



AI MEDIA

1H25 Results

27 February 2025

AI-Media Technologies Limited (ASX: AIM)





Our strategic priority is to drive LEXI sales growth to achieve our 5-year EBITDA target of \$60M in FY29.

- **Transition to Tech:** Transitioning fully from Services to a Technology-driven SaaS business model
- **Tech Sales Growth:** Scaling Tech sales by 35% annually at 80%+ gross margin while keeping operating expenses contained
- **LEXI Expansion:** Growing LEXI volume and revenue by over 40% per annum through customer expansion and the AI-driven LEXI Toolkit including LEXI Voice
- **Global Market Leadership:** Building on our US Broadcast leadership by expanding into Europe, APAC, and targeting Enterprise and Government sectors worldwide into the “9 Squares”. 1H25 saw an increase from 11 to 25 countries in which we operate
- **Enhanced AI Portfolio:** Deepening our AI product suite through the expansion of the LEXI Brew range introducing Generative AI capability across private, public and live LEXI data

Our FY25 revenue initiatives are progressing on schedule, positioning us well to achieve our FY29 target

- Tony Abrahams, Co-Founder, CEO



**Tony
Abrahams**

**Co-founder, CEO &
Shareholder (~18%)**

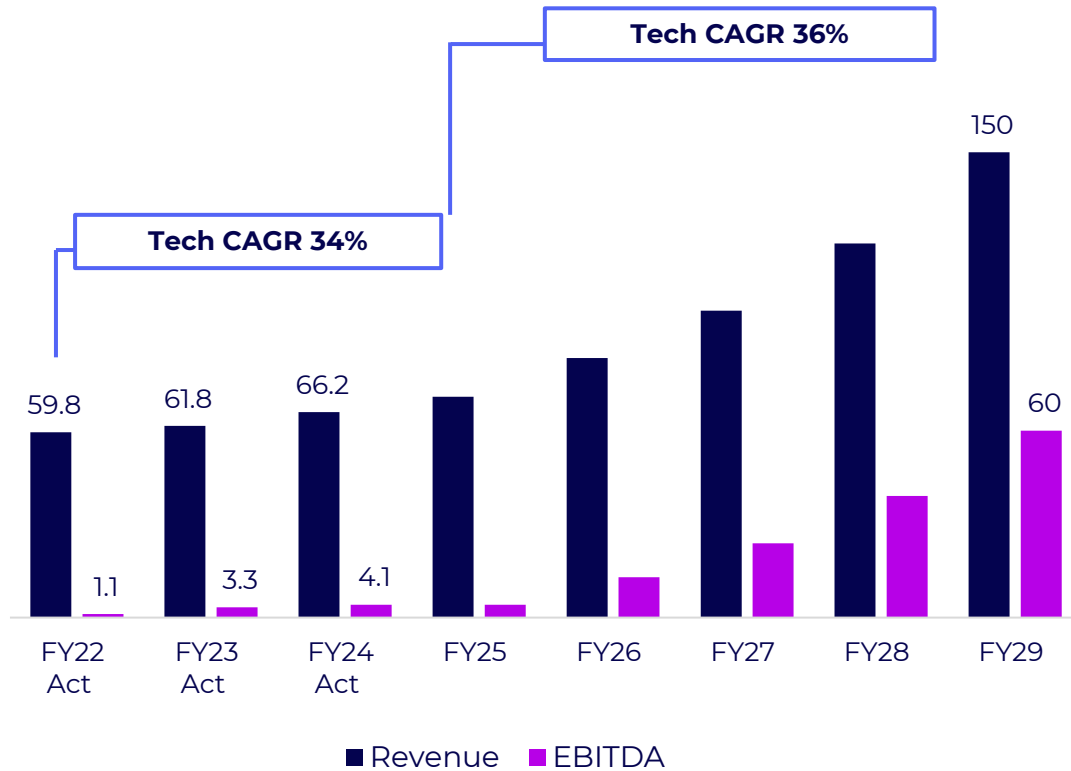


**Jason
Singh**

Chief Financial Officer

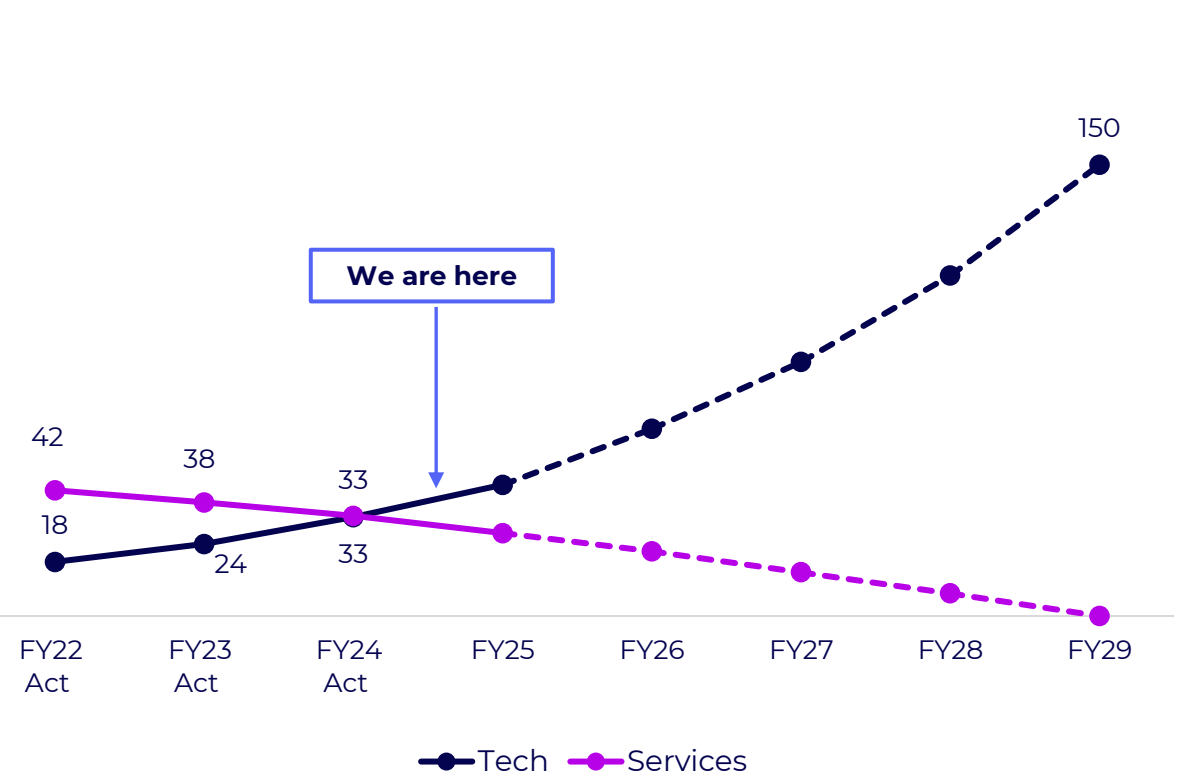
5-year aspirational target of \$60m EBITDA in FY29

Revenue and EBITDA growth trend relationship (A\$m)



SaaS revenue growth is the key focus area for the business

Revenue Split Scenario to achieve FY29 target (A\$m)



Rapid decline in Services revenue reflects the shift from resource-intensive, lower-margin offerings to high margin technology generated revenue

1H25 operational highlights

Strategy on track driven by a significant increase in encoder sales and sustainable growth in LEXI

