

ASX Announcement | 30 April 2025

Quarterly Activities Report & Appendix 4C – Period ending 31 March 2025

New Linus CEO Ben Taverner restructures Linus operations and develops a significant pipeline

- **Strategic review re-allocates existing budget to bolster sales capability**
- **Company focussed on breakeven by June 2026**
- **New pipeline generating significant new revenue opportunity**
- **Market development opening new market segments such as security and defence**
- **New AI capability augmenting the product and creating new revenue streams**

Melbourne Australia – 30 April 2025: Linus Technologies Limited (ASX:LNU) (**Company** or **Linus**) is pleased to provide its Quarterly Activities Report and Appendix 4C for the quarter ending 31 March 2025, along with the following financial and operational summary.

This quarter marks a significant turning point for Linus as the Company moves decisively towards its goal of becoming a high-performing, product-led SaaS business. The quarter saw a company-wide strategic review under the leadership of new CEO Ben Taverner, resulting in the immediate re-engineering of operations to transform the Linus team into a focused and high-impact commercial SaaS organisation.

The Company has set a clear strategic objective to reach breakeven by the end of FY26.

In the first three months of the Mr Taverner's tenure, the Company has laid strong foundations for sustainable growth.

A summary of the strategic review and subsequent actions is summarised below:

Market Opportunity

- Linus has been primarily focussed on the Sports category:
 1. Sports Broadcasters - The broadcaster market dynamic is in flux; dominated by consumer shift to short form content, competition from social video and increased production costs
 2. Sports Federations and Leagues - The key market shift here is towards 'on property' broadcasting and owning first party data
- The strategic review found that Linus is perfectly placed to answer the challenges of both, subject to a revised positioning and new sales focus below
- In addition, the strategic review determined that the SaaS product was equally applicable to additional video centric markets
- The Company has established a clear sales target and budget to achieve its objectives including securing 4 Tier 1 deals and 6 Tier 2 deals. These can deliver on the Company's objective of breakeven run rate by June 2026
- The Company has clear line of sight to a significant portion of these deliverables in the existing sales pipeline

New Revenue

- The Company is well advanced in sales processes with Tier 1 Sports Federations in Europe and the Middle East. These deals when closed will be transformative to the Company's commercial and revenue profile
- The Company is targeting Tier 1 and Tier 2 clients across leagues, federations, and broadcasters with a clear line of sight to breakeven
- The Company has stable income from several referenceable clients, including Cricket Australia, IMG, and SANZAAR (as part of the Inverleigh agreement)
- The near-term new business pipeline is accelerating and growing
- The Company has established a world-class partner ecosystem which remains underleveraged, presenting an immediate opportunity to unlock further commercial value
- Several operational changes are in the process of being implemented to enhance sales performance and better align the organisation with commercialisation priorities. These include:
 - o Re-allocation of existing budget to increase sales capability
 - o Hiring new sales professionals within existing budget
 - o Restructuring the commercial function to optimise sales, client operations and account management functions
 - o Refining go-to-market messaging and improved marketing collateral
- Geographically, the Company is focussed on the UK and Europe with plans to expand further into the U.S. pending additional resourcing, following the expected near term revenue growth

Product

- The review determined that the Linus SaaS product is market ready and generating commercial opportunities
- With improved positioning the SaaS platform is generating significant excitement, particularly in the sports sector
- As part of a clear product strategy to stay ahead of market trends, the Company has begun to layer artificial intelligence capabilities into the product offering
- These include AI-powered search, automated curation, and a conversational user interface
- These enhancements promise improved customer outcomes and position Linus as a market leader in the emerging AI-driven video solutions market
- The Company expects to launch its AI suite in the next quarter
- The Company is optimising its engineering team to increase output and accelerate time-to-market, expanding margins without compromising product quality

