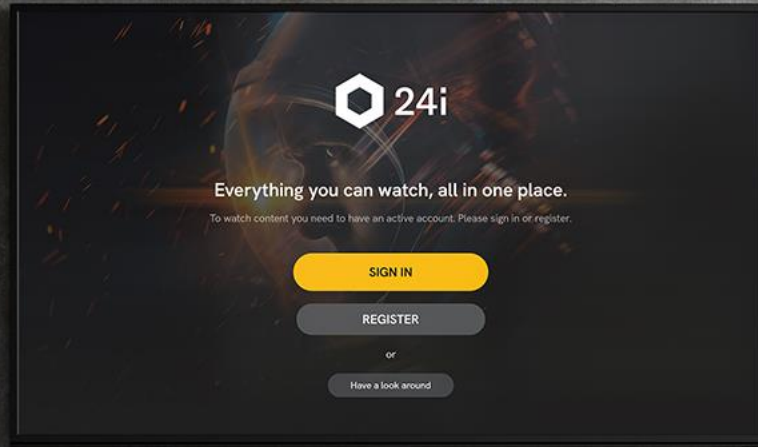


Aferian plc

POWERING THE GROWTH OF STREAMING



*FY22 Interim
Results*



Agenda

- Aferian Overview
- Financial Review
- Operational Review
- Outlook
- Questions



Donald McGarva
Group Chief Executive Officer



Mark Carlisle
Group Chief Financial Officer

Three key points for today

1

Further momentum achieved in improving quality and visibility of group earnings

2

Enhanced solutions for a growing market with acquisition of data science firm The Filter

3

Whilst H1 was impacted by supply chain issues, H2 is progressing well and Board remain confident of meeting full year expectations

Aferian overview



Viewing time of video streaming is increasing by 13% CAGR*



Aferian has a reputation as a trusted provider because of our strong heritage in the streaming industry



Transition to streaming is happening now, driving significant market growth



The business is profitable and cash generative with a strong balance sheet



Our off-the-shelf solutions have a quicker time to market and superior ROI than our competitors



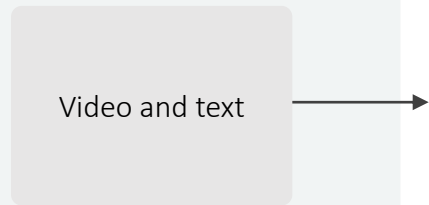
Aferian has strong organic growth as well as an exciting M&A strategy

* Source: BCG November 2021

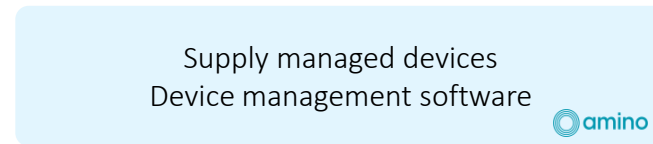
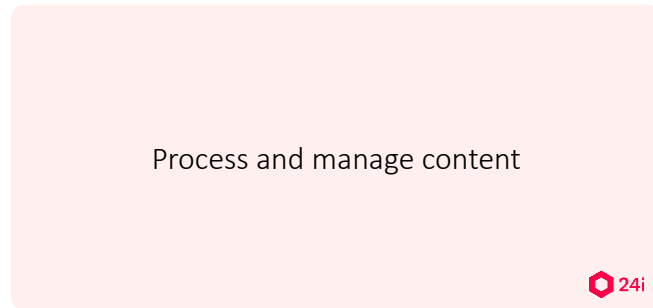
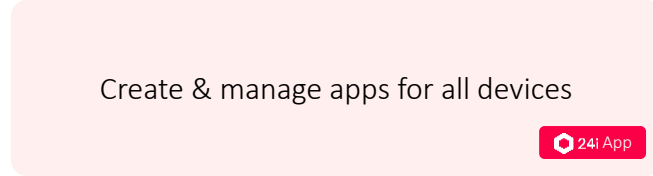
Aferian's role in the streaming ecosystem

CONTENT OWNERS

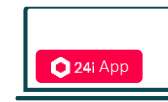
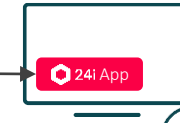
Media & Entertainment
Broadcasters,
Pay TV operators,
Other content owners



CONTENT MANAGEMENT & DISTRIBUTION



CONTENT CONSUMPTION

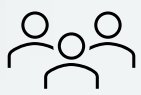


Broadband
Wi-Fi
4G
5G

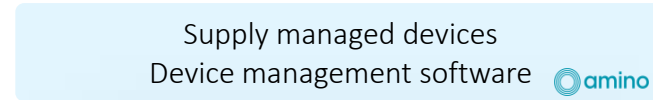
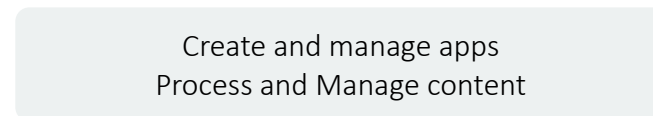
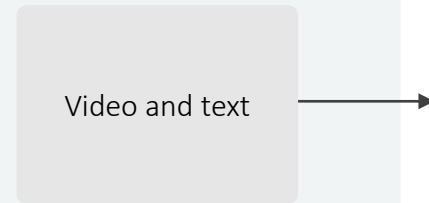
Devices purchased
by consumers
(Smart TVs,
Laptops, Mobiles
etc.)