Hardware Revenue

↑ 21%

From \$5.6m in 1H24 to \$6.8m in 1H25

Total # of Encoders

↑ 19%

From 4,910 in 1H24 to 5,865 in 1H25

LEXI Volume

↑ 48%

From 22.9m¹ in 1H24 to 33.8m¹ in 1H25

LEXI Sales

↑ 45%

From \$5.1m in 1H24 to \$7.3m in 1H25

+14

New Countries

Increased global footprint with focus on penetrating European market

\$50k

Encoder Lifetime Value

For an encoder over approximately 5-year lifespan

36%+

EMEA Revenue

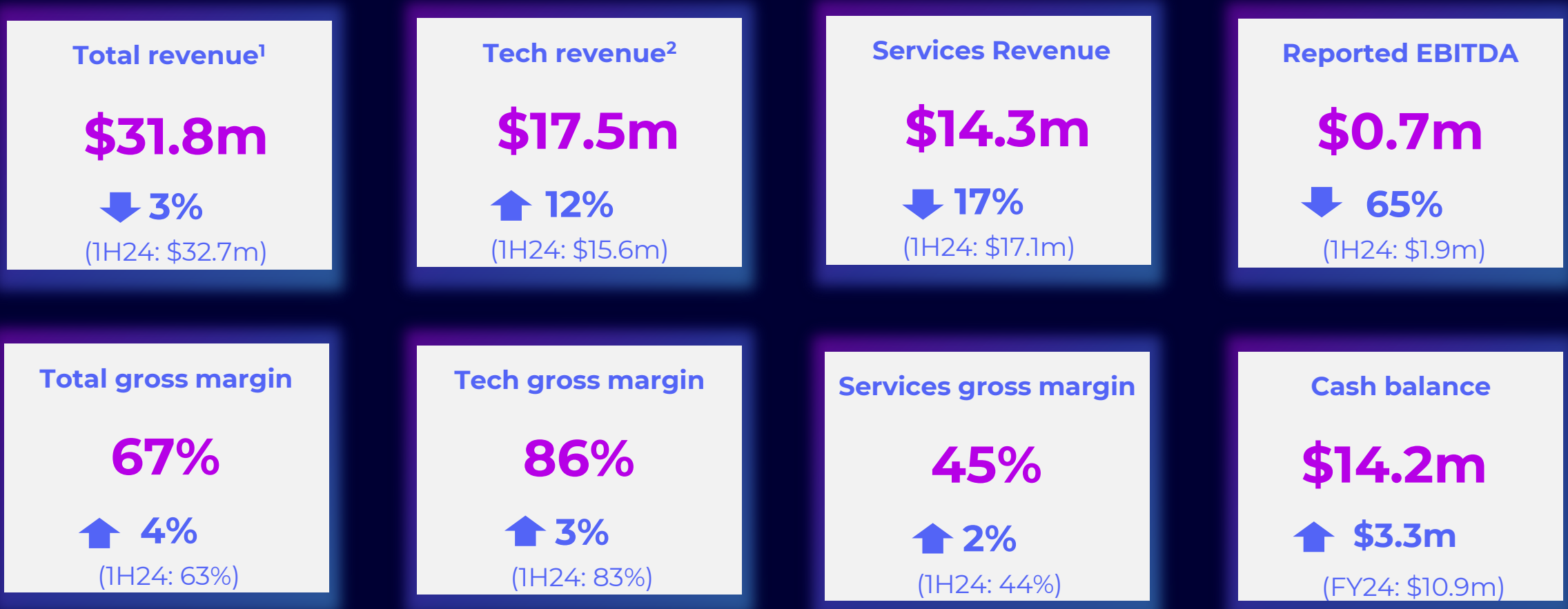
14 countries in Europe, up from 2 in 1H24

+\$3.3m

Cash Increase

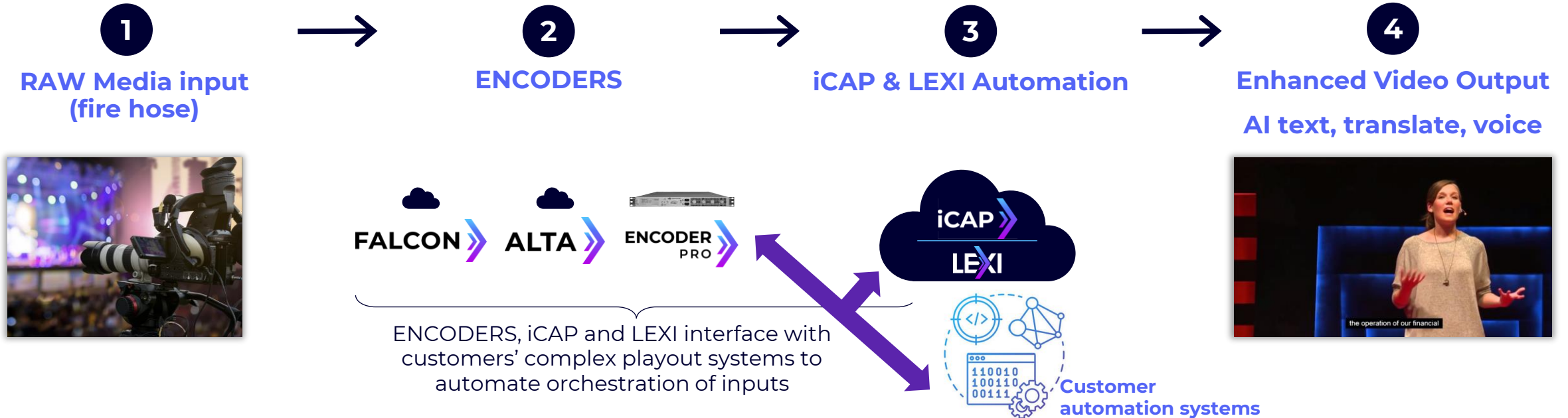
Driven by an increase in SaaS sales

1H25 statutory highlights



AIM's unique ecosystem embeds AI in customer workflows

AIM is the leader in complex workflow orchestration and automation to deliver AI solutions in text, translate and voice



Live or recorded video source feeds all information into ENCODERS

ENCODERS receive ALL relevant data direct from customer at APPROVED SECURE source due to point-of-presence in the workflow

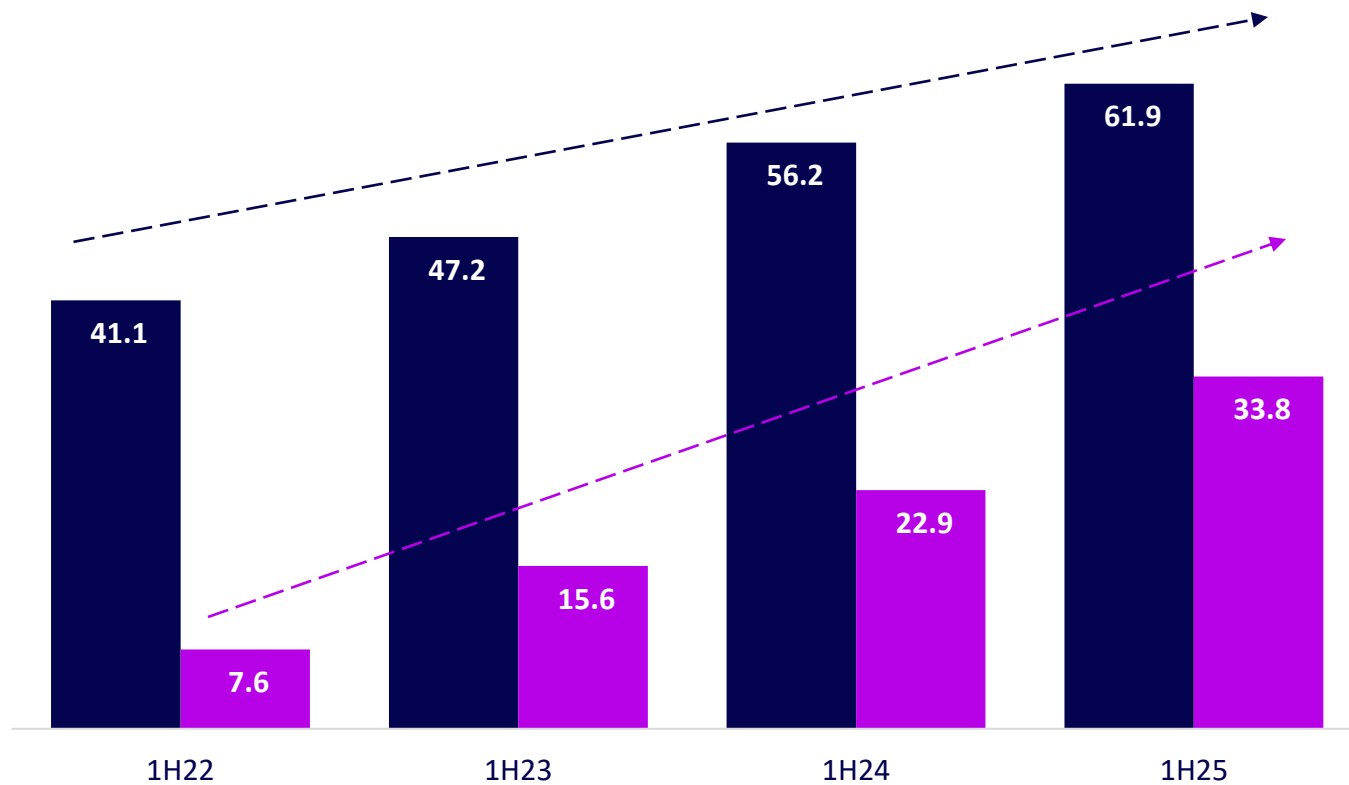
The iCap network, iCap Cloud and LEXI interface with customers' playout automation systems to serve up best possible audio, video, images and text inputs into AI engines, with automation orchestration including scheduling

