

ASX Announcement | 11 September 2024

Linus Market Update Recording Link

Linus Technologies (ASX: LNU) (**Linus** or **Company**) convened a webinar presented by CEO, James Brennan, on 10 September 2024 to provide an update on the Company's activities.

The presentation focused on:

- Linus' recent capital raising initiative
- Execution of the Company's go to market strategy including:
 - New products
 - New partnerships
 - Contract enhancement
- Demonstration of new product, Captivate
- Updated organization structure and the path to profitability

A recording of the Zoom Webinar can be accessed on the "News & Media" section of the Linus website, **via this [link](#)**.

Key take-aways:

- Linus funder with up to \$3 million capital raising
 - \$1.5 million in funding (before costs) via an equity placement from professional and sophisticated investors and commitments under a convertible note facility, partly subject to shareholder approvals
 - \$1.5 million standby equity facility with Eli Capital that provides the Company with full control over the facility and flexibility in strengthening its balance sheet as part of its funding strategy
 - This investment is a significant endorsement of Linus by professional and sophisticated investors who see the market opportunity for Linus solutions
- Significant opportunity for Linus in the \$75 billion sports broadcasting market
 - Unprecedented changes in video consumption and viewer expectation have been driven by digital transformation from social media video applications like YouTube, Tiktok, and Instagram
 - Minutes watched on traditional TV are declining and have been surpassed by time spent on social applications. Subscriber numbers to these apps is expected to surpass TV subscribers by 2024. The result is declining revenues from broadcasters
 - Broadcasters are seeking ways to reverse this trend
 - Viewers want the engaging user experiences presented by social apps, yet the high value content (sports, news, and original entertainment) are still owned by the broadcasters.

- The solution is to combine the experience of these applications with the content and audience reach of the broadcasters.
- This is exactly what Linus is providing.
- Linus launches Captivate, its new personalized fan engagement app for broadcasters and federations that combines the experience of social video apps with the highest quality sport, news, and entertainment content, with an unmatched level of personalization
 - Captivate is a broadcast grade, highly scalable engine for this content, made available through a series of publicly available APIs and service components
 - Broadcasters and federations can combine and deploy these into their existing digital sites and apps. Customers can embed it themselves, through their existing providers, or Linus can build it for them
 - Captivate includes:
 - Instant presentation of video content
 - Simple navigation through content
 - Intuitive search and filtering
 - Dynamic assembly of hyper-personalized content – system learns from user interactions and dynamically creates content to their preferences
 - Likes, views, sharing, and following
 - Carousels of the latest, trending, popular and promoted content
 - Constant presentation of related content to keep the viewer engaged
 - And even user generated content
 - Only Linus is able to do this for broadcasters and federations.
 - Linus can create the content at scale and on the fly, without the inherent inefficiencies of traditional video. Linus even goes beyond this - providing a level of personalization not available for video today
 - The ability to dynamically assemble video on the fly, personalized for every viewer, is unique to Linus.
 - Linus helps broadcasters and federations to:
 - Increase subscribers
 - Drive higher value subscriptions
 - Increase subscriber retention
 - Increase ad inventory and revenue
 - Provide more opportunities to sell tickets/merch
 - Collect granular user preference and consumption data
- Linus has entered into two new partnerships with leaders in their market – Prime Focus and one of the world's leading IT services companies
 - Prime Focus is the world's largest independent integrated media services company with customers including StarTV, Channel 4, ITV, Warner Bros. Discovery, Paramount, Disney+ Hotstar, BCCI, Amazon, MGM Studios & more
 - Prime Focus is integrating Linus solutions with theirs and reselling these into existing customers and new business opportunities. Several opportunities are already in development with some of the largest sports federations in the world

- The second partnership is with a top 10 global IT services providers. The partner will integrate and sell Linus' platform and technology as part of broader solutions to existing and new clients. Solutions will utilize existing Linus platform and API capabilities – an off the shelf solution from Linus, integrated by the partner into bespoke solutions for their customers – which is exactly what they do best.
- Linus enhances their existing partnerships with Magnifi, Avid, StatsPerform, and Genius.
 - All of these partnerships include resell or referral models where the partners are selling Linus solutions to their existing customers and new opportunities
 - These market leaders see how Linus drives value with end user viewing – they believe that Linus is important to unlocking greater opportunity for their products
- Linus has signed an contract enhancement with Cricket Australia (CA) to distribute the CA video archive globally.
 - Linus will combine the high-value CA content with Captivate and Whizzard, bringing this package directly into global broadcasters,
 - Under this agreement, Linus will utilize their standard SaaS commercial model for Linus products and sells the CA archive video rights as part of the deal
- With the development of Captivate complete and the partner model in place, Linus has restructured the business, reducing cost in R&D, sales, and administration by nearly \$1m annualized
- Linus is now fully executing its go to market strategy with all of the pieces in place for success:
 - Proven technology
 - Great clients providing significant validation
 - A complete product portfolio that takes the value of content directly to the viewer
 - A unique solution – Linus is the only company that can provide truly personalized data-driven video assembly
 - A motivated partner ecosystem that adds scale to our growth
 - A clear market problem that only we can solve
 - Competitive value proposition that is gaining serious momentum
- With funding now in place, a lower cost base, and a complete strategy including the right products and partners, Linus anticipates rapid revenue growth and a runway to break even in early FY26

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