Streaming devices
(set-top-boxes)
supplied to
consumers
by a Pay TV operator



DIGITAL SIGNAGE



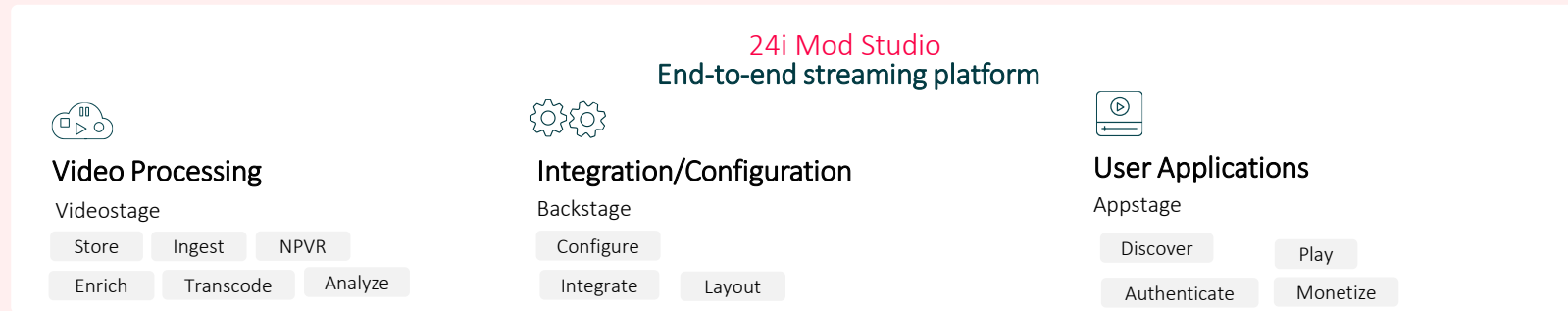
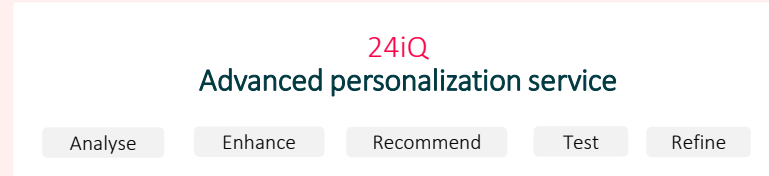
Streaming devices
connected to digital
screens/signs in
public spaces

Aferian's offering to the market



Typical commercial model

24i End-to-end streaming solutions



Non-recurring set-up fees

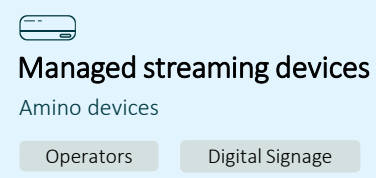
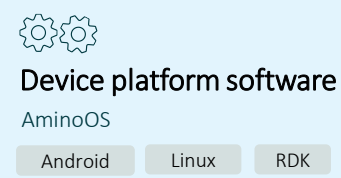
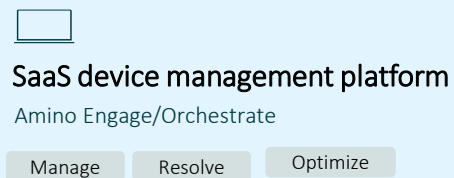
Non-recurring professional services for bespoke applications

Recurring
Software license fees per platform

Recurring
Per user license fees

Recurring
Support and managed service fees

amino Advanced software-led streaming solutions



Non-recurring per-device revenue

Recurring
support and maintenance

Recurring
Device management platform software

Aferian addresses a \$10bn growing market opportunity



Front-end over the top
("OTT") video
platforms

\$0.6bn
18% CAGR
Within this, smaller
providers are growing at
35% CAGR

Source: Boston Consulting Group, November 2021



Streaming Devices
OS & Devices

\$7.5bn
8% CAGR

Source: Media Asset Capital, November 2021

Digital Signage Devices
OS & Devices

\$1.6bn
9% CAGR

Source: Mordor Intelligence, November 2021

Operational Highlights

Evolving our business against a dynamic market backdrop that continues to support our strategy to grow recurring revenue and offer our customers streaming platforms with a higher ROI

