

26 March 2020

ASX ANNOUNCEMENT

EN1 2020 Strategic Plan & Key Milestones for Continued Growth & Profitability

Highlights

- ▶ EN1's 2020 primary objectives are revenue growth and continued profitability
- ▶ engage:BDR, IconicReach & AdCel have several new projects in 2020 which would enable increased market share
- ▶ EN1 to introduce several new revenue streams in 2020

engage BDR ("EN1 or Company") (ASX:EN1 and EN1O) is pleased to present the Company's 2020 strategic plan and notable milestones for the year. The Company began 2020 with new programmatic integrations, pushing total integrations to 220. Management will frequently communicate the prospects for this year, specifically in the areas of winning new client relationships, scaling the existing, and strategic product development and deployments detailed below.

2020 Strategic Plan

The Company's primary goal for 2020 is to **continue to scale revenues and profitability**. The plan highlighted in this announcement includes the key elements of EN1's strategy including notable milestones, or KPI's which will enable more accountability to its shareholders.

USA

engage:BDR
8439 sunset blvd., ste 302
west hollywood, ca 90069
+1-310-954-0751
info@EN1.com

Australia

scottish house
level 4, 90 william street
melbourne victoria 3000
+61 396 927 222
info@EN1.com

During 2020, the Company intends to grow business in the following key areas of programmatic advertising and influencer marketing:

- ▶ **CTV (connected TV)**
- ▶ **pDOOH (programmatic digital out of home)**
- ▶ **Native Video**
- ▶ **NetZero**
- ▶ **Programmatic DSP**
- ▶ **CPI on Mobile & CTV App**
- ▶ **Guaranteed Attention**
- ▶ **Influencer Self-Serve Marketplace**

EN1 targets to achieve the following recurring milestones:

- ▶ 5 new programmatic integrations signed per quarter
- ▶ 5 new CTV integrations signed starting Q2
- ▶ 2-4 new IconicReach brands signed per quarter
- ▶ 1 new pDOOH integration signed starting Q3
- ▶ 2 new NetZero publishers signed per quarter
- ▶ Develop & deploy several new technologies and revenue streams to enable significant reach of new customers
- ▶ Constant reduction in OpEx

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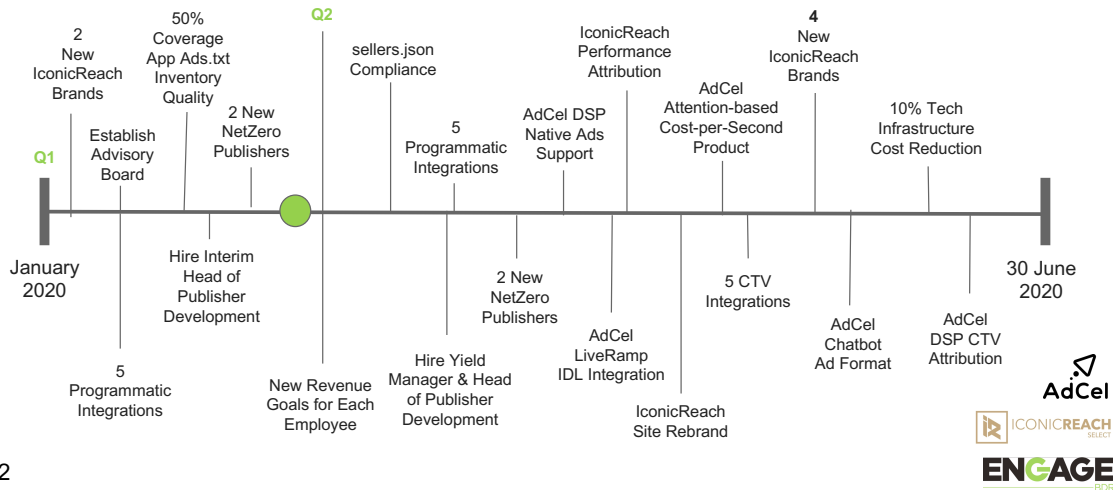
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2020 Strategic Plan & Milestones H1

