

30 December 2019

## **ASX ANNOUNCEMENT**

### **Year-End Legacy Liability Reduction Sprint**

#### **Highlights**

- ◀ About A\$670K shares issued to settle liabilities
- ◀ Many liabilities settled for significantly less than 50%
- ◀ Total legacy liabilities balance at year end approx. <A\$1.75M

engage:BDR (“EN1 or Company”) (ASX:EN1 and EN1O) is pleased to present shareholders with commentary for shares issued today to reduce trade credit liabilities in the year-end sprint, targeting significant balance sheet improvement by 31 December, 2019.

#### **Legacy Liabilities Update**

Management and the Company’s legal team has been successfully settling legacy liabilities in the year-end sprint. Additional accounts have been settled and the target balance has been reset to less than A\$1.75M for the year-end. Management will provide updates with the ending balance, once discussed with the Company’s auditors; in the interim, Management will update shareholders with preliminary figures around the middle of January 2020.

(Background from the previous 2A)

Legacy liabilities have been on the Company’s balance sheet for many years before its IPO / listing on the ASX. Many of the liabilities are disputed invoices due to publisher ad fraud and violations of EN1’s advertising terms and conditions by publishers. The Company elected not to pay many of these invoices because these publishers signed EN1’s contracts and through the formal dispute process, the Company has demonstrated it typically prevails. In the interest of preserving time and achieving a stronger balance sheet position quicker, the Company’s attorneys

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have been working aggressively to settle and or dismiss the liabilities. About 20 accounts make up 85% of the aged balance; there are 331 total aged accounts.

<b>Legacy Payables</b>	<b>➤ 90</b>
<b>30 June 2019</b>	A\$5M
<b>30 November 2019</b>	A\$4M
<b>31 December 2019 (estimated)</b>	<b>A\$1.75M</b>

In the interim, for questions or feedback, please email [info@engagebdr.com](mailto:info@engagebdr.com).



On behalf of the Board  
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#### Forward Looking Statements

Preliminary financial results published above are subject to audit, adjustment and closing, as they are estimates and figures may be rounded.

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.

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