



2022 Annual General Meeting

Approved for release by the Chairman

Chairman's Presentation



Audinate Group Limited 2022 ANNUAL GENERAL MEETING

Tuesday, 25 October 2022 at 9.30am (Sydney time).

Chairman's Speech/Presentation

Before our CEO Aidan Williams addresses us, I would like to welcome our directors, shareholders, business partners, and guests who have joined us today, and would like to make a few comments.

Audinate has emerged from two years of COVID-related headwinds to deliver strong revenue growth and continued progress toward our long-term strategic objectives. With supply chain pressures expected to ease over the course of FY23, the business is well-positioned for ongoing growth.

Reflecting on FY22, Audinate has continued to build momentum in the adoption of Dante, irrespective of the challenges in the operating environment. Examples of important metrics include the record number of design wins, including 50 for our Dante Embedded Platform alone; 487 new Dante-enabled products released during the year; 410 Original Equipment Manufacturer (OEM) brands who are shipping Dante; and more than 33,000 AV professionals were trained on our technology during FY22. These metrics, as well as price increases of 10%-25% for many of our products, will contribute to the ongoing growth of our audio networking revenue.

The company continues to deliver on its technology roadmap with the release of AV management and control capabilities such as the Dante Ready feature and a beta version of Dante Cloud, a cloud-based implementation of Dante Domain Manager. It is also worth noting that the transition of customers onto the next generation Brooklyn-III product is a critical remaining step and a priority for the next six months. This next generation Brooklyn product has commenced shipping in October, in keeping with the time-frame flagged when we released our results at the end of August.

Despite its challenges, FY22 was another successful year in the execution of our video strategy. The acquisition of the Silex video business provided us with further talent and expertise in video. We released Dante Studio, our first video software offering for end-users, and recently announced our first OEM video software offering, Dante AV-H. I am particularly excited about the potential for Dante AV-H, which facilitates the proliferation of Dante technology for video applications, as it can be readily incorporated into popular H.264 video chipsets.

Heading into FY22 we recognised the potential for Audinate to double revenue in the medium term. To achieve this potential, it is important to have the people, processes, and systems in place to support the business and provide a scalable cost base to grow profitably.

There was a reasonable step up in headcount as we grew from 135 in June 2021 to 178 employees in June 2022. With this foundation now in place, we are targeting more modest headcount growth of 10% in FY23.

The Board remains focused on building and maintaining a healthy culture to enable the business to flourish. Having significantly increased our headcount during the year, we were pleased to maintain our top quartile employee engagement and keep 'regrettable employee turnover' to near target levels. Heading into FY23, we have increased salaries to reflect market pressures, especially for technology staff.

We were also pleased with the response to our initial Environmental, Social and Governance (ESG) reporting last year and have continued to evolve the detail and nature of our ESG disclosures. For FY22, we have included a separate ESG section within the Directors Report in our Annual Report and replicated this content in a dedicated section of our website. Furthermore, we have adopted and published Audinate's compliance with the GRI index, which is also available on our website.

Notable achievements over the last year have been the satisfactory completion of our initial supplier audit, the introduction of a significantly improved parental leave policy, and the strengthening of our cyber security framework. Recent events in Australia highlight the importance and need for ongoing focus on cyber security and we will continue to strengthen our processes and systems in this area. In the year ahead, another key focus areas is to improve Board diversity by recruiting an additional director.

The company has had to respond to significant supply chain and lingering COVID-induced challenges over the last twelve months. The Directors have been impressed by how the management team navigated and overcame these challenges and still delivered significant revenue growth for the year. A record sales backlog provides us with optimism about further revenue growth as supply chain pressures ease for both our OEMs and Audinate.

I want to thank Aidan for another outstanding year, particularly his ability to balance his strategic aspirations and vision with a rigorous, data-driven approach to decision-making. The Executive Team and the entire staff of Audinate all play a vital role in the company's success. We welcome the many new team members who have joined us during FY22 and thank everyone for their passion, ingenuity, and teamwork.

I would now like to welcome Aidan Williams, our Chief Executive Officer, to address you.