LEXI adds elements of text, or AI voice to video output

LEXI SaaS usage grew 48% yoy

LEXI share of iCap up from 40% to 54%

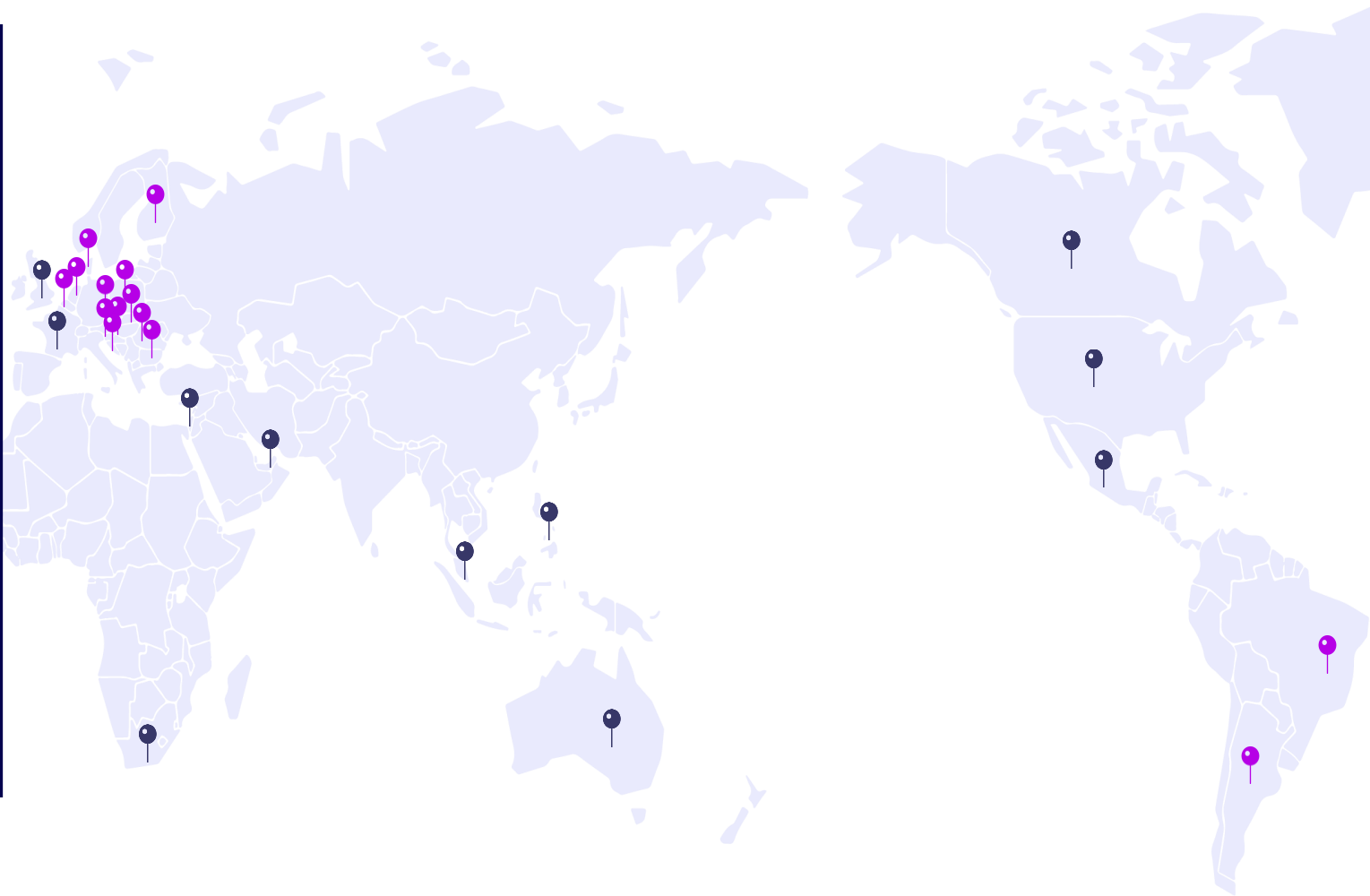
■ iCap network usage (millions of minutes)
■ LEXI SaaS usage (millions of minutes)



- ❖ Usage of the iCap network grew at a 3-year CAGR of 15% and LEXI solutions grew at a CAGR of 64%
- ❖ 3rd party usage of the iCap network monetized, which includes every major global captioning company
- ❖ Increasing encoder penetration provides opportunities to further grow iCap and LEXI

Strong Europe Broadcast growth momentum in 1H25

- Existing countries prior to 1H25**
1. Australia
 2. Philippines
 3. Singapore
 4. Mexico
 5. USA
 6. Canada
 7. France
 8. UK
 9. UAE
 10. South Africa
 11. Israel



- Countries added in 1H25**
12. Netherlands
 13. Belgium
 14. Poland
 15. Hungary
 16. Romania
 17. Slovenia
 18. Bulgaria
 19. Slovakia
 20. Croatia
 21. Czechia
 22. Brazil
 23. Denmark
 24. Finland
 25. Argentina

Two new strategic LEXI products built in 1H25

- Significant investment pre-revenue in flagship products to expand the Total Addressable Market and de-risk the FY29 growth target
- Product development costs are fully expensed when incurred

1. LEXI VOICE

2. LEXI BREW



The logo features the text 'LEXI VOICE' in a bold, white, sans-serif font. The word 'LEXI' is on the top line and 'VOICE' is on the bottom line. A large, stylized arrow graphic, colored in a gradient from blue to purple, points from the 'E' in 'LEXI' towards the 'I'. This arrow is set against a background of flowing, wavy lines in shades of blue and purple, creating a sense of motion and energy.

LEXI
VOICE

Breaking Language Barriers, Amplifying Your Reach

LEXI VOICE

Monetization opportunity for existing customers
Lead magnet for new customers



Product features

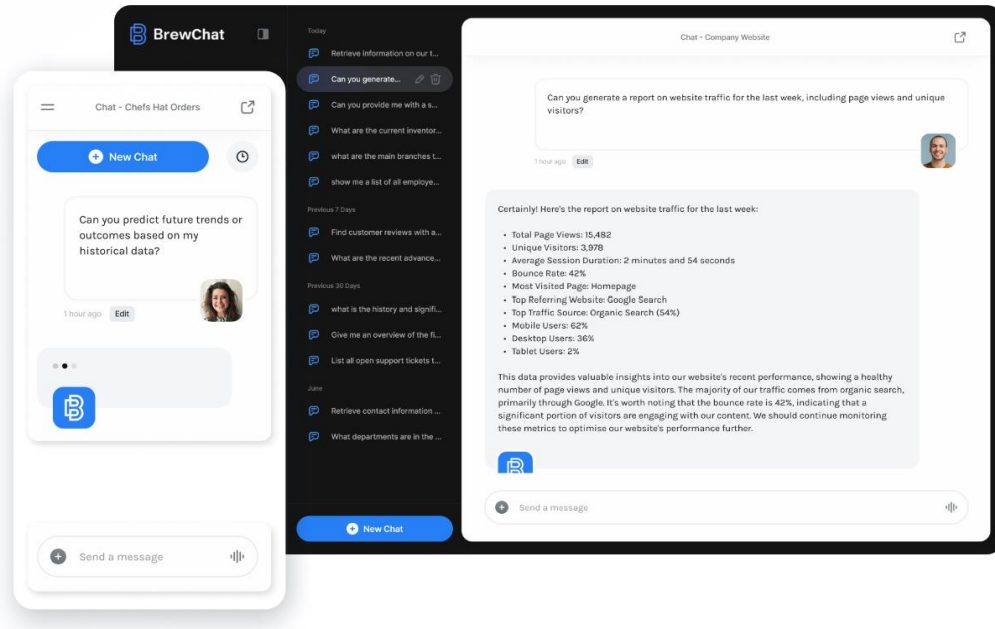
- ✓ Takes a single voice stream and splits it into multiple languages in real-time
- ✓ Replicates not only words but sentiments and emotions of original content
- ✓ Low latency ensures real-time delivery, keeping audiences engaged
- ✓ Same workflow to deliver an entirely new AI-based solution
- ✓ From live sports to news, LEXI Voice adapts to any broadcast need

