

**ASX Announcement | 31 January 2024**

**Quarterly Activities Report & Appendix 4C – Period ending 31 December 2023**

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**Linus attains record quarterly results and reaches milestone customer deployments**

**Highlights:**

- Record quarterly billings of \$224,000, 2.3x higher than the prior year period and up 34% over Q1FY24
- Quarterly cash receipts of \$189,000, 3x higher than the prior year period and up 66% over Q1FY24
- Webinar hosted earlier today can be accessed on the Linus website, via this [link](#)
- Successfully entered the US college sports market with the NCAA's Peach Belt Conference (PBC)
  - PBC is already deployed with Whizzard and Automated highlights
  - The initial 3-year contract includes annual license fees and substantial revenue share
  - Highly replicable solution targeting 150 conferences in the NCAA
  - Total addressable market of US college sports for Linus estimated at >\$70m per year
- In January, Linus reached a pivotal milestone with services now live for existing customer IMG
  - IMG, the world's leading sports and media company has now deployed Linus Whizzard as part of the re-launch of the IMG Video Archive service
  - This deployment provides substantial validation and credibility to Linus
  - World leading federations, broadcasters, and content producers are now using Whizzard
  - Already opening and accelerating multiple opportunities
  - Includes the launch of Whizzard 2.0 with functionality that clearly places Linus as the global leader in video search and curation
- Aggressive go-to-market plan is in place and beginning execution to leverage the IMG and PBC launches
- Expanded agreements with existing clients who continue to generate value from Linus technology
- David Markus was appointed to the Linus Advisory Board. David is a Linus shareholder and tech entrepreneur who started, grew and sold an award-winning IT services company, he will advise Linus on its next stages of growth and value creation for shareholders

**Melbourne Australia – 31 January 2024:** Linus Technologies Limited (ASX:LNU) (**Company** or **Linus**) is pleased to provide its Quarterly Activities Report and Appendix 4C for the quarter ending 31 December 2023, along with the following financial and operational update.

James Brennan commented, "Our solutions are now deployed across the leading sports archives in the world. As part of our deployment with IMG we work with content for brands such as the Premier League, Wimbledon, PGA, Giro d'Italia, and more, with 35 federations in total as part of this deployment. This is the most exciting moment in our company's history.

The world's leading federations, broadcasters and content producers now use Whizzard 2.0 to access and search video content. Whizzard 2.0 is the best product for searching, curating and exporting video content - nobody else can do what we do. Being chosen and deployed by IMG puts a spotlight on Linus across the industry and we are excited by the opportunities that this will create.

During the quarter we also entered the NCAA college sports market in the US, with the Peach Belt Conference. We specifically targeted this market for its massive potential, with an addressable market that we estimate at >\$70m per year for Linus. We're proud to work with PBC and look forward to working with more great schools and conferences soon.

Our products are unmatched in the industry and we have world leading clients. Our task is now to ferociously leverage these successes further into the massive sports video marketplace."

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### **New Client - Peach Belt Conference (PBC)**

PBC, a 10-school NCAA conference with over 60k students, is our first US college conference that is now live with Whizzard and Automated Highlights. The deployment of Linus Whizzard and Automated Highlights will allow PBC to curate and publish multiple highlights packages for all men and women's basketball games for the first time ever. The solution is highly replicable across other sports, conferences and schools and our contract with PBC includes potential expansion to additional sports and products during the term.

This live deployment is now being shown to every major school and conference with multiple deals in late stage of the sales cycle and major conferences asking for proposals.

The US college sports market represents a major opportunity to the company with over 1,100 schools and 150 conferences in the NCAA and an estimated total addressable market for Linus of >\$70m per year in revenue.

A product demonstration of the PBC deployment can be viewed on the webinar hosted earlier today. It can be accessed with the following [link](#).

### **IMG Launch – a pivotal moment in Linus history and key driver of future growth.**

IMG are the world's leading sports and media company. IMG relaunched their Video Archive to include Whizzard 2.0 in January 2024. For reference, the IMG Video archive includes the content of 35 leading rights holders including The English Premier League, PGA, Wimbledon, Giro D'Italia.

This product launch is hugely important for Linus as it:

- Puts the industry spotlight on Linus
- Provides global validation and credibility with one of the worlds most respected sports brands
- Key target customers are using Whizzard
- Accelerates opportunities
  - Growth within IMG Video Archive
  - Expansion within IMG
  - Federations within IMG Archive
  - All Broadcasters, federations and technology providers who follow the market leaders
  - Industry tech providers seeing the success for this integration

We are excited to see that IMG are heavily promoting the service to its clients, which includes sports federations, broadcasters and content producers.

A product demonstration of the IMG deployment can be viewed on the webinar hosted earlier today. It can be accessed with the following [link](#).

### **Existing clients continue to drive value and expand agreements**

Linus clients are generating significant value from the technology and as a result continue to buy more modules of our technology, bring new clients and new revenues.

