



ASX Announcement
23 June 2023

Whispir Limited
(ASX : WSP)

Whispir secures \$7.5M financing facility; On-track for positive free cash flow

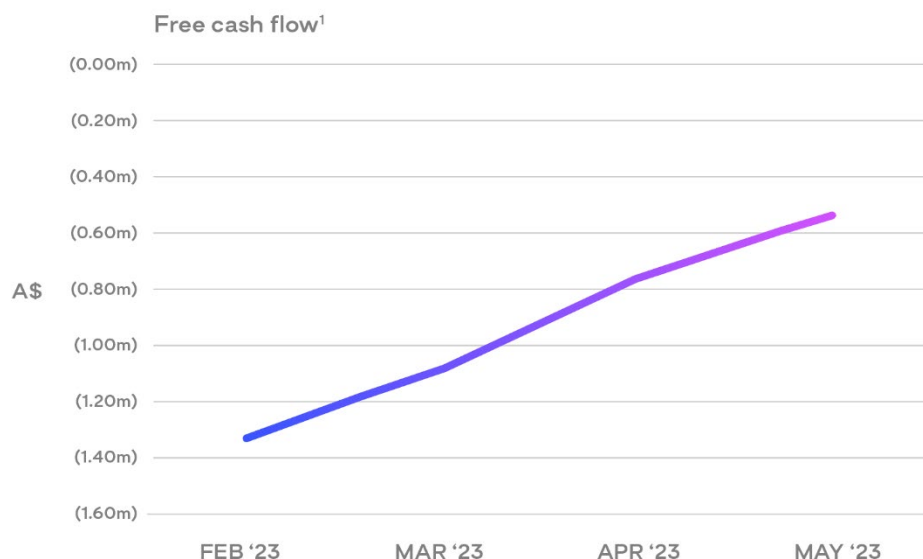
Whispir Limited (ASX:WSP, **Whispir** or **the Company**) today announced it has signed a funding agreement (Agreement) with RiverFort Global Opportunities PPC Ltd (**RiverFort**) which has been arranged by RiverFort Global Capital Ltd (a London based FCA regulated manager), to provide Whispir with a convertible note funding facility of \$7.5 million (**Financing Facility**). A summary of the key terms of the Financing Facility is included in Schedule 1 to this announcement.

Pursuant the Agreement, the Company will immediately draw down and have access to \$1 million in funds (**First Draw Down**) via the issue of convertible notes of the same value (**Initial Note**). The First Draw Down is subject to a repayment plan over 18 months, whereby the Company intends to repay the First Draw Down plus accrued interest (12% per annum) in full over that time. Any amount outstanding may also be converted (in part or in full) into fully paid ordinary shares at the election of RiverFort. Upon the Initial Note being issued, the Company will issue 1,136,129 options over fully paid ordinary shares with an exercise price of 34.33 cents per share and an expiry date of 23 June 2027, and pay a cash drawdown fee of \$60,000. There is no establishment or facility fee payable.

The First Draw Down of \$1 million will be used for working capital purposes as the Company transitions to positive free cash flow over the next few months.

A further \$6.5 million will be available for future draw down, on the same terms as the First Draw Down, subject to mutual agreement with RiverFort. This provides the Company with the flexibility to access additional capital in the future should it be required, for example, to invest further in sales and marketing and/or product development. Any future drawdowns (to the extent there are any) will also attract options and a drawdown fee.

This Financing Facility follows the Company's successful restructure in November 2022, and the US downsizing in March 2023. These cost-saving initiatives are complete and have delivered cash savings in excess of \$18 million per year. As a result, the Company is tracking towards delivering positive EBITDA and free cash flows. Pleasingly, the business reported a positive EBITDA result for the month of May, and free cash flow over the past four months (February to May) has significantly improved as the chart below demonstrates. The Company expects free cash flow for June to continue on the same trend:



1. Payments made, less associated incentive refunds (which total a net payment \$60,000 from February to May) for office fitout have been excluded from Free cash flow in order to show the free cash flow of the underlying business for each month.

