

5 August 2019

ASX ANNOUNCEMENT

EN1 Current Run-Rate set to Significantly Outperform 2018

Highlights

- ◀ July 2019 revenue A\$1.432M
- ◀ June 2019 upgraded revenue A\$1.421M
- ◀ EN1 consolidated July revenue grew to 250% of January 2019
- ◀ engage:BDR LLC July revenue grew to 242% of January 2019
- ◀ AdCel July revenue grew to 330% of January 2019
- ◀ Consistent consolidated revenue growth for 6 of 7 months
- ◀ Current run-rate for 2019 to significantly outperform prior 2 years

engage:BDR (“EN1 or Company”) (ASX:EN1 and EN1O) is pleased to present shareholders with a trading update including all months of 2019 year to date. This trading update is comprised of revenue, gross profit and margin percentage, by month. Management is working diligently with the Company’s auditors to complete the half-year review; the Company will publish those results in August.

Based on an average of the past three months’ performance, Management expects to significantly exceed both 2017 & 2018’s results in the revenue and profitability categories. The average revenue of the last three months was A\$1.42M; if EN1 continues at this average for the balance of the year, it would outperform both prior years (extrapolated). However, Management expects performance to significantly increase, as the busiest months of the year are now approaching and EN1 is well-capitalised to fuel the demand of its buyers (advertising inventory), in contrast to the previous two years.

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Consolidated Results:

2019	JAN	FEB	MAR	APR	MAY	JUN	JULY	TOTAL
Income	\$574,220	\$545,995	\$1,012,681	\$1,252,229	\$1,407,463	\$1,421,093	\$1,432,047	\$7,645,728
Gross Profit	\$217,183	\$227,296	\$402,816	\$523,574	\$614,198	\$564,879	\$506,677	\$3,056,624
GP%	38%	42%	40%	42%	44%	40%	35%	40%

engage:BDR Results:

2019	JAN	FEB	MAR	APR	MAY	JUN	JULY	TOTAL
Income	\$524,361	\$507,255	\$961,262	\$1,213,515	\$1,322,153	\$1,284,361	\$1,270,978	\$7,083,885
Gross Profit	\$202,222	\$215,674	\$387,391	\$511,960	\$588,606	\$523,860	\$456,151	\$2,885,864
GP%	39%	43%	40%	42%	45%	41%	36%	41%

AdCel Results:

2019	JAN	FEB	MAR	APR	MAY	JUN	JULY	TOTAL
Income	\$49,858	\$38,740	\$51,419	\$38,714	\$85,310	\$136,732	\$161,070	\$561,842
Gross Profit	\$14,961	\$11,622	\$15,426	\$11,614	\$25,593	\$41,019	\$50,526	\$170,761
GP%	30%	30%	30%	30%	30%	30%	31%	30%

Management adjusted the entire period from January – June based on the final currency conversion rate as at 30 June (A\$1.42 to US\$1) to match the half-year review figures. The Company is required to publish results based on the currency conversion rate of 30 June (EN1 generates all of its revenues in USD); although the majority of this period had conversion rates between 1.44-1.46 (Mar, Apr & May previously published figures). This variance contributed to the differences in figures between previously published and today's update.

Additionally, minor revisions were made for June, which resulted in increased revenue. In late July, once Management had comprehensive data on June's results, adjustments to revenue were made. Management notes, optimal closing time-frames for any month have historically been 21 – 30 days.

Margins were intentionally reduced slightly to test auction success-rates to compensate for leaner demand; July was the start to a new quarter and typically, the first month produces the lightest demand of the quarter. The reduction in margins enabled stronger revenue in July, and the Company expects to increase margins through the balance of the quarter as demand continues to grow, bringing the effective margin closer to 40%. Management expects to follow a similar strategy for

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October as well as the start to subsequent quarters.

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



On behalf of the Board,

Ted Dhanik
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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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