



ASX Announcement | 26 August 2021

Linus Market Update to Investors

Linus Technologies Limited (ASX: LNU) (Linus or Company) is pleased to attach a copy of its latest investor presentation and market update.

Linus has validated Video Virtualization in its core markets, being Education, Sports and Business, and secured significant annual recurring revenue.

Linus is a SaaS business that is wholly focused on driving Annual Recurring Revenue (ARR).

The webinar and presentation focused on two key, huge addressable markets; Education and Sports. A further update on the Business sector will be provided shortly.

Linus for Education:

- 3-year agreement with University of Newcastle followed a successful trial of Linus' learning product Whizzard, resulting in a 'trial-in-a-box' acceleration plan now underway and several other universities committed to trial the product.
- The addressable market is over 1 million students and over 49,000 academic teaching staff across 41 Australian universities. These universities together have a total \$2.3 billion annual IT spend (in 2019), growing at ~8% p.a. (1)
- Linus has determined that winning the prioritised 20 universities as per the company's targeting strategy, with 769k students and 40k teachers would represent Annual Recurring Revenues in the region of AU\$15 million per year, plus material revenue from data packs. (2)

Linus for Sports:

- Linus is generating ARR from clients including NBL and Racing.com, and from partners, Swanbay (EPL Club Wolverhampton Wanderers).
- Wolves is Swanbay's first client to launch their highlights solution to its entire fan base, following a successful trial in Mar-Apr 2021. Swanbay's solution utilises Linus Video Services (LVS) and is re-deployable to other EPL Clubs and sports rights holders.
- Linus has partnered with AWS, Stats Perform and Slalom in the development and delivery of a new product, the Linus Sports FX Widget. The widget is frictionless from both an economic and technology perspective. Near term sales focus of the widget, is football within Europe, followed by global leagues and clubs.

[A recording of the Zoom Webinar hosted by The Board of Directors and key members of the Linus Team can be accessed on our website, via this link.](#)


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

(1) Council of Australasian University Directors of Information Technology:

2019 metrics: www.caudit.edu.au/2019-metrics

2019 Benchmarking snapshot: www.caudit.edu.au/2019-benchmarking-snapshot

(2) Based on Linus rate-card pricing.

A decorative horizontal bar at the bottom of the page, consisting of four segments of different shades of red.



Video Virtualization Engine™

Market Update

August 2021



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Milestones in Linus' growth strategy



- Linus Video Services (LVS) and its globally patented Video Virtualization Engine™ has applications in all video markets and across the entire video ecosystem, starting with the enrichment of video archives, through to production workflows, to play-back.
- Linus is a SaaS business that is wholly focused on driving Annual Recurring Revenue (ARR).
- Linus has validated video virtualization in its core markets, being Education, Sports and Business, and secured significant annual recurring revenue.
- This market update examines two key client wins in our target segments and a newly released Linus product:

Linus for Education

- 3-year agreement signed with University of Newcastle
- Consultant Kerrie Campbell continuing to introduce Linus to major Australian Universities with further trials underway
- Hiring new Education Sales Specialists to accelerate revenue growth

Linus for Sports

- Wolverhampton Wanderers (EPL Club) has successfully tested and now rolled out a new solution utilizing LVS with partner Swanbay
- Hired Head of Sports (and Chief Revenue Officer) in the UK focused on EMEA
- Rolling out proven solutions and launching a new sports product

