

MARCH 2024 QUARTERLY ACTIVITIES REPORT & APPENDIX 4C MARKET UPDATE

BirdDog Technology Limited (ASX: BDT) ("**BirdDog**", "**BDT**" or the "**Company**"), the global leader in broadcast quality, software-enabled video solutions, provides an update on the Company's operations for the third quarter of FY2024 ("**March quarter**" or "**Q3 FY24**") and for the relevant prior corresponding periods ("**pcp**"), noting all results reported herein are unaudited.

Q3 FY24 FEATURES:

- **Well-funded with A\$20.8 million cash balance**
- **Customer cash receipts of A\$5.1 million, -3% quarter-on-quarter**
- **Quarterly revenue of A\$3.7 million, -24% quarter-on-quarter, which reflected the full depletion of old-generation camera inventories**
- **Inventory run-down complete, prior to the arrival of next-generation products**
- **Four of the initial seven next-generation camera SKUs commenced shipping in April 2024, as scheduled, with next-generation revenues commencing in May 2024**
- **Back-orders for the first four next generation camera SKUs in excess of A\$3.1 million scheduled to ship**
- **Over A\$2.0 million of annualised overhead savings implemented during the March quarter**
- **BirdDog's X1 series was the winner of four 'Best of Show' awards at NAB (Las Vegas) April 2024, attracting unprecedented media coverage and industry attention**
- **Initial demand for next-generation products, combined with overhead savings, underpins Board and Management confidence of a swing towards EBITDA positivity**

Commenting on the update, BirdDog CEO and Managing Director Dan Miall said:

"Having returned from NAB last weekend, I was delighted the team's hard work was recognised with the most NAB show awards we have ever earned. This clearly evidences product market fit for the initial raft of next-generation cameras we are now shipping. I was extremely encouraged with my meetings and the show floor excitement with the energy and engagement of our most important partners driving the channel for BirdDog's next-generation innovation. I was genuinely encouraged by the level of interest and engagement our Distributors and Resellers showed towards our brand new X1 series and the Maki Ultra, with more products on the near-term horizon.

The March quarter was clearly a challenging period for the business owing to the dramatic changes being undertaken. I am pleased with the complete run-down of the old-generation products, which makes way for the next-generation products. Following a deliberate and measured approach to inventory run-down, it unfortunately had a significant temporary impact to the Company's top-line. Notwithstanding this, we are pleased to see a clear path to improved revenues and elevated margins from these next-generation products.



Pleasingly, we have emerged from the most challenging period the business has ever faced with our cash balance preserved at A\$20.8 million, that has allowed us to plan and execute on key innovative and strategic outcomes with confidence."

FINANCIAL RESULTS

BirdDog derived March quarter revenue of A\$3.7 million (-51% versus pcp and -24% quarter on quarter) and generated cash receipts of A\$5.1 million (-30% versus pcp and -3% quarter on quarter), also noting the March quarter is historically the Company's lowest revenue-generating quarter.

The Company used A\$0.2 million in cash from operating activities in Q3 FY24, which included Inventory Deposits of A\$0.2 million, A\$0.5 million in non-recurring legal fees and a further A\$0.1 million in redundancy-related payments.

The Company remains well funded, with A\$10.0 million in inventory (including A\$5.8 million in inventory deposits) and A\$20.8 million in cash on balance sheet at the end of the quarter.

COST REDUCTION UPDATE

As outlined within the Company's December quarter update, restructuring was undertaken to accelerate BirdDog's path of returning to EBITDA profitability, including a reduction in full-time employees. During the March quarter, this resulted in a reduction to staff costs of 24% versus the previous December 2023 quarter. In light of these reductions alone, the Company has already met and is on track to exceed its previously stated objective of removing over A\$2.0 million in annual overheads.

UPDATE ON LEGAL PROCEEDINGS

The Company has provided multiple updates on the ongoing legal proceedings between the Company and its camera contract manufacturer Bolin in the United States and in Australia. The Company's most recent announcement, issued on 24 April 2024, provided an update on the relevant developments in both jurisdictions. These proceedings remain on foot and the Company will keep the market informed as these matters progress.

ADDITIONAL INFORMATION

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in item 6.1 of the Appendix 4C was A\$182,000 that comprised Director fees, salary and superannuation for the CEO/Managing Director, Independent Chair and Non-executive directors ("NEDs").

- Ends -

Authorised for release by the BirdDog Technology Board

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ABOUT BIRDDOG

BirdDog is a global broadcast-quality video technology company that enhances the resolution, speed and flexibility of video through a range of software-led solutions, augmented with NDI® (Network Device Interface).

This enables video-compatible products to communicate, deliver and receive high-definition video over a computer network in a broadcast-quality, low-latency manner, that is frame accurate and suitable for switching in a live production environment.

BirdDog develops and manufactures a range of connected workflows and software solutions, including:

- Pan-tilt-zoom (PTZ) Cameras
- Box Cameras
- Converters
- AV Products
- Controllers & Accessories
- Monitors
- NDI® Embedded Smart Display Modules
- Cloud Software Platforms

End users of BirdDog's products cover a wide range of market segments, including Professional Video, Broadcast, Audio Visual and large private and public sector organisations.

For more information on BirdDog, please visit www.birddog.tv

WELCOME TO THE WORLD OF NDI®. WE'VE BEEN EXPECTING YOU.



Appendix 4C

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

Name of entity

BirdDog Technology Limited

ABN

18 653 360 448

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	5,082	16,405
1.2 Payments for		
(a) research and development	(899)	(2,387)
(b) product manufacturing and operating costs	(1,725)	(5,939)
(c) advertising and marketing	(276)	(1,217)
(d) leased assets	(104)	(283)
(e) staff costs	(1,656)	(5,524)
(f) administration and corporate costs	(753)	(2,080)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	286	626
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes refund/(paid)	-	(43)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material - Inventory Deposits)	(170)	(847)
1.9 Net cash from / (used in) operating activities	(215)	(1,289)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(32)	(69)
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(f) other non-current assets	-	-
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 (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(32)	(69)

3.	Cash flows from financing activities		
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	-	-
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 (provide details if material – on-market share buy-back)	-	(694)
3.10	Net cash from / (used in) financing activities	-	(694)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	20,564	22,585
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(215)	(1,289)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(32)	(69)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(694)
4.5	Effect of movement in exchange rates on cash held	441	225
4.6	Cash and cash equivalents at end of period	20,758	20,758

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	2,962	3,054
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details) - term deposits	17,796	17,510
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	20,758	20,564

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	182
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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>		

7. Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
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.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(215)
8.2 Cash and cash equivalents at quarter end (item 4.6)	20,758
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	20,758
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	97
<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: N/A	
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: N/A	
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: N/A	
<i>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.</i>	

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.

30 April 2024

Date:

The Board of Directors

Authorised by:
(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.