

A woman with long dark hair is shown in profile, looking down at a smartphone she is holding. The scene is lit with a strong purple hue, creating a modern, tech-oriented atmosphere. The background is slightly blurred, showing what appears to be a window with light coming through.

# Amino Technologies plc Full year results

For the year ended 30 November 2020

Donald McGarva, Chief Executive Officer

Mark Carlisle, Chief Financial Officer

# Three key points for today

1

Software-led strategy  
delivering results, with ARR  
up 12%

2

Amino 2025 strategy in place  
to capitalise on convergence  
of streaming services

3

Covid-19 is accelerating  
structural shifts in viewing,  
presenting a significant  
opportunity

# Key metrics tracking ahead of prior year

Group Revenue	Improved quality or earnings	Improved ARR	Strengthened net cash position
\$82.7M (\$77.2m)	\$19.5M from software & Services	\$10.6M (\$9.5m)	\$9.5m (\$1.4m)
Up 7%	Up 49%	Up 12%	Up 678%

youfone



 Slovak Telekom

 FLOW SPORTS

 topic

 BROADWAY HD

# How, when and where consumers watch TV is changing

- We make it easy for people to connect to the TV and video they love on any screen, anytime, anywhere



## What the viewer wants

Live TV and video streaming on any screen, anytime, anywhere



## Enabling our customers

Pay TV operators, broadcasters and media owners



## Our value proposition

Stay ahead of viewer demands, enabling greater audience engagement and profitable growth

# This change is consumer driven and gathering pace

Streaming market to double to **\$167bn** by 2025\*

87%

Subscribe to streaming services

57%

Subscribe to Pay TV services

51%

Subscribe to Both

Streamers want Pay TV like features. They are annoyed when:

88%

It is not as easy switch channels as it is with a remote and Pay TV service

76%

The quality of service is never as good as traditional Pay TV



Everyone wants better content discovery!

Pay TV subs want streaming features. Top improvements wanted:

76%

Integrate streaming services

70%

Pause subscriptions

# Industry challenge is to provide 'the best of both worlds' - video on demand and live TV

- This is what modern consumers want

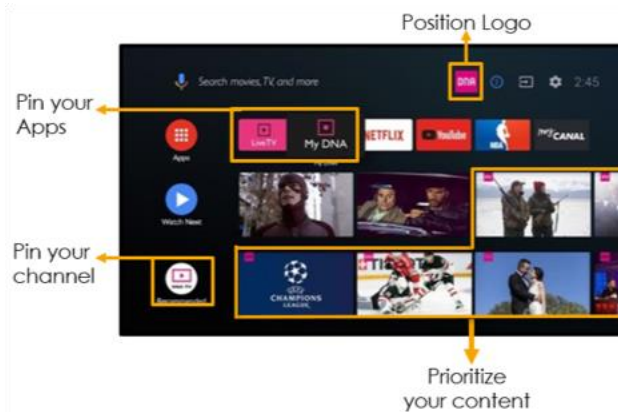
## Choice

Any content with flexible pricing options



## Usability

Engaging and data driven user experiences



## Convenience

Ease of content discovery any place on any screen at any time



Today's consumers are spending c.20% of their time on streaming platforms searching for content.

# Addressing the market

- We create the media and broadcast technology that delivers traditional and modern viewing to all audiences' screens.

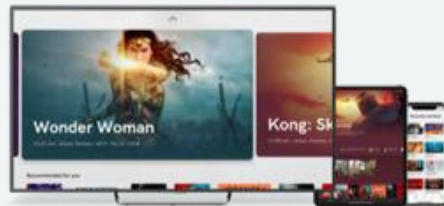


2 major routes to revenue

## Multiscreen video

Any device, any time and any place

Streaming market to double to \$167bn by 2025\*  
Cloud-based software to deliver content



 digital TV research \*Source: Digital TV Research Pay TV Forecasts 2020

## Pay TV+

Delivering the best of both worlds

Pay TV subscribers to grow 4% to 1.1bn by 2025\*. 76% of Pay TV subscribers want integrated streaming services\*\*



NETFLIX

prime video



 amino \*\* Source: Amino Voice of Consumer Survey 2020

# Target Markets

Amino serves both the Streaming and Pay TV segments. The group benefits from growth in OTT, but also from Pay TV operators re-configuring their own business models to maintain their competitive positioning.