Enhanced our customer offering

- Acquisition of The Filter already making its impact felt on our business:
 - New customers to Aferian
 - New capabilities opened up to existing Aferian customers
 - Power behind 24iQ – our new personalisation and recommendation service

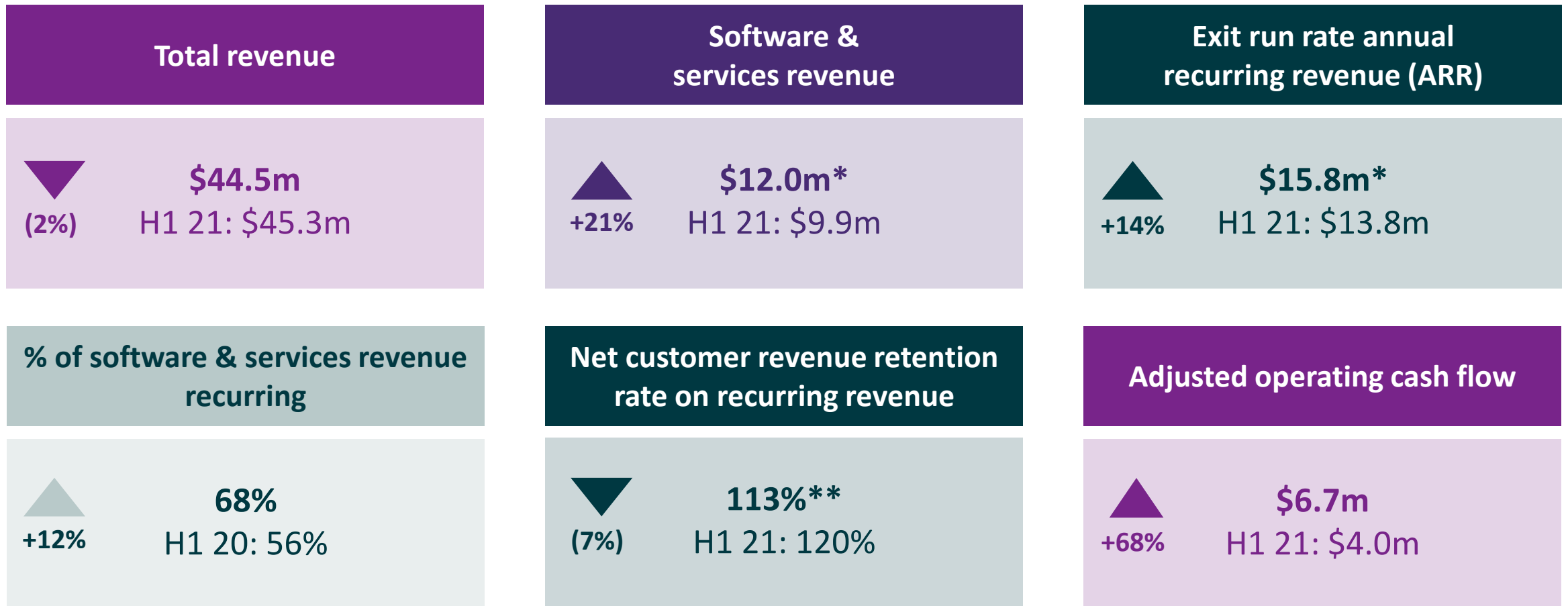
Innovated in product modularity and capability

- Innovating in Streaming:
 - 24i OTT Studio and 24i Pay TV Studio launched
 - Off-the-shelf solution for launching a streaming service in weeks, not months
- Innovating in SaaS:
 - 48% YoY growth in number of devices managed on our SaaS platform

Supported critical customer rollouts and deployments

- Supporting Android-powered rollouts:
 - Waoos Denmark and Telenor Sweden advanced streaming rollouts powered by 24i
- Supporting Next-Generation initiatives:
 - PCCW Now TV launch, integrating with Netflix, powered by Amino

Software-led progress against KPIs



*negatively impacted by €/\$ FX rate

** Constant currency

Financial Review

Financial Highlights

- H1 recurring revenue of \$8.2m - up 49% year-on-year
- H1 software & services revenue of \$12.0m - up 21% year-on-year
- H1 device revenue of \$32.5m - down 8% year-on-year, impacted by short term supply chain delays. Mitigating actions taken in Q3 and full year growth expected
- Adjusted operating cash flow \$6.7m - up 68% year-on-year

Full year growth underpinned by:



- Existing customer growth:
 - Customer user base growth
 - Upsells to existing customers (“land and expand”)
- New customer wins arising from:
 - Launch of new video streaming services
 - Upgrade of existing capabilities to compete with latest features of the large video streaming providers



