Overview of Audinate today

World-leading supplier of digital media networking for the Professional AV industry

Growing network effect with number of Dante-enabled products in market 2,804

Products

Dante comprises software and hardware that resides inside the audio and video products of Audinate’s Original Equipment Manufacturer (OEM) customers

[ More background on Dante: https://www.audinate.com/meet-dante/what-is-dante ]

Audinate products

Customers (OEM Brands)

OEM Products

Chips

 Modules

 Cards

 Software

 USA

 UK

 Germany

 China

 Japan

 Hong Kong

 Philippines

 HQ

 Sydney, Australia

 Listed on the Australian Stock Exchange (ASX:AD8) in June 2017
Delivering on medium-term priorities

Audinate has the foundations in place to accelerate our product development and support the software transition of the AV industry over the medium term

Medium-term strategic priorities

- Investing to double Audinate’s engineering and R&D functions over the next two years
- Putting in place the business infrastructure platform to support long term growth
- Developing next generation Dante audio and video software implementations
- Making Dante video the technology of choice for OEMs
- Expanding Total Addressable Market with the addition of video & software products

Achievements in FY20

- Team increased 30% with significant bench-strength & industry expertise added – hiring paused during COVID-19
- Malaysian manufacturing opened, Philippines office established, Scaled Agile Framework (SAFe) adopted, Initial steps on licensing & code protection, manufacturers rep network for DDM
- Dante video shipped April, next generation Dante products from QSC, Shure & Zoom, Bluetooth & USB-C AVIO® Adapters launched
- Several design wins including Yamaha, Bolin and Patton. First demo of Dante video Camera, white label program launched
- Ongoing – initial video and software design wins (20 in total)
The image contains a slide titled "FY20 Highlights" that presents financial and operational highlights of a company for the fiscal year 2020 (FY20). Here is the information extracted from the slide:

**Financial:**
- Revenue (US$20.4m): A$30.3m
- EBITDA: A$2.0m
- Gross profit margin: 76.6%
- Cash on hand at 30 June 2020: A$29.3m

**Operational:**
- Dante-enabled products on the market: 2,804
- Professionals trained on Dante during FY20: 57,000
- Increase in OEMs shipping Dante product: 21%
- Capital raised via placement & SPP post year end: A$40.0m
Leading global supplier of digital media networking

**Highlights**

**$1bn**
Total addressable market\(^{(1)}\)

**328**
OEM customers shipping Dante enabled products

**2,804**
Dante enabled products available on the market

**8x**
Market adoption of closest competitor

**120,000**
Dante trained and certified individuals globally

---

**Increasing market awareness and adoption of Dante**

**Dante has 8x**
the adoption versus closest competitor

---

1) Management estimate of total addressable market of audio, video and Pro-AV software products

2) RH Consulting stopped counting Cobranet products in 2020 and noted that it is impossible to get reliable data on available products, with only a small number of manufacturers selling some equipment. RH Consulting further noted that Cobranet is not a consideration in forward looking statements about the audio industry.
COVID-19 impact and response

*Audinate is well positioned to capitalise on medium-term growth objectives, despite taking prudent measures during COVID-19*

COVID-19 impact and measures adopted

- Addition of contract manufacturing in Malaysia and internal auditing of component suppliers have made our supply chain more robust, minimising the impact caused by disruptions to Chinese manufacturing activity in Q3 FY20.
- 2H FY20 revenue adversely impacted by COVID-19. The continued impact is unknown and result in a wide variety of potential revenue outcomes in FY21.
- Prudent measures taken in response to COVID-19 disruption:
  - downsized headcount and paused near-term recruitment plans to reflect reduced staffing requirements.
  - FY20 cash bonuses forgone for all staff and pay freeze implemented.
  - centralised back office functions and standardised processes.
  - curtailed marketing and travel expenditure and actively monitoring other discretionary expenditure.
- Revenue and sales orders recovered in June & July (as compared to April and May) demonstrating business model resilience.
- Qualified for JobKeeper program in May 2020 and received c. A$0.2 million for both May and June.

