

ASX Announcement | 5 May 2023

Linus Market Update Weblink

Linus Technologies (ASX: LNU) (**Linus** or **Company**) convened a webinar presented by CEO, James Brennan, on 4 May 2023 providing to discuss the March 2023 quarterly activities report and Appendix 4C lodged with ASX on 28 April 2023.

The presentation focused on:

- Review of Q3 FY2023 financial results
- Details of recent customer wins with IMG Replay and Inverleigh Media
- The progress of Whizzard and how recent wins create leverage for future growth
- Update on Linus' progress on pipeline conversion and path towards profitability

A recording of the Zoom Webinar, hosted by Linus CEO, James Brennan, can be accessed on the Linus website, via this [link](#).

Linus has achieved significant financial and commercial milestones including a 3.4x increase in cash receipts QoQ in Q3 FY2023 and execution of a transformational commercial agreement with IMG, one of the world's leading sports, entertainment, and media companies. This webinar and presentation focused on the Company's recent financial progress and the impact of new deals with IMG and Inverleigh Media.

Summary of webinar key points:

- The company is seeing significant improvement in financial results.
 - Billings for Q3 FY23 were 2.1x higher than the prior quarter
 - The results reflected full quarter of recurring monthly license fees for Cricket Australia (CA) and A-League, as well as regular ongoing business
 - Did not include recurring license fees for new deals with Inverleigh and IMG which will be seen in future quarters
 - Cash receipts for Q3 FY23 were 3.4x higher than the prior quarter
 - Cash receipts included setup fees for CA and A-League which were invoiced in Q2, a full quarter of recurring monthly fees for CA and A-League, plus normal ongoing business
 - No cash was received from IMG nor Inverleigh, which will start to be received in Q3 FY23
 - The company has reduced cash burn by 54%
 - For the 9 months YTD for FY23, the company's cash burn rate was 54% lower than the same period in FY22
 - The reduction is as a result of execution of a repeatable, scalable product and go-to-market strategy which has reduced expenses, increased revenues, and ensures that new deals generate positive margins
- Linus has executed a transformational commercial agreement with IMG Replay

- IMG Replay (www.IMGReplay.com) manages an exclusive sports and entertainment archive, consisting of nearly 50,000 hours of premium content on behalf of leading rights holders such as Premier League, World Rugby, Wimbledon, The R&A, The International Skating Union (ISU), Professional Golf Association of America (PGAA), Miss Universe, Giro D'Italia and many more.
- Whizzard will be deployed as a core feature within IMG Replay service, virtualizing the entire IMG Replay archive to make it more searchable and usable.
- IMG Replay customers, who include production companies, advertising agencies, broadcasters, news agencies, and content creators, will use Whizzard to search the vast archive to source specific fixtures, teams, individuals, and events to curate, produce, and license video content.
- The company provided details on how the deal with IMG provides substantial validation to the market and how the company will leverage this into further commercial success.
- The company's product and go to market strategies are working
 - IMG deploying standard Whizzard product, the same as CA and Inverleigh
 - IMG is purchasing under a standard commercial model and it is the company's largest deal to date
- The company sees significant upside from new customer Inverleigh Media
 - Doubled the revenue from this customer – Closed the initial deal and master agreement with them in March, then closed second deal just 2 weeks later
 - Expect further growth – each archive/federation that is onboarded adds new setup fees, monthly license fees, and potential variable fees
 - Inverleigh actively promoting Whizzard to existing & new clients
 - Planning for future product rollouts including fan engagement solutions
 - Deployment uses standard Whizzard product today, integrated into their Media Management Platform called Engine
 - Recurring monthly fees from both deals with Inverleigh are expected to begin in the June quarter.
- The company is seeing an acceleration and growth of its pipeline.
 - Every new deal is making the next deal easier and larger, which has been proven across recent deals with IMG, Inverleigh, CA, and A-Leagues.
 - Each new deal is generating more new pipeline and sales cycles are moving faster.
 - The pipeline is maturing, now with a wide range of organization types including Broadcasters, OTT providers, Media Companies & Rights holders, Technology providers, Gaming companies, Wagering/betting companies, Leagues, and Teams
 - The pipeline contains opportunities worldwide, specifically in the US, Australia, Europe, Asia, and South America
 - In all the pipeline contains over 50 opportunities currently in progress and 75+ leads being developed and qualified

Overall, Linus is experiencing rapid improvements to its financial performance, closing significant new deals, and generating strong pipeline. This is putting the company on a path towards profitability.

This announcement has been authorised for release to ASX by the Linus Board of Directors.