- Numbers of devices sold driven by technology refresh:
 - Migration of cable and satellite TV to streaming
 - Aggregation of streaming services and pay TV onto one device
- Digital signage market penetration

Income statement summary

\$m	H1 22	H1 21	Var
Revenue	44.5	45.3	(0.8)
Cost of sales	(25.1)	(24.7)	(0.4)
Gross profit	19.4	20.6	(1.2)
<i>Margin %</i>	44%	46%	-2%
Operating costs	(13.6)	(12.3)	(1.3)
Adjusted EBITDA	5.8	8.3	(2.6)
<i>Margin %</i>	13%	18%	-5%
Depreciation and amortisation	(3.4)	(3.2)	(0.2)
Adjusted operating profit	2.4	5.1	(2.7)
<i>Margin %</i>	5%	11%	-6%
Exceptional items	(0.5)	(1.4)	0.9
Share-based payments	(0.3)	(0.4)	0.1
Amortisation of acquired intangibles	(2.2)	(1.4)	(0.8)
Net interest	(0.2)	(0.4)	0.2
(Loss)/profit before tax	(0.8)	1.5	(2.3)
Corporation tax	(0.7)	(0.8)	0.1
(Loss)/profit after tax	(1.5)	0.7	(2.2)

- Revenue split as:
 - Device revenues \$32.5m, down 8% due to COVID-19 related supply chain issues.
 - Software and services \$12.0m, up 21% due to Nordija acquisition and organic growth in 24i.
- Gross margin down 2% due to increased cost of components and product mix.
- Adjusted EBITDA down \$2.6m due to reduced device revenues and increased salary and travel costs
- Amortisation of acquired intangibles up \$0.8m due to Nordija acquisition.

24i Financial Performance



\$M	H1 FY22	H1 FY21	Variance
Revenue	9.3	7.5	1.8
Gross profit	6.7	5.6	0.9
Gross profit %	72%	75%	(3bps)
Adjusted EBITDA	0.6	0.2	0.4
Adjusted EBITDA %	6%	3%	+3bps
Capex	3.2	2.6	0.6
Exit ARR	11.3	10.0	0.7

- Revenue increase of 24% reflects full period for Nordija acquisition at end of H1 FY21.
- Organic revenue growth 5% (13% on constant currency basis).
- Adjusted EBITDA margin has doubled.
- Increased capex as investment into recurring revenue solutions.
- Exit ARR increase of 13% (26% on constant currency basis)

