



# Engineering Intelligent Content

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INVESTOR PRESENTATION  
FEBRUARY 2017  
ASX: LNU



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## Seizing the Intelligent Content Opportunity

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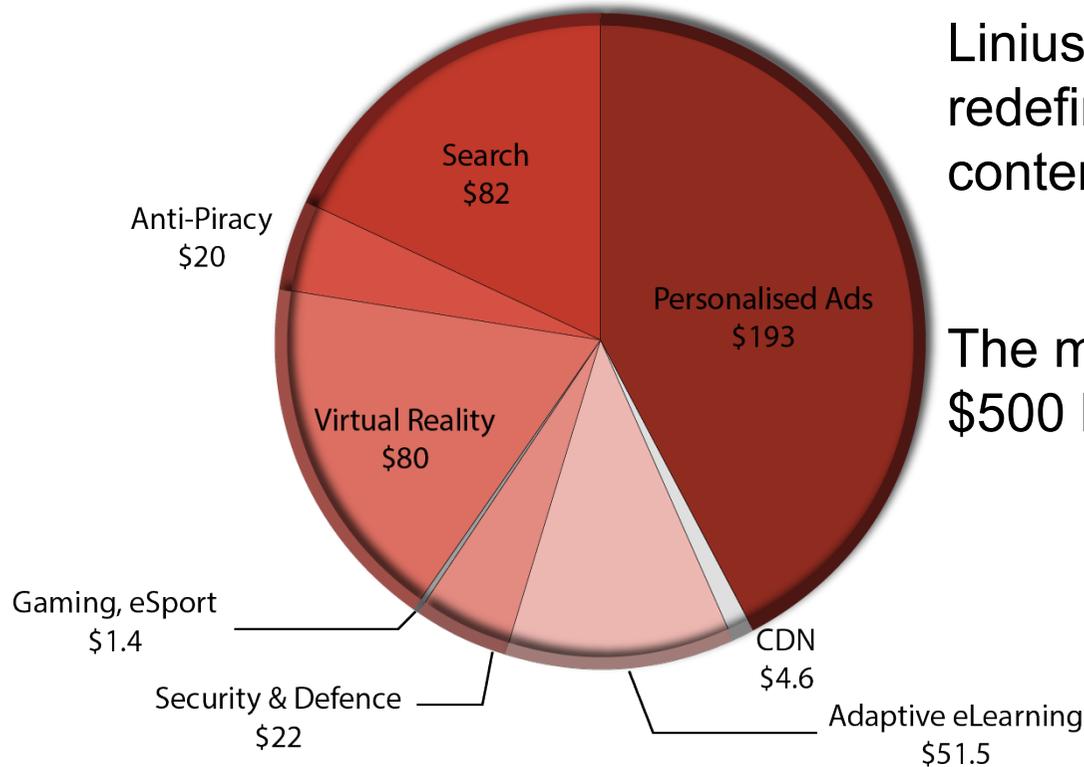
By 2019, the world's internet traffic will exceed 180 billion gigabytes per month. More than 80% of that traffic will be video.

Cisco, 2015



This presents a tremendous potential for untapped new revenue channels.

## Opportunity Rich Environment And Markets



Linius' patented technology is redefining opportunity in numerous content markets

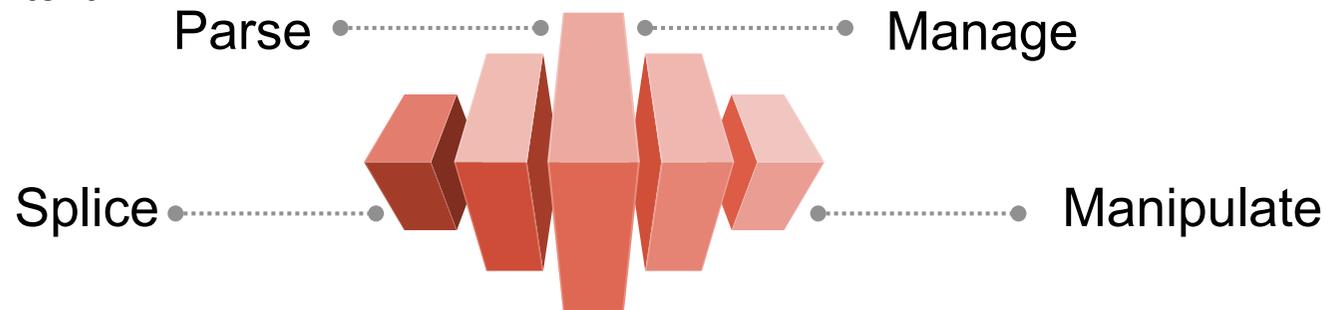
The market opportunity is at least \$500 billion US