Market Development – Accelerating new revenue opportunities

- The SaaS product has been assessed as market-ready for expansion beyond the sports sector into adjacent markets such as security, entertainment and news
- The Company has opened multiple Tier 1 revenue opportunities in the Security and Defence and Public Safety Sectors
- The partnership with Fujitsu advanced significantly in the March quarter with commercial opportunities in the UK and the US
- Further opportunities are being developed with globally leading technology and AI companies
- In all cases it is the partner who is integrating the existing Linus technology into their solutions

Ben Taverner, CEO, Linus Technologies commented, "Having undertaken my review this quarter I strongly believe the business has a solid base - existing clients, product, engineering capability, systems and overall operations are robust. The primary change I have made is to better align these strengths with revenue opportunity, to improve our sales capability, to build and convert the pipeline."

"Every dollar we now spend is directly assessed in terms of its potential to return revenue, and this commercial discipline is guiding both strategic and operational decision-making."

“With the internal restructuring near completion and commercial focus sharpened, Linus is well positioned to scale its SaaS business, deepen our presence in target verticals, and ultimately deliver on our breakeven objective.”

Chairman Gerard Bongiorno said, “We are excited by the progress made over the last 3 months and I feel confident in our ability to execute the next phase of our commercial transformation. We have confidence that this transformation of Linus into a high impact sales organisation, built on solid fundamentals, will deliver on our goals.”

Convertible Notes

During the quarter, the Company issued, 350,000 Convertible Notes under tranche 4 of the Convertible Note Facility first announced to ASX on 10 September 2024. The issue of these Convertible Notes were approved by shareholders at the Company’s annual general meeting held on 26 November 2024.

In Q3 FY25, quarterly cash receipts were \$147,332 and quarterly billings were \$159,224. The quarterly cash receipts and billings were in line with the previous quarter’s 4C.

Summary of expenditure for the March 2025 quarter and related party payments

Details of the business activities of the Company for the March 2025 quarter are set out below. Expenditure was incurred in respect of:

- Research and development \$272,000: This encompassed continued development of the LVS SaaS platform, development and launch of new product Captivate, ongoing enhancement of Whizzard and deployment of new customers.
- Operating costs \$163,000: This includes 3rd party costs incurred in operating the SaaS platform and delivering LVS solutions to existing clients.
- Staff and consultant costs including director fees \$224,000: This includes staff costs associated with sales, marketing, sales engineering staff, product management, finance and management of the Company.
- Administration, travel and corporate costs \$33,000: 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

For further information, please contact: Gerard Bongiorno, Chairman, +61 (0)3 8672 7186 or ir@linus.com
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Appendix 4C

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

Name of entity

Linius Technologies Limited

ABN

84 149 796 332

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	147	447
1.2 Payments for		
(a) research and development	(272)	(953)
(b) operating costs	(163)	(696)
(c) advertising and marketing	(2)	(6)
(d) leased assets	-	-
(e) staff and consultant costs	(224)	(651)
(f) administration, travel and corporate costs	(33)	(265)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
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)	(17)	(53)
1.9 Net cash from / (used in) operating activities	(563)	(2,176)
2. Cash flows from investing activities		
2.1	-	-
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
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)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities* (excluding convertible debt securities)	(39)	421
3.2	Proceeds from issue of convertible debt securities*	550	1,625
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)	-	-
3.10	Net cash from / (used in) financing activities	511	2,046

*net of costs incurred

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	123	201
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(563)	(2,176)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	511	2,046
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	71	71

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	51	73
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	20	50
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	71	123

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**

81

-

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**

1,500

- 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.

\$1.5 million standby equity facility with Eli Capital that provides the Company with full control over the facility. Refer to [ASX release](#) dated 10 September 2024 for further details.

As at the date of this release the facility has not been drawn.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(563)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	71
8.3	Unused finance facilities available at quarter end (Item 7.5)	1,500
8.4	Total available funding (Item 8.2 + Item 8.3)	1,571
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	2.79

- 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?

Answer: N/A

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?

Answer: N/A

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

Answer: N/A

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: 30 April 2025

Authorised by: By the board