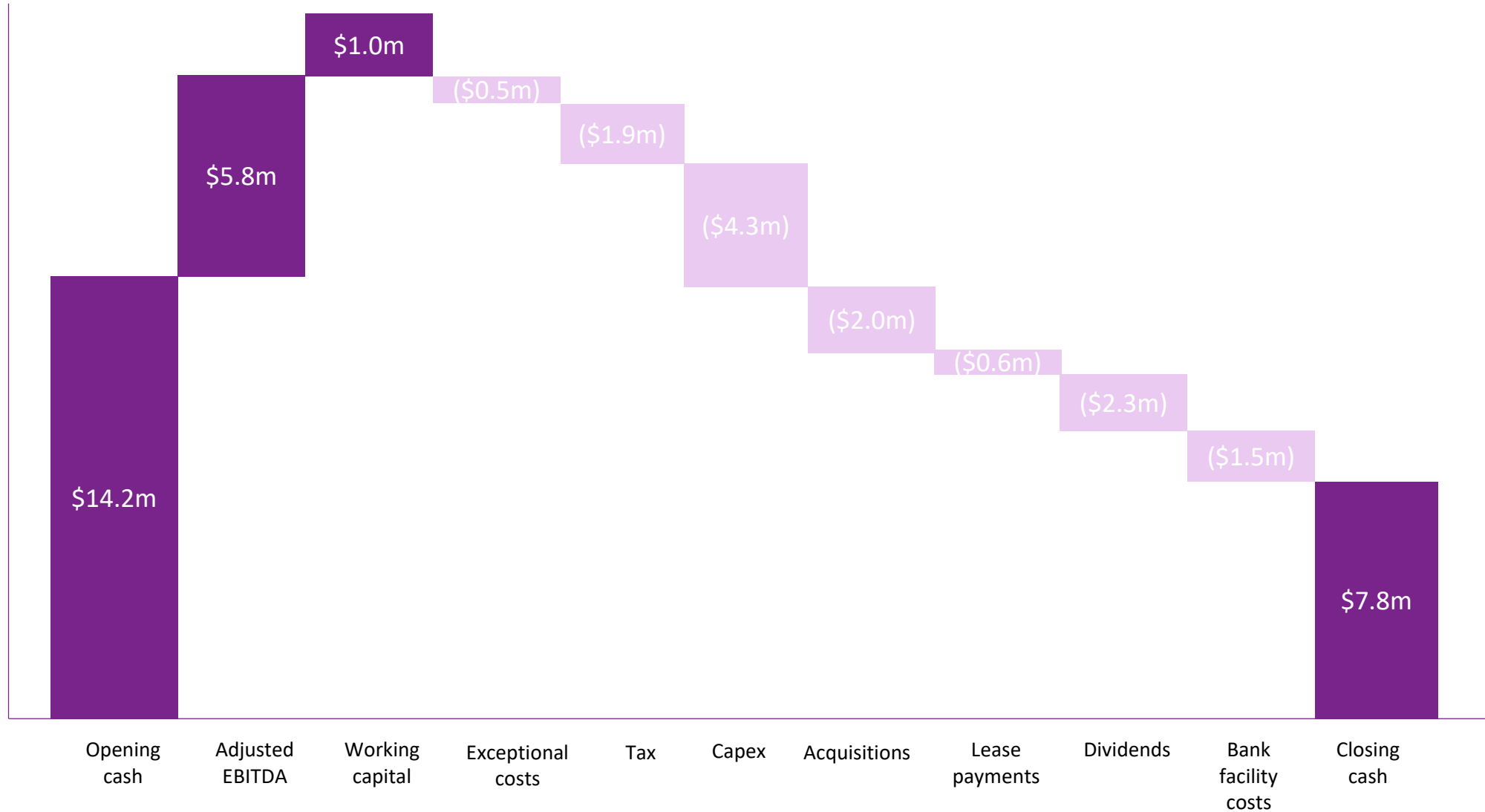
Amino Financial Performance



\$M	H1 FY22	H1 FY21	Variance
Revenue	35.2	37.8	(2.7)
Gross profit	12.7	15.0	(2.3)
Gross profit %	36%	40%	(4bps)
EBITDA	6.5	9.3	(2.8)
EBITDA %	18%	25%	(7bps)
Capex	1.0	0.9	0.1
Exit ARR	4.5	3.8	0.7

- Device revenues down \$2.9m impacted by COVID related supply chain challenges.
- Adjusted EBITDA down due to device revenue phasing and gross margin impacts.
- Exit ARR increase of 18% due to more users on Engage, a SaaS device software management platform.

