



LINIUS TECHNOLOGIES LIMITED

CHAIRMAN'S ADDRESS

ANNUAL GENERAL MEETING - 29 NOVEMBER 2018

Welcome to the Linus Technologies Annual General Meeting for 2018. My name is Gerard Bongiorno, and I am the Executive Chairman of Linus Technologies Limited. With me here are my fellow directors Steve McGovern, our CEO and director Chris Richardson, as well as our CFO and company secretary Stephen Kerr. Additionally, we are joined by Vamsi Anusuri, our head of client delivery for Australia and APac, who is going to assist with a demonstration later in the meeting.

For the order of proceedings today I would like to go through the formal procedural matters and then provide a company up-date and demonstration of our technology and then open the meeting to questions.

Formal meeting proceedings.

Thank you.

Before I hand over to Chris for his formal CEO presentation I want to provide some initial comments on the last year.

We are 100% focussed on the commercialisation of our technology. With 80% of the world's Internet traffic and 64% of the worlds mobile traffic being video, Linus is in a great position.

Our vision remains unchanged – **To make the worlds video accessible as data.**

Our patents and technology provide the world's only capability to achieve this. Chris and the team will demonstrate this to you shortly.

During the year the Company has put in place the foundations to scale quickly into this huge video market.

We are focussed on delivering the world's first personalised video experiences — TV's utopia.

Our commercialisation strategy remains unchanged

1. Complete direct sales as commercial validation of its VVE technology. We have announced our first deal with Newstag and various POC's and we are well advanced on delivering these especially the Warners POC.
2. Secure channel partners such as IBM and MSFT, who can roll out the commercially validated solutions globally. We hired Stephen Pech, ex head of channel at Telstra, to manage and grow these relationships.
3. We have launched our SaaS self-serve platform, Linus Video Services or "LVS", which forms the back bone of our technology and allows third parties to both deliver our solutions and develop their own virtual video solutions with no involvement from Linus operations.

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In April we announced our near-term goals, focused on delivering commercial deals as proof points and replicable solutions for our partners to take to market.

Client reaction to our technology has been extremely strong, but progress against these goals has been slower than we would like. Importantly, from the original set of commercial deals we had visibility on when we set our NTG's, not one of these deals has dropped out and they are continuing to progress. And, as we progress these deals, we are continuing to expand our deal pipeline.

Our channel partner execution is on track. Yes, they want to see the commercial validation so they can roll it out, but our partners are actively preparing to do just that. We are already on the Azure market place, we are working hand in hand with IBM on delivery of the Warners trial, and indeed these partners are contributing to our current deal pipeline.

Closing of deal flow has been slower than we would like, principally due to the pioneering nature of the technology and the need to educate our customers on how to commercialise it. We have successfully tweaked our sales approach globally to address this. We have continued to target tier-1 clients as we believe that getting prominent names such as Warner Bros. to commercially validate our technology is the best route to scale in the near term. The larger customers are taking a little longer to close but we believe this investment will pay dividends with the more **powerful and global commercial validation they deliver.**

We have been pleased to receive investment support from existing and new investors for our capital raisings in the last financial year. As a result the company is well capitalised to pursue our commercialisation strategy. We have been frugal with our expenditure as our deal flow has been slower than targeted, and our expenditure has been below our budgeted forecasts during the year. In 2019 we would expect the balance sheet to be further strengthened with cash in-flows from our initial commercial deals as well as exercise of options, with \$7.8m of options expiring in the first half of 2019.

The year has produced its challenges in respect of our share price. This has primarily been impacted by a parcel of 250 million shares coming out of escrow and onto the market. We have worked hard to introduce new strategic investors to absorb this stock. We have been informed by the key holders that they have now completed their selling.

General market sentiment for technology stocks and the extended time frames to execute our initial commercial deals have also obviously impacted our stock.

Going forward given our understanding, the selling of large parcels of previously escrowed stock has been completed, we expect to see our share price benefit from achievement of our commercial goals in the near future.

You will have seen our recent announcement of the appointment of new members to our advisory board providing further commercial strength and broadening our geographical reach. In addition we are continuing to review the board composition and will look to add further industry and corporate experience in the near future.

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In summary – we are on track with our commercialisation strategy with direct sales well advanced and channel partners in place to take advantage of these replicable solutions; we are just a couple of months behind where we as a board and I, like you, as a shareholder would like to be.

Thank you

On behalf of your Directors I would like to thank all shareholders that have supported us through this ongoing commercialisation phase. I look forward to seeing success from our commercialisation efforts and welcome your continued support as we pursue our business plans.

I will now hand over to Chris Richardson.

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