Continued conviction for medium-term priorities

- **Focused on delivering on medium-term strategic priorities** to ensure Audinate is best placed to benefit from an economic recovery.
- **Manufacturing facilities have returned to full operations** since temporary Government mandated closures.
- **Successful product expansion** at the InfoComm tradeshow in June:
  - InfoComm platform assisted with increasing number of Dante enable products available to 2,804, up 31% from FY19.
  - launched new Dante AVIO® bluetooth and USB-C adapters and early orders have been encouraging.
- **Ramped up webinars and Dante Certification training program** to enhance propensity of Dante technology adoption:
  - ~120,000 AV professionals attended 77 webinars or participated in online training and ~40,000 professionals undertook Dante certification in 2H FY20.
Laying the foundation for accelerated adoption

### Dante Certification Training
- Free training for industry professionals – including designers, system integrators & end users
- Conducted online, via webinar & in person
- Three levels of certification from introductory thru to advanced network troubleshooting
- Industry accredited for CPD
- Training now offered in 9 languages
- 8 Audinate trainers based in 5 countries
- Our research shows training = more Dante purchases
- Training content also applies to Dante video

---

#### Performance Metrics

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY19</th>
<th>FY20</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead over closest competitor (up 39%)</td>
<td>6.2x</td>
<td>8.2x</td>
<td>39%</td>
</tr>
<tr>
<td>People trained on Dante (up 185%)</td>
<td>27k</td>
<td>57k</td>
<td>185%</td>
</tr>
<tr>
<td>Unique website visitors (up 65%)</td>
<td>664k</td>
<td>1,095k</td>
<td>65%</td>
</tr>
<tr>
<td>Retail Software # sold (up 49%)</td>
<td>32k</td>
<td>47k</td>
<td>49%</td>
</tr>
<tr>
<td>Webinars conducted (up 1,267%)</td>
<td>6</td>
<td>82</td>
<td>1,267%</td>
</tr>
<tr>
<td>Marketing Database (up 39%)</td>
<td>239k</td>
<td>332k</td>
<td>39%</td>
</tr>
</tbody>
</table>

1Represents people trained on Dante during the year, total people trained on Dante now 120,000
Dante Video

Dante AV Module
- “AV-over-IP” networking module, OEM business model
- V+A+Network (1 video + 8 audio)
- Commercial launch June 2019
- First design win July 2019
- OEM products expected on the market late CY20

Dante AV Product Design Suite
- Full HDMI-over-IP product design
- Accelerate OEM time to market & enable ODM business model
- Launched June 2019
- AV Module + Compression + HDMI + HDCP + USB + ...

• Several design wins, with Yamaha, Bolin and Patton publicly announced
• Dante AV Product Design Suite shipped in April 2020
• Bolin camera demo at ISE represents first Dante video product proto-type
• Authorised implementer program launched June 2020
• Strong pipeline, industry interest & recognition
• Dante video software implementation represents next product iteration
• More background & videos on Dante video: https://www.audinate.com/products/manufacturer-products/dante-av-video
Financial Performance and Metrics
Resilient repeat revenue base

- US$ Revenue CAGR of 24%
- Gross Profit margin approaching 77%
- Chips, cards & modules (‘CCM’) includes AVIO adapters
- Software includes royalties, retail software, Dante Domain Manager & IP core
- Audinate invoices customers & pays COGs in USD

- 30% increase in software revenue driven by Dante Domain Manager, royalties, and retail software sales
- CCM revenue impacted by COVID-19, especially Brooklyn modules – partly compensated for by Broadway & adapters
- First sales of Dante Video, Dante Embedded Platform and Dante Application Library in 2H FY20

### Revenue (US$M)

<table>
<thead>
<tr>
<th></th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>$0.9</td>
<td>$1.5</td>
<td>$2.3</td>
<td>$3.2</td>
<td>$4.2</td>
</tr>
<tr>
<td>Software</td>
<td>$7.4</td>
<td>$9.7</td>
<td>$12.5</td>
<td>$16.6</td>
<td>$15.8</td>
</tr>
<tr>
<td>CCM</td>
<td>$8.7</td>
<td>$11.3</td>
<td>$15.2</td>
<td>$20.3</td>
<td>$20.4</td>
</tr>
</tbody>
</table>

