
SIMON HINSLEY

>> Good morning and welcome to Ai-Media's first investor day. On the call today we have a number of the senior management team but first I will pass over to founder and CEO of Ai-Media, Tony Abrahams, to kick off the day.

TONY ABRAHAMS

>> Good morning, everyone, and welcome to the Investor Showcase. My name is Tony Abrahams and it's my privilege to serve as the CEO of Ai-Media. I co-founded Ai-Media 18 years ago and I'm humbled to be joined by the calibre of leaders across the business you will meet today. Located around the world and across time zones, we are a close-knit group, committed to the unique opportunity of making the world's content accessible for everyone. The format of today's session will be a mix of pre-recorded presentations from our key executives, in two sections, with two live Q&A sessions after each of those halves.

The first group will include sales, marketing, product and technology. We will then have a Q&A. The second group includes people, finance, and the discussion about Q1 results we released to the market yesterday. You can ask a question any time in the Q&A panel which will be moderated by Simon Hinsley.

For those of you who might not be familiar with our business, Ai-Media is a global live captioning and transcription and translation technology company, our proprietary cloud-based platform translates speech into text in multiple languages using a combination of artificial and human intelligence and machine learning.

It has been a busy year since we listed. We delivered on our prospectus forecasts with strong growth in all markets. We also announced the strategic expansion of our product suite with the launch of our market leading Smart Lexi live captioning technology. Finally, the ground-breaking acquisition of EEG, a leading North American provider of video and captioning technology. This EEG acquisition has absolutely transformed Ai-Media to be a one-stop shop, a truly vertically integrated business which has an increasing proportion of revenue coming from software as a service.

Our Ai-Media FY22 strategy map is set, communicated and in operation. With this organisational focus, we have outlined our strategy goals and initiatives and how we can capitalise on our competitive differences that position us for success. Our goal this morning is to offer you a window into how we execute on that strategy and drive long-term value for shareholders.

As CEO, I am constantly engaging with our most important customers around the world, getting a first-hand sense of the relative strength of our company as well as the investments we need to continue to make to become even more valuable in serving our customers going forward.

I am also focused on driving excellence and discipline across our business and ensuring we are well-positioned to execute on the four elements of our growth plan – driving profitable growth, succeeding with scale, building a winning team and profitable innovation.

Today I will introduce our leadership team, discussing how they work, where they fit in the Ai-

Media ecosystem, that position us as a leading global technology provider of captioning, transcription and translation services globally. With that, let's get started and I'd like to introduce James Ward, our Chief Sales Officer based in London.

JAMES WARD (Captioned video plays)

>> Hi, I'm James Ward, Chief Sales Officer at Ai-Media. In my position, I have the responsibility for the leadership, direction, and performance of our global sales teams and I'm accountable for the overall sales performance of the business against our targets and strategy map.

In my 8 years with Ai-Media, I've seen many changes to the industry, the technology that drives it and also to our customer base. Where we focus our time and effort now, is key to the long term success of the business and what's really exciting is that with the recent acquisition of EEG, Ai-Media is now in a position to service more customers, in more ways, in more countries around the world. Never before have we been in such a strong position to meet customer needs in a market that is evolving rapidly.

I'm committed to ensuring sustainable revenue growth by constantly reviewing our market position and mentoring our key personnel to ensure they have a strong understanding of the market, our customers and the products and services we provide. So when developing our sales strategy all of these important factors are considered as part of our solutions based approach.

And it is the full suite of solutions that we offer that is really making Ai-Media a stand out company and differentiator in this market. We work with customers at an organizational level rather than an individual level. What I mean by that is that although we work with individuals to provide them with accessible content in any language that they require it, our strategy is to actually implement the technology and services at the organizational level, so that all of their employees, all of their customer and everyone who interacts with that organization or the content they produce has access to it. And that's where the value is of working with Ai-Media.

Yes, there are out of the box solutions and technology that can be purchased "off the shelf" to transcribe, caption and translate content, but if an organization wants to utilize technology inside a professional, high production value environment, then they need tools and solutions that seamlessly connect and interact with their other products and solutions within the business. This is particularly important in a market where video production and broadcast is going through a lot of change and development. Customers need to work with providers that can enable them to adapt and respond quickly to changes in the market and build new products that are going to help them transition in to new ways of operating in the future.

I have the benefit of almost a decade with Ai-Media, but this doesn't mean that my knowledge and understanding of our business, the industries we operate in, regulation and our competitors ever stops. I take an analytical approach to sales to ensure that I am reviewing and analysing actual performance against target performance and KPIs. This has proven to work well in our organization and is something that we continue to focus on and evolve as we grow. Our sales teams spend a lot of time ensuring they have accurate forecasts and understanding of pipeline business which gives us confidence we are achieving our plan and strategy.

Working closely with the Executive team and other departments at Ai-Media gives me great confidence that we are continuing on our strong growth path and I am excited to see how this enables us to have a greater presence in global markets. Thank you.

TONY ABRAHAMS

>> Thanks, James. And James, thank you, also, for being online late at night in London to answer questions that our investors may have. With that I will throw now to Olivia Nixon, our Head of Marketing.

OLIVIA NIXON (Captioned video plays)

>>Hi, I'm Olivia Nixon the VP of Marketing at Ai-Media. The world of marketing is forever evolving and innovating. The pervasiveness of the internet and social media have given rise to much needed advancements in marketing analytics - systems for social media and content management; marketing automation platforms; and customer relationship management software - and in turn, exponentially increased companies' ability to identify their customers and anticipate their needs, wants and preferences both online and off.

To stay competitive and, in fact, surge ahead of our competition, we must speak a quantitative language - which entails being active in collecting data, fluent in analysing it, and skilled at translating its implications into actionable strategies.

Consumers are more likely to buy, trust or champion companies with a strong 'brand purpose' in the era of conscious consumption. At Ai-Media our purpose has always been clear and is illustrated for all to see through our company vision – making the worlds content accessible for everyone.

My ambition is to help drive strategy around non-traditional areas, and more often working closely with our Chief People Officer Donna Reid to shape the overall employer brand purpose and employee value proposition through storytelling. In addition, I'm working hand in glove with our CTO Megan Hemmingway, CSO James Ward and CPO Bill McLaughlin to ensure that the right technology, services, and sales approach are in place to deliver our digital strategy and first-class consumer experience. Over the last two years we have grown substantially, thanks to a strategy driven by values and the ability to cultivate a loyal following of like-minded customers while we also look to scale.