## Broadcasters and Content Owners

PURE FLIX

BROADWAY HD

topic



RTÉ



## Pay TV Operators





# Amino's modern video eco-system

Our modern video eco-system makes it easy for the people who deliver TV (Pay TV operators, broadcasters and media owners) to provide smarter, more cost-effective ways of delivering modern TV and video experiences to their customers.



Service and system manager

Video delivery engine

App development framework

Device management

Device software

Devices



Amino provides an end-to-end video eco-system

Manage

Stream

Deliver

Watch

# SaaS and Recurring business model

- Recurring License fees and Maintenance

App development framework

Video delivery engine

Service and system manager

Device software

Device management



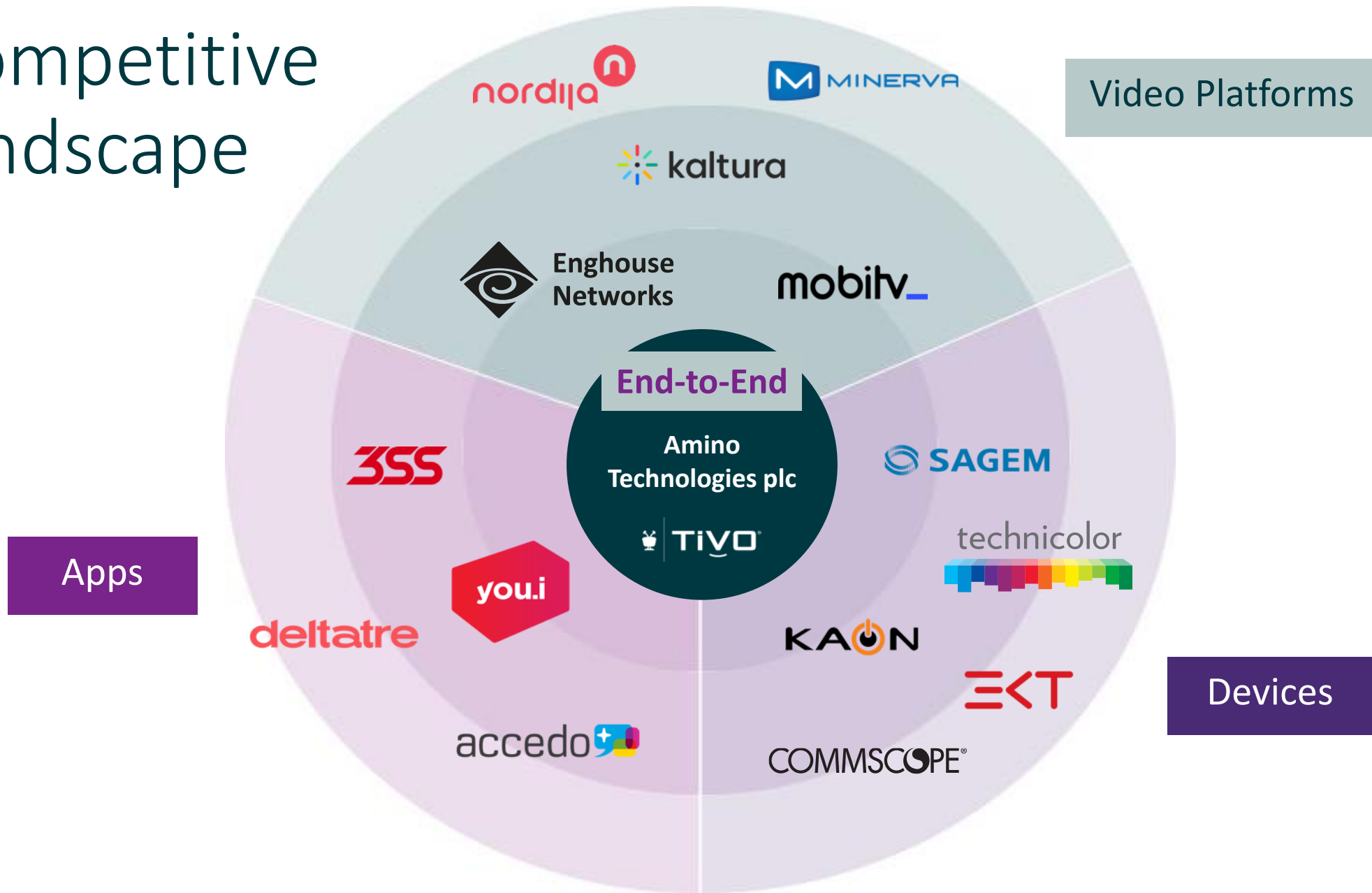
- Professional Services
- One-off sales price