### Dante units shipped (‘000s)

<table>
<thead>
<tr>
<th></th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Software</td>
<td>65</td>
<td>95</td>
<td>150</td>
<td>398</td>
<td>530</td>
</tr>
<tr>
<td>CCM</td>
<td>110</td>
<td>180</td>
<td>248</td>
<td>352</td>
<td>341</td>
</tr>
</tbody>
</table>
Income Statement

- A$2m revenue growth (including FX benefit) despite COVID-19 and US Tariff impacts
- Gross profit margin percent improved from 74.4% to 76.6%
- Employee expenses increased mainly due to an additional 30 FTEs (123 FTEs at year end) and an extra year expense for the prior CEO’s exit ($0.6m) in FY20
- Headcount of 116 entering FY21 following cost containment measures (redundancy costs of $0.1m in FY20)
- Included in employee expenses are $1.1m of non-cash costs related to the LTI program (FY19: $0.7m)
- EBITDA decrease from $2.8m in FY19 to $2.0m in FY20
- Other income includes $0.5m from COVID-19 related government grants & interest income
- Depreciation and Amortisation up due to increasing capitalisation of development costs ($1.5m) and new lease accounting ($0.7m). (refer to slide 29 for more detail)
- Income tax expense includes write-off of $3.6m of Australian tax losses due to COVID-19

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY19</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>30,317</td>
<td>28,313</td>
<td>2,004</td>
</tr>
<tr>
<td>Gross profit</td>
<td>23,208</td>
<td>21,063</td>
<td>2,145</td>
</tr>
<tr>
<td>Gross Margin %</td>
<td>76.6%</td>
<td>74.4%</td>
<td>2.2%</td>
</tr>
<tr>
<td>Employee benefit expenses</td>
<td>15,797</td>
<td>12,700</td>
<td>3,097</td>
</tr>
<tr>
<td>Marketing expenses</td>
<td>2,484</td>
<td>2,633</td>
<td>149</td>
</tr>
<tr>
<td>Administration and other operating expenses</td>
<td>2,895</td>
<td>2,967</td>
<td>72</td>
</tr>
<tr>
<td>EBITDA</td>
<td>2,032</td>
<td>2,763</td>
<td>(731)</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>4,422</td>
<td>2,419</td>
<td>2,003</td>
</tr>
<tr>
<td>Other income</td>
<td>834</td>
<td>295</td>
<td>539</td>
</tr>
<tr>
<td>Interest expense</td>
<td>117</td>
<td>0</td>
<td>(117)</td>
</tr>
<tr>
<td>(Loss)/profit before tax</td>
<td>1,673</td>
<td>639</td>
<td>(2,312)</td>
</tr>
<tr>
<td>Income tax (expense)/benefit</td>
<td>2,465</td>
<td>21</td>
<td>(2,486)</td>
</tr>
<tr>
<td>(Loss)/profit for the year</td>
<td>4,138</td>
<td>660</td>
<td>(4,798)</td>
</tr>
</tbody>
</table>

(AU$'000)
Continued investment in R&D

- Growth in gross margin is used to fund new product initiatives
- Ongoing focus on R&D spend, as innovation is core to the business
- Increased spend on R&D due to focus on Dante video, Dante Embedded Platform & Dante Application Library
Cash-flow statement

• Operating cash receipts & payments are consistent with the income statement and improvements in working capital balances

• Government grants primarily relates to JobKeeper & other COVID-19 related grants

• Tax refund/paid relates to overseas subsidiaries

• New Sydney office impacted payments for PP&E ($0.5m) and long-term deposits ($0.4m) - $0.9m of one-off payments in Investing Activities

• Payments for intangibles primarily represent development costs but also includes software ($0.5m) & IP costs ($0.2m)

• FY20 proceeds from issue of shares relates to Share Purchase Plan completed in July 2019 (noting that all proceeds from the recent $40m equity raise will be received in FY21)

• Lease payments ($0.6m) are now included in Financing Activities under the new accounting standard (refer slide 29 for further detail)