## Linius' Video Virtualization Engine™

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Our proprietary Video Virtualization Engine™ cracks open previously self-contained traditional video files — creating “virtual” video files that expose the video “DNA” — the raw data inside.

Once revealed, users can parse, splice, manage and manipulate any video stream on the fly, in transit between source and destination – transforming static video into intelligent content.



## Globally Patented Technology

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Linius' proprietary solution allows customers to convert previously self-contained, cumbersome and static legacy video files into agile, interactive virtual video files.

The result is like splitting the atom of traditional video, unleashing the tremendous potential locked within to drive previously unimaginable innovation.

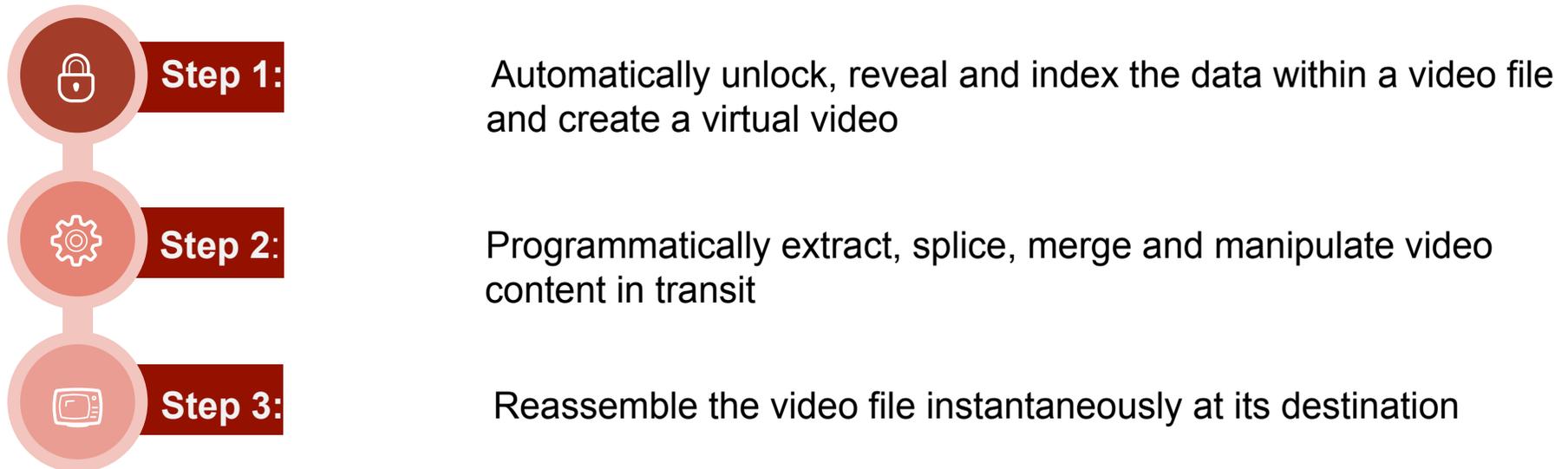
Patents are fully granted in the US, EU, Canada, S. Korea, PRC, Hong Kong, Singapore, Australia, and India



## How Linius' Video Virtualization Engine™ Works

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No matter the industry or how any client chooses to apply our Video Virtualization Engine, the underlying process is universal and revolves around 3 simple steps.