Devices & integrated software



- Focus on growing higher margin recurring software
- Industry leading devices margin reflects software sold with devices

# Competitive landscape

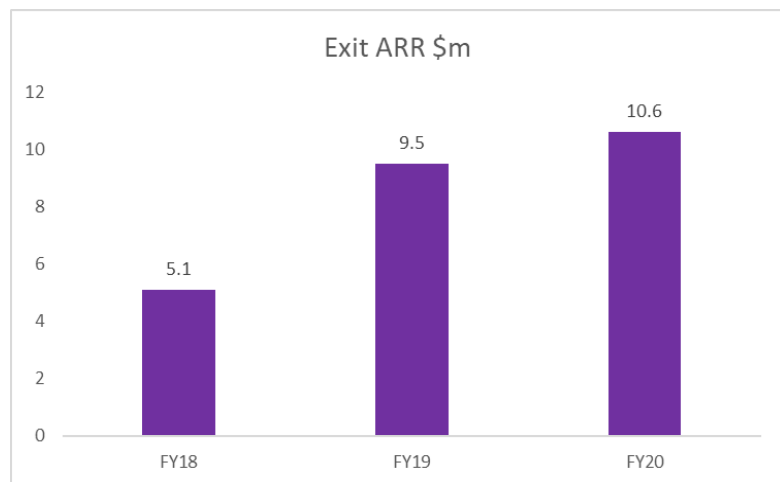
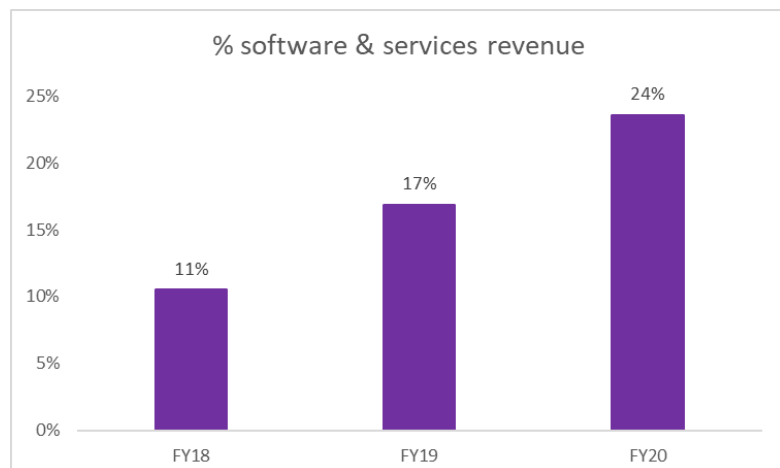


# A year of significant operational progress

- **Covid-19 accelerates global demand for streaming services**
  - New business wins at Slovak Telekom, CWC, Broadway HD and Topic
  - Seamlessly adapted to remote working – continued innovation without missing a beat
- **24i Launches its' Next Gen Smart Apps platform**
  - The platform is more cost efficient and speeds time to market
  - The platform is now deployed in more than four accounts including Slovak Telekom
- **First joint 24i/Amino E2E customer launched**
  - Youfone, is a high-growth MVNO based in the Netherlands
  - Youfone has deployed us to deliver a true E2E system
- **Engage, Amino's SaaS based service management platform continues to grow rapidly**
  - The number of devices managed increases by 69% during the year.
- **Partnership program is delivering results**
  - Signing key partners like Verizon Media is helping to build the pipeline and shorten sales cycles