CEO's Presentation



Overview of Audinate Today



World-leading supplier of digital media networking for the Professional AV industry



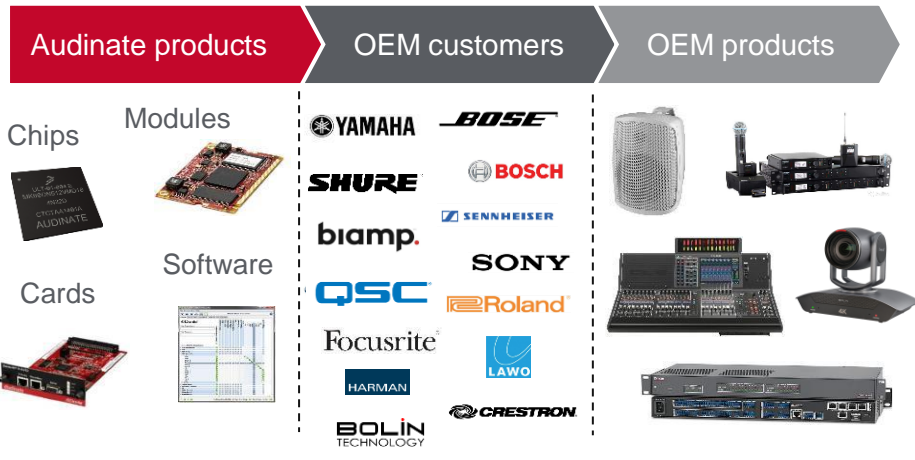
Growing network effect of Dante enabled products in market – now **3,610**



Products

Dante comprises software and hardware that resides inside the audio and video products of Audinate's Original Equipment Manufacturer (OEM) customers

[For further information on Dante: <https://www.audinate.com/meet-dante/what-is-dante>]



ASX Listed on the Australian Stock Exchange (ASX:AD8) in June 2017



Dante Video and Audio Platform

AV Configuration & Management

- Dante Controller
- Dante Domain Manager
- Dante Cloud



Audio Visual
Integrators,
Professionals
& Consumers

AVIO Network Adaptors

- Analogue
- USB / Bluetooth

Audio & Video Software Tools

- Dante Studio (AV)
- Dante Virtual Soundcard
- Dante Via
- 3rd party apps

Manufacturers
(OEMs)
*Original Equipment
Manufacturers*

Audio Products

Chips, Cards & Modules

- Brooklyn III
- Ultimo
- Broadway

Software

- Dante Embedded Platform
- Dante Application Library
- Dante Ready
- IP Core

Video Products

Chips, Cards & Modules

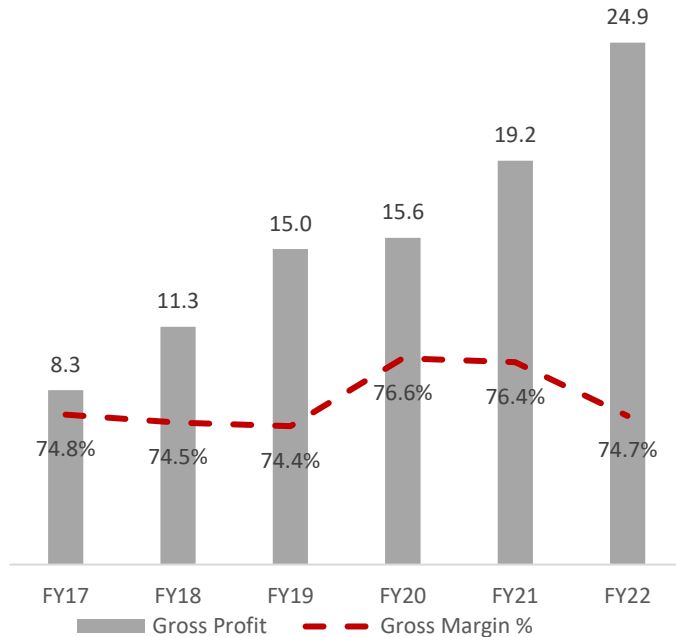
- Dante AV Ultra
- Viper Board

Software

- Dante AV-H

Audinate growth continues

US\$M Gross Profit



Note: gross margin % calculated using AUD

Key Financial Metrics

		Variance vs FY21	
A\$46.3M	Revenue	38.7%	✓
US\$33.4M	US\$ Revenue	33.4%	✓
74.7%	Gross Margin %	(1.7%)	-
A\$4.3M	EBITDA	40.9%	✓
A\$44.5M	Cash & Term Deposits	(\$21.0M)	-