Through our CRM system and Voice of the Customer surveys we have access to those customers behaviour and purchasing data, so we can augment our qualitative judgements with quantitative data.

With the increased ability to quantify marketing targets and outcomes, the effectiveness of our marketing activity has become so much more tangible, and we can justify strategies and demonstrate concrete results. Collaborative environments breed innovation.

As my team grows in capability and numbers, I am keen to be more things to many more people, including the voice of the customer to the board, the driver of traffic to our website and the architect of an ever-improving customer experience.

With the rise of social media, customers speak with a louder voice, reach a wider audience, and are engaged in a constant cycle of influencing and being influenced by one another. With the increased command of customer experience insights through the use of digital marketing technology, my team and I are steadily positioning ourselves as the company's agent for growth.

Working with the wider leadership team two of our key initiatives is to improve customer experience and build out our pipeline. While data can inform decision-making, it is only one part of the puzzle. Me, my team, and my colleagues must interpret the data effectively, and use our creativity and judgement to implement actionable strategies that will move Ai-Media forward. We are in a great position to do just that with a clear strategy developed and the right talented people to execute it. Thank you very much.

TONY ABRAHAMS

>> Thanks, Olivia. Now to Bill McLaughlin.

BILL McLAUGHLIN (Captioned video plays)

>> Good morning, I'm Bill McLaughlin Chief Product Officer at Ai-Media, a recent appointment having led the EEG Product and Research and Development teams for the 8 years prior. My career has always been characterised by transitions, moving along with what I saw, as waves of disruption have been changing the Media & Entertainment and Enterprise Video industries. The past decade began with HD video and saw the growth of broadcast services into cloud, Ultra High Definition 4K and 8K resolution, IP video production and large advances in AI. At EEG we have always strived to respond to these transitions and forward-plan for what we think will come next to position our products and our clients in the best possible place. In Enterprise Video, the global pandemic has driven unprecedented upheaval with organisations having to use video to do everyday business, rapidly scaling the systems that support video and the important consideration of inclusion.

With the addition of EEG, Ai-Media is now a one-stop-shop and the global leader in all three critical elements for providing live captioning accessibility in media and entertainment - A.I. based speech-to-text services; human typists, interpreters, and researchers; and video interface technology for placing captions and subtitles in professional media production workflows.

Our Product strategy focuses on targeted applications of AI tools into high-value opportunities in media and enterprise where out-of-the-box automatic transcriptions and translations just won't do, and a deep knowledge of video production workflow, particularly in live content, is necessary to collect model training data and other insights, and to merge captions with ultra-low latency and high accuracy into secure and low fault tolerance environments.

In addition to disruption from AI, M&E video production is migrating rapidly to software-based IP standards and maturing as an IT and cloud sub-industry. These multiple disruptions make it the right time to be a highly consolidated, global supplier as everything from technical delivery standards to content ownership in media are becoming globalized, outgrowing isolated regional markets, and shifting towards standardization of vendors and practices. Ai-Media has the global team, technology, and customer relationships to be a winner-takes-all player in this market with our one-stop-shop approach.

Ai-Media's Products targeting Enterprise are also a strong focus with global growth in high budget streaming and hybrid corporate events - marketers producing these events are seeking accessibility and watch-from-anywhere language services which Ai-Media can offer at a premium quality level and with technology that integrates directly into the multiplying viewing platforms and experiences that the events are delivered to.

I am very excited to lead this global team into the next stage of Ai-Media's growth. Thank you.

TONY ABRAHAMS

>> Thank you, Bill, and thank you for being online with us now in New York. There will be one more presentation from Megan Hemingway, our Chief Technology Officer, and then we will throw to that first question and answer session. Before we throw to Megan, I want to highlight the great success Bill had with NBC with the Olympics and Paralympics, using our semiautomated Smart Lexi product to support that, and there is no greater sporting event than the Olympics and Paralympics. In fact, the NBC production on Peacock was the most watched television event ever, with over 150 million viewers.

>> I will throw to Megan and then to Q&A. Thanks, Megan.

MEGAN HEMINGWAY (Captioned video plays)

>> Hi my name is Megan Hemingway and I'm the Chief Technology Officer at Ai-Media. I have worked at Ai-Media for 18 months, and before that, I headed up the IT department at the Australian national broadcaster – Channel Seven. In my short period of time with Ai-Media the company has had 4 acquisitions and listed on the Australian stock exchange. As the spiritual leader and maintainer of technical culture, getting on board was a bit like running an audit: meeting and talking to people to understand how things work, assessing strengths and weaknesses to produce not only a strategic plan but also to develop the team to be able to effectively drive and implement the plan. This process has seen my team to grow from 4 to over 20. At the same time, our user base has increased from about 300 to over 900. That gives a feel for the size of the change that we're going through and why we need to put some focus on our foundations.

Our foundation work starts with building capability. That capability brings moments when you get that "wow,, I didn't know you could do that" or even better "I didn't know I could do that".

Software isn't enough on its own, it is only as good as value the users can get from it, and being able to surprise and delight our users is such a rush to me.

As a team in growth mode, we have on several occasions solved problems that have been said to be "impossible", and every time it's great feeling it has motivated the team to try to do it again and again. This is why we are focused on creating efficient foundations that can readily scale with us as we grow – providing sustainability. We want to be able to go faster, for a sustained period of time.

We're building solid foundations in Applications, Data, Engineering, Information Security, Technical Support and Technology Operations.

Just like the rest of the Leadership team, I appreciate the world-changing potential of language and our technology solutions and believe Ai-Media is best positioned to lead the drive to make the worlds content accessible to everyone. We expect many great things to come in the near future with the dedication of the teams I have the pleasure leading. Thank you.

TONY ABRAHAMS

>> Thank you. If I can ask of our leadership team to put their videos on now, we will throw over to the live Q&A which Simon will moderate.

SIMON HINSLEY

>> Thank you. The first question is, "Can you talk to the market opportunity for smart ASR to expand into live sports, and how does that increase revenue for this product?"

