

ASX RELEASE

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ADVERTITAS RAPIDLY GREW ANNUALISED REVENUE IN H1 FY22

Key H1 FY22 highlights

- **Annualised revenue at 31 December 2021 up 68% to \$1.72 million (since 30 June 2021)**
- **Continuing to penetrate key verticals with major client wins in betting, telecommunications and marketplaces**
- **Freemium subscribers up approximately 41% at 31 December 2021 to circa 3,783 (vs 30 June 2021) with strong conversion rate of 8%**
- **Well capitalised with \$6.4 million cash and no bank debt at 31 December 2021**
- **TrafficGuard / Google Cloud Marketplace relationship progressing strongly, with marketing collateral ready for a Q4 FY22 launch**
- **Chief Marketing Officer appointed in January to lead integrated sales and marketing approach**

Adveritas Limited (**Company** or **Adveritas**) (**ASX: AV1**) is pleased to provide this update alongside its results for the six months ended 31 December 2021 (**H1 FY22**), a period that saw the Company continue to rapidly increase its annualised revenue through enterprise client wins, further expand its sales pipeline, and invest in its sales capabilities to drive future growth.

Commenting on the Company's progress over H1 FY22, Adveritas Founder & Chief Executive Officer Mat Ratty said:

"Our strong results for the first half of FY22 were underpinned by significant enterprise client wins and contract renewals in key verticals of betting, telecommunications, on-demand and marketplaces. Reflecting these client wins, we delivered a rapid increase in annualised revenue, which reached \$1.72 million at 31 December, up 68% over the six months since June 2021. We expect this strong annualised revenue growth to be reflected in billed revenue and cash receipts during the remainder of FY22.

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“Our substantial Freemium pipeline continues to build and we are making investments to convert Freemium users into paying customers. During H1 FY22, our Freemium conversion rate remained strong at 8%, and by 31 December 2021, Freemium subscribers had increased approximately 165% from December 2020 to 3,783, providing a large future potential customer base.

Investments in sales and marketing capabilities to drive client growth

During H1 FY22, TrafficGuard enhanced its sales and marketing capabilities, underpinning its continued rapid increase in annualised revenue, Freemium subscribers, and growth initiatives. Chad Kinlay was appointed Chief Marketing Officer in January 2022 to help scale enterprise meetings for the Company’s direct sales force. In addition, his efforts will drive the conversion of Freemium subscribers to paying customers and increase the conversion and retention ratios during H2 FY22 and beyond.

A major milestone was achieved in October 2021, when TrafficGuard was accepted into the Google Cloud Marketplace, where it is the only pay per click (PPC) advertising verification program on the platform globally. TrafficGuard’s acceptance into the Google Cloud Marketplace opens an important global sales channel and reduces the sales cycle for potential customers that already have Google as a preferred partner, due to substantially reduced legal and procurement times.

Commenting on Adveritas’ strong pipeline and growth initiatives underpinning the Company’s outlook, Mr Ratty said:

“Having further enhanced our sales team and marketing capabilities, we are well positioned to continue to drive growth over the remainder of FY22 and beyond. We are establishing a strong pedigree of delivering client success in key verticals of online gambling, marketplaces and telecommunications, which we are leveraging to further build our pipeline. In January, we executed contracts with major global betting company, William Hill, and telecommunications provider, MyRepublic, and we have a number of multi-billion dollar enterprises currently undertaking trials.

“Our relationship with Google Cloud Marketplace is progressing strongly, with marketing collateral ready for a Q4 launch, and initial client introductions already underway. We aim to leverage our integration with Google Cloud Marketplace to

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further accelerate growth in annualised revenue, as customers can easily procure TrafficGuard through the Marketplace, if Google is a preferred vendor.

"I look forward to keeping shareholders updated on our success during H2 FY22, as we continue to penetrate our key markets and verticals."

This announcement is authorised for lodgement by the Board of Adveritas Limited.

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About Adveritas

Adveritas Ltd (ASX:AVI) 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. Both businesses are well funded with \$2 billion and \$12 billion valuations respectively, and conducting aggressive user acquisition advertising for fast growth. In both 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 is the world's first full funnel measurement, verification and fraud prevention solution for digital advertising. Operating in real time across all digital channels, TrafficGuard targets invalid traffic before it reaches your ad budget. Using TrafficGuard, marketers, agencies and ad networks can both detect and prevent invalid traffic in real time in order to maximise the return on their advertising and scale their business using real data.

Trusted by global brands, TrafficGuard is a multiple award winning fraud prevention product recognised by The Drum, the Martech Breakthrough Awards 2020 and voted the Most effective anti-fraud solution by Mobile Marketing 2020.

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