

# Morgans Technology Conference

25 November 2021

Ai-Media Technologies Limited



# Important notice and disclaimer

This presentation (**Presentation**) contains summary information about Ai-Media Technologies Limited and its subsidiaries (the **Company** or **Ai-Media**) which is current as at 25 November 2021. By attending an investor presentation or briefing, or accepting, accessing or reviewing this Presentation, you acknowledge and agree to the terms set out below.

**Summary information:** This Presentation has been prepared for information purposes only and is a summary only. It should be read in conjunction with Ai-Media's most recent financial report and other periodic and continuous disclosure information lodged with the Australian Securities Exchange (**ASX**), which is available at [www.asx.com.au](http://www.asx.com.au). Reliance should not be placed on information or opinions contained in this Presentation and, subject only to any legal obligation to do so, the Company does not have any obligation to correct or update the content of this Presentation.

**Not financial product advice:** This Presentation does not, and does not purport to, contain all information necessary to make an investment decision, is not intended as investment or financial advice (nor tax, accounting or legal advice) and must not be relied upon as such. This Presentation does not take into account the investment objectives, financial situation or needs of any particular investor. Investors are encouraged to seek independent professional advice when deciding if an investment in the Company is appropriate. The Company is not licensed to provide financial product advice in respect of its own securities. This Presentation is not a prospectus, product disclosure statement or other offering document under Australian law (or any other law). It is not, and does not constitute, an invitation or offer of securities for subscription, purchase or sale in any jurisdiction.

**Investment risk and past performance:** An investment in Ai-Media shares is subject to known and unknown risks, some of which are beyond the control of the Company and its directors. The Company does not guarantee any particular rate of return or the performance of Ai-Media. Past performance is not, and should not be relied on as being, indicative of future performance.

**Future performance and forward-looking statements:** This Presentation includes forward looking statements, which can generally be identified by the use of words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “outlook”, “forecast” and “guidance”, or other similar words. They may include, without limitation, statements regarding plans, strategies and objectives and anticipated business developments. Forward-looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause Ai-Media's actual results, performance and achievements to differ materially from statements in this Presentation. Forward-looking statements are based on the Company's

good faith assumptions as to the financial, market, regulatory and other relevant environments that will exist and affect Ai-Media's business and operations in the future. The Company does not give any assurance that the assumptions will prove to be correct. There may be other factors that could cause actual results or events not to be as anticipated, and may events are beyond the reasonable control of the Company. Readers are cautioned not to place undue reliance on forward-looking statements, **particularly in the current economic climate and given the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic**. Forward-looking statements in this Presentation are only made as at the date of this Presentation and the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in assumptions on which any such statement is based.

**Industry data and third party information:** Industry data and third party information used in this Presentation may have been obtained from research, surveys, reports or studies conducted by third parties, including industry or general publications. Neither Ai-Media nor its representatives have independently verified any such market or industry data.

**Financial information:** This Presentation contains historical financial information based on the Company's results for the 12 month period ending 30 June 2021 and prior comparative periods. All financial information disclosed in this Presentation is presented in Australian dollars unless otherwise noted. Any discrepancies between totals and sums of components in tables and figures contained in this Presentation are due to rounding.

**Disclaimer:** To the maximum extent permitted by law, Ai-Media and its officers, directors, employees, agents and advisers: (1) disclaim all responsibility and liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) for any loss arising from this Presentation or reliance on anything contained in or omitted from it or otherwise arising in connection with this Presentation; (2) disclaim any obligation or undertaking to release any update or revision to the information in this Presentation to reflect any change in expectations or assumptions; and (3) do not make any representation or warranty, express or implied, as to the accuracy, reliability, completeness of the information in this Presentation or that this Presentation contains all material information about Ai-Media or that a prospectus investor or purchaser may require in evaluating a possible investment in Ai-Media or acquisition of shares, or the likelihood of fulfilment of any forward-looking statement.

