

11 July 2019

ASX ANNOUNCEMENT

EN1 Q2 2019 Preliminary Results Material Improvements Achieved

Highlights

- EN1 Q2 (consolidated) revenue A\$4M; 30% or A\$1M growth over Q2 2018
- EN1 (consolidated) daily revenue peak A\$61k
- EN1 June 2019 (consolidated) EBITDA (A\$153K); 301% or A\$310K growth in profit over June 2018
- engage:BDR (U.S. entity) June 2019 EBITDA (A\$99K); 225% or A\$125K growth in profit over June 2018
- AdCel June 2019 EBITDA (A\$16K), revenue more than tripled (+353%) in Q2
- LTD (AU listed company) June EBITDA (A\$40K); 600% or A\$200K growth in profit over June 2018
- Consolidated expenses reduced 33% in June 2019 over June 2018 and 25% in Q2 2019 over Q2 2018

engage:BDR (“EN1 or Company”) (ASX:EN1 and EN1O) is pleased to update shareholders with its preliminary Q2 and June 2019 financial results. Additionally, the Company provides details below with regards to all three entities, including a consolidated profit and loss statement with prior period comparison. Management notes preliminary figures are subject to audit and adjustments.

Net Income

Net income contains expenses such as interest expense, tax and non-cash items such as depreciation, amortization and intangible asset impairment. Management

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expects these figures to be provided through adjustments made by the Company's auditors during the half-year review.

EN1 June & Q2 2019 Consolidated Comparative Operating Results:

EN1 Consolidated Financials	June 2019	June 2018	Q2 2019	Q2 2018
Revenue	1,351,641	1,128,695	3,961,956	3,051,932
Gross Profit	495,706	509,118	1,584,103	1,372,638
Meals & Entertainment	5,637	12,367	14,982	44,217
Marketing & Promotional	9,336	18,043	13,092	64,318
Bank Service Charges	4,148	2,733	11,964	7,924
Human Resource Expense	10,623	8,293	22,456	46,169
Insurance Expense	54,288	59,367	168,306	178,414
Tech Expenses	109,332	119,181	343,546	376,784
Office Expense	13,329	15,309	45,594	54,101
Professional Fees	146,737	308,327	449,194	510,832
Payroll Expense	266,104	353,562	813,708	1,168,268
Rent	20,504	39,834	62,973	119,568
Travel	9,803	33,230	46,006	87,483
Total Expenses	650,605	970,614	1,992,725	2,658,447
EBITDA	(153,899)	(461,496)	(407,622)	(1,285,809)

engage:BDR LLC (U.S. entity)

engage:BDR LLC (USA)	June 2019	June 2018	Q2 2019	Q2 2018
Revenue	1,214,910	1,128,695	3,701,202	3,051,931
Gross Profit	454,687	509,118	1,505,877	1,372,637
Meals & Entertainment	5,637	12,367	15,983	44,217
Marketing & Promotional	9,337	18,043	13,092	64,318
Bank Service Charges	2,532	2,723	7,491	7,831
Human Resource Expense	7,346	8,293	14,923	46,169
Insurance Expense	54,289	59,367	168,306	178,414
Tech Expenses	103,597	119,181	328,409	376,784
Office Expense	13,330	15,309	45,394	54,100
Professional Fees	70,234	79,898	216,692	231,856
Payroll Expense	259,374	344,858	793,517	1,144,900
Rent	20,505	39,834	62,973	119,568
Travel	8,778	33,230	43,338	87,483
Total Expenses	555,577	733,471	1,709,735	2,356,012
EBITDA	(99,890)	(224,353)	(203,859)	(983,374)

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AdCel

AdCel*	June 2019	Q2 2019
Revenue	136,731	260,755.05
Gross Profit	41,019	78,226.51
Professional Fees	46,337	138,959
Human Resource	3,276	7,533
Tech Expenses	5,735	15,137
Total Expenses	57,096	166,356
EBITDA	(16,077.36)	(88,129.66)

* AdCel was acquired in July 2018; EN1 did not consolidate its financials prior to July 2018.

engage:BDR LTD (AU Listed entity)

engage:BDR LTD	June 2019	June 2018	Q2 2019	Q2 2018
Revenue	-	-	-	-
Gross Profit	-	-	-	-
Bank Service Fees	10	10	30	92
Corporate Development	7,756	8,704	22,861	23,367
Professional Fees	30,166	228,429	93,543	278,975
Total Expenses	37,932	237,143	116,634	302,434
EBITDA	(40,224)	(240,005)	(116,634)	(302,434)

Other Updates

Management expects several previously announced signed integrations to go live next week, which have been highly anticipated and are expected to deliver material revenue impact for the Company. The Company will update the market imminently on the status and performance of these integrations as they go live. Additionally, several integrations experienced mild technical challenges on a few days in June, resulting in about A\$300K less revenue; these challenges have now been resolved and the partners have scaled activities.

Management is excited about the strongest start to the second half year in company history (Q3 2019). Management expects to continue to deliver granular transparency about the Company's performance for the foreseeable future and looks forward to increasing accountability with its shareholders.

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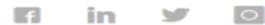
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In the interim, for questions or creative feedback, please email info@EN1.com.



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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