Customer Value

- ✓ Revenue growth opportunities with international expansion in different language markets
- ✓ Cost savings on human interpretation services by using AI to automate the process,
- ✓ Monetization of archived content using old shows, films, and series in new regions
- ✓ Digital delivery maximizes AdTech effectiveness

LEXI BREW

AI-powered enterprise solution delivering Generative AI into secure business environments



- ✓ Built in partnership with BrewAI
- ✓ Allows companies to integrate advanced AI models (like ChatGPT) with their proprietary data, ensuring privacy and security by operating behind their own firewalls.
- ✓ Part of the LEXI Toolkit, designed for secure enterprise workflows, with live updates in real time



Seamless Enterprise Integration

Embeds smoothly into existing business workflows, enhancing productivity.



Enterprise-Grade Security & Compliance

Ensures full data control with a private Large Language Model (LLM) behind company firewalls.



Unlocks Internal Knowledge & IP

Helps organizations leverage their own high-value data without external risks.



Hybrid Cloud & On-Premises Flexibility

Supports both cloud and on-premises implementations for maximum adaptability.



AI That Works for You

Combines the strengths of public GenAI models with the security of private enterprise data.



Scalability & Cost Efficiency

Optimized to scale with business needs while reducing unnecessary AI costs.

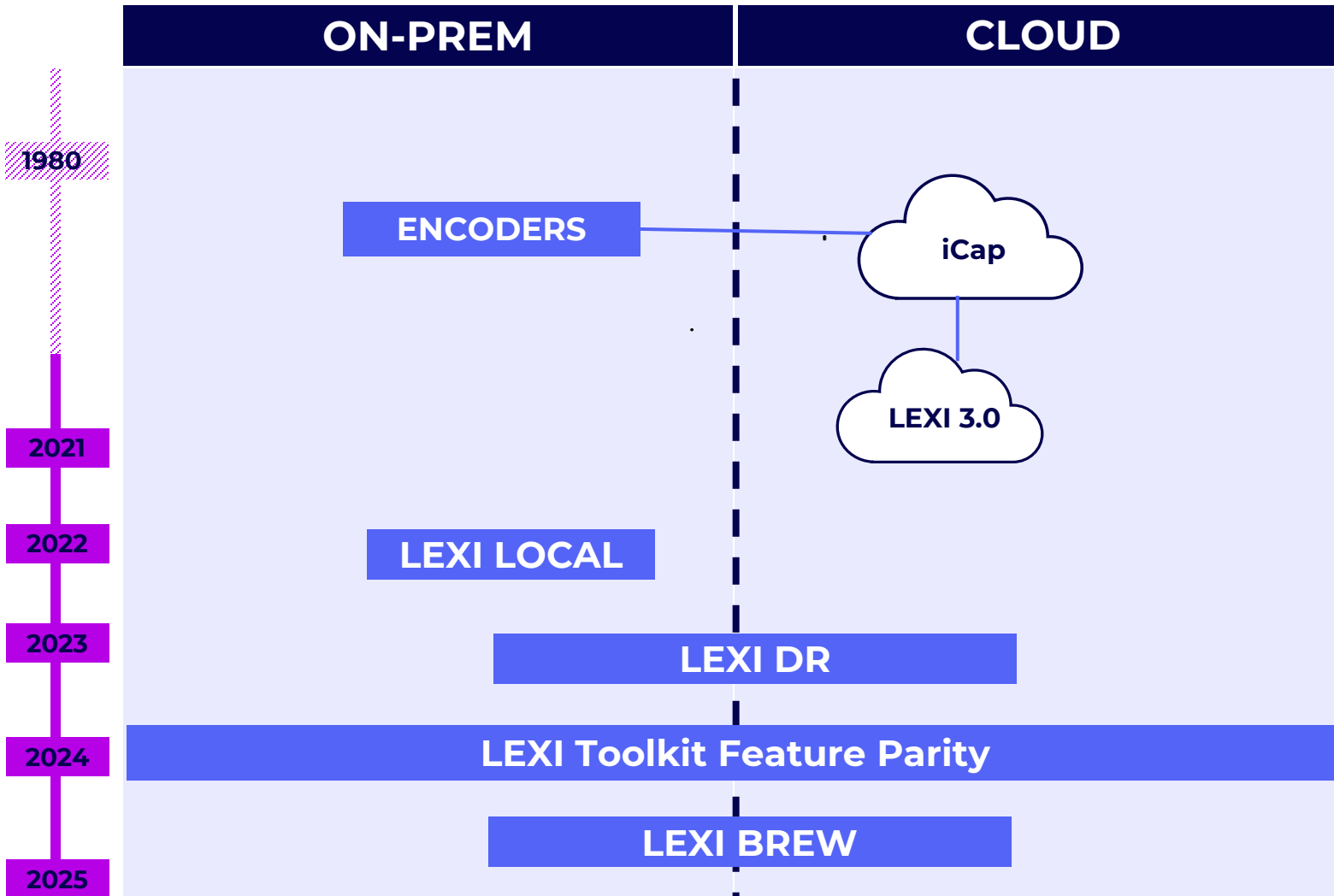


Proven Technology Backed by AI Media

Built on the trusted foundation of AIM workflow orchestration for reliable and secure AI deployments.