A background image showing two men from behind, sitting and watching a soccer game on a television. The man on the left is wearing a white shirt, and the man on the right is wearing a red shirt. Both have their fists clenched in a cheering gesture. The television screen shows a soccer match in progress, with a player in a white jersey taking a corner kick. A red 'LIVE' indicator is visible in the top left corner of the screen. A blue semi-transparent box is overlaid on the left side of the image, containing a numbered list.

**01**

From the Chair

**02**

Chief Sales Officer

**03**

Q&A

## Presenters

Making the world's content

**accessible for everyone**

Ai-Media is a one-stop shop for live and recorded captioning, transcription and translation solutions – globally



**Deanne Weir**  
Chair



**John Bird**  
Chief Financial Officer



**James Ward**  
Chief Sales Officer



# From the Chair

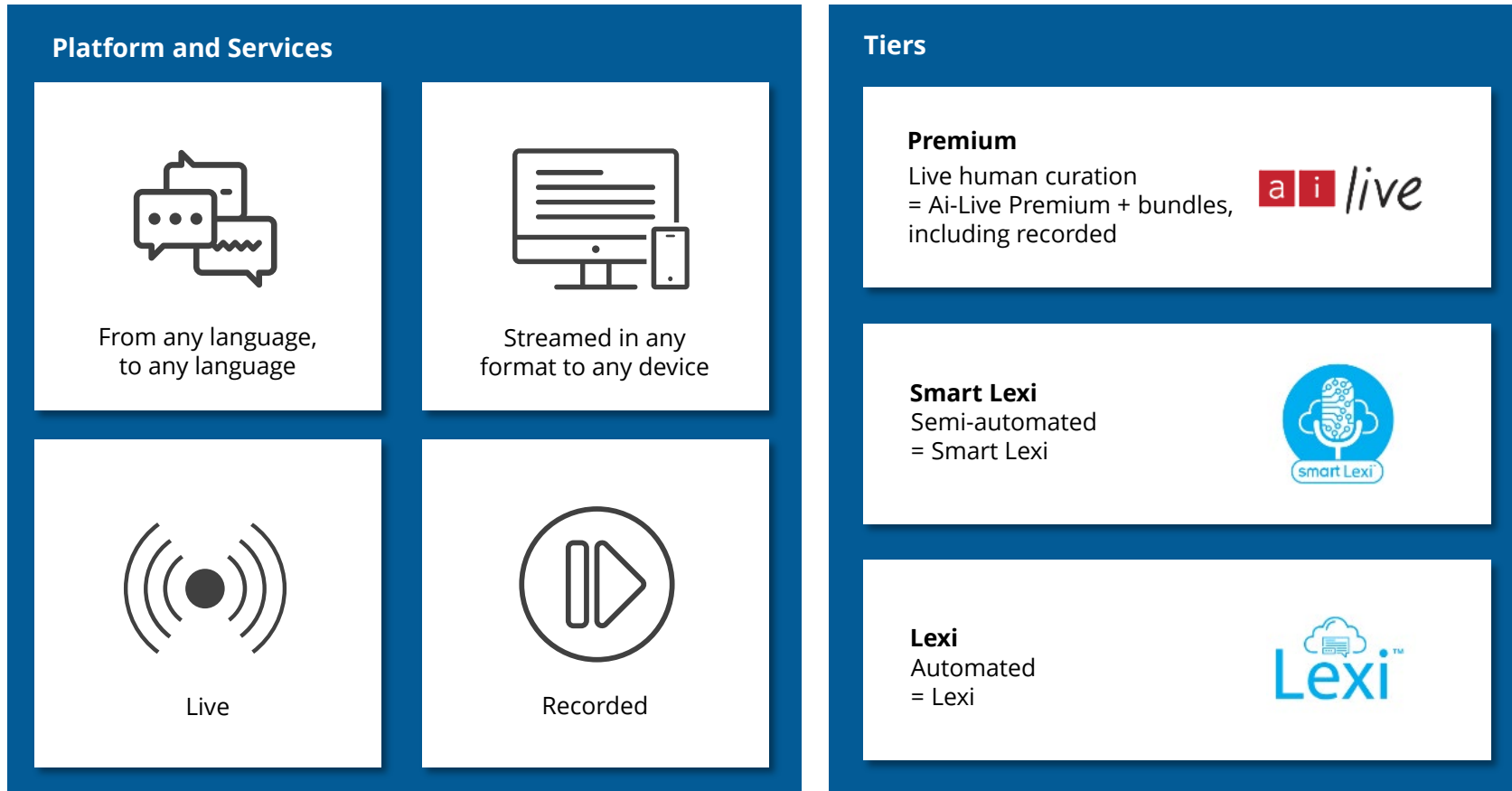


MacBook Air