• Cash at bank $29.3m at 30 June 2020

<table>
<thead>
<tr>
<th>(AU$’000)</th>
<th>FY20</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts from Customers</td>
<td>31,635</td>
<td>27,747</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(27,258)</td>
<td>(25,510)</td>
</tr>
<tr>
<td>Interest received</td>
<td>251</td>
<td>205</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(117)</td>
<td>-</td>
</tr>
<tr>
<td>Government grants</td>
<td>285</td>
<td>-</td>
</tr>
<tr>
<td>Research and development incentive received</td>
<td>-</td>
<td>1,327</td>
</tr>
<tr>
<td>Income Tax Refund</td>
<td>85</td>
<td>-</td>
</tr>
<tr>
<td>Income Tax Paid</td>
<td>(46)</td>
<td>(153)</td>
</tr>
<tr>
<td><strong>Operating activities</strong></td>
<td><strong>4,835</strong></td>
<td><strong>3,616</strong></td>
</tr>
<tr>
<td>Payments for property, plant and equipment</td>
<td>(914)</td>
<td>(669)</td>
</tr>
<tr>
<td>Payment for intangible assets</td>
<td>(7,392)</td>
<td>(5,782)</td>
</tr>
<tr>
<td>Payments for Long Term Secured Term Deposit</td>
<td>(443)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Investing activities</strong></td>
<td><strong>(8,749)</strong></td>
<td><strong>(6,451)</strong></td>
</tr>
<tr>
<td>Proceeds from the issue of shares</td>
<td>4,074</td>
<td>20,037</td>
</tr>
<tr>
<td>Share issue transaction costs</td>
<td>(299)</td>
<td>(790)</td>
</tr>
<tr>
<td>Principal elements of lease payments</td>
<td>(642)</td>
<td>0</td>
</tr>
<tr>
<td><strong>Financing activities</strong></td>
<td><strong>3,132</strong></td>
<td><strong>19,247</strong></td>
</tr>
<tr>
<td><strong>Net (decrease)/increase in cash</strong></td>
<td><strong>(783)</strong></td>
<td><strong>16,412</strong></td>
</tr>
</tbody>
</table>
Balance sheet

• Cash to increase subsequent to year end due to $40m equity raise
• Inventory levels now around target of 4 turns – improved from FY19
• New lease accounting resulted in the recognition of a right of use asset & offsetting lease liabilities (see slide 29 for more details)
• Intangibles primarily represent development costs but also includes software ($0.5m) & IP costs ($0.2m)
• Deferred tax asset reflects write-off of $3.6m of tax losses due to COVID-19 uncertainty
• Decrease in employee benefits reflects no bonus accrual for FY20 net of increases in leave liabilities and deferred payroll tax
• Contributed capital includes net proceeds from SPP in July 2019

<table>
<thead>
<tr>
<th>(AUS’000s)</th>
<th>FY20</th>
<th>FY19</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>29,286</td>
<td>30,069</td>
<td>(783)</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>1,849</td>
<td>2,872</td>
<td>(1,023)</td>
</tr>
<tr>
<td>Inventories</td>
<td>1,645</td>
<td>1,803</td>
<td>(158)</td>
</tr>
<tr>
<td>Other</td>
<td>993</td>
<td>812</td>
<td>181</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td>33,773</td>
<td>35,556</td>
<td>(1,783)</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>1,455</td>
<td>1,013</td>
<td>442</td>
</tr>
<tr>
<td>Right of use assets</td>
<td>2,481</td>
<td></td>
<td>2,481</td>
</tr>
<tr>
<td>Intangibles</td>
<td>12,050</td>
<td>7,691</td>
<td>4,359</td>
</tr>
<tr>
<td>Deferred tax asset</td>
<td>100</td>
<td>2,278</td>
<td>(2,178)</td>
</tr>
<tr>
<td>Other</td>
<td>444</td>
<td></td>
<td>444</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td>16,530</td>
<td>10,982</td>
<td>5,548</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>50,303</td>
<td>46,538</td>
<td>3,765</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>3,034</td>
<td>2,413</td>
<td>621</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>1,600</td>
<td>2,474</td>
<td>(874)</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>585</td>
<td></td>
<td>585</td>
</tr>
<tr>
<td>Income tax payable</td>
<td>258</td>
<td>19</td>
<td>239</td>
</tr>
<tr>
<td>Contract liabilities</td>
<td>512</td>
<td>308</td>
<td>204</td>
</tr>
<tr>
<td>Provisions</td>
<td></td>
<td>47</td>
<td>(47)</td>
</tr>
<tr>
<td>Other</td>
<td>108</td>
<td></td>
<td>108</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td>6,097</td>
<td>5,261</td>
<td>836</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>2,003</td>
<td></td>
<td>2,003</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>124</td>
<td>133</td>
<td>(9)</td>
</tr>
<tr>
<td>Other</td>
<td>112</td>
<td></td>
<td>112</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>8,336</td>
<td>5,394</td>
<td>2,942</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td>41,967</td>
<td>41,144</td>
<td>823</td>
</tr>
<tr>
<td>Contributed capital</td>
<td>87,526</td>
<td>83,143</td>
<td>4,383</td>
</tr>
<tr>
<td>Reserves</td>
<td>1,353</td>
<td>775</td>
<td>578</td>
</tr>
<tr>
<td>Accumulated losses</td>
<td>(46,912)</td>
<td>(42,774)</td>
<td>(4,138)</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>41,967</td>
<td>41,144</td>
<td>823</td>
</tr>
</tbody>
</table>
Outlook
Independent Forecast of Audio over IP growth