LEXI Brew: Bridging Private, Public, and Live LLM

Builds on LEXI feature parity across On-Prem & Cloud



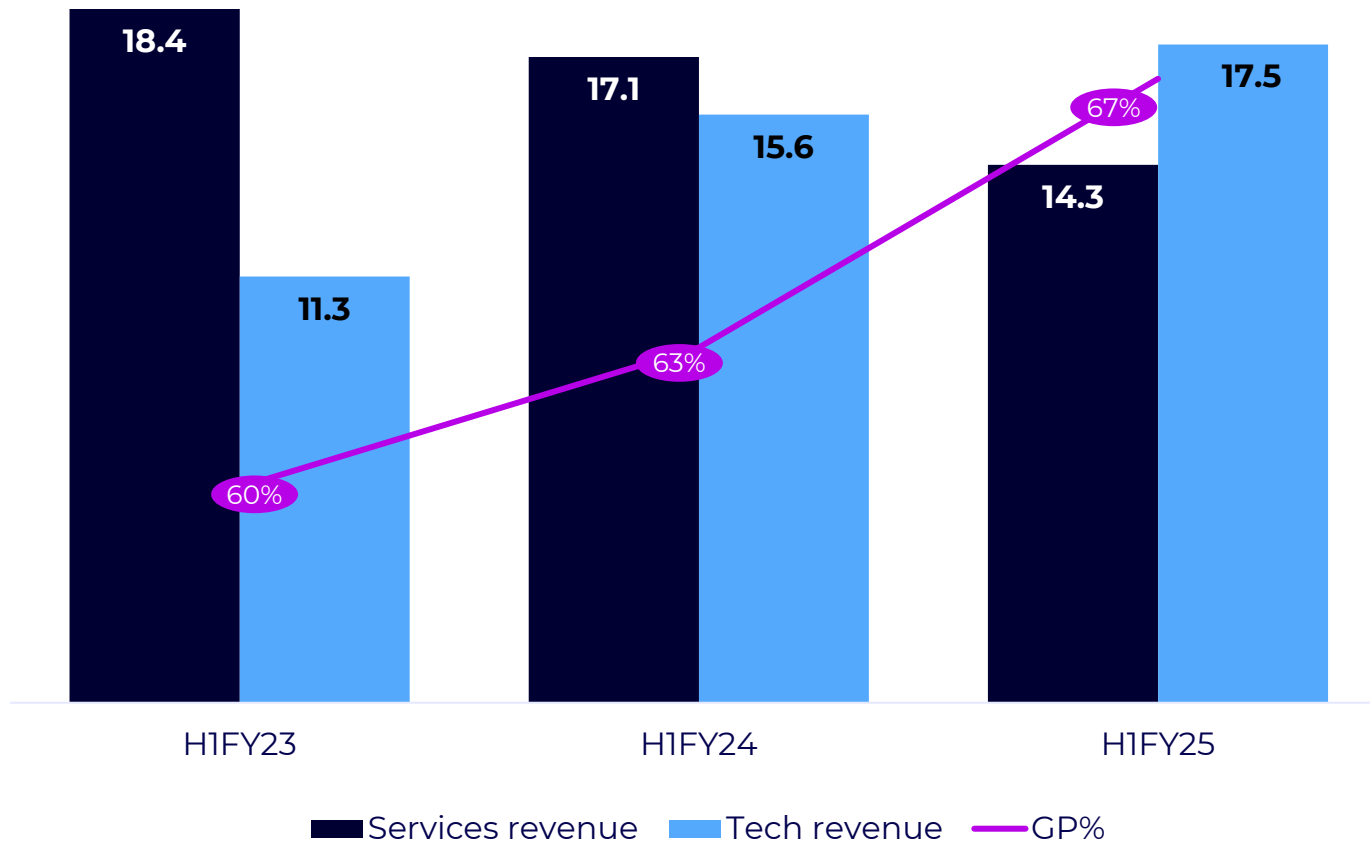
- ❖ Encoder network remains the source of sustainable competitive advantage receiving the “fire hose” of audio, video and metadata from behind secure customer firewalls
- ❖ 2021 – launch of LEXI 3.0 combines power of cloud and local information from encoder via iCap
- ❖ 2022 – LEXI Local providing on-prem equivalence of LEXI 3.0
- ❖ 2023 – LEXI DR provides first auto failover from cloud to on-prem
- ❖ 2024 – LEXI Toolkit feature parity between cloud and on-prem
- ❖ 2025 – Launch LEXI Brew combining the power of GenAI with private LLM and integration with real time LEXI output

1H25 Financial Highlights



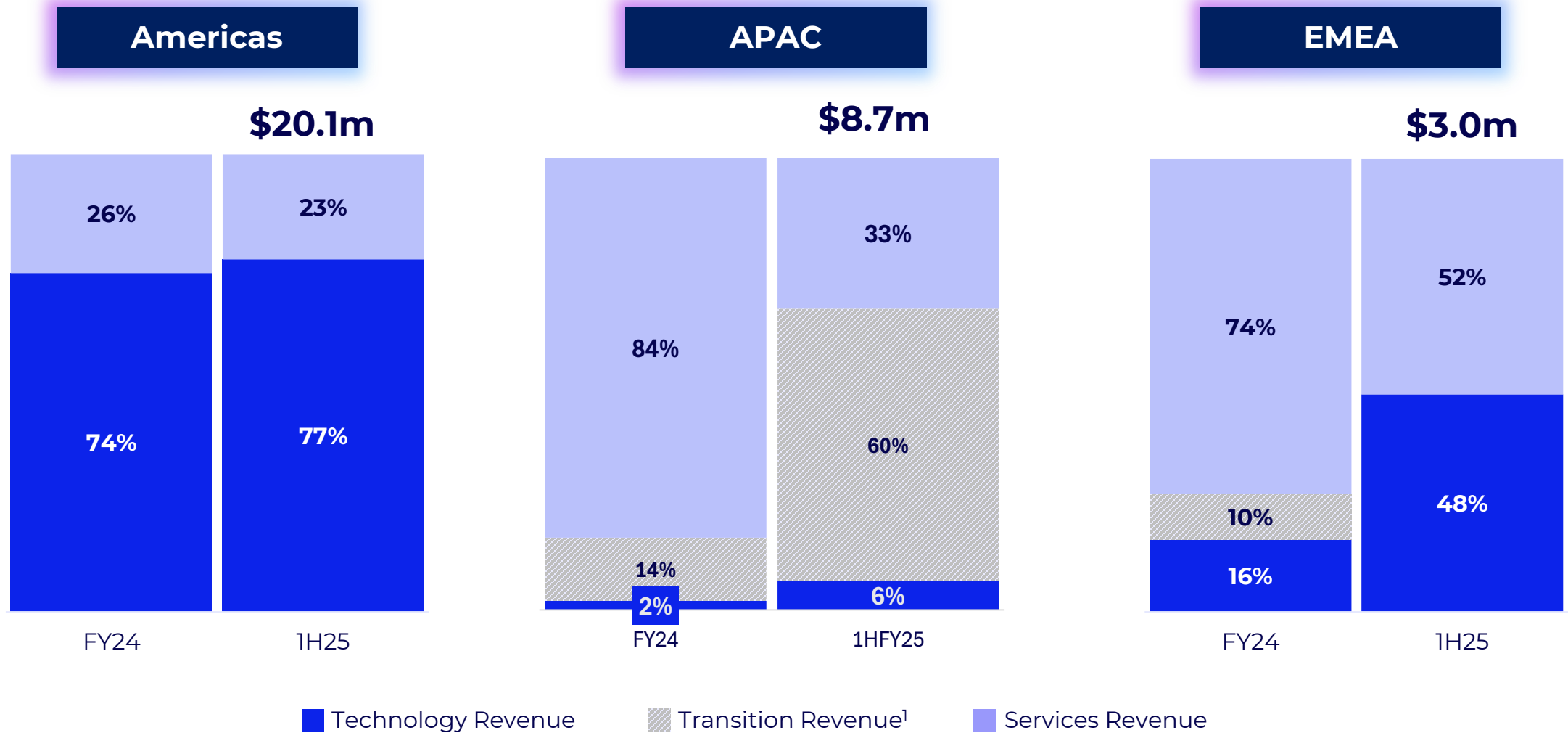
Technology transformation

Transition to Tech Revenue and Improved Gross Margin (\$m)



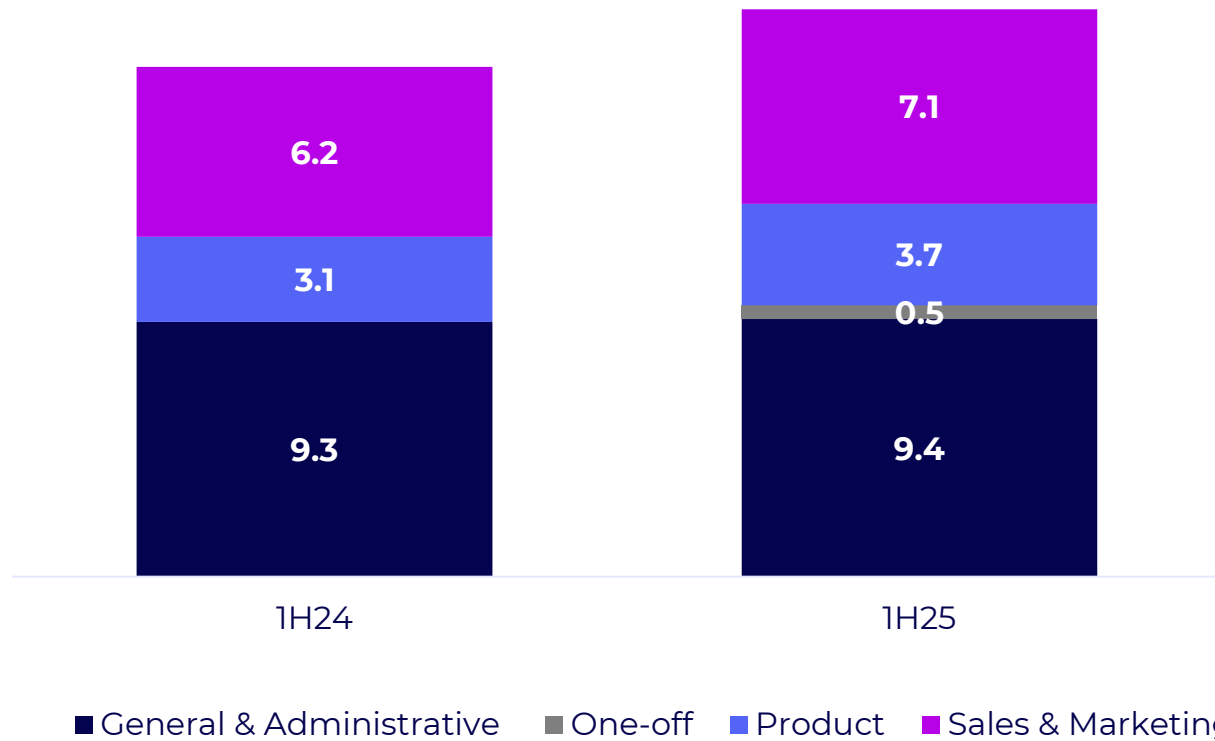
- ❖ Accelerated decline in lower margin services revenue of 17% on the pcp compared to 7% decline from 1H23 to 1H24
- ❖ Tech revenue (from higher margin, faster and more accurate products compared to Services) continues to increase, encoder sales have increased 21% on the pcp
- ❖ 70% of Gross Profit comes from high margin technology revenue, improving overall gross profit by 5 percentage points vs PCP compared to 3 percentage points in 1H24