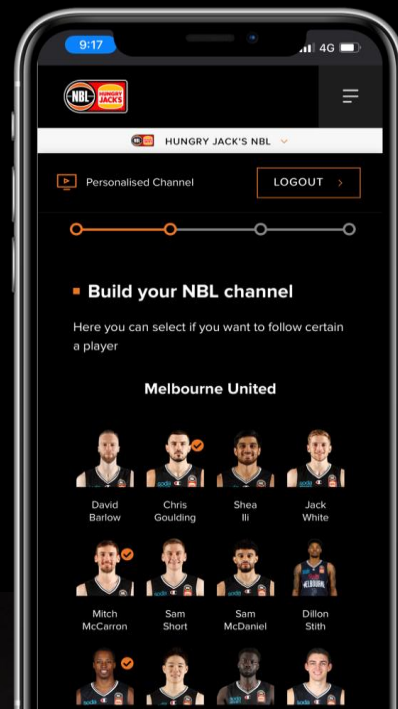
- Existing customer engagement is strong
 - Racing.com continuing to provide strong results with AWS to release an independent case study
 - NBL planning a hard-launch for its October season commencement
 - SportsHero and the Indonesian Soccer league awaiting launch
- Whizzard in the Business sector
 - Focused on co-sell expansion with partners such as AWS and Zoom. A further market update will be provided on this shortly.

Commercialisation is now accelerating

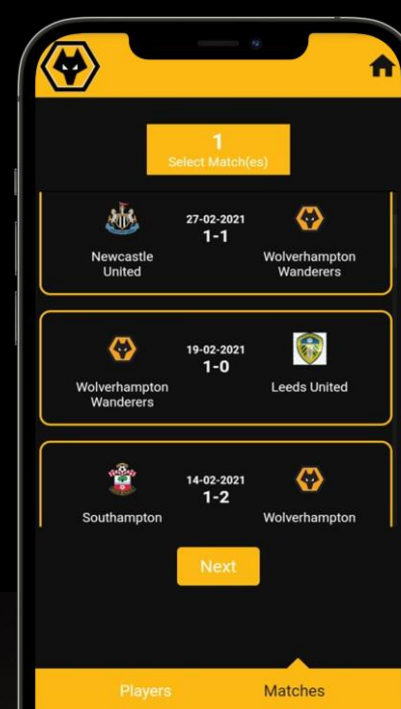
Linus has now validated video virtualization in its core markets, being Education, Business and Sports, with significant annual recurring revenue identified across each of the markets.



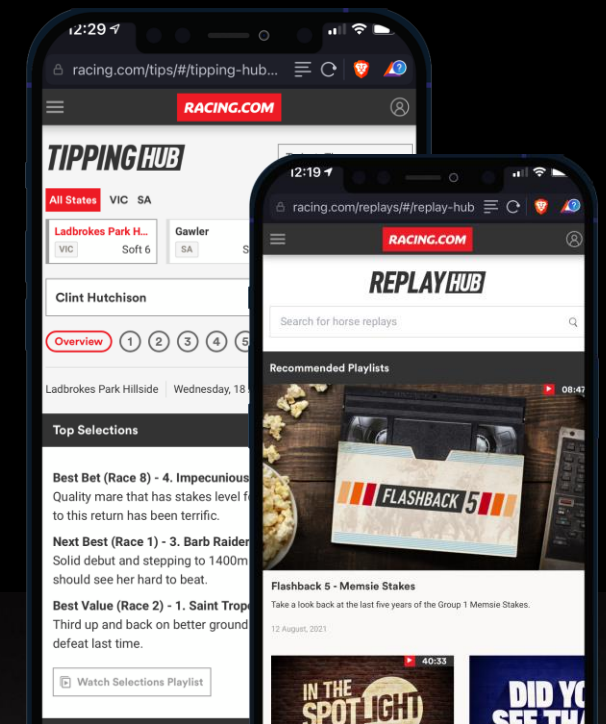
*Linus Whizzard
for Education & Business
(University of Newcastle)*