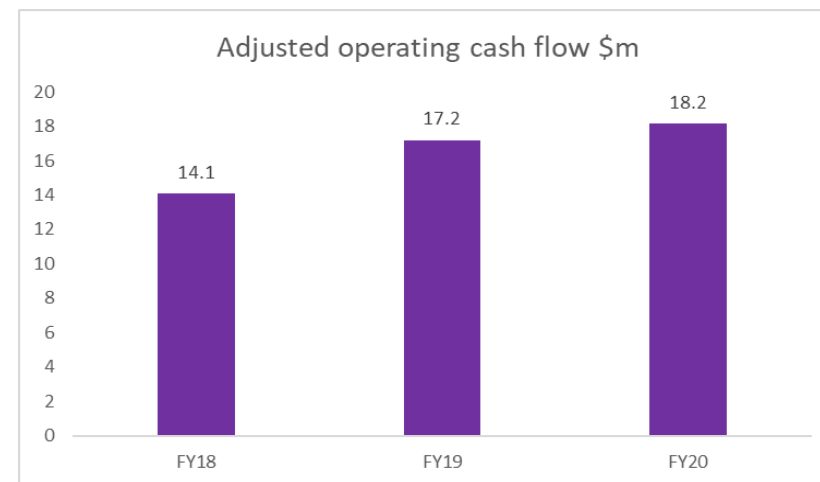
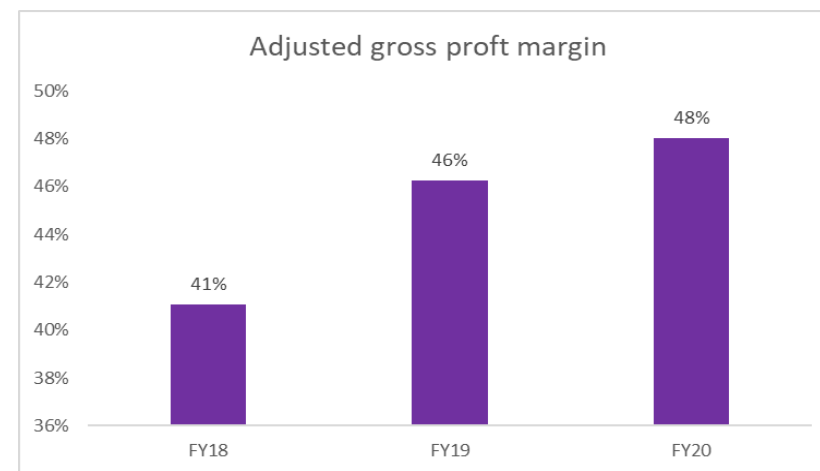
# Delivering on KPIs

## Increasing quality of revenues



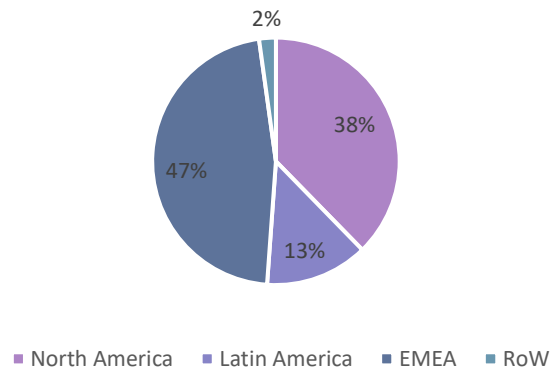
Amino is growing all KPIs. 40% of gross profit is now generated from Software and Services revenues

## Strong margins and cash generation

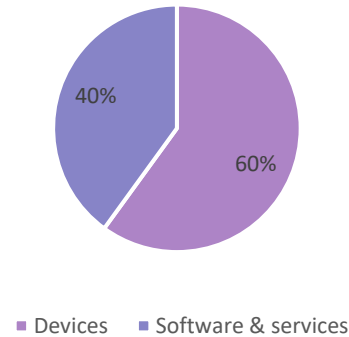


# Geographically diverse revenues, continuing shift to software and services

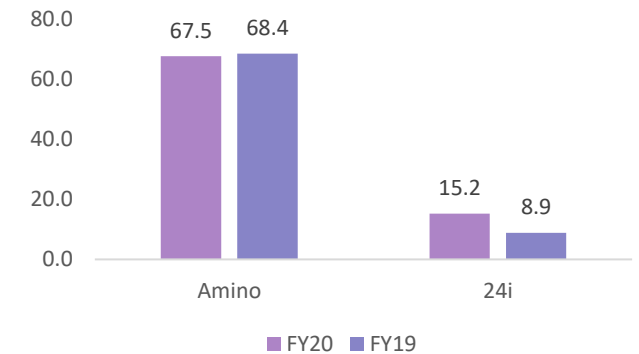
Revenue by region - FY20



Gross Profit by Type - FY20



Revenue by segment



- North America decline due to COVID-19 enterprise impact and decline in average selling price
- EMEA increase reflects a full year of 24i revenues and roll out of new products to existing customers

- Software and services gross profit increased from 30% in FY19
- Devices include integrated AminoOS software