## A one-stop shop in a growing US\$20B market<sup>1</sup>

As highlighted since May, the EEG acquisition is transformational, delivering AIM an industry leading platform, network and ecosystem to directly address global growth opportunities in attractive market segments and territories



ai media

7x

Growth in minutes captioned  
YoY

\$50m

R&D investment in Ai-Media's  
technology platform<sup>1</sup>

\$48m

invested in three  
acquisitions since Sept 2020

2,200+

global customers, diversified  
revenue by customer and region

3,000+

skilled contractors

1. Source: Frost & Sullivan

## Q1 FY22 highlights

**+35%**

Revenue Growth on PCP (Q1 FY21)

\$14.9m Revenue  
in Q1 FY22

**+75%**

Growth in Lexi / Smart Lexi  
SaaS minutes on PCP

22.7 million minutes delivered  
in Q1 FY22 across all products

**\$15.5m**

Cash balance at 30 September 2021

Strong cash position to  
execute on growth strategy

**>50%**

Gross Margin

Up from 39% on PCP

**Growing SaaS  
product suite**

Launched SubSilo™

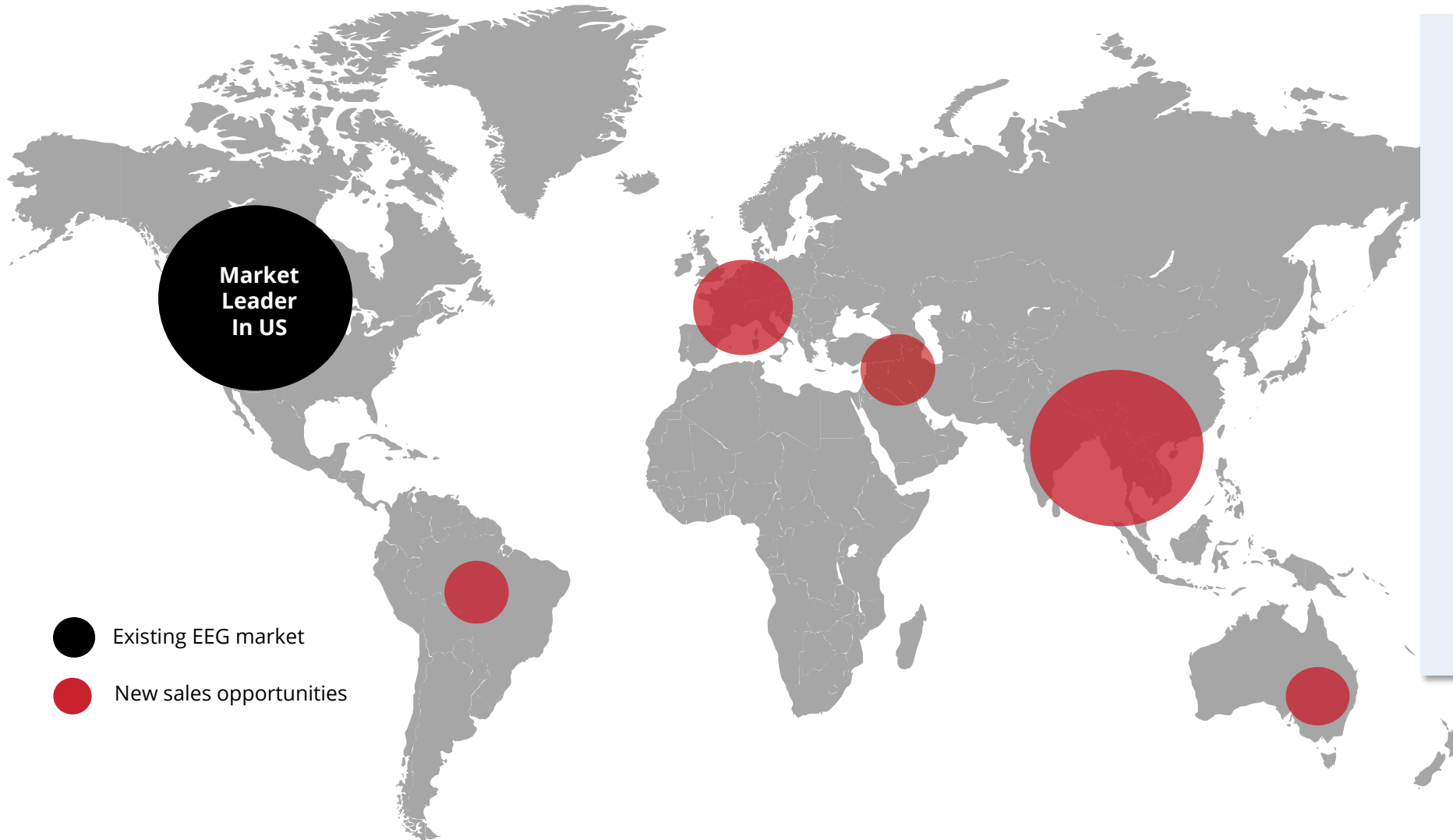
Further gross margin improvements  
as SaaS revenue increases

