AI MEDIA

ASX Announcement 27 August 2026

FY26 Results: Recurring Technology Growth Strengthens AIM's Business

Sydney, Australia, 27 August 2026: AI-Media Technologies Limited ('**AI-Media**' or the '**Company**') (**ASX: AIM**), a global provider of AI-driven captioning, transcription and translation services, is pleased to present its financial results for the financial year ending 30 June 2026 (FY26).

Highlights

- **Annual Recurring Revenue (ARR)[1] increased 50% on FY25 to $36.0M, at 85% gross margin, in line with guidance**
- **SaaS revenue increased 42% to $34.1M**
- **Technology revenue increased 9% to $44.8M, representing 74% of Group revenue**
- **Group gross margin increased by 4 percentage points from 69% to 73%**
- **Total revenue was $60.2M, down 7%, reflecting the planned reduction in legacy Services revenue and lower Hardware revenue**
- **Adjusted EBITDA[2] was $2.1M, an improvement of $2.4M compared to 1H26. Full year EBITDA was a loss of $0.3M**
- **Operating cash flow was $2.4M; year-end cash was $15.9M with no external debt**
- **AI-Media retained all of its top 20 customers for a fifth consecutive year and expanded to 46 countries, adding 9 markets during FY26**

Higher-quality technology business

FY26 represented a further significant change in the composition of AI-Media's business. Technology revenue increased to 74% of Group revenue, compared with 63% in FY25, while Services revenue reduced to 26% of Group revenue as the Company continued its transition away from lower-margin legacy service activities.

[1] Annual Recurring Revenue is a non-IFRS financial measure, represents the annualised value of contracted recurring revenue at period end.
[2] Adjusted EBITDA is a non-IFRS financial measure calculated as EBITDA before share-based payments and restructuring costs. Adjusted EBITDA was $2.1M for FY26, improving from a $0.4M loss in 1H26 to $2.5M in 2H26. Full-year EBITDA was a loss of $0.3M.

The growth in ARR and SaaS revenue and improvement in gross margin reflects the increasing contribution of AI-Media's recurring technology platform and continued adoption of LEXI. The retention of all top 20 customers for a fifth consecutive year provides further evidence of the durability of this recurring base.

AI-Media's technology infrastructure connects AI-powered language services into mission-critical customer workflows across Broadcast, Government and Enterprise markets. This infrastructure includes the Company's installed encoder base, software encoders, iCap network, cloud and third-party integrations, security and orchestration capabilities.

Investment in the next phase of growth

During FY26, AI-Media continued to invest in extending the LEXI platform beyond its established live captioning and translation offering. The Company:

- launched its next-generation UHD592 and AIX-1 encoder platforms;
- progressed LEXI Voice into commercial deployments;
- continued development and early commercialisation of LEXI Recorded and LEXI Audio Description; and
- expanded the ways customers can access LEXI through hardware, software, cloud and third-party workflows, including LEXI Direct.

The Company's approach is model-agnostic, enabling it to incorporate best-fit AI models while focusing its differentiation on workflow integration, security, reliability and customer outcomes.

FY27 focus on commercial conversion

AI-Media enters FY27 with a substantially higher recurring revenue base, a broader technology platform, an installed global infrastructure footprint and a strong, debt-free balance sheet. The Company's four principal commercial priorities, pursued across Broadcast, Government and Enterprise in AMER, EMEA and APAC, are to:

1. continue scaling the established LEXI Text and translation franchise;
2. convert the installed encoder base to the next-generation AI-native platforms;
3. commercialise LEXI Voice by converting customer validation and early deployments into repeatable recurring revenue; and
4. establish commercial traction across the broader LEXI product suite.

The Company will continue to apply an evidence-led approach to investment in newer products, with increased investment dependent on demonstrated customer adoption, paid usage, retention and commercial economics.

Guidance on FY27 ARR will be provided at the Annual General Meeting to be held at 10am on 30th September 2026.

AI-Media Co-Founder and CEO Tony Abrahams said:

"FY26 was an important year in the evolution of AI-Media. We grew ARR by 50% to $36.0 million at an approximately 85% gross margin, while continuing to invest in the technology and products that can broaden the opportunity available to the business.

"The result increasingly demonstrates the quality of the business we are building. Technology now represents 74% of Group revenue and, our recurring technology revenue base continues to grow strongly.

"Our priority in FY27 is commercial execution. We are focused on scaling LEXI Text, converting our installed encoder base, commercialising LEXI Voice and demonstrating customer adoption across the broader LEXI product suite."

AI-Media Chair John Martin said:

"The Board believes FY26 represents meaningful progress in AI-Media's transition from a services-led captioning business to a higher-margin recurring technology business. While the headline revenue and EBITDA result reflects the continuing reduction in legacy Services revenue, hardware timing and increased product investment, the underlying quality of the business improved materially.

"With $36.0 million of ARR, a 73% Group gross margin, $15.9 million of cash and no external debt, AIM enters FY27 well positioned to focus on converting its technology investment into sustainable growth, operating leverage and cash generation."

Webinar details

Event:	AI-Media Technologies FY26 Results Webinar
Presenters:	Tony Abrahams (CEO & Co-Founder) and Jason Singh (CFO)
Date / time:	11:00am (AEST), Thursday, 27 August 2026
Registration link:	https://investorrelations.ai-media.tv/webinars/yMN1Ee-ai-media-technologies-asx-aim-fy26-results-webinar

Investors will be able to use the Q&A function on Zoom during the webinar, or can submit their questions ahead of the webinar to melanie@nwrcommunications.com.au

A replay will be available on the AIM Investor Centre.

This announcement and the FY26 Results Presentation have been approved for release by the Board of Directors.

Further Information

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About AI-Media

AI-Media (ASX: AIM) is a global leader in AI-powered language solutions and broadcast infrastructure. LEXI is AI-Media's language and accessibility platform, with commercial applications including LEXI Text, LEXI Translate, LEXI Voice, LEXI AD, LEXI Recorded, and LEXI Insights. Powered by LEXI AI, AI-Media's shared intelligence layer, the platform enables real-time captioning, translation, multilingual voice, audio description, recorded media processing, and content insights.

Underpinning these solutions, AI-Media's edge and cloud infrastructure delivers seamless integration into live production environments across IP, SDI, and streaming workflows. Trusted worldwide, AI-Media empowers broadcasters, enterprises, and governments to scale communication, enhance accessibility, and unlock new markets and value from content through intelligent language technologies.

Website: AI-Media.tv.

Important notice

This announcement contains forward-looking statements regarding forecasts, estimates, assumptions, expectations and the future performance of AI-Media. Words such as "likely", "expect", "aim", "should", "could", "may", "anticipate", "believe", "plan" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements and statements of intention are based on the Board's good-faith assumptions regarding future financial, market, operational and other relevant conditions affecting AI-Media's business. There can be no assurance that these assumptions will prove to be correct and there is no guarantee that the Board's future intentions will be realised.

Forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. They involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of AI-Media to differ materially from those expressed or implied.