

AD1 AGM CHAIRMAN ADDRESS

Melbourne, Australia, 30 November 2023: AD1 Holdings Limited ('AD1', the 'Company' or the 'Group') (ASX: AD1), a technology company with a growing portfolio of market-leading software businesses, announces the chairman's 2023 AGM address;

We are pleased to present our annual report which was a year of solid performance with the company achieving 7% year-on-year (yoy) revenue growth to \$6.4m.

Our financial performance for the year was underpinned with contract wins across all divisions, with cash receipts increasing 8% when compared to FY22, to total \$7.3m. Total revenue increased to \$7.8 million for FY23, which includes a Research & Development tax incentive of \$1.3 million.

The financial year began strongly, with a record start for AoM opening in North America, and the resigning of the NSW Government for ApplyDirect. Uncertainty across the globe impacted markets, which impacted our ability to complete the Scout transaction during the 1st half of the financial year. This resulted in the business refocusing on controlling costs. As we progressed into the second half of the year, the business executed a cost reduction strategy and a small restructuring, with the decision to sublicense and discontinue Utility Software Services (USS).

Art of Mentoring (AoM)

Whilst the FY23 was a year of transformation for AoM. We still witnessed strong revenue growth of 34% year-on-year. The division expanded into North America, invested into a local sales and leadership teams to ensure continued growth and launched a second-generation platform, Platform 2.0. The expectation of the new platform is to further attract and retain customers. by providing leading technology within the mentoring vertical, including new mentoring programs which provide considerable opportunities to better service clients and upsell into existing clients, via new verticals.

ApplyDirect

ApplyDirect achieved a 9% year on year growth with revenues of \$0.8m. ApplyDirect successfully gained customer support as it moved away from legacy bespoke platforms to the Gen 3 platform. The updated Gen 3 platform is a major step for ApplyDirect as it can now offer improved solutions and an enhanced product for existing and new customers under a reduced cost model. As we move into FY24 the division will continue to successfully migrate large government customers onto the Gen 3 platform, delivering strong growth into FY24 while managing the costs base. The new Gen3 platform is forecast to operating at lower than historical cost levels.

Jobtale

This business will be reviewed during the FY24 year but further investment into this product has ceased.

We have targeted continued growth across all divisions for FY24 and remained focused on right-sizing the business model to ensure a pathway to profitability. We have a wide range of existing customers who we will look to go deeper with as the products deliver greater capabilities with new platforms that were launched during FY23. Our abilities to deliver proven outcomes is significant and we will look to promote these more visibly in the new financial year.

We are excited about the position that FY23 has provided and provides a great platform to launch into FY24 and meet the investment and shareholders expectations with a strong and viable pathway to profitability and free-cash-flow.

This release has been authorised by the Board of Directors of the Company.

For more information:

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About AD1 Holdings

AD1 Holdings is a technology company with a growing portfolio of market-leading HR Technology software businesses. We build, manage, and acquire best of breed, high potential software businesses that develop specialised software solutions to address the specific needs of the global workforce. The Company currently operates in two main verticals being 'HR Services' and 'Niche Services'. Under HR services the company provides talent recruitment solutions in the form of ApplyDirect and Jobtale and mentoring products under the Art of Mentoring banner.