

3 March 2020

ASX ANNOUNCEMENT

February 2020 Trading Update; EBITDA Profitable

Highlights

- ◀ EN1 achieves its strongest February since ASX listing
- ◀ February consolidated revenue was over 3 times of (322%) February 2019 to \$1.72M
- ◀ Revenue grew \$170K month over month
- ◀ Prelim gross margin 41%, or \$704K
- ◀ Preliminarily EBITDA profitable in February 2020

engage:BDR (“EN1 or Company”) (ASX:EN1 and EN1O) is pleased to present shareholders with a trading update and commentary for February 2020 financial performance with a comparative analysis of the prior year, same period. Management notes all figures are unaudited, as all financials are pending audit. All figures are in AUD.

Revenue Growth over Prior Month

February 2020 revenue grew to \$1.72M, or \$170K over January 2020.

	Revenue	Gross Profit	GP%
February 2020 Consolidated	\$1.72M	\$704K	41%
January 2020 Consolidated	\$1.55M	\$558K	36%

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Revenue Growth over the Prior Year:

February 2020 revenue was 322% of February 2019.

February 2020	February 2019	Change %
\$1.72M	\$533K	322%

EBITDA Positive Month

Preliminarily, February 2020 was EBITDA positive. Management notes, based on the recent 4E filing, EN1's consolidated operating expenses were \$7.76M for 2019, or about \$647K per month. EBITDA does not include non-cash items and is synonymous for 'Operating Profit.'

Interim Reports and Trading Updates

Management notes, interim financial updates, specifically gross margin and gross profit percentages have varied against audited and annual results. The audited, reviewed and annual results have been significantly better, specifically because of the adjustments the Company makes on an on-going basis against its costs of goods sold (media costs). This is typical for many AdTech companies because of billing adjustments buyers make, due to discrepancies in counts, ad fraud claw-backs the Company makes and other adjustments which are in the Company's favor. All of these adjustments to COGS are expected to continue and have always been a normal course of the Company's business, but Management may not report these adjustments in interim updates as many are not finalised until much later on.

Revenue Seasonality

Consistent to EN1' 2019 and prior years, the advertising industry traditionally expects 65-70% of its revenues in the second half of the year (July – December), as experienced by EN1 in 2019 (34% / 66%). Management expects 2020 to produce similar revenue seasonality, as experienced in 2019.

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

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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. Figures have not been audited, adjusted and are preliminary estimates.

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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