

Questions received during the Mirriad Advertising plc Interim Results webinar on 12 Sept 2019

The following questions were received during the webinar. We have set them out exactly as they were received on the day (in bold). The responses are set out in normal type below each question.

I have noted that you have previously stated that you require a 20% share of the ad spend...how does the change in strategy change that proposition?...presumably you have to share those revenues with the agencies because they need an “incentive” to play!

We have previously said that our distributor deals are based on a share of revenue. We target a minimum of 20% and deals can be over 30%. The new go-to-market strategy means that we are creating awareness and demand amongst clients and also involving agencies in our market development as they are the gatekeepers of advertisers' budgets.

Media agencies earn revenues from their advertising clients in the form of fees and commissions and in some markets can earn revenues from distributors. Under our new go-to-market our contracting party remains the distributor and we have no direct contractual relationship with agencies that would require us to consider a revenue share with them.

In what ways is your use of AI increasing, and do you have the expensive AI skills required?

Mirriad has used machine learning as part of its technology solution for a number of years. Machine learning is principally applied in the identification of scenes in video suitable for the insertion of advertising and also in the identification of context and creating meta data describing the category of advertiser most suitable for insertion in that video.

We have a dedicated team who specialise in machine learning and the application required to continuously advance Mirriad's unique proposition.

Can Mirriad exploit the forecast upcoming trend for brands to be embedded in Giphys or can this be implemented with less sophisticated tech?

In terms of “execution”, yes Mirriad can technically do this today. Our priority however is broadcast quality long form video because of its much higher market need and return on investment

What is stopping one of the increasing number of new subscription services from using Mirriad as a way to gain extra revenue?

In our Interim results webinar update we included a slide showing a excerpt from a report published by Midia, which suggested that Mirriad would be an ideal monetisation solution for Netflix.

We believe that many advertising free platforms are likely to need to generate revenue from additional sources or have to substantially increase subscription rates to generate a return. Research confirms that Mirriad's form of advertising has high consumer acceptance as it is non-interruptive and can make content look more realistic (we have released data to support this position), this clearly makes our solution a good fit for these services.

We are talking to many distributors including the on-demand platforms to demonstrate the benefits of using Mirriad's award-winning technology to them, the positive response that we're getting is making us confident that we will close many more partnerships.