Cashflow bridge

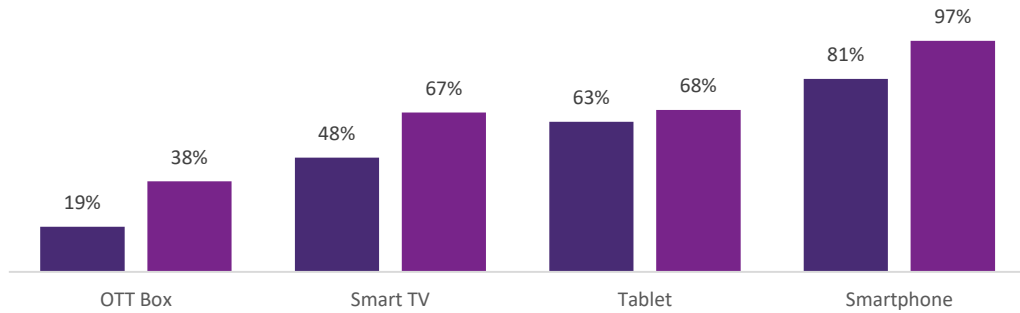


Strategic opportunity and investment

Structural market trends

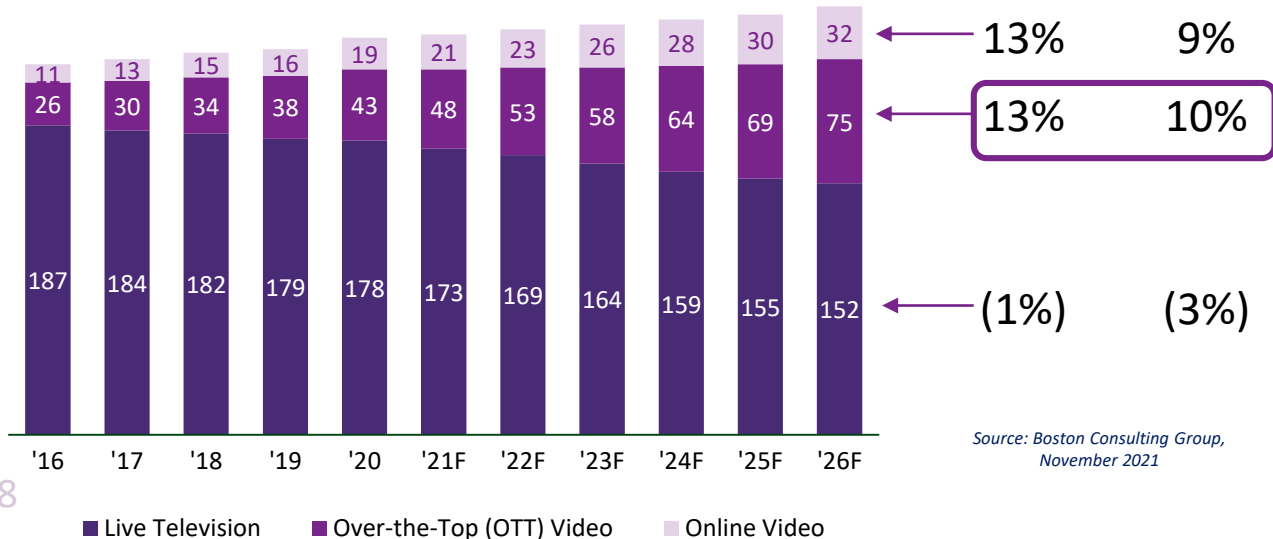
Pay TV and smaller video streaming services are being forced to invest in additional capabilities in order to stay competitive with the latest features provided by the Tier 0 players such as Netflix and Disney+

Global penetration of connected video devices 2016 vs. 2021 (%)



Source: Boston Consulting Group, November 2021

Average global video viewing time (mins/day)



Front-end over the top ("OTT") video platforms

\$0.6bn
18% CAGR
Within this, smaller providers are growing at 35% CAGR

Source: Boston Consulting Group, November 2021

Streaming Devices OS & Devices

\$7.5bn
8% CAGR

Digital Signage Devices OS & Devices

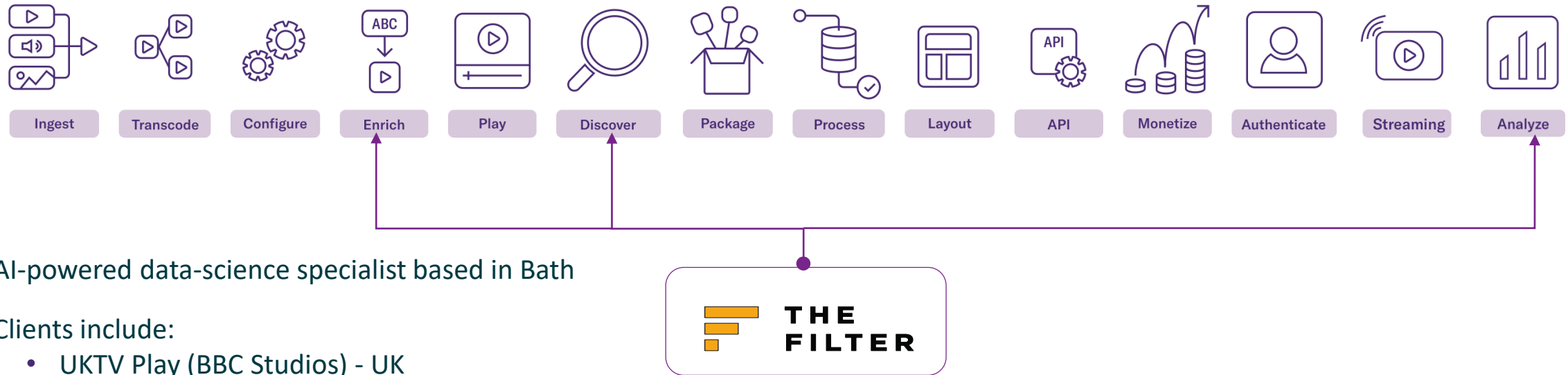
\$1.6bn
9% CAGR

Source: Media Asset Capital, November 2021

Source: Mordor Intelligence, November 2021

Acquisition of The Filter

Addition of advanced data-driven technology significantly accelerates roadmap of 24i's video streaming platform

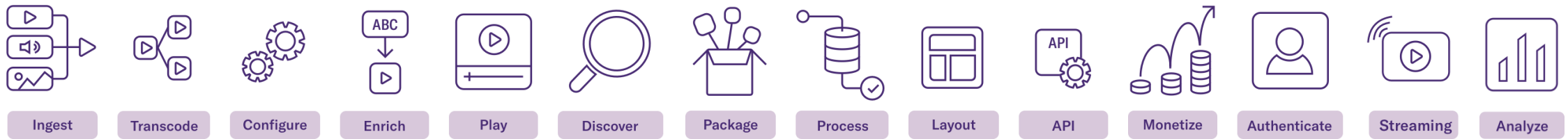


- AI-powered data-science specialist based in Bath
- Clients include:
 - UKTV Play (BBC Studios) - UK
 - EPIX (MGM/Amazon) - USA
 - Joyn (Discovery/ProSiebenSat. 1) - Germany
- Machine learning & behavioural analysis powers personalised content recommendations to individual users of streaming services
- Helps viewers to find & watch more of the content they love, promoting increased customer satisfaction and 'stickiness'
 - Increases perceived value of subscriptions, grows ARPU
 - Boosts revenue for ad-funded services, grows customer LTV