Leading Global Supplier of Digital Media Networking

>A\$1bn Total addressable market⁽¹⁾

410 OEM brands shipping Dante enabled products

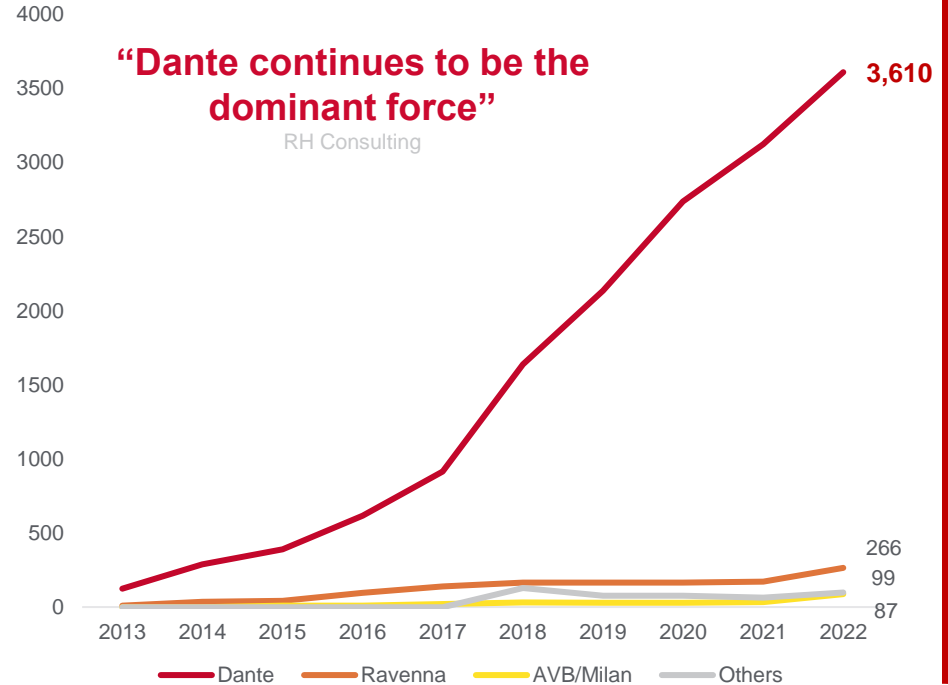
3,610 Dante enabled products available on the market

14x Market adoption of closest competitor

33,500 Professionals trained on Dante in FY22

1) Management estimate of total addressable market of audio, video and Pro-AV software products

Total audio products per protocol



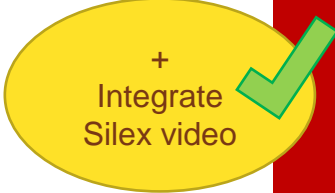
1) RH Consulting, Networked Audio Products 2022 and Audinate company data

2) Audinate identified 165 old products no longer available – graph has been updated to remove these products evenly over the last five reporting periods, representing the likely period of their discontinuation



Another year of strong execution in FY22

FY22 Objectives	Actions
Dante video design wins and next generation software products	<ul style="list-style-type: none"> ✓ 126 design wins – most designs wins ever, despite supply chain ✓ 76 design wins relate to next generation software products (60 in 2H22) ✓ 26 video customers
Launch new Dante video software and cloud services products	<ul style="list-style-type: none"> ✓ Initial Dante Studio video software product released – 2 further modules in CY22 ✓ First Dante video OEM software product in advanced stages of customer trials (Dante AV-H) ✓ Dante Cloud (cloud based DDM) now in beta
Initiatives to reduce adoption friction (including in-field enablement (IFE))	<ul style="list-style-type: none"> ✓ Dante Ready feature (previously IFE) launched in June 22 ✓ Dante Controller release including Dante Activator completed ✓ 1st third party App released and sold through Dante Controller
Improve Dante adoption by non-English speakers	<ul style="list-style-type: none"> ✓ Audinate website now available in 8 languages ✓ 10k non-English users of Dante Controller (system setup & troubleshooting software) ✓ Training conducted in 9 languages to >12k professionals (>75% new contacts)
Strengthen products, services & systems against cyber-risk	<ul style="list-style-type: none"> ✓ Information Security Management System implemented – based on ISO 27001 ✓ Cybersecurity Steering Committee and Cyber Working Group fully operational ✓ Group-wide Cyber training completed in 2H22
Implement business scalability initiatives	<ul style="list-style-type: none"> ✓ Ambitious hiring targets substantively achieved – headcount now 178 ✓ Supply Chain knowledge and expertise strengthened with key hires ✓ Global Payroll Outsourcing completed in 2H22