Flagship US business almost at 80% Tech sales threshold



Incremental Opex supporting Tech Sales growth

Operating Expenses (A\$m)

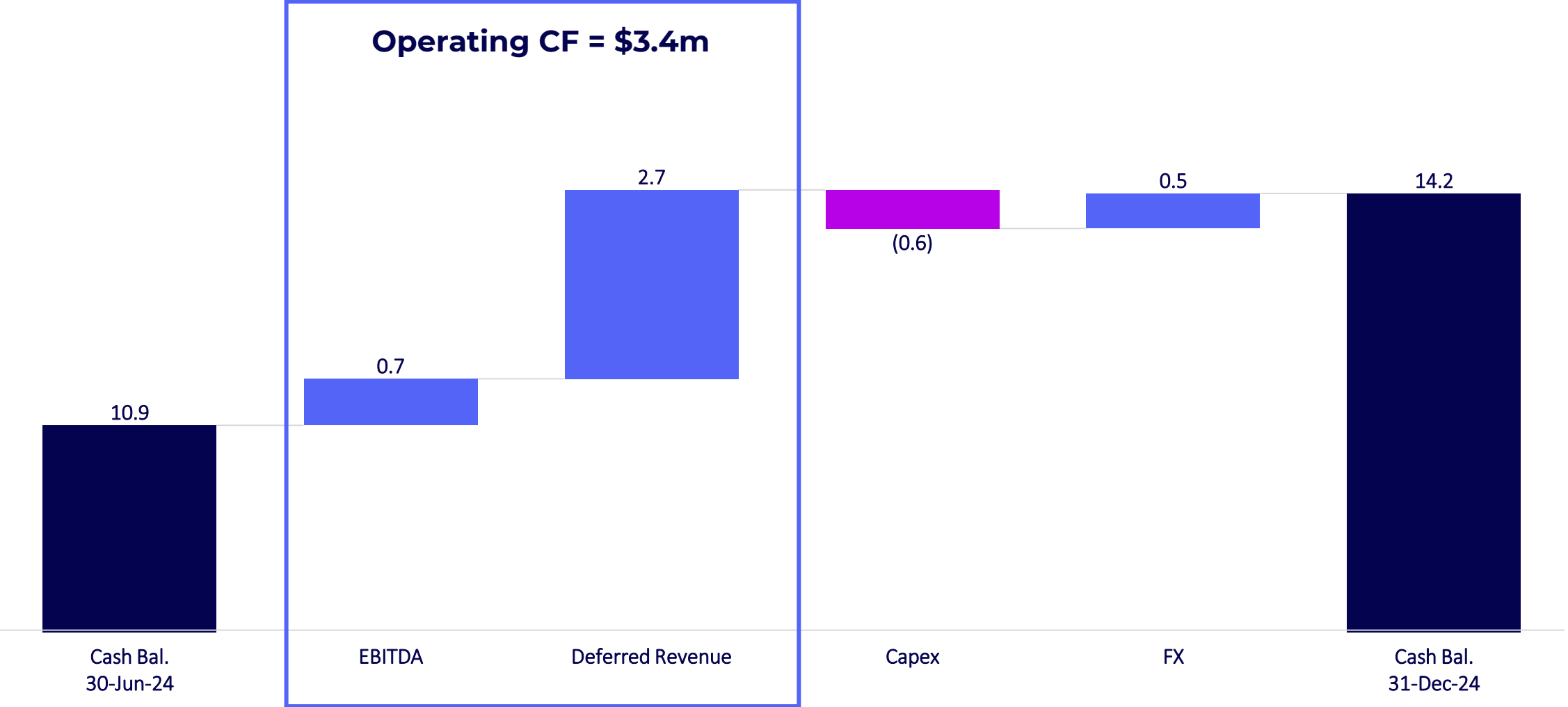


- ❖ Overall expenditure increased by 11% with growth focus on Sales and Product
- ❖ Underlying G&A expenditure was flat
- ❖ One-off costs \$0.5m
- ❖ All R&D and Product development is expensed when incurred - not capitalised

1H25 Summary profit and loss

A\$m	H1FY25	H1FY24	Variance	Growth %	
Tech revenue	17.5	15.6	1.9	12%	Tech revenue grows, 12% and LEXI billing increased 45%, with LEXI volume growth of 48%
Services revenue	14.3	17.1	(2.8)	(17%)	Accelerated decline in services revenue of 17% allowing more cost out in H2
Total revenue	31.8	32.7	(0.9)	(3%)	
Tech gross profit	14.9	12.9	2.0	16%	
Services gross profit	6.5	7.6	(1.1)	(14%)	
Gross Profit	21.4	20.5	0.9	4%	70% of Gross Profit comes from high margin technology revenue, improving overall gross profit by 4% vs pcp
<i>GP margin %</i>	67%	63%	-	-	
Sales & Marketing	7.1	6.2	0.9	15%	Increased investment in Sales and Marketing supporting EMEA growth and product development to meet market demand for market leading products
Product development ¹	3.7	3.1	0.6	19%	
General and Admin	9.9	9.3	0.6	6%	
Total operating expenses	20.7	18.6	2.1	11%	1H25 includes \$0.5m of one-off expenses including restructure costs, expected to deliver annualised savings of \$4m in employments costs and \$1m rationalisation of supplier costs
EBITDA	0.7	1.9	(1.2)	(63%)	
<i>EBITDA margin %</i>	2%	6%			
Operating cashflow	3.4	3.7	(0.3)	(8%)	
Cash at Bank	14.2	11.7	2.5	21%	Increased cash at bank related to sales growth, invoiced and billed, attributed to deferred revenue (contract liabilities)

1H25 Cash flow bridge (A\$m)



Product Strategy & Outlook



Product strategy to support SaaS sales growth



LEXI Voice

- ❖ New AI LEXI Voice translation solution available on existing encoder network via iCap
- ❖ Cross-sell opportunities increase ARPU and Encoder Lifetime Value
- ❖ Allows customers expansion into new territories with different languages

Alta Everywhere

- ❖ Put Alta and iCap on third party encoder networks
- ❖ LEXI integrated into new platforms, installed bases and encoders
- ❖ Partnership model with bilateral value

Security

- ❖ SOC II implementation and ISO 27001
- ❖ Competitive advantage in Enterprise and Government contracts
- ❖ Removes security objections early in the sales process
- ❖ Accelerates deal cycles

LEXI Brew

- ❖ New AI product in LEXI Toolkit leveraging Generative AI
- ❖ Allows customers to integrate advanced AI models within own proprietary data
- ❖ Ensures privacy and security by operating behind own firewalls

FY25 Strategy to grow from US Broadcast to the 9 squares

Year 1 of our 5-year growth strategy involves focusing first on adjacent markets to US Broadcast