**Buy-back**

Program of up to 2 million shares

Program to commence from 15  
November 2021

## Taking Ai-Media's EEG product suite global

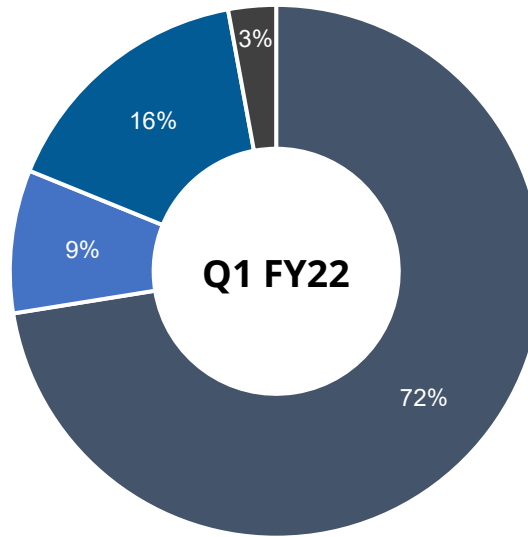
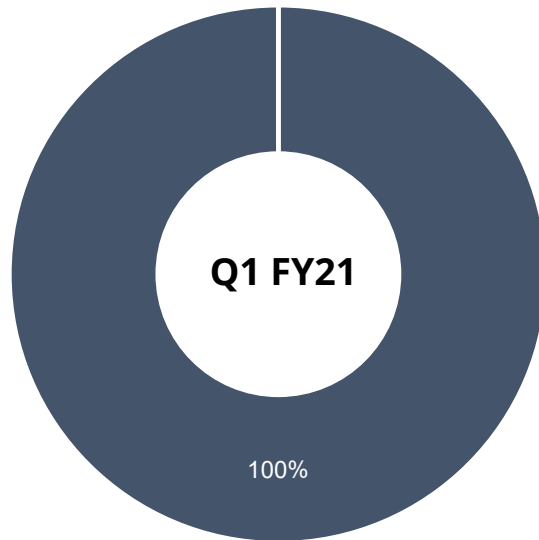


- EEG is a dominant player in US live captioning market working with blue chip clients in broadcast, enterprise and government space
- Significant opportunity to grow SaaS products in new markets
- State-of-the-art technology and extensive Ai-Media network of customers will drive growth in coming years



## Ai-Media is aiming to increase SaaS revenue

■ Services ■ SaaS ■ Hardware ■ Other



- Services revenue share is projected <50% by the end of FY23
- Increasing share of SaaS revenue in sales mix driven by commercial rollout globally of new product lines

- **Services revenue** FY21 Margin >40%
- **SaaS revenue** FY21 Margin >75%
- **Hardware revenue** FY21 Margin >70%

live

LECTURER:

Good afternoon, students. Today, we'll be moving on to the second topic for this semester. We're looking in detail at the principles of universal design. Who can tell me what universal design means?