TONY ABRAHAMS

>> When we launched smart ASR back in April, we were very clear that what automatic speech recognition required was clean audio coming in, and that was something that TV news does really well, but sport does really badly, because you have background noise, public address, background noise coming through which the automatic speech recognition system will try to interpret the best it can, and it will, and it has historically come up as a pretty bad result.

But Bill in New York came up with quite an innovative proposal to NBC for them to actually do some work to test whether the smart ASR or Smart Lexi, as we have upgraded that product to since the EEG acquisition, to really work in partnership with them. So that by them making some changes, which I will let Bill explain in more detail in just a second, with a small investment on their end to get us what is essentially better audio to that Smart Lexi product, we are able to cut captioning bills by 50%.

It is that sort of level of partnership that is really seeing that market for our products such as Smart Lexi expand quicker than we thought even a few months ago. I will throw to Bill now to see if you can give more detail on that partnership with NBC for the Olympics.

BILL McLAUGHLIN

>> I think it is a great opportunity to use Smart Lexi in sports, especially some sports like the Olympics or World Championships where it is not athletes necessarily who are household names. So, being able to train for a specific event, having the expertise to research all the international names, that is something that you are not going to see out-of-the-box dictionaries from any company or vendor be able to supply.

I think you're going to need to supply some of the research and legwork to really understand that. That is something humans have always had to supply in broadcasts of the Olympics, is to go in and really learn about these athletes and tell those stories.

I also think that smart Lexi and Smart ASR has a lot of potential when you are looking at sports, because the important thing to understand in the sports broadcasting landscape is how much the same sports events are being repurposed and repackaged to be delivered as OTT events outside of the primary market, or to certain niche or smaller scale audiences.

Again, aside from just big TV deals, there is only so much money and so much work space on

the big TV deals in any country or set of countries. But increasingly, these products are being sliced and diced so you can get minor-league teams or local teams, you can get exports from around the world to fans that in the past would not have been able to access the content at all.

And when you are going to put accessibility or language translation services on this content, it can be the same game but it needs accessibility services all over again. And we're talking about new, cutting-edge software for broadcasters who are going to be looking for a software-driven workflow, and looking to break out of the most traditional ways of doing transcription and translation. I think it's incredible as an opportunity for Smart Lexi.

JAMES WARD

>> To add to that from a sales perspective, we see a lot of traction in the sport industry, and we recently attended an event in Monaco that was an in-person event which happened in Monaco that was great. We got a lot of response from the customers there that we hadn't necessarily even heard of at this stage before attending the event. When you look at a market like this, there are new platforms, new providers that are coming into the markets, as Bill said, to take a piece of the wider pie.

They want to make their content accessible to as big an audience as possible, and that brings in language, it brings in multiple streams at the same time, broadcasting at 3 PM on a Saturday, for example, you have multiple names at once. How do you scale it, make it accessible to more markets in a cost-effective way? Using the Smart Lexi tool can really drive that.

Another thing that should always be mentioned right now in this landscape is e-sports, another billion-dollar market where again, looking to attract greater audiences, distribute content more broadly, and we are seeing some traction there and how they can use our technology to make their content more engaging and accessible.

SIMON HINSLEY

>> Thanks. Next question, probably for Bill, can you outline the progress of EEG into global sales since the acquisition?

BILL McLAUGHLIN

>> We have had some big progress in areas where EEG as a company centralised in the United States would have had trouble reaching these customers. This Ai-Media brand is extraordinarily powerful in Australia especially, in that it has delivered the highest quality captioning out of Ai-Media in years, and we have seen a lot of excitement out of the Australian broadcast community - wow, you guys are able to deliver more of a full package now, more of the technology that enables the captioning, and not just provide third-party technologies and provide transcription services.

So we have had a really good experience with that in Australia, we have had some good customer leads, some good sales in EMEA, and I think that that is only in a couple of months, and I think we are really still ramping up the training for the sales team. The EEG product can be a technical sale, and sales needs to understand who they are speaking to, and we are

seeing it as that pipeline gets going. We are seeing a really great response to that.

TONY ABRAHAMS

>> Maybe bring in this year's tradeshow, the National Association of Broadcasters in Las Vegas was cancelled due to a Delta outbreak, we have been there for decades but we launched a virtual webinar series that was well attended and we got some interesting feedback from clients at the front end. James, it might be an idea to bring that into the response.

JAMES WARD

>> To talk about how EEG is a holistic offering, we've started to talk to customers about how they can now access different options for a more complete delivery and the response to our messaging in EMEA over the last two or three months – we've been servicing you with live captioning and human captioners for X amount of years now, you can also add a more scalable product in a Lexi or Smart Lexi product to enable you to capture more content, more broadly – and the response to that has been quite remarkable in terms of interest.

What it has also enabled us to do is open up conversations with new departments in large organisations. Traditionally, with Ai-Media, we have serviced different teams within different organisations but with EEG coming on board it has opened us up to have conversations on different levels into the technical teams or the broadcast distribution teams that now exist within a lot of these bigger organisations where they are outsourcing their broadcast distribution and live events to organisations that therefore want to partner with us to implement new technology that is going to help that organisation continue to evolve.

And that has been really encouraging. I think in Australia, where, as Bill said, we have a strong brand with Ai-Media, we have seen exactly the same. And a lot of the early increase in sales that we have seen in the EEG products in the APAC region has been encouraging and I think we are set to see more of that.

Just to address the NAB webinars as well, that was a well-run and well-attended marketing piece that we did, a demonstration as well of how we are demonstrating that we are a business that is able to still access customers, despite global pandemics and conference shutdowns, our solutions that we provide actually complement the virtual world and online world we are experiencing. I think that's why we were able to attract such a large audience to come to our webinars and showcases of the technology we planned to display at the show, and since then we've had a high volume of follow-ups for product demos and conversations about the different products that were on show there.

TONY ABRAHAMS

>> I might add there, obviously the focus here is still on pipeline. We are still only four months into the EEG acquisition and a lot of the great activity we are seeing right now from the sales teams around the world hasn't been reflected in the numbers. And that work, we will start to see in coming quarters.

SIMON HINSLEY

>> Thanks, Tony. The next question from Nick Harris – now you have a holistic offering are there any competitors that have the full suite like Ai-Media?

TONY ABRAHAMS

>> No. Not at all.