## Implementing a Clear Commercialisation Strategy

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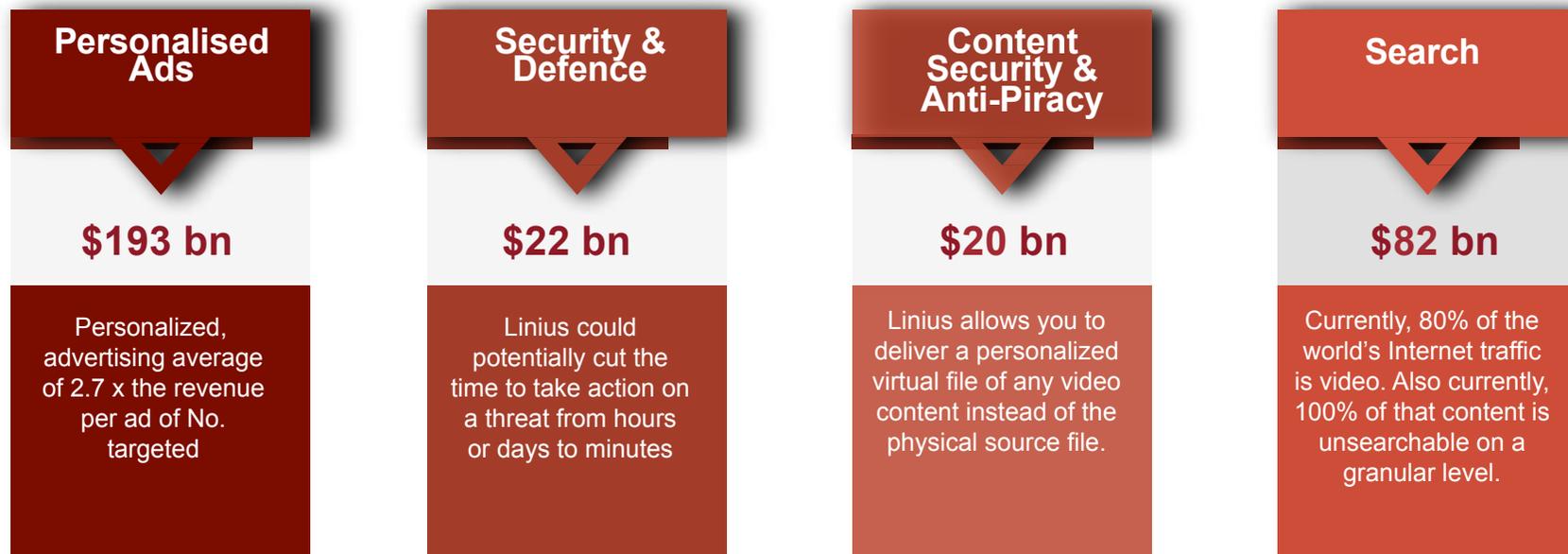
Given the continuously expanding universe of online video content, the potential to create hyper-personalised experiences, open new revenue channels, disrupt industries, enable innovation and gain competitive advantage is as endless as the Internet itself.

We are currently focused on the following industries, with many more in the pipeline.



## Opportunity Rich Environment and Markets

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# Linus Divisions Target Highest Potential Markets

Linus Divisions	✓ Personalised Advertising	✓ Content Security & Anti-Piracy	✓ Search	✓ Security & Defence
<b>Description</b>	For the first time advertising on Cable TV can be personalised to each individual viewer with Linus Personalised Advertising.	Linus Content Security is focused on reducing global piracy and securing revenues for content owners.	Linus Search enhances the quality and value of search results.	The Linus Security Service division provides capability that dramatically increases response times for government agencies and corporations tasked with surveillance and threat management.
<b>Market Size</b>	Over US\$70 billion in 2016 in the US alone  Opportunity is to deliver same 2.7x multiple we saw on the Internet	Global Box office revenue of \$US38bn  Somewhere between 15 and 40% of box office revenue is lost  The video industry loses much more beyond box office revenues.	Approximately 30 search engine providers across hundreds of thousands of video websites, ranging from Google to specific search engines designed for niche interest websites. Revenues in the 100's of billions of dollars	Video surveillance to reach \$71bn US by 2022
<b>Impact</b>	Linus demonstrated the capability to shareholder on 23rd November, 2016 which can be seen <a href="#">on the Linus website</a>	Linus VVE provides multiple ways of reducing piracy and offers content owners revolutionary control of their content, measurement methods, plus new revenue generating methodologies	By stitching video together on the fly, Linus provides unique video that best meets the search criteria.	Linus VVE facilitates the immediate distribution of relevant video surveillance content into designated workflows, i.e., to security and government agencies

## Seasoned Executive Team

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**CHRISTOPHER RICHARDSON**  
Executive Director and CEO

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Chris is an accomplished internet video executive with more than 20 years of experience leading tech companies in the US, Europe and Asia.