- Amino broadly flat on last year
- 24i YoY growth of 72%

# Income statement summary

\$m	FY20	FY19	Var
Revenue	82.7	77.2	5.5
Cost of sales	(43.0)	(41.5)	(1.5)
<b>Gross profit</b>	<b>39.7</b>	<b>35.7</b>	<b>4.0</b>
Margin %	48%	46%	2%
Operating costs	(23.0)	(20.9)	(2.1)
<b>Adjusted EBITDA</b>	<b>16.7</b>	<b>14.8</b>	<b>1.9</b>
Margin %	20%	19%	1%
Depreciation and amortisation	(6.2)	(4.6)	(1.6)
<b>Adjusted operating profit</b>	<b>10.5</b>	<b>10.2</b>	<b>0.3</b>
Margin %	13%	13%	-1%
Exceptional items	(0.5)	(1.0)	0.5
Share-based payments	(0.7)	(0.8)	0.1
Amortisation of acquired intangibles	(4.2)	(4.1)	(0.1)
Net interest	(0.7)	(0.9)	0.1
<b>Profit before tax</b>	<b>4.4</b>	<b>3.5</b>	<b>0.9</b>
Corporation tax	(1.7)	(0.6)	(1.1)
<b>Profit after tax</b>	<b>2.7</b>	<b>2.9</b>	<b>(0.2)</b>

- \$5.5m (7%) increase to revenue driven by software and services
- Gross profit margin improvement of 2% due to growth in software and services revenue
- Despite a challenging year due to COVID, adjusted EBITDA grew by 13% to \$16.7m, a 20% margin
- D&A higher due to IFRS 16 leases - impact \$1.2m
- Exceptional items of \$0.5m:
  - Royalty credit from prior years – (\$0.9m)
  - 24i post acquisition remuneration - \$1.2m
- Increased tax due to UK tax losses being fully utilised in year

# Strong cashflow metrics

\$m	FY20	FY19	Var
Adjusted EBITDA	16.7	14.8	1.9
Movement in working capital	1.5	2.4	(0.9)
<b>Adjusted operating cash flow</b>	<b>18.2</b>	<b>17.2</b>	<b>1.0</b>
Cash conversion %	109%	116%	-7%
Exceptional cash costs	(1.3)	(3.4)	2.1
Corporation tax	(1.4)	(1.0)	(0.4)
<b>Net cash from operations</b>	<b>15.4</b>	<b>12.8</b>	<b>2.6</b>
Purchases of PP&E	(0.3)	(0.1)	(0.3)
Capitalised development costs	(5.5)	(4.1)	(1.4)
Interest received	0.0	0.1	(0.1)
Net cash paid for acquisitions	(0.2)	(18.9)	18.7
<b>Investing activities</b>	<b>(6.0)</b>	<b>(23.0)</b>	<b>17.0</b>
Proceeds from issue of shares	0.0	0.0	0.0
Lease payments	(1.1)	0.0	(1.1)
Dividends paid	0.0	(6.9)	6.9
Interest paid	(0.2)	(0.2)	(0.1)
Repayment of borrowings	(7.2)	(1.6)	(5.6)
New bank loans raised	0.0	7.2	(7.2)
<b>Financing activities</b>	<b>(8.6)</b>	<b>(1.5)</b>	<b>(7.1)</b>
<b>Net cash flow</b>	<b>0.9</b>	<b>(11.7)</b>	<b>12.5</b>
<b>Cash balance at period end</b>	<b>9.5</b>	<b>8.6</b>	<b>0.9</b>

- Adjusted EBITDA cash conversion of 110%
- Cash generated from operations up \$2.6m to \$15.4m (20%)
- Free cash flow of \$9.3m
- Increased investment in new product development
- All bank borrowings repaid in the year