- Cricket Australia actively using Whizzard and Automated Highlights to create and publish content.
  - Cricket Australia have now launched their new FAST streaming channel on Samsung TVs.
- Hockey Technology Partners expanded with 2 additional clients using personal channels, generating additional monthly license fees.
  - Multiple deployments with other federations & schools expected in coming quarters.
- Inverleigh Media is developing multiple opportunities under the existing Master Services Framework with Linus that are in final stages of the sales cycle.
- Racing.com entered into a new multi-year agreement that extends and expands their deployment of Linus solutions including Whizzard and Whizzard Highlights, providing an immediate uplift in monthly recurring fees and a new variable fee structure.

### **Aggressive go to market activity**

With the who's who of tier 1 sports now using our solutions, we have the technology and credibility to continue increasing the rate of new revenue arrival.

Linus are actively targeting 4 overlapping and complementary market segments in the global sports markets:

- Sports Federations
- Sports Broadcasters
- NCAA US College Sports
- Industry technology providers

New partners and commission-based deal agents are supporting go to market activities in each market and region.

During FY Q2, Linus attended Sportel, the largest annual global conference for sports, broadcast and technology. The conference has progressed several deals in the sales cycle and generated substantial new pipeline with broadcasters, sports federations, and OTT/media solution providers.

### **Financial Results**

Q2 FY24 saw billing of \$224,000, 2.3x higher than the prior year period and up 34% over Q1FY24. The billings included an increase in recurring monthly fees from existing and new clients which began across the quarter. Increases in recurring fees will continue to be seen next quarter as these recurring fees will be realized for the full quarter.

Q2 cash receipts were \$189,000, 3x higher than the prior year period and up 66% over Q1FY24.

### **Summary of expenditure for the December 2023 quarter and related party payment**

Details of the business activities of the Company for the December quarter are set out below. Expenditure was incurred in respect of:

- Research and development \$689,000: This encompassed continued development of the LVS SaaS platform, enhancement of productised solutions including Whizzard and deployment of new customers.
- Operating costs \$230,000: This includes 3<sup>rd</sup> party costs incurred in operating the SaaS platform and delivering LVS solutions to existing clients.
- Staff and consultant costs including director fees \$350,000: This includes staff costs associated with sales, marketing, sales engineering staff, product management, finance and management of the Company.
- Administration, travel and corporate costs \$99,000: Made up of ongoing corporate Company costs, including ASIC, ASX, share registry costs and costs related to sales activities.

In accordance with ASX Listing Rule 4.7C.3, payments to related parties and their associates outlined in the Company's Appendix 4C for the quarter relate to fees and salaries paid to directors.

### **About Linus Technologies Limited:**

Linus' purpose is to unlock the value of the world's video, creating immersive, deeply personalized viewing experiences. For the first time, we make it possible to find, curate, and utilize the valuable moments across vast libraries of video, enabling viewers to create an infinite amount of personalised video compilations on-the-fly, providing the most relevant content to each viewer.

Our patented Video Virtualisation Engine™ (VVE) turns big, bulky video files into lightweight, searchable data that is enriched with AI and ML, making it easy and efficient for users to find and share what matters to them. Creators and owners of video can drive greater viewing, and monetisation of their video assets.

For more on Linus Technologies, visit [www.linus.com](http://www.linus.com)

**For further information, please contact:** James Brennan, CEO, +61 (0)3 8672 7186 or [ir@linus.com](mailto:ir@linus.com)

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## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Linus Technologies Limited

**ABN**

84 149 796 332

**Quarter ended ("current quarter")**

31 December 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	189	302
1.2 Payments for		
(a) research and development	(689)	(1,230)
(b) operating costs	(230)	(450)
(c) advertising and marketing	(7)	(14)
(d) leased assets	-	-
(e) staff and consultant costs	(350)	(747)
- recruitment fees	-	-
(f) administration, travel and corporate costs	(99)	(268)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (legal and patent costs)	(2)	(2)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,188)</b>	<b>(2,409)</b>
<b>2. Cash flows from investing activities</b>	-	-
2.1	-	-
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:	-	-
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	-	-
	(j) investments	-	-
	(k) intellectual property	-	-
	(l) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	-	-

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities* (excluding convertible debt securities)	1,185	2,287
3.2	Proceeds from issue of convertible debt securities*	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings (convertible note)	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (AASB16 lease principal payments)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,185</b>	<b>2,288</b>

\*net of costs incurred

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	363	481
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,188)	(2,409)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,185	2,288
4.5	Effect of movement in exchange rates on cash held		
4.6	<b>Cash and cash equivalents at end of period</b>	<b>360</b>	<b>360</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	308	311
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	52	52
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>360</b>	<b>363</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1  
*Director fees and CEO remuneration*
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter  
\$A'000**

180

-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

**7. Financing facilities**

*Note: the term "facility" includes all forms of financing arrangements available to the entity.  
Add notes as necessary for an understanding of the sources of finance available to the entity.*

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-
-	-

**7.5 Unused financing facilities available at quarter end**

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- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(1,188)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	360
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	360
8.5	<b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	0.30

- 8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Yes

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Yes, the Company continues to consider financing options available to it including issuing additional securities to current and new investors.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Yes – based on the above, the Company fully expects to be able to continue its operations and meet its business objectives.

## Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2024

Authorised by: By the board