*Australian National
Basketball League (NBL)*



*Wolverhampton Wanderers
(via Swanbay)*



*Racing.com
Tipping Hub & Replay Hub*

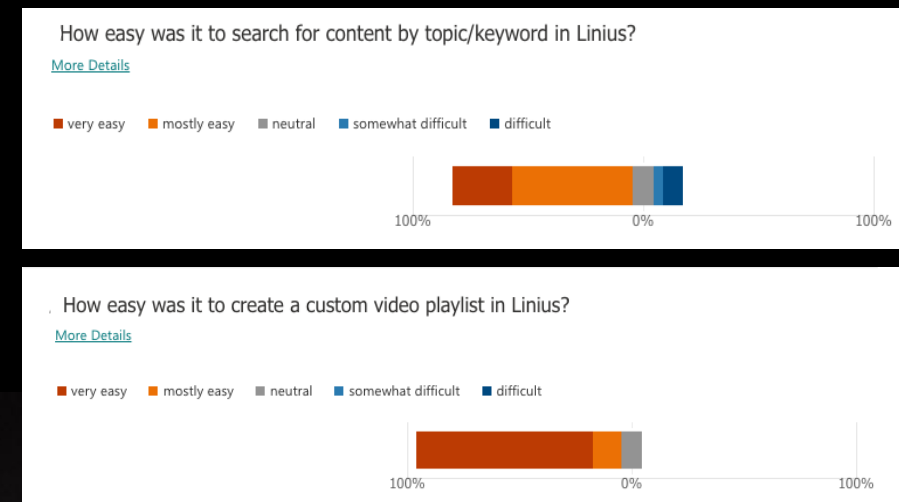
Education – university sector the focus

The Market Opportunity

- The Australian Higher Education sector is our primary focus at this time.
- The addressable market is over 1 million students and over 49,000 academic teaching staff across 41 Australian universities.
- These universities together have a total \$2.3 billion annual IT spend (in 2019), growing at ~8% p.a. (1)

The Linus Strategy

- The Newcastle win confirms our strategy and we are now in acceleration mode
- The product is resonating extremely well with universities and students
- Target CIOs of prioritised 20 universities with 769,000 students and 40,000 teaching staff
- The first 10 are regarded as the tipping point for mass adoption
- Global scale with our integrations with Lecture Capture & Learning Management Systems
- The category is collaborative and the Newcastle win is leverageable across the category



(1) Council of Australasian University Directors of Information Technology:
2019 metrics: audit.edu.au/2019-metrics
2019 Benchmarking snapshot: caudit.edu.au/2019-benchmarking-snapshot

We have determined that winning the prioritised 20 universities, with 769k students and 40k teachers would represent Annual Recurring Revenues:

- in the region of AU\$15 million per year #
- plus material revenue from data packs

The University of Newcastle (UoN) is a site wide deal, with 3 years plus term.

UoN:

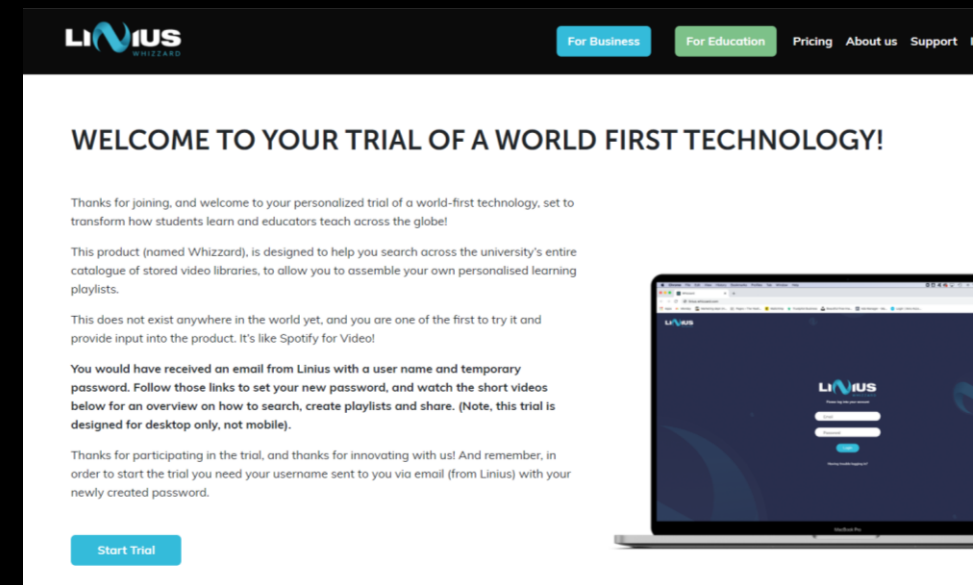
- 39,137 students currently enrolled across 121 countries (2)
- 2,859 staff (2)
- providing possible annual recurring revenues for in excess 40,000 monthly licenses *
- plus data packs, plus potential new use cases