	Americas	EMEA	APAC
	FY25 Activity	FY25 Activity	FY25 Activity
Broadcast	<ul style="list-style-type: none"> ✓ 1H25 = 89% of total tech sales ~\$15.5m 	<ul style="list-style-type: none"> ✓ 1H25 = 8% of total tech sales ~\$1.4m (up 300% on pcp) 	<ul style="list-style-type: none"> ✓ Transitioning Australian broadcast legacy Services ✓ Investment into Asian markets, with strategic focus to grow in the region
Government	<ul style="list-style-type: none"> ✓ Set up Government & LATAM Sales team set up ✓ Feature parity between on-prem & cloud LEXI 	<ul style="list-style-type: none"> • Future growth focus 	<ul style="list-style-type: none"> • Future growth focus
Enterprise	<ul style="list-style-type: none"> • Future growth focus 	<ul style="list-style-type: none"> • Future growth focus 	<ul style="list-style-type: none"> • Future growth focus



FY25 Outlook

- LEXI volume and revenue expected to continue growing >40% yoy
- Cash expected to continue to increase in line with LEXI sales growth
- FY25 EBITDA expected to remain in line with the pcp, inclusive of:
 - Additional FY25 costs incurred and fully expensed for all R&D and product development
 - EMEA growth initiatives
 - Services transition
- Tech sales momentum in Europe Broadcast market expected to maintain the strong 1H25 growth trend
- LEXI Toolkit expansion to accelerate progress towards FY29 target in each of the identified “9 Squares” with strong product-market fit

Q&A

Additional Information



Profit & loss statement

For the half year ended
31 December 2024

	31-Dec-24 (\$m)	31-Dec-23 (\$m)	Var (\$m)
Revenue	31.8	32.7	(0.9)
Cost of sales	(10.4)	(12.2)	1.8
Gross Profit	21.4	20.5	0.9
Other income			
Operating expenses	(20.7)	(18.6)	(2.1)
EBITDA	0.7	1.9	(1.2)
Depreciation and amortisation	(2.0)	(2.2)	0.2
EBIT	(1.3)	(0.3)	(1.0)
Net interest expense	0.0	(0.2)	0.2
Profit/(loss) before tax	(1.3)	(0.5)	(0.8)
Income tax expense	(1.4)	(0.7)	(0.7)
Net profit/(loss) after tax	(2.7)	(1.2)	(1.5)
GP Margin %	67%	63%	4%

Note: Totals may not add up precisely due to rounding

Balance sheet

For the half year ended
31 December 2024

	31-Dec-24 (\$m)	30-Jun-24 (\$m)	Var (\$m)
Cash and cash equivalent	14.2	10.9	3.3
Trade receivables	10.5	10.7	(0.2)
Other current assets	5.7	5.2	0.5
Total current assets	30.3	26.8	3.5
Property, plant and equipment	5.1	4.9	0.2
Intangibles	58.3	56.2	2.1
Other non-current assets	4.9	5.3	(0.4)
Total non-current assets	68.4	66.4	2.0
Total assets	98.7	93.1	5.6
Trade payables	1.3	1.6	(0.3)
Borrowings	0.6	0.2	0.4
Other current liabilities	16.2	12.3	3.9
Total current liabilities	18.2	14.1	4.1
Borrowings	0.3	0.3	(0.0)
Other non-current liabilities	3.1	2.8	0.3
Total non-current liabilities	3.4	3.1	0.3
Total liabilities	21.5	17.2	4.3
Net assets	77.2	75.9	1.3
Equity	77.2	75.9	1.3

Note: Totals may not add up precisely due to rounding

Cash flows

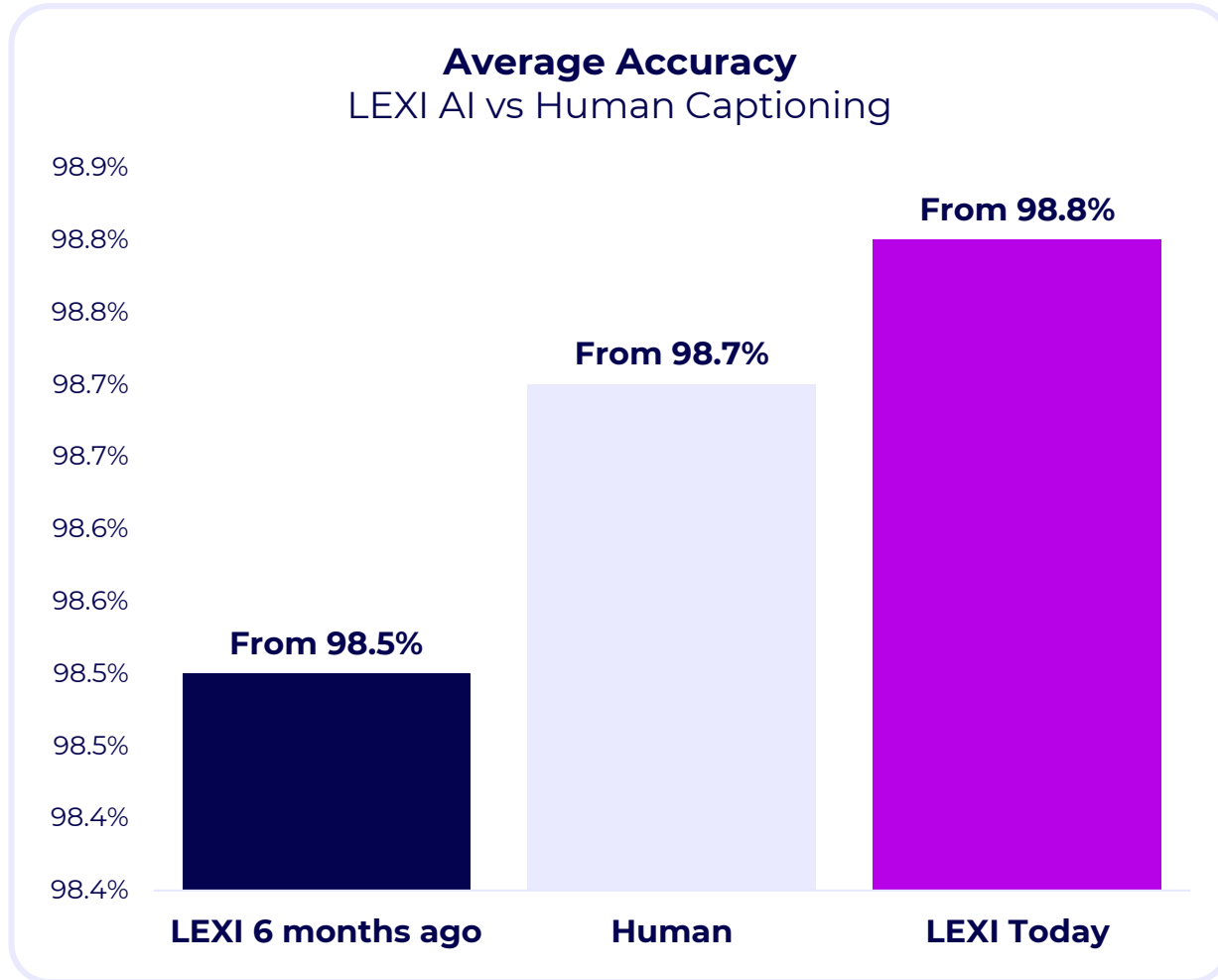
For the half year ended
31 December 2024

	31-Dec-24 (\$m)	31-Dec-23 (\$m)	Var (\$m)
Receipts from customers (incl. of GST)	37.9	38.5	(0.6)
Payments to suppliers and employees (incl. of GST)	(34.3)	(34.5)	0.2
Interest received	0.1	0.1	0.0
Interest and other finance costs paid	(0.0)	(0.3)	0.3
Income taxes paid	(0.3)	(0.2)	(0.1)
Net cash from operating activities	3.4	3.7	(0.3)
Payments for expenses relating to acquisitions ¹		(8.1)	8.1
Payments for property, plant and equipment	(0.5)	(0.3)	(0.2)
Payment for intangibles	(0.1)	(0.2)	0.1
Net cash used in investing activities	(0.6)	(8.7)	8.1
Payment of lease liabilities	(0.3)	(0.1)	(0.2)
Net cash used in financing activities	(0.3)	(0.1)	(0.2)
Net increase/(decrease) in cash and cash equivalents	2.5	(5.1)	7.6