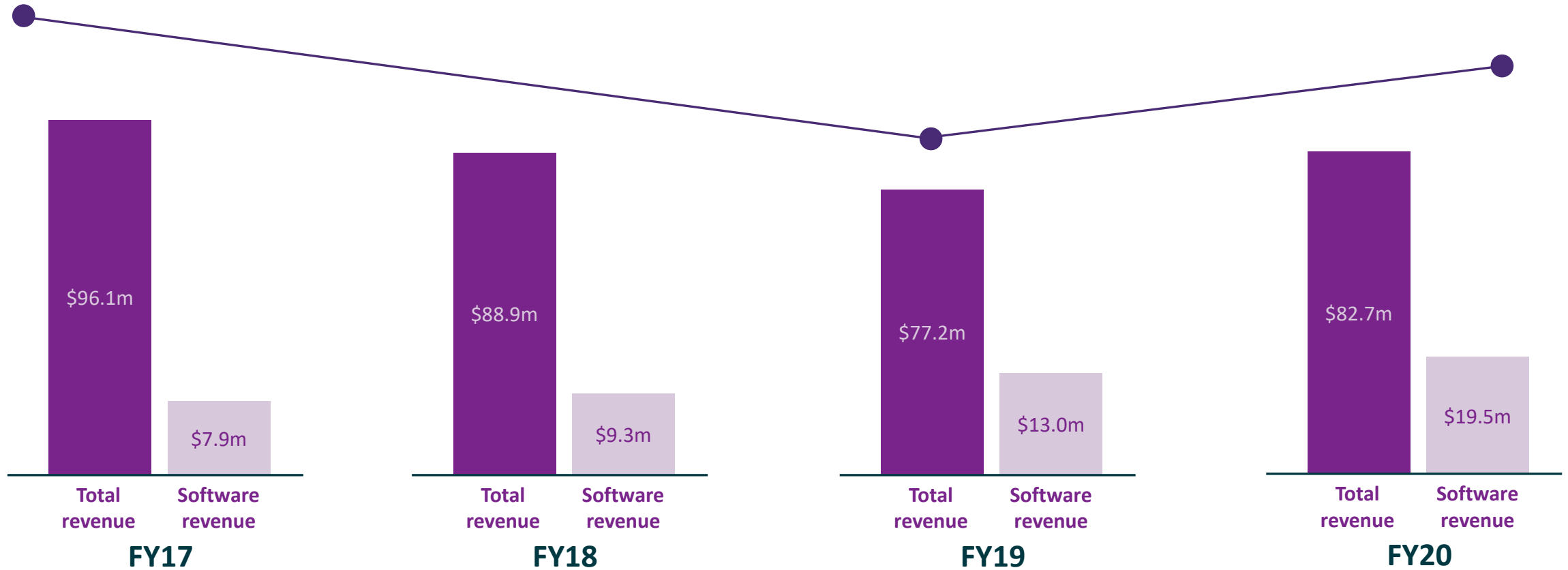


# Balance sheet summary

\$m	FY20	FY19	Var
Intangible and tangible assets	95.2	92.3	2.9
Deferred income tax assets	0.0	0.6	(0.6)
Trade and other receivables	0.2	0.4	(0.2)
<b>Non-current assets</b>	<b>95.4</b>	<b>93.4</b>	<b>2.0</b>
Inventories	3.0	2.4	0.6
Trade and other receivables	14.7	16.5	(1.8)
Cash and cash equivalents	9.5	8.6	0.9
<b>Current assets</b>	<b>27.1</b>	<b>27.5</b>	<b>(0.4)</b>
Trade and other payables	25.1	21.8	3.3
Corporation tax payable	1.5	0.7	0.8
Bank Loan	0.0	7.3	(7.3)
<b>Current liabilities</b>	<b>26.6</b>	<b>29.8</b>	<b>(3.2)</b>
<b>Net current assets</b>	<b>0.5</b>	<b>(2.3)</b>	<b>2.8</b>
Trade and other payables	1.7	2.8	(1.1)
Provisions	1.2	1.3	(0.1)
Deferred tax liabilities	3.9	4.4	(0.5)
<b>Non current liabilities</b>	<b>6.9</b>	<b>8.5</b>	<b>(1.6)</b>
<b>Net assets</b>	<b>89.1</b>	<b>82.6</b>	<b>6.5</b>

- Strong balance sheet with \$9.5m cash and \$nil bank debt
- Net current assets \$0.5m (2019 - \$2.3m net liabilities)
- Non-current assets include \$2.6m from ROU assets (IFRS 16). Deferred tax asset (UK) now fully utilised
- Trade receivables debtor days 23 (2019: 27)
- Trade and other payables include \$2.7m lease liability (IFRS 16)

# Returning to sustainable growth



# Amino Technologies plc strategy to 2025

## Amino 2025



\$250m Revenue (\$175m SW and 70% of that recurring)