STUDENT:

It's about making things accessible for everyone...

LECTURER:

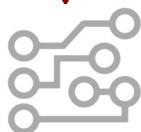
Yes! Accessibility is really the key word here. What I want you to think about is how broad universal design really is. It's not just about digital spaces.

Chief Sales  
Officer

## A future driven by iCap

iCap is the ubiquitous global live distribution platform for captioning, transcription and translation and is ground-breaking for both customers and Ai-Media

### Standard solution



#### Static circuit board

Manual patching in and out video feeds

Manual loading of topic models

Requires set-up confirmation with customers

Needs additional infrastructure to enable all elements of live captioning to be fed into circuit board

### Ai-Media's visionary solution



#### Cloud-connected adaptive learning network

✓ No patching in and out video feeds

✓ Intelligent pre-loading of topic models

✓ No requirement to disturb customer with set-up details

✓ No additional infrastructure required to enable Lexi™ /Smart Lexi™. All connected through the iCap cloud

✓ Upgrade and future-proof via cloud updates

- Infrastructure installation (cloud, virtual, and hardware) is the fastest and most robust foundation to embed iCap with customer systems

- Ai-Media provides its customers with Premium, Smart Lexi, and Lexi solutions on the iCap network

- Infrastructure sales today will provide future SaaS revenue for upcoming years

# Ai-Media's roadmap to 2025



## Establish iCap network as global standard

Become the go-to live captioning provider across the industry and around the globe



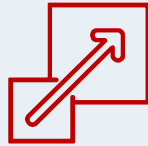
## Drive growth at higher margins

Increase revenue share of our transformative SaaS product suite and hardware



## Grow and diversify customer base

Capitalise on increasing demand for live captioning across new segments and territories



## Enhance product suite and technology

Continued investment in platform to further improve the quality of our product offerings