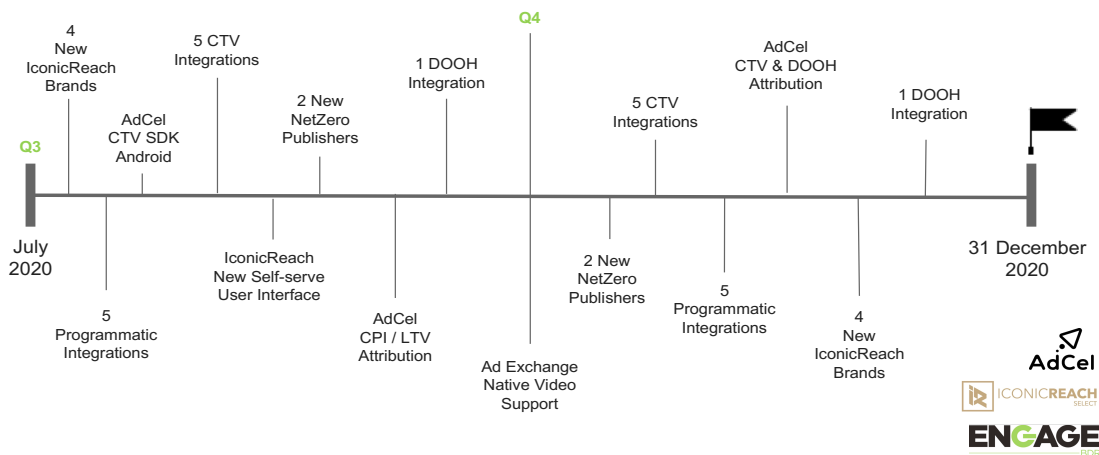
2020 STRATEGIC PLAN & MILESTONES. H1



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2020 Strategic Plan & Milestones H2

2020 STRATEGIC PLAN & MILESTONES. H2



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8439 sunset blvd., ste 302
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Australia

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EN1 2020 Strategic Roadmap

◀ EN1 Programmatic Exchange

Programmatic Integrations

Integrations are fundamental drivers of EN1's programmatic revenue. The more programmatic partnerships the Company has integrated, the higher the supply and demand sell-through. The additional ad inventory and advertiser demand creates a network effect where demand on all inventory increases competition for each impression, bid-prices, sell-through and margins all increase; this will yield a direct impact on gross profit, net income and EBITDA.

The bottom line is, integrations determine the strength of the engage:BDR's programmatic exchange revenue. Every two dollars in revenue is worth approximately one dollar in gross profit (54% margins in 2019), which impacts net profit tremendously. In simple terms, gross profit in a given month above approx. \$600K would mean that the Company would achieve a profit, because EN1 has a fixed-cost structure (software generates 100% of its revenue), unlike many of its competitors who have variable cost models.

Integrations are strong key performance indicators (KPIs) to forecast the Company's future profitability. To date, the Company has on-boarded 220 integrations, including two new programmatic integrations in the first month of 2020. Management will soon update shareholders on recent integration activity.

Over this year, the market can expect new integrations to enter into the Company's platform each quarter, in addition to updates on the revenue-generating impact of those new integrations and ones previously announced. In line with the Company's overall strategy to increase revenue and profitability, the Company intends to exceed 238 programmatic integrations by end of 2020. EN1 will continue to update the market with regards to traction on all integrations signed and fulfilled and their performance.

CTV Integrations

CTV is connected TV, apps on smart televisions and set top boxes like Roku.

Management is pushing CTV product development and deployment strategy ahead

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Australia

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of many other initiatives in 2020. Rates for this inventory are multiples of any other ad format currently offered in the industry. Performance for advertisers is consistent with the current demand. EN1 expects 5 new CTV integrations per quarter in 2020.

pDOOH Integrations

Another fast-growing area of digital media is pDOOH (programmatic digital out of home); billboards, TV screens, digital signs, taxi tops, bus stops, in-vehicle ads, WiFi hotspots, kiosks, etc. These formats can now be targeted similarly to what advertisers have been used to on traditional programmatic buying. EN1 expects 1 new pDOOH integration per quarter, to quickly ramp this **new revenue stream**.