Video spotlight



Audinate advantages in video

Audinate entered the video market having established Dante as the pre-eminent audio networking solution:

- Dante is the de-facto standard in audio
- Premium Dante brand, widely recognised
- >3,500 Dante audio products available
- ~200,000 AV professionals know Dante
- Established management & configuration software¹
- Successful playbook from audio market

Dante AV in a nutshell

AV professionals want:

- *Video networking that works like Dante audio*

Video equipment manufacturers (OEMs) want:

- *Simple ways to offer Dante video (and audio)*

Dante AV offers:

- Familiar Dante setup & troubleshooting tools
- Good, better, best implementation choices
- Software stacks for existing chips & products
- Interoperability between same-codec products
- Path to remote management via the cloud

¹Dante Controller and Dante Domain Manager



Video market is fragmented



Video signals have a **much larger data rate** than audio signals



Video compression is required → video signals are 3-18Gb/s compared to standard 1Gb/s ethernet cables



Video codecs compress video signals, **reducing the data rate**

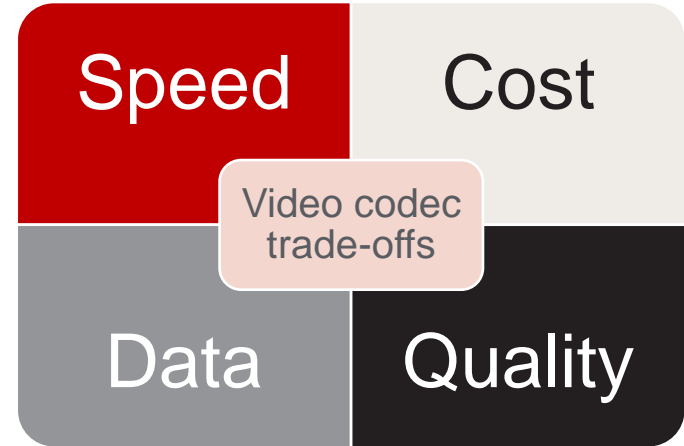


Market fragmentation relates to three key industry dynamics:

Video codecs get chosen based on use-case – creating **incompatibility between products**

Video products using **the same video codec** mostly **do not interoperate** between manufacturers

Vertically integrated manufacturers create **“walled gardens”** using proprietary video codecs



Impacts of fragmentation

- Lack of interoperability
- Adoption of video networking < audio networking
- No equivalent of Dante Controller for video
- Role for Original Design Manufacturers (ODM) to manage complexity



Dante AV-H: Dante + H264 Codec



Software solution for OEMs to develop fully manageable video products that embed into the Dante Ecosystem

- OEM products appear in Dante Controller (for signal routing, device configuration & troubleshooting)
- adds Dante Audio to products that need audio solution
- supports several H.264 based video chipsets already used in OEM products, including cameras and I/O boxes
- designed to support both **existing** and **new** product designs

- *Announced in September at IBC 2022 along with 9 licensees (5 of top 14 PTZ companies¹)*
- *Expect OEM product availability in early 2023*

PTZ Camera market¹

- A small but critical part of video market
- ~240,000 PTZ cameras shipped in 2020
- The top 14 companies are ~80% of market
- Market growing at >50%
- All the top 14 PTZ camera manufacturers use the h264 codec (some use multiple codecs)

¹According to Futuresource research the top 14 are AVer, Axis, BirdDog, Canon, DataVideo, JVC, Lumens, Minrray, NewTek, Panasonic, PTZ Optics (includes HuddleCamHD), Sony, Vaddio & ValueHD