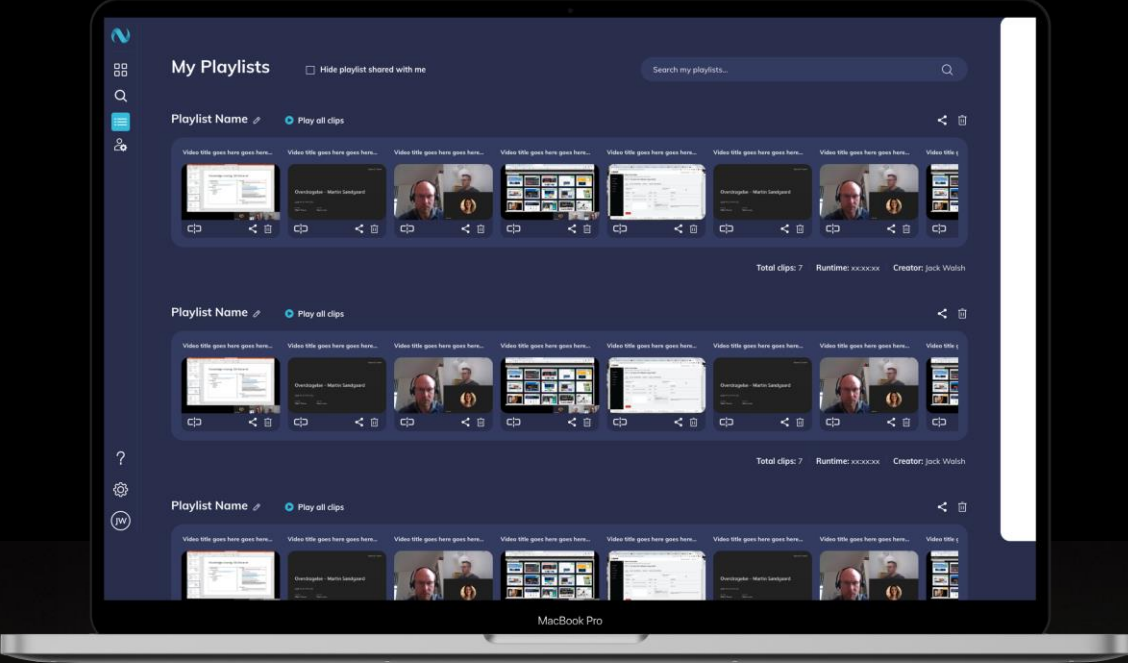
Based on the sales process learnings we have launched the *trial-in-a-box* program to accelerate trial adoption and conversion to sale; designed to take universities from initial engagement with Linus, through testing, to contract and roll out.

Further universities are now committed to the Linus *trial-in-a-box* program.

Investing in:

- education sales specialists
- integrations with LMS platforms





Sports - early wins in a huge addressable market



The Market Opportunity

- The global value of sports media rights was USD 44.6 billion in 2020, down 12% from 2019 due to Covid-19 impact. (3)
- Post pandemic, the sector is expected to grow 6.4% in the next 3-5 years, with digital media rights now the key driver. (4)

The Linus strategy and recent highlights

Linus is generating ARR from clients including NBL and Racing.com, and from partners, Swanbay (Wolves).