SIMON HINSLEY

>> Black-and-white answer.

TONY ABRAHAMS

>> To colour that in a bit more, sorry to be a bit cute on the answer, the EEG product suite is so ubiquitous in the United States, it is priced at a very affordable level. You can effectively get a box for one channel for \$10,000. A lot of the rest of the hardware and infrastructure market, it wasn't big enough for people to muscle their way into, and Bill can give us more colour because there were competitors a few years ago, but by focusing on what was a very narrow problem to solve, which was around the video encoding and the captioning coding and doing it in a way that was cost-effective, it became the default standard in US broadcasting, to the point where the iCap platform is used so ubiquitously in the US that Nielsen, the ratings agency, get the data on what channels people are watching through the iCap network, which is the EEG cloud.

What the EEG team have done is they have taken what was initially very much a bespoke US broadcasting standard back in the analog days, when it was NTSC, which had a different number of frames per second, to PAL, which is what we use in Australia and is used in Europe, and Japan had a different standard. When Bill spoke about the technology transition from HD to 4K, what they also did was they made sure that what once was an isolated US-based platform was capable of delivering for all digital platforms globally, and that is something that Bill personally has led the transition over the past 5-10 years at EEG.

That was the point, I think, when they overlaid the Lexi service to deliver such an improved accuracy over the out-of-the-box automatic speech recognition solutions, that was when Phil and Bill at EEG said we have to get the technology global and that was the motivation for running that sale process a couple of months after we listed last year. Bill, I will throw to you for more on that history and why there are no relevant competitors in that space.

BILL McLAUGHLIN

>> I think from a product perspective it comes from looking at the whole problem and looking at what the customer views as the solution set around captioning accessibility, especially talking about the broadcast market, as opposed to what a company might think that what they know how to do. And to make that concrete, you can make a caption encoder that you plug into our video plant and that is a piece of hardware, EEG in the first days, decades ago, the peer market was military and communication electronics, providing transcriptions and stenography, its own specialty, and at the same time providing AI and speech recognition on the data platform, that is its own specialty that doesn't have a lot to do with communication electronics or stenography or voice respeaking.

What unites these things is the customer application and the customer need for the acceptable solution, which is really tied together, in a lot of ways, not just by practice but by regulatory need. So the market kind of has a form that I think, especially EEG and Ai-Media, we are well-suited to that market and not a lot of companies are well-suited to compete across that full range of things because there is a lot of individual sources of knowledge, experience, expertise

and ability to operate the services business. I think in that sense, that is why it is hard and that's why it is unique.

SIMON HINSLEY

>> The next question from Nick Harris – live broadcast had a difficult year last year due to lockdowns, has the segment seen a rebound or is it other parts of the business that is delivering the growth?

TONY ABRAHAMS

>> It has absolutely rebounded and we have acquired some new customers.

JAMES WARD

>> We have seen live broadcast as one of our strongest revenue growth lines in Europe over the last 12 months. And that has been a combination of it rebounding a bit, but from a company perspective, starting to win more contracts in this space. That's not just in the English language, that is in multilanguage delivery, an important addition to this, because the EEG equipment we installed at broadcasters as we won the contract has given us flexibility on how we deliver the content and the captioning.

And that has been a step change for us certainly in the EMEA business, now we have longer, more secure broadcast contracts that are contributing to the overall revenue growth. Yes, I think definitely there. And equally we are seeing now more expansion into the APAC region in live broadcast with EEG equipment has been some recent wins that we have had there, and looking at the Smart Lexi delivery for those customers looking to upgrade or even implement for the first time, their captioning solutions.

TONY ABRAHAMS

>> And TVSN, the shopping network, we announced yesterday on that one.

BILL McLAUGHLIN

>> You might want to question the premise of how challenged live broadcast has been by the pandemic. It's been a mixed result because of the amount of time in most places in the world that sports and live entertainment was off TV was fairly limited. Everyone, I think, was watching a lot. If you can't get the equipment into the plant due to lockdowns, component shortages or any of that, that will be an issue. On the other hand, I think that is something, the equipment needs are not going to go away, so that is something we would expect to spring back as soon as possible.

The other thing about broadly all of the live news and the press conferences, all of the Health Department conferences, that is live broadcasting that needs to be captioned and broadly, as people were watching all kinds of entertainment at home, not just on traditional television channels, I think an important thing to realise is our business scales with the number of television channels that exist and I do define television very broadly there. When the same number of viewers watch independent channels, that is better for us than the same number of viewers watching only a handful. Because each of those channels need their own infrastructure for production and their own captioning.

SIMON HINSLEY

>> A question on SubSilo – are there any further cases or market opportunities? And can you explain how it differs from the current product line?

TONY ABRAHAMS

>> Absolutely. This product line was created particularly for the use cases of Parliament. It was, I guess, part of the overall technology design we have always maintained throughout all of our products, which was to get the captioning at source as accurate as possible, we do it live, and when the text is accurate and live, you can do so much more with that data afterwards.

This is the application we saw for parliament. Again, James and Bill will tackle this. Megan and Olivia, I'm sure someone has a question for you. James, you were close to our first index customer in the UK and how neat this product fit is with captioning and Hansard.

JAMES WARD

>> This SubSilo is an exciting opportunity for us. It has evolved quite quickly. As Tony said, the UK Parliament was the first use case and what was interesting, as we got into the development of it and the rollout, and it is now live and has been since early June. The multiple use cases, and one, yes, it provided access to the content that Parliament work was after, but it actually gave them multiple benefits and cost savings in terms of their Hansard reporters using the live captioning transcripts to develop their transcripts in a more efficient way.

To also create an open API for journalists and media organisations to also access the platform and pull down transcripts and download and share as part of their media outlets. The multiple levels of application are growing. And quite quickly following the UK Parliament launch, we then saw interest from other parliaments across Australia and have been successful in using this platform to give the same benefits to them.

I see this product as having a wide range of use cases, if you think about the number of meetings that happen, one of our customers, Shell in the Netherlands, are doing 400 broadcasts a month and we are discussing how SubSilo could help them capture those meetings in a uniform way that they can be searched, downloaded, shared, translated into other languages and as Tony said, edited to bring up accuracy where required.