Note: Totals may not add up precisely due to rounding

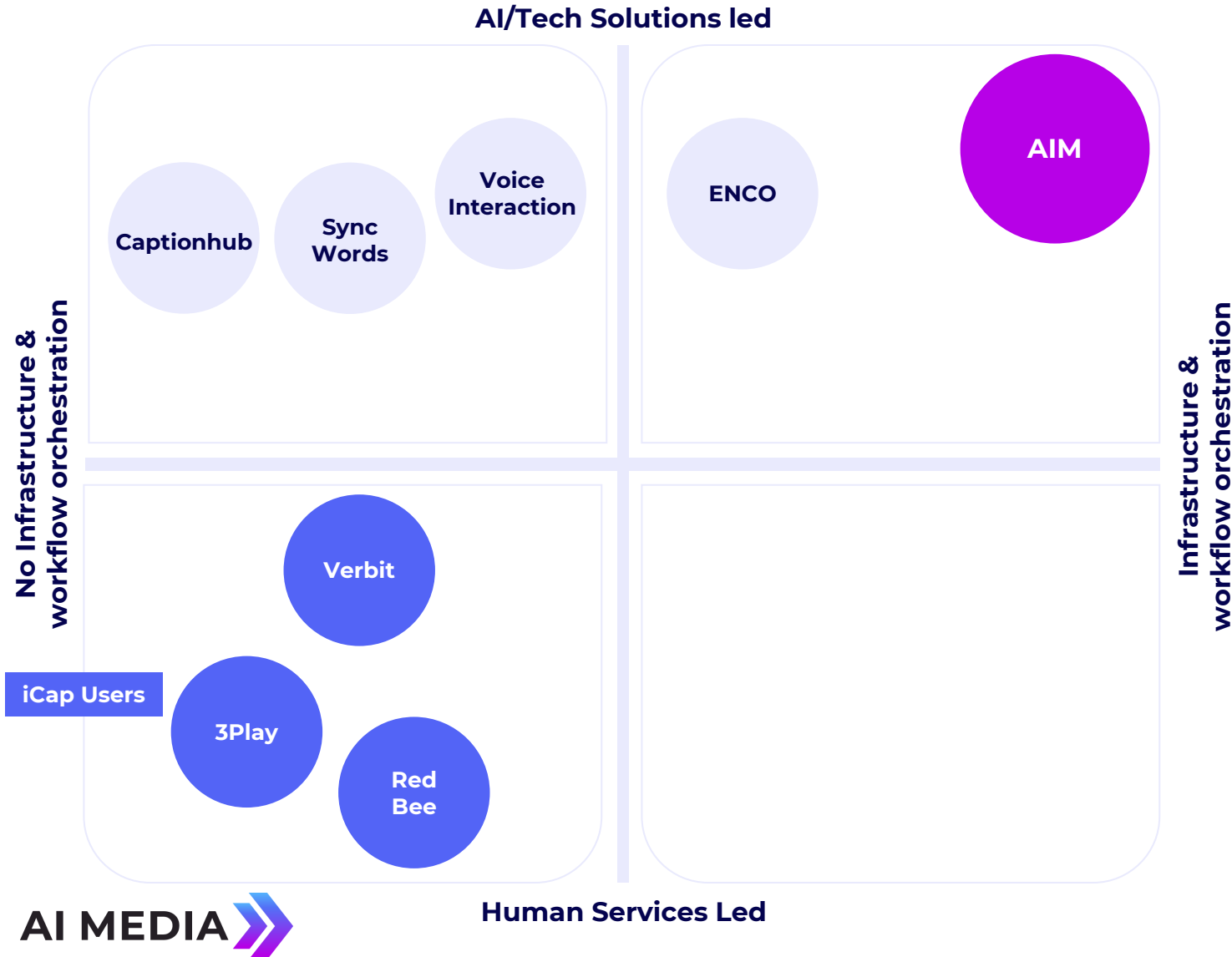
1. \$8.1m final earn-out payment for EEG and ACS acquisition paid in H1 FY24

Continuing improvement in LEXI quality over humans



- ❖ LEXI achieves a global NER average of 98.82
- ❖ Outperforms human service averages since 2023
- ❖ Top-performing programs reach scores as high as 99.50
- ❖ 99.97 core uptime delivered in 2024
- ❖ Successfully increased from 99.95 in 2023 with 40% reduction in incidents
- ❖ Targeting delivery of 99.99% in 2025
- ❖ Even higher uptime enabled at individual sites through Lexi Local hybrid deployments

AIM increasingly plays in white space as workflow orchestration capability extends leadership to new segments and geographies



Direct Competitors in Live ASR / AI Captioning

- ENCO**
Focused on US ASR captioning, better in on-prem than cloud, weaker in automation and video processing though they have started marketing own hardware encoder
- Voice Interaction**
Budget "all you can eat" ASR captioning for TV stations. Primarily serving LATAM.
- Syncwords**
Focused on events market. Compete in the streaming "Falcon" like applications for enterprise.
- 3PlayMedia | Verbit | Red Bee**
Live caption services mostly delivered with humans, but trying to get into ASR. All use iCap/AIM encoders to serve their broadcast customers.

Management

Strong and qualified management team to drive product development and commercialisation strategy



TONY ABRAHAMS

Co-Founder and CEO

- Tony co-founded AI-Media in 2003.
- Worked to establish the Oxford Internet Institute in 2001, while attending the University of Oxford as a Rhodes Scholar.
- Director of Northcott Disability Services 2010-18.



Jason Singh

Chief Financial Officer

- Jason Singh joined in 2024 bringing 20 years' experience in strategic finance, with focus on high growth, multi-national companies.
- Strong Experience in ASX listed founder led Technology businesses.



DONNA REID

Chief Operating Officer

- Donna joined AI-Media in March 2021 after five years as the Director of Content Service Operations for Foxtel Media.
- Has more than 20 years' experience in Human Resources and Operations.



JAMES WARD

Chief Sales Officer

- James joined AI-Meida in 2013, driving growth in the APAC region from Sydney, then moving to London in 2018 to lead expansion in EMEA.
- As Chief Sales Officer, he spear heads AIM's global growth strategy and execution.



BILL MCLAUGHLIN

Chief Product Officer

- Bill was CTO at EEG and now Chief Product Officer globally at AI-Media.
- Since 2007, Bill has been with EEG architecting the company's leading software solutions including iCap, Falcon, LEXI, and Alta.

Board

Highly skilled and experienced senior leadership team with decades of experience



JOHN MARTIN

Non-Executive Chair

- John joined the Board in 2010 and served as Chair until 2013, NED until 2024 and has been re-elected as Chair in February 2024.
- Served as CEO and Director of ASX-listed Babcock & Brown Communities, Primelife and Regeneus.



TONY ABRAHAMS

Co-Founder and CEO

- Tony co-founded AI-Media in 2003.
- Worked to establish the Oxford Internet Institute in 2001, while attending the University of Oxford as a Rhodes Scholar
- Director of Northcott Disability Services 2010-18.



ALISON LOAT

Non-Executive Director

- Alison joined the Board in 2018.
- Holds position of Managing Director, Sustainable Investing and Innovation at OPTrust, a Canadian public pension plan with \$23 billion CAD in globally diversified investments and on Board of several other companies.



CHERYL HAYMAN

Non-Executive Director

- Cheryl joined the Board in March 2022
- Held several Non-Executive Director roles of ASX-listed companies over the last 15 years. Previously held CMO roles at George Weston Foods, Yum Restaurants International & Unilever.



BRENT CUBIS

Non-Executive Director

- Brent joined the Board in July 2024 and is Chairman of the Audit and Risk Committee.
- Highly experienced Director and ASX CFO with over 30 years of Board level experience in senior roles including CFO of Cochlear Ltd and Nine Network Australia.



OTTO BERKES

Non-Executive Director

- Otto joined the Board in Nov 2024
- Tech leader with 15+ years board level experience. Xbox founder, served as GM at Microsoft, CTO at HBO and CA Technologies, and CEO at HireRoad. Currently NED of Integral Ad Science & advisory board member for Intelagree.



BRAD BENDER

Non-Executive Director

- Brent joined the Board in Nov 2024
- 25+ years of global product and mgt experience. Former VP of Product Mgt at Google - founded the Google Display Network + drove growth to become a multi-billion dollar business. Led Google News and Search Ecosystems, delivering AI-driven initiatives.

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