Importantly utilization data shows strong Viewer engagement results.

A focus on bringing individual personalisation highlights to sports fans around the world, allowing clubs and leagues to monetize their sporting archives.

- In partnership with Swanbay, outreach efforts will be focused on football with EPL and other European Leagues being our initial target audience. We will fully support and build on the great work that Swanbay has done with the recent success at Wolves.
- Target repeat sales of Basketball, Racing and Soccer solutions.
- We will soon introduce a new frictionless Linus Sports embeddable widget in partnership with AWS, Stats Perform and Slalom for system integration.
- We are implementing a global reach out program targeting digital sports content rights holders.



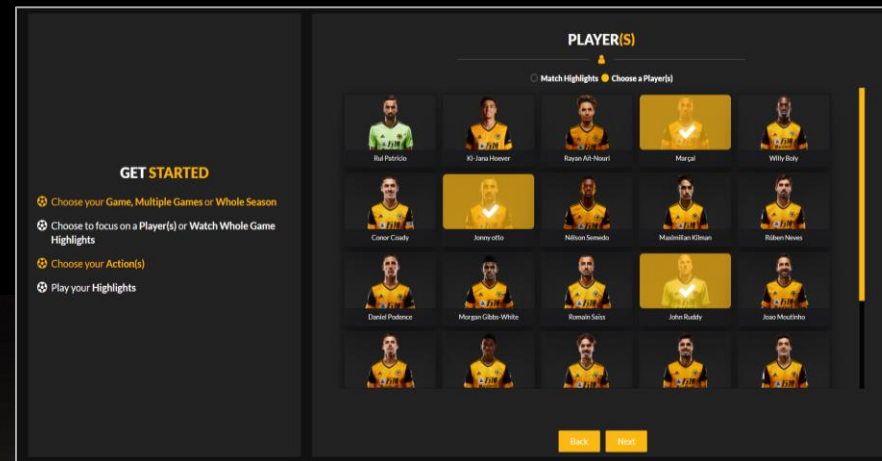
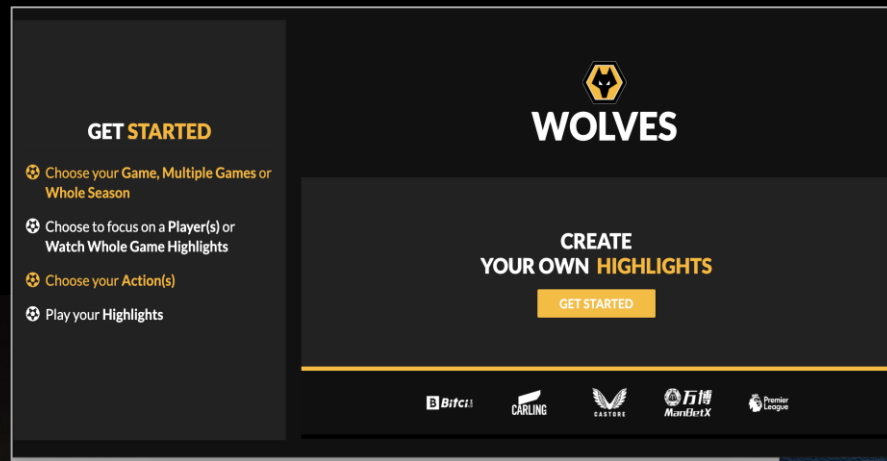
(3) sportbusiness.com/global-media-report-2020/

(4) sportspromedia.com/news/pwc-study-digital-sports-rights-streaming-technology

Swanbay launches Wolves

English Premier League (EPL) Club, Wolverhampton Wanderers, is Swanbay's first client to launch their highlights solution to its entire fan base, following a successful trial in Mar-Apr 2021.