Bill is probably thinking about me running away with the sales ideas where product will follow but it gives that extra level of ownership from an organisation or a government department, where it delivers on an accessibility front, which is critically important in all of these organisations, but then actually has more value beneath that, that makes the cost of purchasing this platform much more achievable. Bill, you might want to rein me in a bit on where it is going.

BILL MCLAUGHLIN

>> The municipal government market is quite large in the various countries we do business in, but as you say, it is also a great fit with automatic captioning, for example, because taking good notes is kind of a lost art. We are having a situation where customers, there is an ability to do fairly affordable transcription of things that are happening across meetings or organisations, and where does that go? How does that become searchable and useful?

So we are starting to step into that problem space for our customers, and I think that is something where we can really provide a value that goes hand-in-hand with the accessibility

value, which is the organisational and personal efficiency value. How do we make sure we really get something out of these hours and hours of meetings that we go to every week?

SIMON HINSLEY

>> Thank you. We still have a number of questions, but what we might do is move onto the next segment if you are happy with that and then return to Q&A at the end.

TONY ABRAHAMS

>> Absolutely. We might ask the team to go off video while we go back to 2 more pre-recorded sessions. The first one is to introduce Donna Reid, our Chief People Officer, and Donna is actually on leave this week and not here live, but the rest of the team and I can take any questions on the People front as well. Over to Donna.

DONNA REID (Captioned video plays)

>> Hi, I'm Donna Reid, Chief People Officer at Ai-Media. In a tight labour market and fierce competition for skilled workers, delivering a positive experience for candidates and employees has taken on new importance. It is no secret that engaged employees are more productive, less likely to leave, and more driven to contribute to a company's goals.

Indeed, an inability to attract and retain top talent can hamper an organization's growth, hurt profitability and create a negative brand experience in the marketplace.

Therefore, our People department is firmly focusing on profit with purpose and how that will thread through everything we do from recruitment to performance management and into our wider culture as we continue to grow.

My key focus as Chief People Officer is driving and supporting the strategy and the processes related to building an exceptional team all over the globe.

And while my team may actively advise and consult— we are also willing to roll up our sleeves and execute solutions and ensure these efforts support the company's growth and bottom line while fulfilling our company vision – to makes the worlds content accessible for everyone.

Working closely with Tony and Olivia, our VP of Marketing it is our job to bring this culture to fruition through strategic "storytelling."

This means ensuring that the company values are reinforced with every initiative and communication.

I'm really excited about the growth we have achieved and our plans to efficiently scale further in the coming year. Thank you

TONY ABRAHAMS

>> The last pre-record is from John Bird, our CFO.

JOHN BIRD (Captioned video plays)

>> Good morning, I am John Bird, Chief Financial Officer at Ai-Media. I joined Ai-Media early this year and almost immediately became involved in driving the acquisition of EEG. The success of this acquisition has increased Ai-Media's momentum in fulfilling our vision of "making the worlds content accessible for everyone".

As CFO I bring several decades of finance and operations experience in international and Australian ASX-listed companies pursuing growth in Asia and the Americas. These companies have been focussed on the application of technology to solve issues facing many of us – not unlike Ai-Media.

Success in my career has been from working with the 'wider team' across the organisation, to understand the value proposition that the company possesses, work with customers and technology to drive scalable solutions to exploit this value. My experience in navigating high growth companies, developing new business strategies and my operational understanding will deliver meaningful solutions to grow Ai-Media.

I'm passionate about encouraging business growth. With an accomplished finance team facilitating the development of strong metrics enabling identification of asset performance, enhanced by the acquisition of EEG, I believe Ai-Media have the key requirements for success including a strong team identifying with customer needs and execution, scalable operations with a focus on emerging technologies, a strategic imperative that provides a solution to a real- world problem. With these strengths Ai-Media can fulfill its mission to be the clear leader in the captioning and translation space, creating solutions that enable every customer to successfully comply with accessibility standards, while changing people's lives along the way.

This is a particularly exciting time for Ai-Media. The depth of our product, the commitment of the team and supportive shareholders mean that Ai-Media is well placed to grow significantly. Thank you.

TONY ABRAHAMS

>> Thank you. What I will do now is just run through the first quarter FY22 highlights. The document that I will be sharing from is the Morgan Stanley Conference that we put up on the ASX site yesterday. Just briefly, I am assuming you can see that, key highlights were 35% revenue growth versus Q1 FY21. This is inclusive of the acquisitions, but also inclusive of some products and services that we just weren't leveraging this time last year. Really key metric here is the growth on our SaaS minutes, a 75% YoY growth in Smart Lexi, being delivered in the US and in broadcast, and including the smart ASR services that we began delivering back in April and May.

Operating cash flow break even for the quarter, and 15.5 million in cash after accounting for some one-off transaction costs related to the EEG acquisition and audit. Really excitingly, we have delivered on that promise of increasing gross margin. This time last year that gross margin number was 39%, now it is north of 50%, and expected to continue to climb, as we continue to sell more of our high margin SaaS products, and some customers spin down from our premium products because they are able to utilise those automated and semiautomated services to deliver that level of access at half the price.

That is a good transition, and a transition that we are managing, but obviously one that will have an impact on the top line, but where we will actually see benefits come through in margin and EBITDA. Excitingly, we have also grown our SaaS portfolio with our really exciting product launch of SubSilo that we discussed a few minutes ago, and as part of our prudent capital management plans, we have implemented a modest buyback program, so we can take advantage of buying back shares when we think they are particularly undervalued by the market, as they have been in recent weeks.

Key customer wins are really important to call out. They are all indicative of where the business is going strategically, they have an impact not just in terms of key customers themselves, but also what it means for pipeline and further channel development. Microsoft Teams is one, this was only announced last week by Microsoft, and Microsoft does offer free automatic speech recognition embedded within the Microsoft platform. In fact, Microsoft themselves knew they had to add that capability to deliver solutions that work better than out-of-the-box. We worked with them, much like we worked with Facebook back in 2017 to introduce live captions to the Facebook live platform, we worked with Microsoft to make sure that the user experience and ease of connecting premium captions was as seamless and as beneficial for the end user as possible. And it looks great. We really look forward to that. It is not a direct customer win, as a platform integration. It is up to James, Olivia, and the sales and marketing teams now to help drive traffic through to our premium services for people who are on Microsoft Teams, which is around 250 million users worldwide. It is a big win, and we're just at the start.