**STEPHEN MCGOVERN**  
Non Executive Director

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Stephen has more than 20 years of experience as an executive in telecommunications, media sales and pay TV, and is managing director of cloud call recording company Dubber Corporation Ltd [ASX: DUB].



**STEPHEN KERR**  
Executive Director and CFO

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Stephen is a qualified chartered accountant and chartered company secretary. He has more than 15 years of experience as a CFO and governance professional.

## Commercialisation Timeline Highlights Linius' Progress

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- December '15 — Leading cable TV tech company signs as 1st showcase partner
- December '15 — Appoint CEO, Chris Richardson
- February '16 — Development team established
- May '16 — Alpha release of technology
- July '16 — Digisoft signs as reseller
- September '16 — Beta release of technology
- September '16 — Kirby family strategic investment
- November '16 — Sign SuitcaseTV showcase partner
- December '16 — Release Personalized Advertising solution
- December '16 — Complete Showcase deployment with Village Roadshow

## Recent Highlights Reflect Building Momentum

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- Village Roadshow's Kirby family strategically invests \$500K in Linius
- Linius showcase presentation at IBC 2016 a success with a positive reception that is likely to expedite commercialisation
- Beta release successfully completed with showcase partner, Digisoft.tv's Iris Workflow software – further progression towards commercialisation

## Validating Technological and Commercial Assumptions

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### *Village Roadshow*



***"We can safely say the Linius virtualisation process removes the need for many kinds of transcoding — in particular, transcoding for broadcast on different size or shape devices, or through different media players, is not required if the players are fully compliant with the MPEG-4 specification."***

**Clark Kirby**

Chief Operating Officer of Village Roadshow



VILLAGE ROADSHOW LIMITED

**LIINIUS**

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## Linius: Meeting an Urgent Market Need for Intelligent Content

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1. Well-protected global patents
2. Linius' approach is a fundamentally different way to engineer intelligent content
3. Commercialization plan advancing while inherent value is built in the technology and applications
4. Management committed to seizing best opportunities while investing in a strong organization to support long term growth
5. Capital markets presence will steadily expand in line with company's progress

# Linus Technologies Ltd (ASX: LNU)

## Capital Markets Highlights

- Raised \$3.5m in March 2016
- Listed on ASX April 2016
- Strategic Investment from Kirby family in Sept 2016
- Cash position: \$2.8m as of Dec 31, 2016



## Share Information

<b>Trading information (17/02/17)</b>	<b>6.2 cents/ share</b>
<b>ASX ticker symbol</b>	<b>LNU</b>
<b>Listing date</b>	<b>9 May 2016</b>
<b>Listed shares</b>	<b>224m</b>
<b>Unlisted shares</b>	<b>455.2m</b>
<b>Undiluted market capitalisation</b>	<b>\$42.1m</b>
<b>Unlisted options</b>	<b>73.0m</b>
<b>Fully diluted market capitalisation</b>	<b>\$46.6</b>
<b>Cash raised on re-listing (before costs)</b>	<b>\$3.5m</b>



# Contact

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End of presentation.

Thank you.

[www.linius.com](http://www.linius.com)

# Appendix

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**“The initial era of big-data-driven television is here.”**

*Jeffrey Chester, Executive Director,  
Center for Digital Democracy*

**“[You] could enjoy fewer interruptions and see ads for the products you’re interested in, not the ones you don’t need to see.”**

*Jeffrey Bewkes, CEO of Time Warner*

**“.. it’s clear what advertisers want. They want to combine the data intensity of internet advertising with the clear value and ability to change peoples’ perceptions that you get with a television ad.”**

*Stephen B. Burke, Chief Executive of NBC  
Universal*