- Wolves have already reported a material increase in viewer engagement since the product's launch in August.
- Wolves are now promoting the new capability in stadium as well as on fans forums.
- We expect usage will increase over the coming weeks.
- Linius is supporting Swanbay on several other projects to sell this re-deployable solution to other EPL Clubs and Sports rights holders.



Sports FX Widget is a simple out-of-the-box HTML UI that can be embedded into any digital channel without the need to build third party integrations.

The widget is simply placed on any web-page, allowing fans to search for sporting moments from the archives/catalogue and watch them instantly.

It is frictionless from both an economic and technology perspective.

Linus has partnered with AWS, Stats Perform and Slalom in the development and delivery of the Linus Sports FX Widget.

Economics

The widget is provided free of charge, reducing any barrier to entry. Clients then subscribe to the rate-card for 'personalised minutes' consumed.

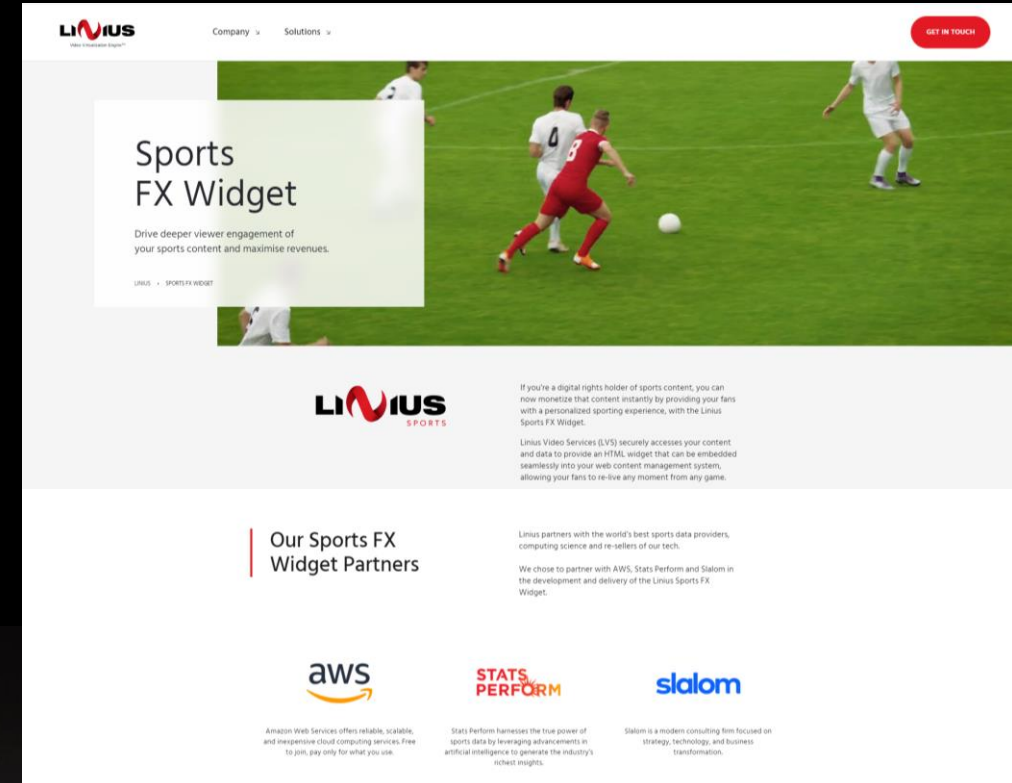
Potential revenue upside

Chelsea for example, have 49 million fans engaged digitally. (5)

If 1% utilise the widget for 24 minutes pcm:

- $490,000 \times 24 \times 0.022$ (rate card cost pm) = \$25,782 per month

Near term focus is football within Europe, followed by global leagues and clubs.