Native Video Support

EN's programmatic ad exchange reXer, will add native video advertising capabilities by Q4 2020. This will enable a **new revenue stream** for EN1 as well; Management expects Q4 programmatic integrations to include native video new business.

App Ads.txt Coverage

Management expects 50% app ads.txt inventory quality coverage by the end of Q1 2020. App ads.txt is an industry-wide inventory quality strategy, where app publishers would list their authorised sellers within a file accessible by anyone, but typically buyers, at the time of bid. The challenges in this area have been adoption of this strategy by publishers. Having 50% coverage would enable significant revenue lift and sustainability for EN1.

sellers.json

Another industry-wide, progressive ad inventory quality initiative is called sellers.json. EN1 is currently in the development phase for this initiative. This strategy enables buyers to understand how direct the ad inventory they're buying truly is. This file, accessible by programmatic buyers, lists the value chain of the inventory, down to the publisher. EN1 anticipates significant positive revenue impact shortly after it is deployed, and in the future, a material difference in sustainability and reduction of competition and growth of margins, as middlemen would be eradicated by the design of sellers.json.

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IdentityLink Integration

The EN1 programmatic ad exchange will integrate a new industry initiative, IdentityLink user tracking, which provides an anonymous identifier which pinpoints to a specific individual across multiple devices and channels, including offline. Management expects IDL to be a game-changing user targeting evolution.

NetZero

NetZero new business is planned to include two new, large publishers per quarter in 2020, totaling 8 for the year. NetZero is a post-paid publisher payments solution which significantly improves the cashflow of publishers by providing cost-free, immediate payment of invoices the day EN1 is invoiced. In contrast, many publishers pay 25% interest on average, per year, for similar access to capital (factoring). EN1 will execute campaigns, sell the ad inventory and invoice the buyers before paying the publishers; EN1 is insured for all A/R credit with Euler Hermes credit insurance.

◀ IconicReach Influencer Marketplace

IconicReach New Business

EN1's reXer programmatic ad exchange will continue to integrate campaigns with the IconicReach influencer marketplace in 2020. All new business for IconicReach is expected to include programmatic ad buys in addition to custom influencer content. Management targets 2-4 new brands to be signed per quarter in 2020; a total of 14.

Performance Attribution

EN1's engineering teams will deploy a performance attribution technology, which would enable advertisers' access to measure campaign performance and analytics across mobile apps. This measurement technology will track all engagement with advertiser campaigns, including conversion / sales and user targeting outside of the social platforms, which is an area of extreme difficulty in the influencer advertising space currently. Management expects this to be deployed in Q2 2020.

USA

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Site Rebrand

IconicReach will develop and deploy an entirely new website with new marketing content and case studies in Q2 2020. EN1 recently deployed a new website and content for its engage:BDR core business; the IconicReach site will also include a simpler user interface and more concise content.

Influencer Marketplace

In 2019, the majority of IconicReach's business was fully managed and not self-serve. Management expects this trend to change, as advertisers understand influencer marketing better today. In preparation, Management is planning to develop an entirely new self-serve marketplace, which is to be deployed to customers by Q3 2020.

AdCel

AdCel remains a top performer in the mobile marketing ecosystem, from a yield management, fill-rate% standpoint (99.5% ad opportunities filled, for most of its publisher clients). As previously mentioned, the acquisition of AdCel in 2018 provided the Company with over 6,000 applications ("Apps"), which have significantly increased the combined Company's advertising inventory available for sale.

DSP Native Ads Support

In 2019, AdCel deployed its DSP (demand-side platform) for advertisers, as a self-serve marketplace. Currently, AdCel DSP is enabled for display and video advertising on mobile and CTV apps only. In Q2 2020, Management expects AdCel to deploy a **new revenue stream** - native advertising support, within the AdCel DSP. Native ads support will be available to AdCel's publishers, as another revenue stream, and to the advertisers licensing the AdCel DSP.