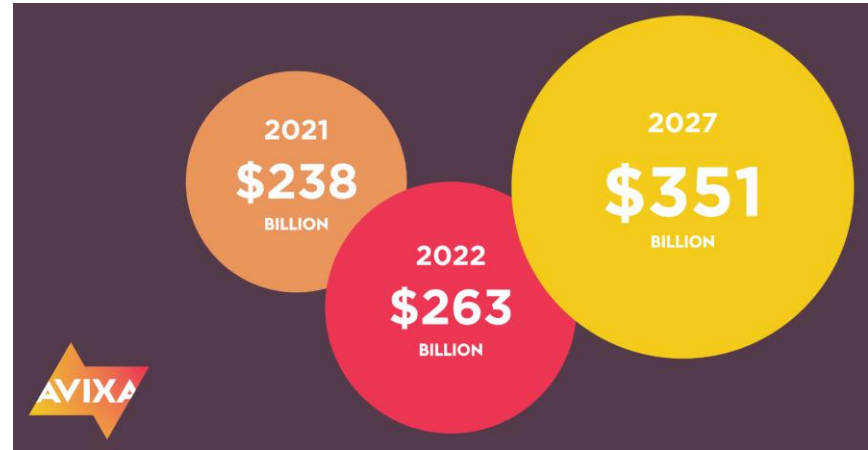
FY23 Outlook and Priorities



FY23 Outlook

- Existing headcount of 178 is the foundation for doubling revenue in medium term
- Targeting additional headcount of 10% in FY23, with a focus on building capability in the Philippines
- Record levels of demand, fulfilment curtailed by current component shortage
- Supply chain uncertainty expected to linger, impacting both Audinate and our customers in 1H23
- Global macro-economic uncertainty
- Backlog of sales orders and software revenue run-rate support USD revenue growth in the historical range, subject to the risks described above.
- Focus on significant traction in video, including revenue of at least US\$3 million in FY23

The pro-AV industry is expected to grow 11% in 2022, to hit a new high-water mark of \$263 billion globally. AVIXA estimates the industry will grow nearly 50% over 6 years to \$351 billion in 2027



Source: AVIXA 2022 Industry Outlook and Trends Analysis



Continuing growth

FY23 Priorities

1. Support customer transition to more available chips & away from legacy products
2. Manufacturers to release Dante video products
3. Generate > US\$3 million in video revenue
4. Drive adoption of new Dante products
5. Continued focus on Operational Efficiency



Appendices





Dante Video 101

(presentation included by way of background and reference)

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Market Opportunity

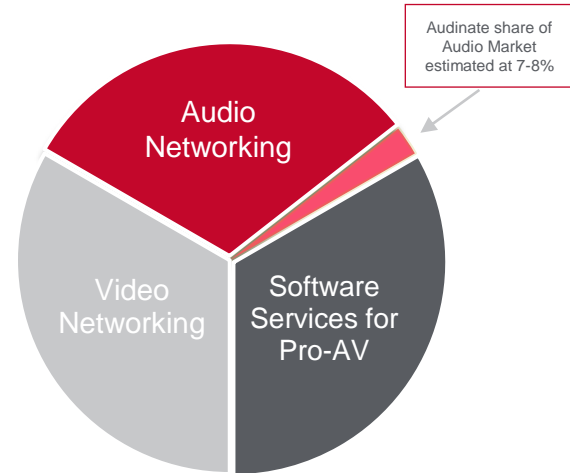
Based on Futuresource research the TAM for video is estimated at A\$400m (research underway to refresh TAM)

Video market is fragmented, and the incumbent point to point technology is HDBaseT (potential additional TAM)

“Video Networking” opportunity relates to Pan Tilt Zoom (PTZ) cameras, screens, projectors & IO (Input-Output) boxes

Tailwinds post COVID from increasing prevalence of Zoom & MS Teams

Audinate Total Addressable Market ('TAM')*



* Management estimate total addressable market exceeds A\$1bn



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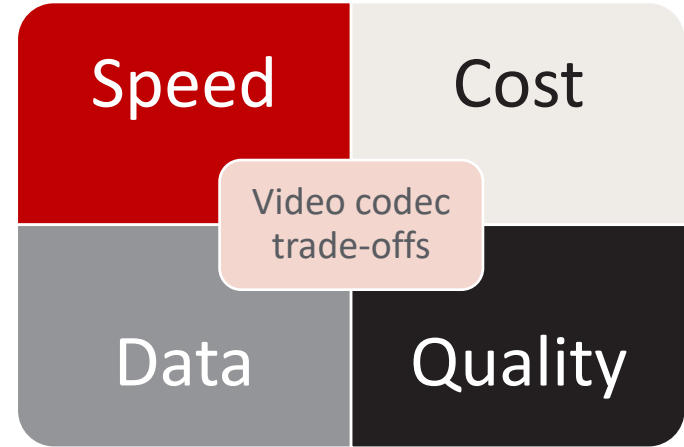