Whispir CEO and founder Jeromy Wells said: “This facility provides us with important access to immediate cash to manage working capital, and gives us the flexibility to inject capital back into the business to accelerate revenue growth down the track. After considering financing offers from a number of local and global financiers, we deemed the offer from RiverFort to be the most competitively priced with the most flexibility, and they also have a proven track record of lending to ASX-listed companies. The positive EBITDA result last month is a testament to the team’s execution of driving efficiencies in the business while continuing to prosecute new business, and previously stated FY23 revenue guidance of \$53.0 million to \$54.5 million is on track. Looking ahead, we will continue to focus on improving gross margins, delivering further cost efficiencies, pursuing revenue growth and, if successful, FY24 will produce a positive EBITDA result and generate positive cash flows.”

The Company will release a more detailed business update with its Q4 cash flow and activities report in July.

About RiverFort

RiverFort Global Capital Ltd is a London-based investment company Manager (authorised and regulated by the UK Financial Conduct Authority). RiverFort Global Opportunities PCC Ltd (**RiverFort**) is a Gibraltar regulated fund. RiverFort invests by providing structured venture debt and equity linked investments to public and private high growth companies in the technology, natural resources, energy, financial, healthcare, property and specialist industry sectors. Funds are typically provided to help companies complete acquisitions, manage working capital, fund capex and/or bridge to cash flow or refinancing events. RiverFort has provided funding facilities for several companies listed on the ASX.

Schedule 1 - Key Terms (all amounts are in AUD)

Funding	Agreement for the provision of funding by way of the issue of convertible securities with an aggregate face value of \$7,500,000
Face Value of each Convertible Note	\$1 per convertible security
Initial Drawdown	\$1 million (on signing), which is equal to the face value of 1,000,000 convertible securities ("Initial Note")
Further Drawdown's	Such amounts mutually agreed upon between the Company and the Investor from time to time
Drawdown Fee	At the Company's election, either: (i) an amount equal to 6% of the financial accommodation to be utilised under the Drawdown and deducted from that Drawdown; or (ii) Shares equal to 8% of the financial accommodation utilised under the Drawdown. The Shares will be issued to the Investor at the relevant Closing Price
Establishment Fee	None
Interest Rate	12% per annum on amounts outstanding (e.g. \$120,000 p/a for Initial Drawdown)
Repayment Plan	Each draw down will be repaid over an 18-month period. For the first four months following a Drawdown there are no repayments. Then 1/14 th of the drawdown plus interest will be paid to the Investor every month for the remaining 14 months.
Maturity Date	Each drawdown matures on the day which is 18 months after the relevant Drawdown Date
Options	The Investor shall be issued such number of options to acquire fully paid ordinary shares equal to 30% of the amount utilised under a Drawdown divided by the Closing Price, with the following key terms: Options Exercise Price: 130% of the relevant Closing Price Option expiry date: 48 calendar months after the date of issue of the Options
Closing Price	The average of the 5 daily VWAPs immediately preceding (but not including the date of) a Drawdown

Conversion by the Investor	The Investor may elect to convert one or more Convertible Securities on issue from time to time prior to the Maturity Date at a price equal to 130% of the Closing Price
Conversion by the Company	The Company may elect to give the Investor a right for a period of 12 months' from the relevant Redemption Date (Non-cash Repayment Period), to convert all, part or none of the convertible securities on issue, with an aggregate face value equal to the amount outstanding which is due and payable on the Redemption Date, at a price equal to 90% of the average of 3 daily VWAPs, during a period of 3 Trading Days in the 15 Trading Days preceding the conversion notice date (such three days to be elected at the discretion of the Investor)
Maximum Number of Shares	The number of Shares (including upon conversion or exercise of Options) to be issued under the Funding Agreement cannot exceed 10 million
Ranking & Voting Rights	The convertible securities rank in priority to all unsecured obligations of the Company, other than those mandatorily preferred at law. The convertible securities confer no right to attend or vote at general meetings of the Company
Security	The convertible notes will be unsecured but are guaranteed by relevant operational subsidiaries of the Company
Quotation	The convertible notes will not be quoted on ASX

-ENDS-

Authorised by the Disclosure Committee.

For further information, please contact:

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About Whispir

Whispir supplies a no code, Communications-as-a-Service ("CaaS") platform enabling seamless omnichannel interactions between organisations, their systems, and their people to solve common challenges in terms of compliance, deliverability, and engagement.

Whispir operates across three key regions of ANZ, Asia and North America and its platform is used across more than 60 countries. More information www.whispir.com.