

14 November 2024

Radian Arc and Activeport Sign \$4M Licence Agreement

Activeport Group Ltd (ASX: ATV) (**Activeport** or **Company**) is pleased to announce that the Company and its business partner, Radian Arc Limited (**Radian Arc**) have entered into a binding term sheet for a licence and offset agreement (**Agreement**) whereby Radian Arc will acquire a perpetual licence for certain cloud gaming software for a one-time, royalty free, up-front licence fee of \$4,000,000.

Highlights

- **Radian Arc to acquire a perpetual licence for certain cloud gaming software for \$4M.**
- **Other agreements between Activeport and Radian Arc to be offset and the balance settled as part of the Agreement.**
- **Activeport and Radian Arc will continue to support each other's business development efforts across cloud gaming, AI and network orchestration.**
- **Activeport will focus on its network orchestration software development, sales and deployments in the data centre and telecommunications sectors globally.**

Radian Arc was established in 2020 to pursue the emerging cloud gaming market. Together, Activeport, Radian Arc and its content and technology partners developed a high-performance, low-cost cloud gaming platform that is now contracted for deployment to 80+ telco's that have a collective user-base across mobile and set-top box subscribers of almost 3 billion consumers.

Radian Arc currently pays Activeport USD \$55,000 per month for software licenses and infrastructure support across the deployed base of cloud gaming customers. This revenue stream will reduce as Radian Arc increases its capability to independently develop the software and manage deployed infrastructure.

Activeport will apply the funds to sales growth of its network orchestration software and rapid expansion of its Global Edge SaaS portal.

Activeport Chairman and CEO Peter Christie commented *"Activeport's software platform is a network orchestration solution for the telecommunications sector. Cloud Gaming is a vertical market product that is complimentary but isn't our core business. This agreement provides us with more capital to focus on network orchestration."*

Radian Arc CEO David Cook says *"Activeport's software engineering expertise was instrumental in facilitating Radian Arc's launch into Cloud Gaming. We're now at a point where we feel comfortable taking the development tasks in-house and broadening our focus into virtual computing and AI applications"*.

Transaction Summary

Activeport and Radian Arc have three agreements in place being the license distribution contract for the Middle East (\$3.4M contract value due to Activeport, announced 31st January 2024), loan facility (up to \$3.9M with \$1.5M currently drawn due to Radian Arc, announced 30 April, 2024) and this new license purchase (\$4M due to Activeport). The amount of the outstanding balance of the loan facility and all accrued and unpaid interest under the loan facility term sheet as at the completion date will be deducted from the license distribution contract and any variations to that contract agreed between the parties with the net funds payable in cash to Activeport by February 28th, 2025, subject to various conditions precedent typical for an agreement of this type.

Activeport and Radian Arc intend that the terms of the licence agreement will be formalised in an agreement ("Formal Agreement") to be negotiated in good faith. It is intended that the license will be granted exclusively for the telecommunications industry worldwide unless otherwise agreed and pursued jointly with Radian Arc. Net funds paid to Activeport is currently expected to be in excess of \$4M with the final amount dependent upon timing and negotiation of the Formal Agreement. Since the term sheet is binding and the license is in perpetuity there is no termination clause.

Peter Christie stepped down from the Radian Arc board on November 3rd, 2024 to focus his attention on Activeport.

About Activeport

Activeport offers self-service portals and on-demand services to telecommunications providers globally. Activeport's orchestration software accelerates 'time to revenue' while improving customer satisfaction. The software automates Data Centre and Cloud provider connections, using a single pane for ordering, provisioning, billing, and support, to enhance overall business efficiency. Based in Australia, Activeport partners with some of the world's leading telecommunications companies to automate and improve delivery of services.

For more information, please visit www.activeport.com.au or www.globaledge.network

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This announcement has been authorised for release by the Board of Activeport Group Ltd.