TVSN is a big win that we could not deliver but for the EEG acquisition. That channel has taken the EEG equipment and on top of that the Smart Lexi service, and we will be going live with them in a few weeks' time. New South Wales Parliament are a really big win, our second Parliament, and they will go live in the second half of this year. It is again utilising live captions and the SubSilo SaaS product.

As we discussed, the NBC Paralympics and Olympics products, we were delivering captioning across 60 different channels, and we were able to curate that with a handful of people across those scores of channels. In the past, if we were doing that in the premium way, it would have taken at least one person per channel. It is a big step forward in delivering captions at scale and those are index customers this quarter.

A couple of slides on the outlook. If there is one slide that summarises our mission and strategy for growth, it is taking that amazing EEG product suite global. There are a number of greenfield opportunities, particularly in Asia, where there is actually no captioning infrastructure in place, and there is a regulatory commitment to introduce that. That is our first target, we are working with local partners and distributors in each market so that we really do balance the expertise we have with the local market.

I mentioned when we did our full year results, that the measure of success for us is going to be how much of that total pie can we increase the quality of the revenue, can we increase the gross margin attributable to that revenue, and ultimately increase the scalability of the products through that truly SaaS model. We have seen that services percentage fall from 100 to 72, that is down from 76 in June, and we are targeting that number to be 50% by the end of FY23.

With that I might pause and hand back to Simon, and ask the rest of the team to come back on

video, and we will open it up for Q&A.

SIMON HINSLEY

>> Thanks, Tony. Can you talk about the win rate for Smart Lexi, is it all about winning new customers or is it existing as well??

TONY ABRAHAMS

>> It's both. I think the view on out-of-the-box ASR solutions, I know Sky News looked at about a dozen different competitors before choosing Smart Lexi and none of them even came close. They were a lot cheaper but didn't deliver the level of quality required. James, anything you want to add?

JAMES WARD

>> It is definitely a mix. What we found with existing customers we have pitched and discussed Smart Lexi with is that it reduces their cost ultimately. We can halve their cost of delivery and still deliver a high-quality product. In the case of Sky News, where we were delivering with human premium captioners, we launch the Smart Lexi product, there is an immediate financial benefit that our customers are realising.

I think with new customers, success rate is very much at the moment in the proof in what it does and what we are aiming to do at the moment is to demonstrate to customers how this works and how we can roll this out to deliver their needs. An example of that is TVSN, who came to have a caption requirement from a regulatory point of view, looked at the product and quickly assessed it, which is a great thing, it is pretty quick to see the difference between the Smart Lexi product and other solutions such as the ones that Sky reviewed.

Success rate is continuing to grow. For customers, by reducing cost it's a good sales pitch and for new customers who are either looking to switch and reduce cost or actually implement something for the first time, which is, again, in the global market we operate in, there are more and more customers coming to this for the first time and in Asia, as Tony mentioned, that is a huge opportunity for us in the EEG landscape.

SIMON HINSLEY

>> A question for you, JB or Tony, why launch a share buyback, what is a plan for the balance of the cash?

TONY ABRAHAMS

>> Just briefly, and I will hand to JB to provide further commentary on this, as part of the capital allocation framework we have, we are looking at how much cash we have available, what are the near term investments we need to make, and what will be the projected cash balance through the year.

We achieved operating cash flow break even a little earlier than we forecast, back in March of this year, and we look at where we can invest shareholder capital at the moment and looking at the intrinsic value of those shares, whether based on the analyst reports or based on our own internal forecasts, 2 million out of that 15 million is a prudent investment for us to have that capability in the back pocket.

But JB, obviously, a lot of people are saying does this mean we don't have other growth investments? This is ultimately about the numbers, right?

JOHN BIRD

>> To add to that, not forgetting we purchased EEG not long ago, for both cash and shares, one of the key things we are doing is growing the company. A lot of it will be organic in the next 12 months. You therefore don't need a great cash float. All indications are that we will be making significant cash across the next nine months of the year, so while we are operationally break even, the first quarter is a quieter quarter and we are investing in growth strategies, we know the pipeline, some of the sales we spoke about earlier will come online across the next quarter and incremental sales we are expecting.

This leads to us gaining more cash in the balance sheet by year end and it seems prudent to let the market know we believe in the share price. Our indications are that the valuation is significantly higher than what the market says and part of that is the growth potential, we will continue to throw off cash. And probably the last thing is, if we are to make an acquisition, it probably won't occur in the next few months. We are always open to the right technology and it will be more than likely a technology-based acquisition and most of these could be partly cash-funded and partly equity-funded, just as we have with the last four acquisitions.

SIMON HINSLEY

>> Thanks, JB. A couple of questions for Olivia, you discussed how your team uses different strategies to position Ai-Media for growth and improve customer experience. Can you expand on this and give us examples of how Ai-Media differentiates from its competitors?

OLIVIA NIXON

>> Our strategic objectives are aimed at scaling processes internally and building efficiencies that will have the impact of improving the customer experience. We are also sharing knowledge and experience across the regions and between acquired organisations. We acquired these businesses for a reason and we are making sure we achieve maximum benefit from them.

We are also building our content strategy and ensuring we offer our diverse customer base the information they need, when they need it. We've noticed increased demand for sustainable products and services and we are looking to revise our ESG strategies to make sure we always offer the most up-to-date product and provide our customers with the best possible experience.

As far as differentiation with our competitors, this company was started with a vision to help make the world's content accessible to everyone and focusing on inclusion of the Deaf and hard of hearing community. This is still at the heart of what we do. But the difference now, especially with recent acquisition of EEG, is that Ai-Media has expanded to be the one-stop shop for all captioning, transcription and translation solutions and it's across organisations, governments, locations and languages.

It's the breadth and strength of our offering that makes it difficult for our competitors to compete with us.

SIMON HINSLEY

>> Another question for you – can you touch on the channels your team uses to increase traffic

to your website, your conversion rate and if you have seen improvement over time.

OLIVIA NIXON

>> It's a combination of a number of things, we drive traffic by building content on the website that is relevant to target customers. We are trying to drive traffic through involvement activities, through events and sponsorships as they come back online and we are prepared to do hybrid events and online events. Thought leadership opportunities, paid channels, investor days like this, combine that with paid search, paid social and we have a regular email marketing plan.

