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ASX ANNOUNCEMENT

Ai-Media Q1 FY2021 Quarterly Activities Report and Appendix 4C

- **Services revenue of $11.0 million during the first quarter of FY21, up 25% on the prior comparative period on a currency neutral basis**
- **Revenue growth of 23% in reported currency, favourable against the full year prospectus forecast growth of 20%**
- **High demand in particular for Live Enterprise across all regions, with Live Enterprise share of total Services revenue in the period of 59% up from 48% in the first quarter of FY19**
- **Record high Live Broadcast audited quality scores of 99.8% accuracy in Q1 FY21 (compared with 99.5% average in FY20)**
- **Cash balance at the end of the quarter adjusted for IPO payments of $13.5 million, providing a strong financial position to pursue growth opportunities**
- **Ai-Media reaffirms FY21 prospectus forecast, including revenue of $43.8 million**

Melbourne, Australia, 29th October 2020: Access Innovation Holdings Limited (**Ai-Media** or **Company**) (**ASX: AIM**), a global provider of technology-driven live and recorded captioning, transcription and translation services, today releases its Appendix 4C Quarterly Cash Flow Report for the quarter ended September 2020 (unaudited) and is pleased to provide the following activities report on its financial and operating performance.

Ai-Media's Co-Founder and CEO Tony Abrahams said: "We have achieved a great start to FY21, with revenue growth ahead of our prospectus forecast and ongoing strong demand for our services as COVID-19 restrictions drive an accelerated shift towards virtual events for enterprise customers and virtual education events.

"Across the business we delivered 3.4 million captioned minutes over the last quarter, up by 39 per cent on the first quarter of FY19, reflecting continued growth in Enterprise across all regions. Pleasingly, we achieved a record high live broadcast captioning quality score of 99.8 per cent NER during the period, underpinning the value our human curation model delivers to our customers, where accuracy is critical to meeting their needs.

"The geographic diversity of our revenue has continued to increase, reflecting our recent investment in offshore markets which has positioned us well to benefit from continuing growth opportunities in North America, Asia and EMEA. We remain active in exploring strategic acquisitions that complement our current business operations in a consolidating industry and we are currently evaluating a number of promising opportunities.

"With a strong pipeline, we continue to ramp up capacity to meet the higher demand that we expect to be sustained beyond the easing of COVID-19 restrictions and remain well on track to deliver our prospectus forecast Services revenue of $43.8 million in FY21."

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Financial and Operational Performance

Ai-Media delivered a strong first quarter of FY21 (Q1 FY21) with Services revenue of $11.0 million, up 23% on the prior comparative period (pcp) and ahead of the Company's prospectus forecast for FY21 (on a quarter-by-quarter basis).[1] On a constant currency basis, Q1 FY21 pcp growth was 25%.

Strong revenue growth was driven by high demand for Ai-Media's services, particularly in Live Enterprise across all regions as COVID-19 accelerated the adoption of video as a core communications tool for Business and Education enterprises. Live Enterprise as a share of total Services revenue increased from 48% to 59% on the pcp.

Significant growth continued to be delivered outside of Australia and New Zealand, with Services revenue from offshore markets contributing 58% of total revenue in the quarter, up from 48% in the pcp.

Q1 FY21 saw Ai-Media achieve a record high audited quality score of 99.8% accuracy across Live Broadcast, as measured on the international NER scale. This compares favourably with the FY20 average of 99.5%.

During the quarter, net cash used in operating activities was $3.2 million. Receipts from customers during the period were $9.0 million lagging revenue due to sales growth.

Net cash used in investing activities was $0.8 million and net cash from financing activities of $28.7 million included net proceeds from Ai-Media's IPO, repayment of borrowings, and payment of some IPO costs. Further IPO-related payments of $14.2 million have been made in Q2 FY21 – including the ACS vendor loan, payments to close out Ai-Media's prior employee share schemes, and associated tax payments.

Strong capital position

Ai-Media maintains a strong balance sheet with little debt and a cash balance adjusted for IPO payment obligations at 30 September 2020 of $13.5 million. This provides Ai-Media with the capacity to purse future growth initiatives including product innovation, investment in the Company's technology platform and further acquisition opportunities.

In accordance with ASX Listing Rule 4.7C.2, a use of funds statement is provided in the annexure.

2020 Technology Showcase and Operational Update

As recently announced, AIM is hosting a Technology Showcase and Operational Update for investors at 9:00am AEDT on Friday 30 October 2020. The webinar will be hosted by Co-Founder and CEO Tony Abrahams, CFO Patrick Fok and Chief Product Officer Ian Harris and will showcase Ai-Media's technology platform and services, including its flagship live multilingual captioning.

Investors can register in advance for this webinar, via the following link:
https://ai-media.zoom.us/webinar/register/WN_bvn7My_5QrC6VUmeeSb12A

After registering, you will receive a confirmation email containing information about joining the webinar.

[1] Refers to Ai-Media's phased internal quarter-by-quarter forecast which, on an annualised basis, aligns with the prospectus forecast for the year ending 30 June 2021.

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Annual General Meeting

As recently announced, Ai-Media's Annual General Meeting will be held as a virtual meeting at 10.0am on Monday, 16 November 2020. Further information on how shareholders can participate in the AGM is included in the Notice of Meeting (available at www.asx.com.au).

Authorised for release by the Ai-Media Board.

Further Information

Investors:
Sue Sanossian
Company Secretary
+61 2 8870 7711
investorrelations@ai-media.tv

Media:
Clive Mathieson
Cato & Clive
+61 411 888 425
clive@catoandclive.com

About Ai-Media
Founded in Australia in 2003, technology company Ai-Media has become a global leader in the provision of high-quality live and recorded captioning, transcription and translation services. Its technology platform combines artificial intelligence and human expertise to deliver speech-to-text accuracy. The company is the biggest captioning provider in the Australian market, with clients including major free-to-air and pay television networks, and has a growing international footprint, with offices in Australia, the US, UK, Canada and Singapore. Globally, it provides captioning for nearly 1 million minutes of live and recorded media content, and online events and web streams every month. Ai-Media (ASX:AIM) commenced trading on the ASX on 15 September 2020.

For more information on Ai-Media please visit https://www.ai-media.tv/

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Annexure

Ai-Media provides the following comparison of its actual expenditure since admission to ASX (on 15 September 2020) against the "use of funds" statement in its Prospectus dated 10 August 2020.

Use of funds $ millions	**Prospectus**	**Actual Expenditure**	
General working capital	5.5	2.6	
Sales & Marketing	5.0	0.2	
Investment in ongoing Product Development and Platform Automation	5.0	0.8	
Payment of ACS Vendor Loan	2.8	0.0	Note 1
Cash Incentive Scheme	3.4	0.0	Note 1
Costs relating to the Offer	5.8	5.2	
Repayment of shareholder loans	2.5	2.4	
Total Uses*	**30.0**	**11.2**	

**Proceeds represents the amount raised by the company from the issue of new shares and excludes the amount of $35.5m raised and transferred to Selling Shareholders via SaleCo*

Note 1. Settlement of Cash Incentive Scheme of $3.7m and ACS Vendor Loan of $2.7m carried out in October 2020

Included in section 6.1 of the Appendix 4C for the quarter ended 30 September 2020 are payments made to related parties of Ai-Media. These amounts primarily relate to interest on shareholder loans. In addition, amounts were paid to executive and non-executive directors in payment of their directors' fees, salaries and benefits.