Investment in product development to drive recurring revenue and increased ROI for our customers

- Continued investment in the next-gen platform, now branded as Appstage, part of 24i Mod Studio
 - Decreases time to market for our customers when new models of device (e.g. Smart TVs) are released
 - Modular approach reduces the time/cost involved in adding future features
 - Project due for completion mid-2023
- Integration of 24iQ personalization technology into 24i Mod Studio
- Development of Group-wide, cloud-based TV as a Service (TVaaS) offering due for launch in September
- Development of a new Amino operating system for streaming devices
 - Uses the Reference Design Kit (RDK) software stack
 - Gives Pay TV operators an alternative to using Google's Android TV software as a route to combining their content with third-party streaming services
- Development of additional, data-driven features for the Amino SaaS device software management platform

M&A growth strategy



1

Acquisition of emerging technologies to make it easier for people to find the TV and video they love

2

Increase scale to drive operational leverage

3

Expansion into new geographies and market verticals

Progress towards our ESG goals

• Environmental

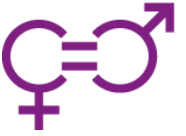
- Upcycled c20 metric tonnes of devices in 12 months, extending device life by an estimated 5 years
- Strong progress towards our target of shipping all Amino devices using recycled **and** recyclable packaging
- Switched to paper cable ties, recycled paper bags for remote control units
- Newest generation of streaming devices made without logos to eliminate need for protective plastic packaging
- Group travel policy to be relaunched in Q4 FY22 to accelerate reduction & improve reporting of our carbon footprint

• Social (community and people)

- Expanded our employee wellness programme
- Recruitment in progress for second intake of our global graduate trainee programme #futureisbright
- Continued sponsorship and mentoring for a non-profit programme retraining women in Czech Republic for roles in IT

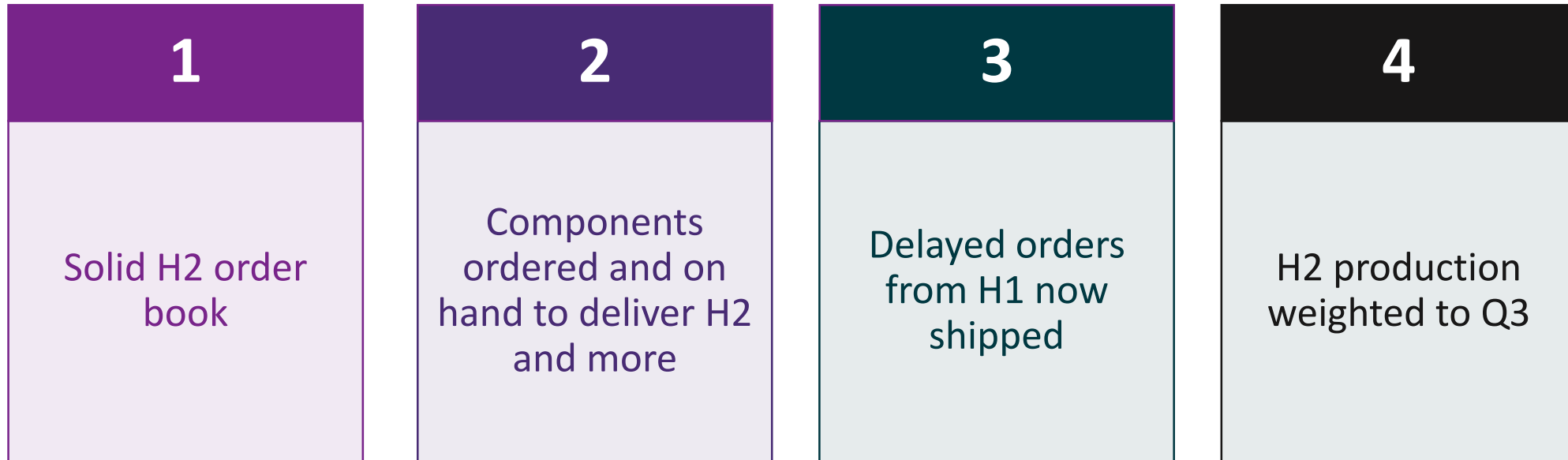
• Governance

- Executives have ESG-related targets built into their remuneration plan for the first time in FY2022
- Launch of “Do The Right Thing” (DTRT) campaign in Q3 FY22 to improve staff awareness of:
 - Sustainability
 - Anti-bribery/corruption policy
 - Diversity and inclusion
- Includes establishment of DTRT staff forum to develop new initiatives and community programmes



Current Trading & Outlook

Trading post period-end has reinforced the Board's full year confidence



Subject to continuing availability of components and shipment levels, the Board remains confident in achieving results in line with its expectations for the full year.