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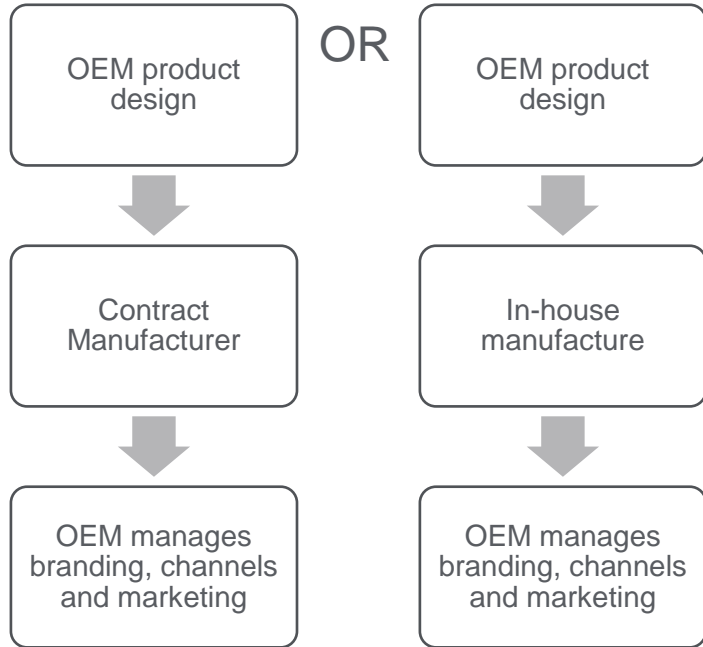
Industry Landscape

	Example Companies	Comments	Video over IP	Multiple Codecs	Interoperable	Networked Audio	Management & Configuration Software	Mac & PC Software	Price Point
Dante Video	Audinate	<ul style="list-style-type: none"> de-facto standard in audio networking multiple price / quality offerings 	✓	✓	✓	✓	✓	✓	Low cost to Expensive
Video codec chip vendors	A-Speed Semtech (SDVOE) Ambarella (H264) HiSilicon (H264) Intopix (JPEG2000)	<ul style="list-style-type: none"> different codecs for different use cases not a complete technology solution 	Enabling component	X	Limited	X	X OEMs/ODMs write their own per vendor	X	Low cost to Moderate
Vertically Integrated Manufacturers "walled gardens"	Crestron & Extron	<ul style="list-style-type: none"> utilise proprietary codec & management & configuration software for solution (audio & video) sales 	✓	✓ Within walled-garden	- Within walled-garden	✓ Some Dante	✓ Certified technicians	Limited	Expensive
Alternate video networking technologies	VizRT (NDI)	<ul style="list-style-type: none"> moderate performance technology used in small scale broadcast cost to OEM typically 5% MSRP 	✓	X Multiple NDI codecs	✓	✓ Not Dante	✓	✓	Expensive
HDBaseT	Valens	<ul style="list-style-type: none"> "point to point" cabling for video incumbent technology - not networked 	X	N/A	✓	X	X OEMs/ODMs write their own per vendor	N/A	Low cost