The conversion rate depends on channel, the audience, content, etc. but it's a metric we are always looking to improve. We are making a concerted effort to understand our customers and since the acquisition, the relationship to the EEG customer rates more deeply. I'm confident this will improve the conversion rate with the upsale opportunities that presents, we are already seeing some of that.

SIMON HINSLEY

>> A question for Megan from Nick Harris. The size and scale of Ai-Media has increased dramatically in the last 12 months, do you think the current core platform can handle big growth for the next few years or do you potentially need to re-architect the tech platform for the next step change?

MEGAN HEMINGWAY

>> We are lucky that the platform we have now is coping well, it's scalable, we don't need to re-architect it. We need to add CPU memory storage and that boring stuff, but it is coping well with the scale and is not about to hit any ceilings, which is the important thing.

The other good news is we are constantly looking to, not re-architect, we don't have a big bang that we need to rewrite this whole thing because we are about to hit ceilings, but with our acquisitions, we have components that overlap, similar functionality, we are in a lucky position to pick the best of two different platforms, for example, and do it in such a way that we really focus on what will be best for the customer.

We will improve our platforms, we will re-architecture and do continuous improvement but we can do it in a nice, calm way. There is no upcoming chaos. We don't have to rush because we are hitting a ceiling or anything like that. It's a bit of both, we will re-architecture and we will try to keep our stuff modern and up to speed and we use the best of everything we have, but there is no need, it's all handling the scale quite well.

SIMON HINSLEY

>> Follow-up question from Nick, the Microsoft integration sounds like a big deal, how difficult was that?

MEGAN HEMINGWAY

>> The good news is it wasn't that big a deal. That is one of the beauties of the technology we have, we have already integrated with other platforms, it was just another platform. It wasn't quite that simple but it's not like we spent years working on this. There was no massive engineering efforts or anything like that, it was just another integration, which was very nice.

As for how do we, how do people start using it, I think I will throw that one to James, how will we sell that when they get the most out of it? Again, it's the same as captioning what we are doing today, the captioning integration with all platforms, it is similar, the same, and that is what we are trying to do, make it easy for end users and captioners, quite agnostic. There is nothing particularly challenging there.

JAMES WARD

>> The way I see this integration is it has opened up another huge opportunity for us. As Tony said, 250 million users on Teams, and we have had requests throughout as Teams becomes more popular and widely used through the pandemic, we've had requests for direct captioning, from premium captions into Teams and until now we couldn't offer that.

It opens up a whole new sales channel for us. We have lots of work uses, people in the workplace require captions and the key message is that customers still want choice. Microsoft recognised that, they had an automated caption service available, but there are certain customers that want premium or they have certain types of meetings that have particularly difficult content or multiple speakers whereby premium captioning will deliver a greater accuracy of that content.

I'm really excited about this. The other thing is that the integration of the capability in languages that is not necessarily available in the Microsoft auto captions. It's a big deal for us.

SIMON HINSLEY

>> Is that available now? And how will Ai-Media manage this?

BILL McLAUGHLIN

>> Microsoft has rolled this out as a pilot. I don't think they have a full public rollout to everyone that uses Microsoft Teams yet. Basically, there is public documentation available about how the feature looks, how to turn it on in your account, and that can be used to get the customer side done to make sure they have the ability to take captions from our platforms.

The sales channel for that would go through Ai-Media and through our traditional ways of selling, so there is really not the new system there. If this has been easy, it is mostly because we have delivered to many platforms before and we are good at it. But this comes in fairly similarly for a request for us to do one of the channels we do directly already, for example, Zoom or WebEx, and in the past if someone said, "I use Teams," we would be steering them towards our Ai-Live platform, a standalone viewer that you can use side-by-side or record a screen capture with something like Teams or Google Meet, which is still lacking a third-party feature. So we have solutions for those as well.

I think having a better feature in there in Teams is going to boost some opportunities, going to boost awareness that you can do this, and it is a little better than using an out-of-Teams viewer, which is what we have had to do for these customers before. And building on what James says, it is an acknowledgement that first of all, Microsoft heard from their customers a desire to work with Ai-Media, at Ai-Media and in general the kind of expert transcription specialist company generally that we represent.

Microsoft realised that this entire universe of service providers is not going to be consumed

completely by a free ASR tool, so they heard that from their customers and they have responded to their customers' needs. They put us in on this pilot, and obviously some large customers came to them and pointed to Ai-Media as being an expert that they want to pilot this with, they wanted our opinion, they want to make sure it works with Ai-Media. That is an honour as well.

OLIVIA NIXON

>> Just to build on that, because we were involved in anticipation, we have already built out the customer user documents so that when Microsoft do go live, our customer base will be able to utilise it immediately with a step-by-step guide. We are also pushing that on our social channels as well, so we are helping gain awareness that this is something we offer.

SIMON HINSLEY

>> Thank you. Bill, just a question, can you please provide some insight on whether customers are seeing an impact on shortages, can you substitute with a hardware solution if required?

BILL McLAUGHLIN

>> Falcon and Alta are more virtualised products. For example, Alta you can run, we can ship a server we assemble, you can use a more well-known brand, and we can provide that to customers as a virtual machine for their on-prem virtualisation facilities, or we can deploy that directly to the public cloud. I think in a lot of cases those software solutions are going to be very flexible to customers being able to scale up, scale down, deploy in any season, without respect to something like component shortages.

I know in the broadcast industry there have been some concerns about ability, some have a three month lead time or something like that, and that has been a problem with broadcast equipment on prem. We don't really have a problem to this date or anything that is really foreseen in making the EEG products. It helps that we have a pretty tightly integrated and onshore manufacturing capability for those products. So I don't know that we have been drastically affected by this, and certainly, if a customer can't get the networks which they need for three months, that certainly is going to delay certain kinds of installations. I do think the industry is marching on, captioning is an absolute requirement, and I think any sales that are delayed through that, we are capturing eventually, 100%. To be honest, I'm not sure that has even been a major headwind at any point to date.

SIMON HINSLEY

>> Thank you. A question from Christian at CCZ – Are you finding any success in selling the SaaS and premium services through the iCap network opportunity?

