

20 May 2019

ASX ANNOUNCEMENT

13 New Programmatic Integrations & Trading Update

Highlights

- 13 new programmatic integrations signed in Q2 2019 to date, 88% to annual goal
- Daily revenue expected to scale to \$65k by end of Q2
- One publisher of group 2 activations is live, exceeding expectations at \$4.3k per day; several planned to go live this week
- AdCel's daily revenue more than doubled (230%) since April
- Management is reviewing term sheets for a debt facility to enable Net 0 publisher payment terms to initiate the Company's hyper-growth stage
- The Company's addressable programmatic U.S. market size is US\$70BN and global US\$98BN for 2020; influencer marketing US\$10BN global for 2020

engage:BDR LTD ("the Company") (ASX:EN1 & EN1O) is pleased to inform shareholders regarding 13 new signed programmatic integration contracts and a mid-month trading update.

Management is pleased to update the market about 13 new programmatic integration contracts signed, bringing the Company's total programmatic integrations to 191, just 3 integrations away from the 2019 annual milestone set by Management, announced on 11 February 2019 (88% of annual goal, 216% of Q2 goal achieved). The new partners are Admixer, Advenue, AMLI Media, Axonix, Clean Media, Criteo, Inmobi, LoopMe, Mediaforce, Mintegral, SomeSpider, Velis Media and Vidstream.

Mid-month revenue has scaled to about A\$48k per day with A\$65k per day conservatively expected by the end of Q2 2019. Gross margins are consistent with April at 40%. Operating expenses have been reduced per the announcement on 13 May 2019. Management expects the Company to reach run-rate profitability in Q2.

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One publisher from the group 2 publisher activations (announced on 3 May 2019) is live and exceeding Management's initial expectations by generating about A\$4.3k per day. Management expects several other publishers to be live this week and to beat on the initial A\$10.7k per day target for group 2.

EN1's AdCel daily revenue have more than doubled, at about 230% since April 2019's figures. The recent increase in revenue is attributed to new partnerships which have gone live over the past week. Management targets AdCel's revenue to double again by June 2019, as the current revenue increase is based solely on test traffic, at 10% scale of each publisher. Once that goal is reached, AdCel will also be run-rate profitable.

Management is currently evaluating term sheets for debt facilities which would enable the Company to pay publishers immediately upon receipt of their invoices (or prepay). This would significantly improve publishers' cashflows and prompt migration away from their existing platforms, bringing volumes of incremental revenue to EN1. This game-changing opportunity will initiate hyper-growth stage for the Company and enable it to seize market share away from its competitors in 2019. More publishers and buyers will compound revenue and profitability for the Company. Once a facility is in place, EN1 plans to broadcast aggressive payment terms to the industry through the Company's own programmatic and social media influencer platforms.

The Company's addressable U.S. market size will be approximately US\$70BN and globally US\$98BN by 2020 (eMarketer). These are dollars to be spent specifically on programmatic advertising across desktop, mobile and TV screens, exactly where EN1 operates. EN1's addressable market size for influencer marketing is US\$10BN globally, by 2020 (Mediakix). EN1's use of Ai (artificial intelligence) in programmatic advertising and influencer marketing is a rare and key differentiator in both of these arenas.

In the interim, for questions or creative feedback, please email info@EN1.com.



On behalf of the Board
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Forward Looking Statements

Statements made in this release which are forward-looking statements and are based on the Company's expectations, estimates and projections. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "guidance" and similar expressions are intended to identify forward-looking statements. These words are not the exclusive means of identifying such statements. Any forward-looking statement made by the Company in this announcement is based only on information currently available to the Company and its current intentions (which may change) and speaks only as of the date on which it is made. Forward-looking statements are subject to a range of risks and uncertainties, some of which are beyond the Company's control. Risks and uncertainties can include matters inherent in the business of the Company, its management, its activities generally, and the market in which it operates. As a result, actual results could materially differ from those in the forward-looking statements. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. The Company does not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring, or as a result of new information, future developments or otherwise after the date of this release except as required by the listing rules of ASX, by law or by appropriate regulatory authorities. Preliminary financial results published above are subject to audit, adjustment and closing, as they are estimates and figures may be rounded.

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