

**ASX RELEASE****9 DECEMBER 2019****NEW CONTRACT SIGNED WITH GLOBAL GAME DEVELOPER****Key Highlights**

- Adveritas signs new 12-month contract to provide its fraud prevention Software-as-a-Service (SaaS), TrafficGuard, to global game developer, Plarium Global Limited
- Plarium is a wholly owned subsidiary of ASX listed Aristocrat Leisure Limited
- This is a significant and material entry point for TrafficGuard into the multi-billion dollar global gambling and gaming markets, where clients are spending a large proportion of their revenue on digital advertising
- TrafficGuard was evaluated against other solutions in the market as part of the adoption process
- The 12-month contract is for a minimum total contract value of US\$45k (~A\$65k) for an agreed tier of service with options to extend the term and/or increase subscription volume at any point
- Annualised recurring revenue (ARR) has now increased to approximately A\$1.7m, which is 167% in the 9 months to December 2019
- TrafficGuard is currently in discussions with several other gaming businesses, including other subsidiaries of Aristocrat Leisure, and expects to announce more contract wins in this high growth segment

Adveritas Limited (**Company** or **Adveritas**) (**ASX: AV1**) is pleased to announce that it has entered into a contract with global game developer, Plarium Global Limited ("Plarium"). Plarium selected TrafficGuard as an addition to its fraud prevention solutions after a comprehensive, global review of all anti-fraud tools available in the market.

The 12-month contract with Plarium has a minimum value of US\$45k (A\$65k) over the contract duration. The Plarium contract can be expanded by extending the contract duration and/or increasing the minimum volume/revenue.

#### About Plarium

Founded in 2009, Plarium is dedicated to creating the best mobile and social experience for gamers worldwide. Plarium is a well-established and highly regarded global gaming studio with over 290 million users and 1,400 employees. It is headquartered in Israel with eight offices and development studios across Europe and the United States.

Plarium is 100% owned by Aristocrat Leisure Limited (“Aristocrat”), a top 50 Australian Securities Exchange listed company with a market capitalisation of A\$20.6 billion, licensed in 240 gaming jurisdictions and operating in 90 countries globally, with over 3,500 employees.

Several Aristocrat subsidiaries are potential clients of TrafficGuard, which could result in additional contracted revenues for Adveritas. Preliminary discussions have commenced with such subsidiaries.

#### Potential Revenue Upgrades from Existing Clients

One of Adveritas’ sales strategies can be summarised as “Land and Expand”. This means that once Adveritas has secured its target, a high-profile enterprise level client, it has ongoing potential to expand the customer contract as TrafficGuard demonstrates the increased return on investment it generates.

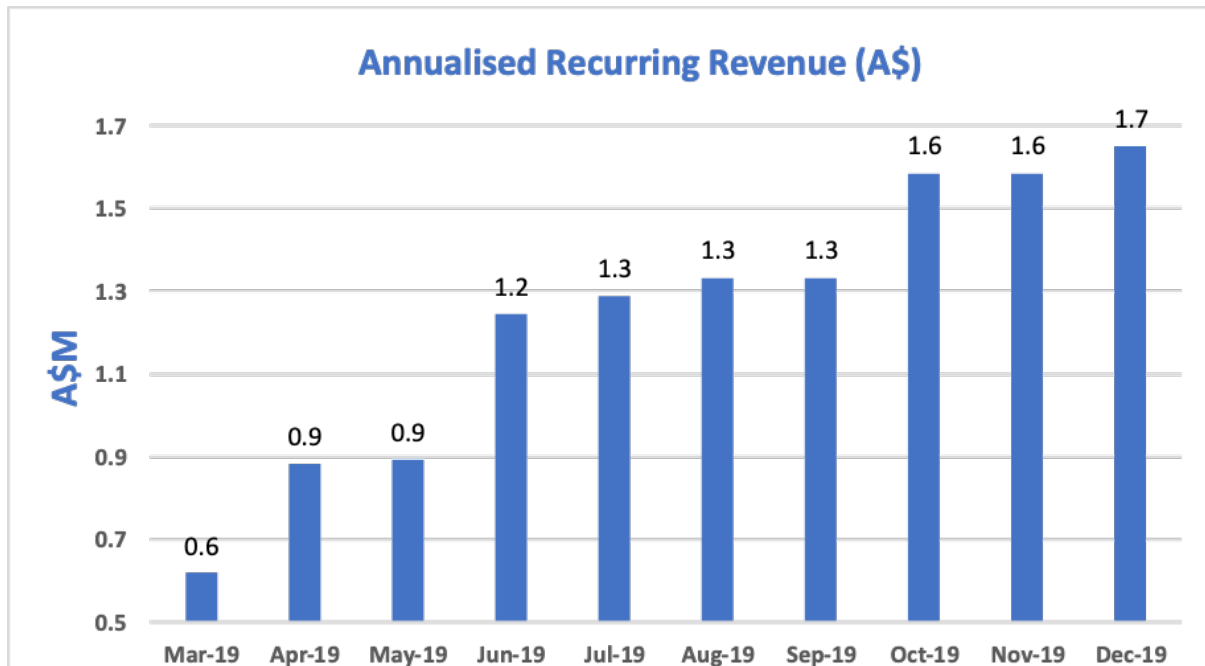
As more clients use TrafficGuard for longer periods, contracted revenue upgrades are becoming an increasing feature of the Adveritas business model. Recent contracted revenue upgrades include:

- Latin American super-app Rappi - an online marketplace to purchase food, groceries, clothes and virtually anything which independent contractors can fulfil across Colombia, Mexico, Brazil, Argentina and Chile - increased its minimum monthly contract from US\$15k to US\$22.5k and extended its contract for a further 24-month duration (see ASX announcement dated 10 October 2019).
- Mobile Advertising Agency MUV - a wholly-owned subsidiary of the world's largest global agency holding group, WPP PLC (GBP12 billion market capitalisation) - increased its minimum monthly contract from US\$2k to US\$10k and increased its minimum contract duration from 12 months to 15 months (see ASX announcement dated 9 October 2019).