## Ai-Media is disrupting the high end of the industry

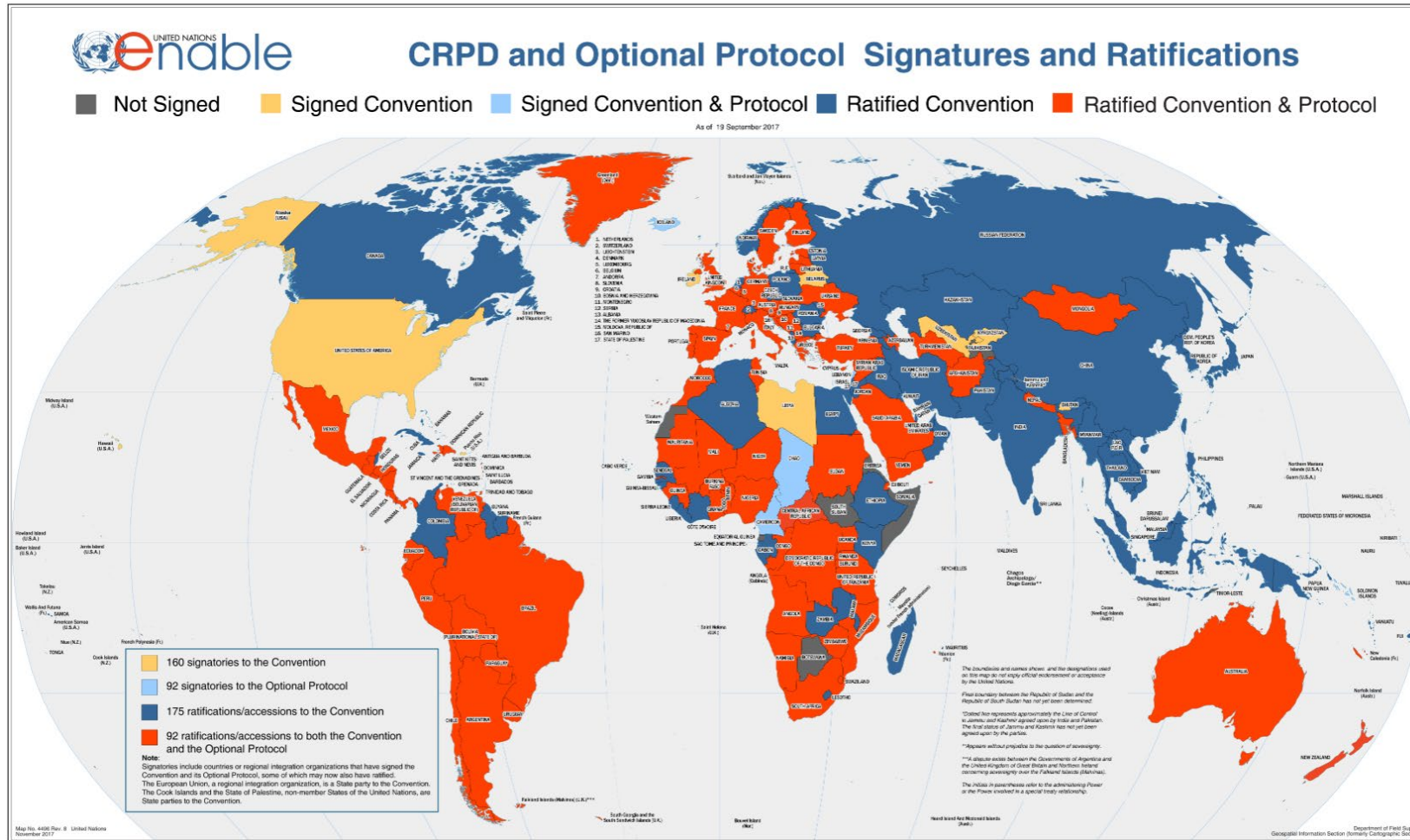
Using the best premium automatic captioning delivered over the iCap network and ecosystem

Opportunity	Low end impact	High end impact
<ul style="list-style-type: none"><li>• Automatic captioning is transforming the industry, with distribution platforms playing a central role</li><li>• This is a risk to Ai-Media at the low end, and an opportunity at the high end</li><li>• Expected to be a significant opportunity for the business in the years ahead</li></ul>	<ul style="list-style-type: none"><li>• Ai-Media expects some Live Enterprise businesses to migrate to third party platforms offering free ASR tools such as Zoom, MS Teams, and lecture capture systems</li><li>• Ai-Media continues to retain select customers who partially migrated, however seek the quality that is not provided on third party platforms</li></ul>	<ul style="list-style-type: none"><li>• Ai-Media is focussed on integrating its iCap network and platform with high value broadcast and enterprise customers</li><li>• Ai-Media is disrupting high end premium services and unlocking new greenfield markets in the high-end automatic captioning and translation through Lexi and Smart Lexi which are delivered over iCap in multiple languages</li><li>• 99.99%+ uptime across the iCap network with almost 100 million minutes a year delivered</li></ul>



# UN Convention on Rights of Persons with Disabilities

Providing Ai-Media with expansion opportunities into new markets



- In November 2021, India's Ministry of Information & Broadcasting announced draft accessibility standards for TV Programmes which require the delivery of sub-titles, closed captioning, and sign language
- The draft rules would be notified under the Rights of Persons with Disabilities Act, 2016, once implemented
- **Convention on Rights of Persons with Disabilities ("CRPD")**  
Ratifications / Accessions: 175  
Signatories: 160



# Q&A

## For further information

### Investors

Sue Sanossian  
Company Secretary  
+61 2 8870 7711  
[investorrelations@ai-media.tv](mailto:investorrelations@ai-media.tv)