Guaranteed Attention

In Q2 2020, Management expects the deployment of AdCel's time-based guaranteed attention product for advertisers. Advertisers have been optimising their performance over recent years, almost purely based on ad viewability. Guaranteed attention takes

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optimisation several steps further by guaranteeing specific time metrics around the viewability of the ad to each user, down to the impression. AdCel expects this **new revenue stream** to be deployed within the AdCel DSP, and available for all formats (video, display and native) on mobile apps only.

CTV SDK for Android

AdCel will enable a **new revenue stream** for its publishers and DSP clients by developing and deploying its CTV SDK (software development kit). This technology will allow EN1 to directly sit on publisher apps in the fastest growing digital media channel in the U.S. – CTV (connected TV). Today, EN1 buys and sells CTV inventory but does not have the technology which sits on the device and application, conducting the auction. AdCel is expected to deploy this new technology in Q3 2020.

Chatbot Ad Format

Also, in Q2 2020, AdCel is expected to deploy another new ad format for publishers and AdCel DSP customers – chatbot ads. This new placement will be available via the AdCel SDK mediation technology and create chatbot ad opportunities when most appropriate for the publisher. This is also a **new revenue stream** for AdCel.

CTV & Mobile Attribution

In Q2 2020, AdCel is expected to develop and deploy a new attribution technology between mobile apps and CTV. Advertisers using the AdCel DSP will have the capability to cross-target users between channels and devices, and attribute & optimise performance for their ad buys. This enhancement is expected to add differentiated, unique and increased value to the AdCel DSP in 2020, contributing to greater demand.

CPI & LTV Attribution

The cost-per app install (CPI) market continues to grow, globally, at significant scale. AdCel intends to participate in another **new revenue stream** in 2020, by enabling attribution, or performance tracking for app install campaigns. This technology will allow AdCel to participate with direct app install advertisers and budgets in 2020.

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Australia

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CTV & pDOOH Attribution

Management expects significant growth in the CTV and pDOOH channels in 2020. As a result, AdCel will develop & deploy attribution technologies which would enable performance and user tracking & targeting across these channels and devices. The addition of this technology would create **new revenue streams** as well as significantly differentiate the AdCel DSP in the industry.

◀ Tactical Administrative

Advisory Board

In Q1 2020, Management expects to establish a strategic advisory board, comprised of key industry players with significant influence. Members of this board would include industry influencers in the areas of app publisher development, programmatic demand, and inventory quality. Management will soon provide more updates to shareholders on this activity.

Head of Publisher Development

Management is currently sourcing an interim Head of Publisher Development and expects to have one hired within the month. Additionally, a permanent resource is targeted to be in place in late Q2 2020. An influential and experienced head of publisher development would enable key incremental access to new publishers. Management feels this new resource could accelerate EN1's NetZero program and ramp revenue much quicker.

New Revenue Targets

In Q1 2020, all employees of EN1 will have individual revenue targets, tactical and incentive plans. In 2019, EN1 generated \$1.15M per person; Management is targeting a significantly higher figure for 2020.

Yield Manager

Management expects to hire a new yield manager, to constantly optimise revenue, margins and fill rates for publishers and the EN1 ad exchange. This new position will

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have significant direct revenue impact immediately and should be sourced and active in Q2 2020.

Tech Infrastructure Cost Reductions

Management is currently in dialog with all of EN1's tech infrastructure providers (colocation, bandwidth, creative scanners, malware scanners, etc) to enable further reductions of the infrastructure costs by about 10% in Q2 2020. This is an on-going cost reduction exercise, which proved successful in 2019 and will continue for the foreseeable future.

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



On behalf of the Board
Ted Dhanik
Co-Founder and Executive Chairman

Forward Looking Statements

Preliminary financial results published above are subject to audit, adjustment and closing, as they are estimates and figures may be rounded. The "~" symbol refers to figures which 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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