

13 November 2018

## **ASX VIDEO ANNOUNCEMENT**

## AdCel Founder, Denys Kravchenko: AdCel Introduction

## **Highlights**

- AdCel's machine learning technology enables them to fill ad slots at 99% availability, as compared to 15% by programmatic competitors and 60% by large ad networks
- ❖ In AdCel's first year (2017), they generated approximately USD \$1.1 million
- Today, there are about 6,000 apps utilizing AdCel technology
- AdCel technology sits on approximately 500 million mobile devices with about 25 million devices active daily

engage BDR ("engage:BDR or Company") (ASX:EN1 and EN1O) is pleased present an interview with AdCel Founder and CTO, Denys Kravchenko. In this video, the Company's CEO, Ted Dhanik, and Kravchenko discuss what AdCel does, its history, and why it's so valuable to the Company.

## **Video Summary**

AdCel was founded in 2016 and today, is only about a year and a half old. The Company got its start trying to find a monetization solutions to reduce the amount of manpower needed for daily yield management operations for app publishers. They created artificial intelligence algorithms which automatically decide which ads have the highest bid potential at any given moment, allowing publishers to maximize their opportunity. AdCel investors saw great potential in AdCel's expansion into gaming and proceeded to fund AdCel's venture. In their first year, AdCel made approximately \$1.1 million USD.

AdCel combined various programmatic exchanges into one, single, unified network that covers all formats. AdCel's algorithm combines historical and real-time data, to build the most efficient and dynamic user-ad experience. Publishers don't need to keep track of accounts within different systems, they simply get reports from AdCel as frequently as they need. The company operates globally, not only in tier-one countries.



AdCel was looking to solve an internal problem, but realized that many publishers were facing the same issues. The publishers were good at creating their product, an app game for example, however they struggle with monetizing their product. AdCel's solution provides a one-stop-shop for everything publishers need, omitting the need to create accounts, billing, filtering, and collaborating with different ad networks.

At the most basic level, there is Ai machine learning technology which predicts the monetization waterfall for publishers in real-time. For example, gaming applications utilize AdCel's technology in their app, which sits directly on users' devices, to monetize their app by creating opportunities for ads. These ads can be display or banner ads, video ads, voice and/or audio ads. There are about 6,000 apps utilizing AdCel technology to date.

AdCel currently sits on approximately 25 million daily active devices and the company has data from about half a billion devices its software is installed on. This data includes, device IDs, user's latitude and longitude coordinates, the user's app interactivity, along with other demographic information. Their company never had sales personnel, simply all engineers. Both engage BDR and AdCel generate revenue through their technology with engineers as the backbone, working on integrating partners, creating algorithms and Ali.

AdCel's machine learning technology enables them to fill ad slots at 99% availability, meaning that nearly every opportunity to show an ad to a user is filled. Meanwhile, other programmatic businesses in the field have fill rates averaging 15% and ad networks fill rates is about 60%.

engage BDR was interested in the AdCel acquisition because the Company needed SDK's which sit on user devices. Once the SDK is used in an app, it allows for 100% monetization of ad opportunities in that app and gives AdCel exclusive access to inventory. If brands want access to these exclusive audiences or types of content, they need to go through AdCel.

The Company and AdCel can share inventory and clients, but they can also go after new partners. Retention rates are very high because it is not easy to access these types of audiences and inventory in the present-day ecosystem.

In addition, AdCel has a strong competency in in-app installation. These performance ads, if correctly adapted and integrated, can prove to have results nearly 2x greater than programmatic advertising. About 70% of AdCel inventory is gaming and about 80% of demand on these apps is for games, as well. Currently, AdCel is working on integrating performance based ads into the programmatic ecosystem, a unique integration, never attempted before.

As the number of apps utilizing AdCel technology grows, revenue will see incremental increases. In addition, as interactive voice ads begin entering this

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ecosystem more, the advertising optimization potential will grow too. Both the Company and AdCel see great potential in growing and developing engineering teams in the Ukraine and Belarus in the near future.

Please view the video here: http://engagebdr.com/asx/video



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