#### Continued Growth in Annualised Recurring Revenues (ARR)

Since the commercial launch of TrafficGuard in the 2019 calendar year, Adveritas has experienced significant revenue growth momentum.

In the 9 months to December 2019, the Company has grown ARR by 167% which is to A\$1.7m (inclusive of the Plarium contract), as illustrated in the chart below.



Adveritas CEO Mathew Ratty said, “We are delighted to have secured our first client in the very high growth gaming vertical and to have commenced our commercial relationship with Aristocrat. We look forward to working with the wider Aristocrat Group to potentially introduce our TrafficGuard anti-fraud SaaS solution to their other subsidiaries.

“Our growing revenues and strong sales pipeline are the clear benefits of our expanded sales team and intensified marketing efforts. As we gain further traction with top tier global advertisers - like Plarium, Go-Jek and Rappi - we are rapidly growing our sales trials in new regions and verticals. Recent contract expansions with super-app Rappi and media agency MUV further demonstrate TrafficGuard’s ability to exceed customer expectations and grow our revenues above the minimum contracted monthly amounts. We look forward to updating the market as we secure additional customer contracts”.

## Update on Disposal of Performance Marketing Business

On 3 August 2018, the Company announced that it had sold 90% of its Canadian based performance marketing business, Mpire Network Inc, to ClearPier Inc. (**ClearPier**) a Canadian advertising company.

As part of the disposal process, the Company agreed to provide ongoing support to the performance marketing business by licencing its nxus and TrafficGuard products to ClearPier for a minimum term of 1 year, which commenced on 1 August 2018. The annual fees associated with these licencing agreements amount to US\$420,000, the majority of which relate to the Company's non-core product, nxus, a campaign management tool. ClearPier is the only user of nxus given the Company's strategic focus is on its fraud mitigation software, TrafficGuard.

The initial term of the licencing agreements came to an end on 31 July 2019, and under the terms of the agreements, automatically renewed for a further 12-months unless terminated 30 days before the end of the initial term. ClearPier did not provide a termination notice to the Company. However, 3 months after the second term commenced, ClearPier has disputed the renewal mechanism which could put at risk the licencing fees for the remaining 9 months of the agreements.

The Company has instructed its legal counsel to take the required action as prescribed by the underlying agreements to resolve the dispute. The Company is confident in its legal position and will keep the market updated as the process progresses.

This announcement has been approved for release by the Board of Directors.

- ENDS -



### **About Plarium**

Founded in 2009, Plarium Global Ltd. is dedicated to creating the best mobile and social experience for hardcore and casual gamers worldwide. With over 290 million registered users, we're proud to be consistently ranked among Facebook's top hardcore game developers. Plarium employs more than 1,400 individuals and is headquartered in Israel with eight offices and development studios across Europe and the United States. Our mobile and social games are available on all major social networks, including Facebook, VKontakte, Odnoklassniki and Mail.ru, as well as web browsers, iOS and Android. Plarium was acquired by ASX listed Aristocrat Leisure Limited (ASX: ALL) in October 2017 and operates as a wholly owned subsidiary.

### **About Adveritas**

Adveritas Ltd (ASX: AV1) creates innovative software solutions that leverage big data to drive business performance. Adveritas' ad fraud prevention software, TrafficGuard, is its first available software as a service. Early adopters of TrafficGuard include LATAM super-app, Rappi and APAC super-app, GO-JEK along with MUV (a wholly owned subsidiary of WPP). Both super-apps are well funded with valuations reaching \$2 billion and \$10 billion respectively and conducting aggressive user acquisition advertising for fast growth. In all cases, TrafficGuard was chosen after a rigorous procurement process that saw the effectiveness of our solution evaluated against a range of competing solutions. For more information, see <https://www.adveritas.com.au/>



## About TrafficGuard

TrafficGuard detects, mitigates and reports on ad fraud before it impacts digital advertising budgets. Three formidable layers of protection block both general invalid traffic (GIVT) and sophisticated invalid traffic (SIVT) to ensure that digital advertising results in legitimate advertising engagement. TrafficGuard uses patent-pending Machine Learning technology built from a proprietary big data set that has been accumulated over the past 10 years. This big data set coupled with machine learning ensures our clients budgets are protected against ad fraud.

For more information about TrafficGuard's comprehensive fraud mitigation, see <https://www.trafficguard.ai>

For more information, please contact:

### Investor Enquiries

George Gabriel

Managing Director

BLETCHLEY Park Capital

03 8686 9144

[investors@bletchleyparkcapital.com.au](mailto:investors@bletchleyparkcapital.com.au)

Mathew Ratty

Chief Executive Officer

Adveritas Limited

08 9473 2500

[investor.enquiry@adveritas.com.au](mailto:investor.enquiry@adveritas.com.au)