Increased Solutions, Software and Services



Delivering viewer choice, usability and convenience



Actionable AI data driving outcomes for platforms and viewers



## Key Amino Drivers



Data centric product development: driving innovation

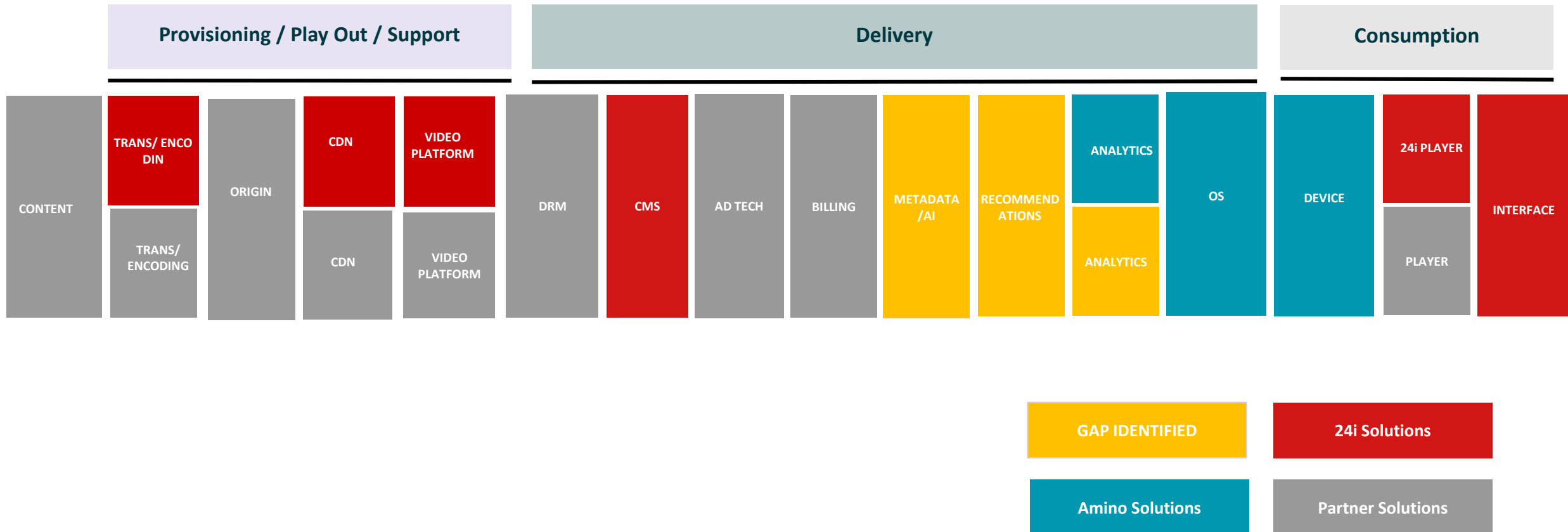


Product roadmap focused on Consumer experience



M&A strategy to further underpin growth

# M&A landscape



# Capital allocation

Amino has a strong balance sheet, generating significant FCF after investment in IP which can be used for funding accretive M&A and dividends

## Organic investment

Product development  
c\$7m p.a.

FCF FY20F:  
\$9.3m  
Net cash of  
\$9.5m +  
undrawn  
facility of  
\$25m

## Returns to Shareholders

New dividend policy of  
33-50% of adjusted EPS

## M&A

Acquisition pipeline  
Clear strategic focus

# Outlook

Entering 2021 we have enhanced pipeline visibility and quality of earnings

2020 performance and opportunity ahead gives us confidence to recommend a dividend

Focused on growing software and services, ARR and strengthening long term relationships

Amino 2025 strategy to drive software-led growth to capitalise on convergence of streaming services

Well positioned to capture opportunity, making it easy for people to connect to the TV and video they love

# Summary



## Software-led business model delivering results

Software & Services account for 40% – and growing – of Amino's gross margins, creating an increasingly predictable, visible and resilient revenue base.



## Well placed to capitalise on Structural shift opportunity

How, when and where viewers watch TV is changing. To keep pace with this change, the owners and distributors of TV programming need to rapidly evolve their business models. Amino's technology and solutions are making this evolution possible.



## Focussed on the Market need

Viewers of streaming content want Pay-TV features; Pay-TV subscribers want streaming features. 72% of TV viewers have at least one streaming service. This creates two growth opportunities for Amino: Multi-Screen Video (modernise service) and Pay-TV+ (extend service).



## Organic and M&A strategy for growth

We have a proven track record of expanding our addressable market both organically and through targeted M&A; growing margin through value-based investments; maintaining strong levels of cash generation and shareholder returns.

Thank you