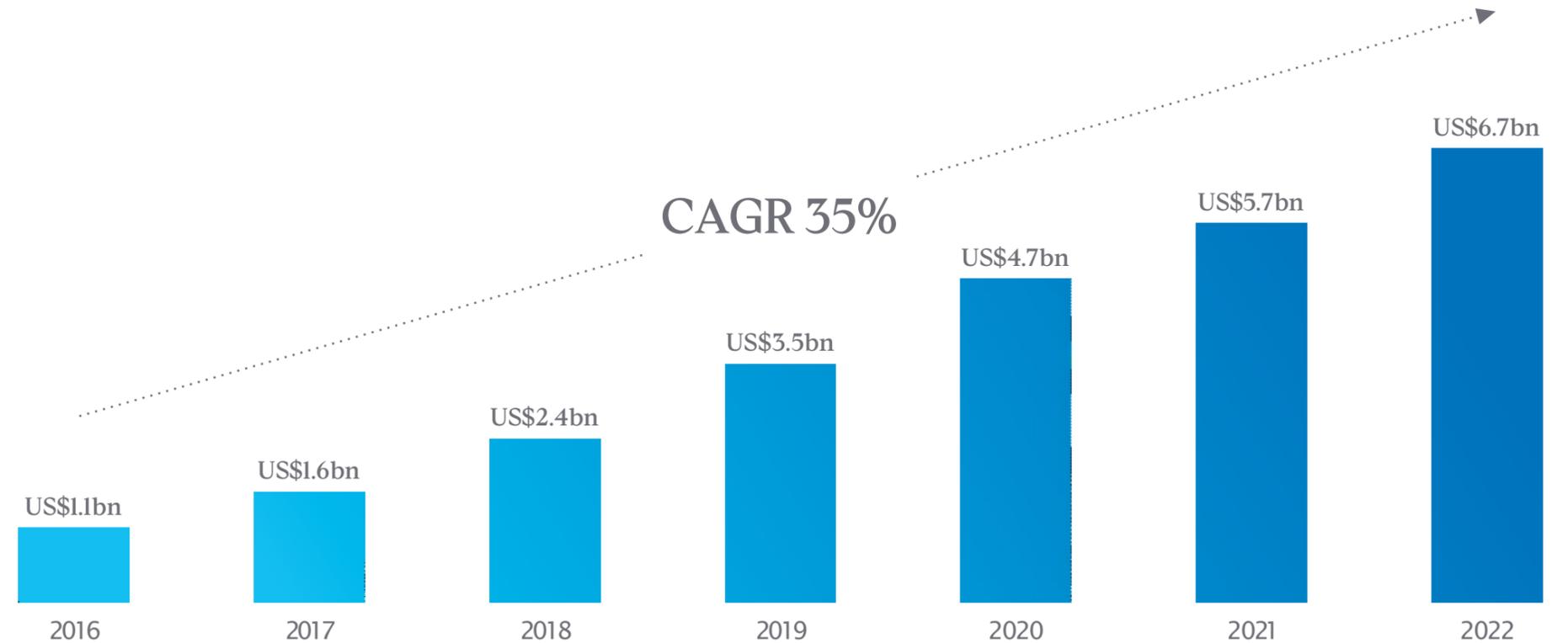
# Whispir's total global market opportunity

Whispir's management team believe the WCaaS market in 2024 may reach US\$8bn<sup>1</sup> Whispir's addressable market is a subset of the Operational Communications market, the Customer Engagement market, and the Crisis Communications market: estimated to total over US\$170bn by 2024. Management believe that this addressable market can be approximated to the CPaaS<sup>2</sup> market.

Whispir's potential addressable market<sup>3</sup> (US\$bn)



Growth of the CPaaS market, 2016-2022 (US\$bn)<sup>4</sup>



**Notes**

1. This estimate takes into account the limited available information on the emerging WCaaS market and its growth potential; the CPaaS market not growing as predicted over the next five years; and the WCaaS market not exceeding the CPaaS market over the next five years.
2. Communications Platform as a Service.
3. Nemertes Research, Whispir Enterprise Communications Industry Analysis, January 2019.
4. Juniper, Communications Platforms – Transforming Enterprises into Digital Innovators, 2017.

# Powerful growth strategy

Multiple levers to sustain growth & increase market penetration



1. Increasing platform use with existing customer base
2. Acquiring new customers
3. Diversification of channel partners
4. Whispir Store, evolving to SMB marketplace
5. Increasing presence within three key markets – ANZ, Asia and US
6. Increasing product offering to drive adoption

# Competitive Strengths

Moving swiftly to “strengthen the moat”



1. Scalable platform with on demand capacity
2. Integrates with existing IT systems
3. Low code, No Code platform
4. Fast development with modern tools and frameworks
5. Cost-effective infrastructure and service delivery
6. Repeatability
7. Reliable process automation

We believe:

when organisations *engage* with people effectively -  
*value* is created.

**whispir**

Connect Engage Thrive

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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.

## 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 and IPO offer costs.

## 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 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/half year divided by the revenue from the same customer cohort in the corresponding prior year/half year;
- **Customer churn %:** number of customers lost in the period divided by the number of opening customers in the period;
- **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) multiplied by 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.