Questions?



Appendices

Balance sheet summary

\$m	H1 22	H2 21	Var
Intangible and tangible assets	99.4	98.4	1.1
Trade and other receivables	0.2	0.2	(0.0)
Non-current assets	99.7	98.6	1.0
Inventories	4.0	2.6	1.4
Trade and other receivables	18.7	22.0	(3.4)
Cash and cash equivalents	7.8	14.2	(6.4)
Current assets	30.4	38.8	(8.3)
Trade and other payables	29.6	28.8	0.8
Corporation tax payable	-	0.8	(0.8)
Bank Loan	-	-	0.0
Current liabilities	29.6	29.6	0.0
Net current assets	0.9	9.2	(8.4)
Trade and other payables	1.8	1.7	0.2
Provisions	1.2	1.2	(0.0)
Deferred tax liabilities	1.3	1.0	0.2
Non current liabilities	4.3	3.9	0.4
Net assets	96.3	104.0	(7.7)

Cashflow summary

\$m	H1 22	H1 21	Var
Adjusted EBITDA	5.8	8.3	(2.6)
Movement in working capital	1.0	(4.4)	5.3
Adjusted operating cash flow	6.7	4.0	2.8
<i>Cash conversion %</i>	<i>117%</i>	<i>48%</i>	<i>69%</i>
Exceptional cash costs	(0.5)	(2.2)	1.7
Corporation tax	(1.9)	(2.8)	1.0
Net cash from operations	4.4	(1.0)	5.4
Purchases of PP&E	(0.1)	(0.1)	0.0
Capitalised development costs	(4.2)	(3.5)	(0.7)
Net cash paid for acquisitions	(2.0)	(4.9)	2.9
Investing activities	(6.3)	(8.5)	2.2
Proceeds from issue of shares	-	12.9	(12.9)
Lease payments	(0.6)	(0.6)	0.0
Dividends paid	(2.3)	(2.0)	(0.3)
Interest paid	(1.5)	(0.1)	(1.5)
New bank loans raised	-	6.9	(6.9)
Financing activities	(4.5)	17.1	(21.5)
Net cash flow	(6.4)	7.5	(14.0)
Cash balance at start of end	14.2	9.5	4.7
Cash balance at period end	7.8	17.0	(9.2)

Global Customer base

With more than 500 customers, Aferian has also delivered streaming video on more than 500 Apps on 200 Platforms.

Broadcasters, Sports & Content Owners

PURE FLIX

BROADWAY HD

Cinissance

UK TV Play

joyn

FLOW SPORTS

GZOBO

CHL
Canadian Hockey League

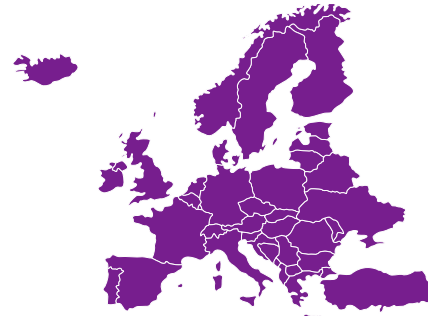
GAME SHOW NETWORK

epix

RTÉ

npo

blim tv



Pay TV & Digital Signage

Consolidated communications

Cincinnati Bell
connecting what matters

T-Mobile

DELTA
verbindt

Slovak Telekom

TDC

entel

ice

Golden West
We're everywhere people connect.

HTC
This is life. Connect with it.

NCTC
National Cable Television Cooperative, Inc.

POST
LIFE MEDIA

youfone

.TELE2.

swisscom

VITEC

GO

kpn

Telefónica del Sur

DESKTOP

Aferian addresses the Tier 1 to Tier 4 markets

Tier 0	Tier 1	Tier 2-3	Tier 4
< 5m subs	500k < 5m subs	100k < 500k subs	0k < 100k subs
Streaming giants, with multi-billion dollar budgets & large in-house engineering teams	Large national and global broadcasters and pay TV operators	Smaller broadcasters or pay tv operators	Smaller Video-on-demand (VOD) start-ups
			
Not addressable	Services	Product	Product
Bespoke builds in-house	High stickiness among existing clients	Smaller sizes subs; High stickiness among existing clients; some new greenfield clients	Sizable number of new clients executing their 1 st OTT service; lower budgets