- Market data forecasts Audio over IP volume to triple over the five-year period between 2020 – 2024

- During COVID-19 the biggest impact is on expensive higher end products (which reflects Audinate’s experience with Brooklyn revenue)

- Penetration of audio networking
  - estimated <1% for speakers & microphones
  - other product penetration estimated at 17%
  - fastest growing categories forecast to be speakers & amplifiers

- The “installed commercial” vertical (corporate, education, retail, etc) is the fastest growing vertical for adoption of AoIP.

Source: FutureSource Consulting – Audio Over Ethernet Research
Focus areas for the year ahead

**Medium-term strategic priorities**

- Investing to double Audinate’s engineering and R&D functions over the next two years
- Putting in place the business infrastructure platform to support long term growth
- Developing next generation Dante audio and video software implementations
- Make Dante video the technology of choice for OEMs
- Expand its Total Addressable Market with the addition of video & software products

**FY21 objectives**

- Drive designs wins during economic downturn & prime the pump for economic recovery
- Broaden Dante video product offerings
- Validate new business models, e.g. in-field activation
- Expand training offerings to include Dante video and a wider range of languages
- Build business systems & development capability
- Explore M&A opportunities to accelerate growth
- Drive short term revenue opportunities
- Manage total net cash expenditure
Audinate strongly positioned to deliver on its strategy

- Cash at bank approximately $68 million\(^1\) to pursue growth agenda and potential M&A
- Recent monthly revenue run-rate improved from May but currently below the level required to generate revenue growth in FY21 – we remain cautious about the impact of COVID-19
- Cost containment measures implemented, with additional prudent investment to come
- Further trading updates to be provided throughout FY21 given highly dynamic nature of the trading environment

\(^1\)Post equity raise
<table>
<thead>
<tr>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Global Market Leader</strong></td>
</tr>
<tr>
<td>• Dominant position as global leader in audio networking</td>
</tr>
<tr>
<td>• 8x market adoption of its closest competitor</td>
</tr>
<tr>
<td><strong>Attractive Financial Profile</strong></td>
</tr>
<tr>
<td>• High gross margins supported by strong IP</td>
</tr>
<tr>
<td>• Consistent historical revenue growth from repeat orders</td>
</tr>
<tr>
<td>• $68m cash post equity raise</td>
</tr>
<tr>
<td><strong>Innovative Products</strong></td>
</tr>
<tr>
<td>• Broad intellectual property portfolio developed in Australia</td>
</tr>
<tr>
<td>• Extensive investment in R&amp;D</td>
</tr>
<tr>
<td><strong>Significant Market Opportunity</strong></td>
</tr>
<tr>
<td>• AV market just starting digital networking conversion</td>
</tr>
<tr>
<td>• Audinate is just entering a fragmented video market</td>
</tr>
<tr>
<td>• Balance sheet capacity for strategic M&amp;A</td>
</tr>
<tr>
<td><strong>Strong Customer Base</strong></td>
</tr>
<tr>
<td>• Existing customer base of leading global AV companies</td>
</tr>
<tr>
<td>• Customer base is broad and expanding</td>
</tr>
<tr>
<td><strong>Experienced Management team</strong></td>
</tr>
<tr>
<td>• Strong executive team with extensive industry experience</td>
</tr>
<tr>
<td>• Built Audinate into a market leadership position</td>
</tr>
</tbody>
</table>
Questions
Appendices
Audinate is driving the transformation of the AV industry