TONY ABRAHAMS

>> That opportunity is the total number of minutes carried across the EEG infrastructure, whether that is physical or virtualised, as Bill said. About 84% is been delivered outside of Lexi and Smart Lexi, and given that Lexi and Smart Lexi was only born about 2.5 years ago to capture 16% of the broadcast market, I think it's a great testament to the work that you and the team have done. To see those minutes up 75% year on year probably really talks to the value proposition, but I think it is certainly something we are working on. Bill, maybe you can colour that in a bit, because this does mainly reflect the US broadcast market, and that traditional sales platform that EEG have.

BILL McLAUGHLIN

>> I think we have a really good proposition there, because customers that have the EEG equipment and have used it before with a variety of other caption sources, primarily traditional human captioning, have an opportunity to instantly trial what we can do with Lexi and Smart Lexi, and we don't really have to ship anything, and deal with mail delays, component delays, any kind of delays. We can trial this to one of the hundreds of customers with these EEG encoders installed in line at a broadcast plant. We can trial it right away, we can trial it now, we can trial it next week if we want to trial something different. So we have a pipeline to the customer that any would-be competitor in this space does not have. They need to make a totally different kind of investment and how they are delivering the service to the customer, and how they are getting the demo even installed and operational, I think we are able to do this with instant realism and credibility.

In that sense, I think most of the Lexi sales we do you can definitely attribute to the strength of the network and the strength of the infrastructure position. We have also seen that in some cases work the other way, we have seen a customer who really wants the Lexi captioning and who understands that to do so they need to buy a new broadcast closed caption encoder, and if they are doing 200 hours per month of captioning, the amount you are going to save on captioning if you are able to move to a Lexi approach, that is going to pay off that captioning encoder in only months. It is really going to be a no-brainer.

So I think having the two of those put together does provide a synergy that can be kind of bullet-proof, and you can mix and match the human services and Lexi. And other providers of human services for captioning, they have challenges when a customer asks, "What if you have a shortage of workers? What if you have a technological problem delivering from your main plants? What if you assign us a home worker who can't reach the equipment?" The solution for all that can really be Lexi when we need it. Maybe we are happy with the vendor we are using, and we don't need Lexi 24/7, but you can have it when you need it, and there is really not a lot of fixed cost behind it. I think that is something we are taking advantage of already, and we can continue to build more fully into the sales plan as well, that Lexi has that flexibility to be always deliverable.

TONY ABRAHAMS

>> And the iCap platform is the distribution network that sits on top of the hardware, whether that's physical or virtualised, and getting that distribution platform in place. It is all very well to talk about automatic speech recognition solutions, but you actually need a platform that can take the audio in and deliver the captions back and have it appear on a TV set. That goes back to the early question of do you have any competitors in this space? No, because 100% of the market in the US is actually reliant on the distribution platform that we now own.

BILL McLAUGHLIN

>> Yes, you are in lockdown, you can't access your plant, you can actually trial Lexi anyway without touching anything.

SIMON HINSLEY

>> Last question from Nick Harris, just on live broadcast and sport captioning, Tony, you mentioned that Ai-Media can lower captioning costs by 50%. Is that after including the customer

setup cost etc.? After the customer spends money to install whatever they need to do to feed a cleaner feed to your ASR?

TONY ABRAHAMS

>> It's after that. There is a pretty clear business case for people to do that, to restructure their architecture around that investment. When he talked about going both ways, the second way is what Sky News have done. Sky News took this opportunity to deliver with Smart Lexi with half the hourly price of what the premium service was delivered at, and therefore, there is a business case for us to actually completely re-architect the broadcast cloud system and move broadcast providers, they threw away all of their own inserters, they added the EEG kits, and that was all part of a real partnership between us and the customer. To really upgrade their captioning distribution architecture and allow us to put the SaaS solutions on TV for their viewers. And yes, Smart Lexi is 50% of the hourly price of the premium service.

BILL McLAUGHLIN

>> I am not sure that the last question was about cleaning up the audio, but I think for most broadcasters there isn't really a lot of costs added surrounding that, where if you are producing your own content, you already have separated all that and you can really use that probably for as close to free as you could really imagine. In some cases, if you are importing a content package from an external content provider, and it already includes audio, and it is all packaged up and the audio is already mixed, you maybe, in some situations, don't have the ability to fundamentally change that package. And we work in those environments too, that is not the very best environment for delivering any form of captioning, but obviously working with what the broadcaster has and I think that in the end that is not an issue that is fundamentally changing the economics for the customer.

JAMES WARD

>> Just to add on a point that came up earlier about having EEG as part of the Ai-Media ownership and how it has proven successful in end to end sale, and I think Sky News is a great example of that. We had solutions and would have provided solutions to deliver smart ASR product for them, but they recognised that purchasing the EEG equipment and reorganising their infrastructure actually puts them in a better position for future growth as well. So as our technology evolves, they already have the infrastructure and distribution network to take advantage of that, and won't have to go again to really reorganise and repurchase.

TONY ABRAHAMS

>> That is also, it was a strategic decision that they made in collaboration with the senior leadership team, effectively, at Sky News, to say that if they do re-architect they will actually have access to those captions so they can make it easier for journalists to find content, and can massively improve the efficiency of their team.

I think one of the quotes that we had from them was to thank us for our collaboration here and their journalists can get on with being professionals and not do a whole lot of manual searching and sliding for content. That is the sort of part of this overall trend, I would say, that we are seeing in the market. People are looking to get more and more value out of that transcript, out of that voice later, and as Bill said, the art of taking notes is kind of a lost one, but if we can continue to build on what is really accurate captioning and transcription data, then we can do more and more, and our customers can do more and more with that data, to improve their own

workflows. And the flexible system that we have developed, with this broad umbrella of SubSilo, is the new product family that is going to help our customers get the most out of their data.

SIMON HINSLEY

>> Thanks. That concludes the Q&A. I might pass it back to you for quick closing remarks and we will finish up there.

TONY ABRAHAMS

>> Thank you very much, thank you for being our MC and thank you to our investor base for coming along. Hopefully you have had a great opportunity to meet some of the team behind Ai-Media, certainly the leaders, and there are a number of great members of the team that feed into this. Thank you very much for your support, and we really look forward to the next part of the journey this year and what is going to be a really transformational year for the business.

Thank you.