

AD1 Business Update – Art of Mentoring

Melbourne, Australia, 6 January 2021: AD1 Holdings Limited (ASX: AD1) (**AD1** or the **Company**), the provider of recruitment technology and mentoring platforms, utilities software billing services and management platforms, and related services, today provided the following performance update in relation to its subsidiary, Art of Mentoring (**AoM**).

Key points:

- 15 new clients acquired since the start of the financial year with eight (8) new clients acquired since the acquisition
- 100% renewal rate since the start of the financial year
- Revenue for YTD FY21 up approximately 80% compared to the same period in the prior year
- Notable customers include Toyota Australia, Fair Work Ombudsman, Aurizon and Royal Australian Navy

Added to the AD1 portfolio of companies in October 2020, AoM is a provider of best-in-class mentoring programs delivered through cutting-edge SaaS solutions.

A key consideration in the acquisition of AoM was that it provided the Company a high-quality SaaS product with a shorter sales cycle and strong new business momentum. AoM has performed well on both fronts adding 15 new customers to its portfolio since the start of the financial year. Importantly, eight (8) new customers have been acquired post the announcement of the acquisition demonstrating the sales momentum of this business. AoM has built a strong sales pipeline, which is expected to continue to support its new business momentum.

In addition to growing its customer base, AoM has successfully renewed all 16 clients that were due for renewal since the start of the financial year. The 100% renewal rate is a validation of the confidence that AoM's customers have in the product offering and further demonstrates the strength of its recurring revenue stream. It is the Company's expectation that AoM will continue to achieve a strong renewal rate throughout the financial year. AoM is embedded well within Government, Corporates and Professional Associations with notable customers including Toyota Australia, Fair Work Ombudsman, Aurizon and Royal Australian Navy.

As a result of the above, AoM is trending approximately 80% above its revenue for the same period in the previous financial year.

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This release has been authorised by the directors of the Company.

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