• Networked digital connectivity is replacing traditional, point-to-point analogue cabling in the AV industry

• Software-based AV systems are replacing hardware AV systems, in the next wave of industry transformation

• Transformation analogous to the impact of VOIP on the telecom industry

Audinate Total Addressable Market ("TAM")

The TAM for digital audio networking is A$400m annually for chips, cards, modules & software

Audinate share of Audio Market estimated at 7%

*Management estimate total addressable market exceeds A$1bn
Solid growth in product ecosystem

- Product ecosystem with over 2,804 Dante-enabled products and growing with over 524 OEMs
- 38% 5 year CAGR in product ecosystem
- More than 8x number of products than the next digital audio networking technology

38%
5 year CAGR in Dante Dante Ecosystem of products
Increasing OEM customer adoption: pipeline for growth

OEM customers shipping Dante-enabled products

Audinate has grown to 524 OEM customers

328 OEM customers have announced products in the market

176 OEM customers are currently developing their first Dante-enabled products

25% 5 year CAGR in OEMs shipping Dante enabled products
Dante Audio and Adaptors

Dante Audio
- Hardware based implementations for a range of product counts and price points
- Transports uncompressed audio signals across standard computer networks

Dante Adaptors
- Connects legacy equipment to Dante (mostly analogue)
- Adds Dante to existing audio products (analogue, USB and AES3)
- Pulls through other Dante products and software
- Established a global distribution channel of online retailers and country distributors
  - 80 resellers and growing
  - Strong initial demand with sales performance and repeat orders
- Adapter modules sold direct to OEMS

Brooklyn
- 32 & 64 audio channel counts
- Used in Mixing Consoles & Signal Processors

Broadway
- 8 & 16 audio channel counts
- Used in networked Amplifiers and Ceiling Microphones

Ultimo
- 2 & 4 audio channel counts
- Used in networked Speakers and Microphones

Adaptors
Dante Controller

- Free system setup tool
  - Downloadable from Audinate homepage
  - Registration required
  - Makes virtual wires
  - > 250,000 downloads
- Simple & easy to use
  - Standard industry matrix view
  - Training provided via Dante Certification
- Devices appear automatically
  - Intuitive device names
  - No magic numbers, MAC or IP addresses
- Devices remember configuration
  - No need for Dante Controller to remain connected to the network
- Provide performance logs
  - Details of each device on the network for trouble-shooting
- More background on Dante Controller:
  https://www.audinate.com/products/software/dante-controller

Dante Controller is the free configuration tool integrators use to create the “virtual wiring” between transmitting devices (e.g. microphones) and receiving devices (e.g. speakers)
Software Products

Dante Application Library (DAL)
- Dante for PC/Mac applications
- Simple way for software developers to add Dante to their products
- Launched June 2019, commercially available
- Initial customer with Zoom, conferencing application
- Continue to drive adoption, revenue expected H2/FY20

Dante Embedded Platform (DEP)
- Dante for Linux OS, targeting manufacturers (OEMs)
- Supports Intel/x86 & ARM processors
- Launched June 2019, commercially available
- Initial customer with QSC (x86)
- Initial partner with Analog Devices, ARM-based DSP chips
- Drive adoption & partnerships, revenue expected H2/FY20

Software products enable:
- **Wider proliferation**, thru lowered marginal cost of adding Dante
- **Retro-fit and upgrade** of products already in the field
Dante Domain Manager

Complete Network Management System

- Security
  - Usernames/passwords identify users
  - Roles control access to the system
- Scalability
  - Create Dante systems spanning campus networks
  - Group Dante devices into logical managed systems
- Visibility
  - Centralise Dante system management
  - Monitor system status and changes from anywhere

Management software could more than double the revenue opportunity associated with Audinate’s core business
Application of AASB 16 Leases

- Audinate applied the new lease accounting standard with effect from 1 July 2019.
- The disclosure on the right is extracted from page 28 of the financial statements to set out the accounting treating in both the income statement and cashflow statement for FY19 and FY20.
- Further detail is contained in Note 2 of the financial statements.