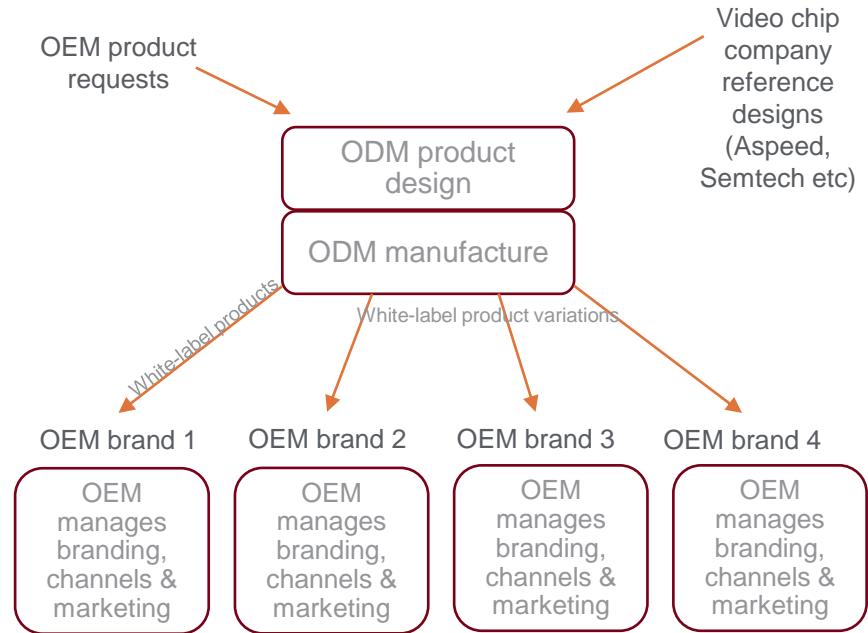


OEM and ODM manufacturing approaches

Original Equipment Manufacturer (OEM)



Original Design Manufacturer (ODM)



ODMs manage the complexity of making video products – getting them to design Dante into their video products can act as a force-multiplier to get into multiple brands' video products through a single relationship



Dante Video and Audio Platform

AV Configuration & Management

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Video Products

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- Dante AV Ultra
- Viper Board

Software

- Dante AV-H



Dante Video Products

Dante AV Chips & Modules

- Dante AV Ultra and Viper are premium products targeting live venues, broadcasters, corporate board rooms and university lecture spaces.

Dante Software

- Dante AV-H enables existing mainstream products targeting corporate meeting rooms, lobbies, education classrooms, hospitality etc.
- Provides a lower cost Dante AV endpoint for price sensitive applications
- Dante Studio enables both PC to/from devices and PC to PC use cases (Mac compatibility will follow in future releases)
- Enables future cloud Dante AV offerings

Dante AV Ultra



- Premium Dante AV offering:
 - high resolution
 - visually lossless quality
 - audio/video synchronization
 - subframe latency

*Repeat
revenue model*

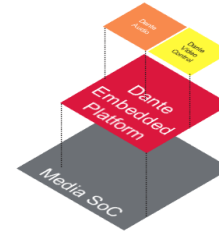
Viper



- Fully integrated AV over IP board:
 - Provides a foundation for ODM designs
 - From Silex acquisition
 - Foundation of Dante AV Ultra v2

*Repeat
revenue model*

Dante AV-H



- Simple Dante AV offering:
 - Enables Dante audio and video routing & configuration
 - Targets existing ODM hardware designs
 - H264 is the dominant codec used in PTZ IP cameras

*Repeat
revenue model*

Dante Studio



- Software product that enables PCs to support Dante AV video streams
- Used by AV Professionals and consumers

*Subscription
revenue model*



Dante AV-H: Dante + H264 Codec



Software **solution** for OEMs to develop fully manageable video products that embed into the Dante Ecosystem

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Audinate video team

- Development team of 20+ people across 2 sites UK (Cambridge) & Belgium (Louvain la Neuve)
- Capability covers video compression, FPGA, hardware design and video software capabilities
- Critical mass in the European time zone – access to video engineering talent pools
- Audinate is now able to offer fully integrated video solutions
- Video product roadmap has been accelerated through the acquisition of Belgium team
- Established relationships with Original Design Manufacturer (ODM) and Original Equipment Manufacturer (OEM) customers



Video priorities

FY23 Priorities

1. Release Dante AV-H
2. Release 2 additional components to Dante Studio
3. Video endpoint support in Dante Domain Manager
4. Manufacturers to release more Dante video products
5. Target >10,000 end points in FY23
6. Target > US\$3m in video revenue in FY23

FY23 priorities are per Investor Presentation (August 22)



Complete Dante AV Ecosystem

- **Extended Dante Ecosystem** with audio, video and control
Dante AV products are now shipping! PTZ Cameras, Encoders and Decoders, Dante Studio and more
- **100% Interoperability** with 3500+ audio product ecosystem
Separate routing for audio, video and control gives freedom for system designers and operators
- **Easy with Dante Controller:** route video as you would with audio
Video hardware and software end-points appear the same way in DC and can be grouped together
- **AV Network Management with Dante Domain Manager**
DDM offers monitoring, alerts, logging, controlled user access and allows systems to span subnets



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