The screenshot shows the Linus Sports FX Widget website. The header includes the Linus logo, navigation links for 'Company' and 'Solutions', and a 'GET IN TOUCH' button. The main hero section features a soccer game background with a text overlay: 'Sports FX Widget' and 'Drive deeper viewer engagement of your sports content and maximise revenues.' Below this is a 'LINIUS - SPORTS FX WIDGET' label. The middle section contains the Linus Sports logo and a paragraph explaining how the widget helps digital rights holders monetize content. The bottom section, titled 'Our Sports FX Widget Partners', lists three partners: AWS, Stats Perform, and Slalom, each with a brief description of their role in the partnership.

Our Sports FX Widget Partners

aws
Amazon Web Services offers reliable, scalable, and inexpensive cloud computing services. Free to join, pay only for what you use.

STATS PERFORM
Stats Perform harnesses the true power of sports data by leveraging advancements in artificial intelligence to generate the industry's richest insights.

slalom
Slalom is a modern consulting firm focused on strategy, technology, and business transformation.

Volume/Value

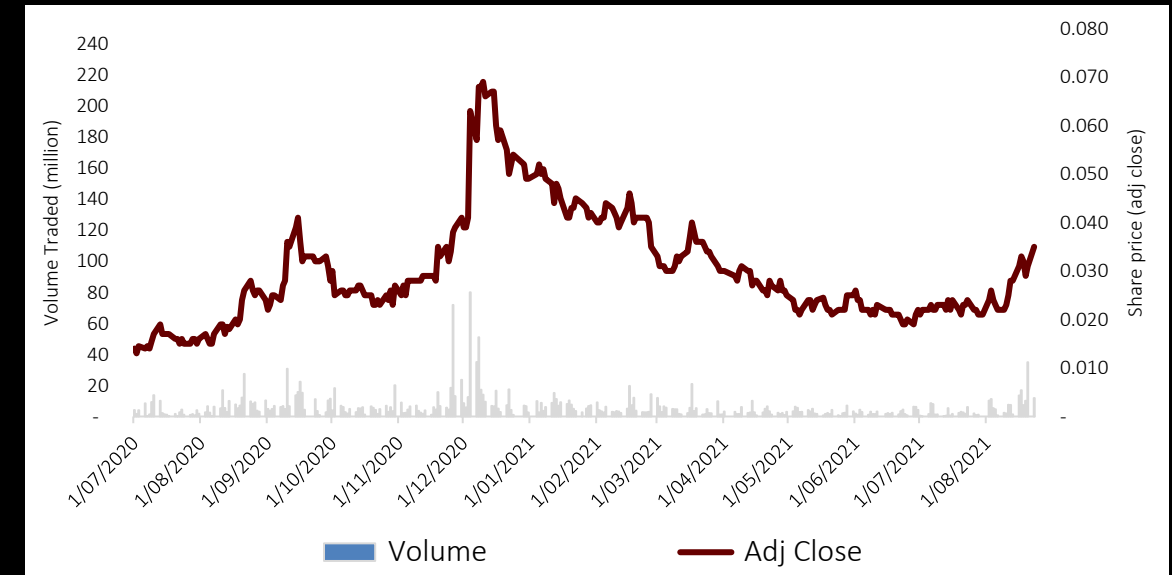
Share Price (23 August 2021)	A\$0.035
Market Cap	A\$59.25m
Total Shares on issue / listed on ASX	1,692.9m
Total options on issue	69.1m
Fully diluted shares on issue	1,762m
Cash on hand as at 30 June 2021	\$1.59m
Cash received as part of August 2021 capital raise*	\$3.6m

- Excludes costs and \$400,000 subject to shareholder approval

Major Shareholders %

Earthrise Pty Ltd	5.70
Gerard Bongiorno	4.49
Technical Investing	4.80
Steve McGovern	2.70

Share Price Performance



Register

Board Shareholding (%)	7.19
International Shareholding (%)	2.79
Total Shareholders (No.)	3,565



Video Virtualization Engine™

"A top 10 Australian SaaS company to watch in 2021"
by
The Australian Business Journal.