### Amounts recognised in profit or loss in relation to leases

<table>
<thead>
<tr>
<th>Description</th>
<th>2020 $’000</th>
<th>2019 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum lease payments (refer note 6)</td>
<td>-</td>
<td>378</td>
</tr>
<tr>
<td>Short-term lease payments (refer note 6)</td>
<td>79</td>
<td>72</td>
</tr>
<tr>
<td>Low-value assets lease payments (refer note 6)</td>
<td>15</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>94</td>
<td>457</td>
</tr>
</tbody>
</table>

### Depreciation and amortisation

<table>
<thead>
<tr>
<th>Description</th>
<th>2020 $’000</th>
<th>2019 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation of right-of-use assets (refer note 6)</td>
<td>682</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>682</td>
<td>-</td>
</tr>
</tbody>
</table>

### Finance Costs

<table>
<thead>
<tr>
<th>Description</th>
<th>2020 $’000</th>
<th>2019 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest expense on lease liabilities (refer note 6)</td>
<td>115</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>891</td>
<td>457</td>
</tr>
</tbody>
</table>

### Amounts recognised in the statement of cash flows in relation to leases

<table>
<thead>
<tr>
<th>Description</th>
<th>2020 $’000</th>
<th>2019 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(93)</td>
<td>(457)</td>
</tr>
<tr>
<td>Interest and other finance costs paid</td>
<td>(115)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(208)</td>
<td>(457)</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repayment of lease liability</td>
<td>(642)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(850)</td>
<td>(457)</td>
</tr>
</tbody>
</table>
Important notice and disclaimer

Disclaimer
To the maximum extent permitted by law, none of the Audinate Group Limited or its subsidiaries or their directors, employees or agents accepts any liability, including, without limitation, any liability arising out of fault or negligence, for any loss arising from the use of the information contained in this presentation. In particular, no representation or warranty, express or implied, is given as to the accuracy, completeness or correctness, likelihood of achievement of reasonableness of any forecasts, prospects, statements or returns contained in this presentation. Such forecasts, prospects, statements or returns are by their nature subject to significant uncertainties and contingencies. Actual future events may vary from those included in this presentation.

Summary information
This presentation is for information purposes only is not a recommendation or advice in relation to Audinate or any product or service offered by Audinate or any of its subsidiaries. The information in the presentation is of a general nature only and is not intended to be relied upon as advice to investors or potential investors.

Currency
All amounts in this presentation are in Australian dollars unless otherwise stated.

Past performance
Past performance information, including past share price information, given in this presentation is given for illustrative purposes only and should not be relied upon as an indication of future performance.

Future performance
Forward-looking statements, opinions and estimates provided in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Financial information
Certain financial data included in this presentation is 'non IFRS financial information.' These measures are used internally by management to assess the performance of the business and make decisions on the allocation of resources and are included in this presentation to provide greater understanding of the underlying financial performance of the Group's operations. When reviewing business performance, this non-IFRS information should be used in addition to, and not as a replacement of, measures prepared in accordance with IFRS. Readers are cautioned not to place undue reliance on any non-IFRS financial information and ratios included in this presentation. The non-IFRS information has not been subject to audit or review by Audinate's external auditor. The non-IFRS measures do not have any standard definition under IFRS and may be calculated differently by other companies.

Market share information
All market share information in this presentation is based on management estimates and internally available information, unless otherwise indicated.

No offer of securities
Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell Audinate securities in any jurisdiction.

Reliance on third party information
The views expressed in this presentation contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This presentation should not be relied upon as a recommendation or forecast by Audinate.