

30 April 2021

## **ASX ANNOUNCEMENT**

### **EN1 Returns to Pre-Covid Revenue**

#### **Q1 2021 Highlights**

- ▶ EN1 returns to pre-COVID revenue as recently announced commercial relationships start generating revenue.
- ▶ April 2021 revenue is already the Company's best month since December 2019, eclipsing all months in 2020
- ▶ 80% revenue improvement to date, in April 2021 to US\$1.2M (A\$1.6M) vs US\$668K April 2020
- ▶ Revenues reached US\$60K (A\$79K) per day during the last week of April
- ▶ Net cash used in operating activities A\$1M

engage:BDR Limited ('Company', 'Engage' or 'EN1') ended Q1 2021 strongly, and revenues are on track to return to pre-covid levels in the month of April. April revenue is the highest in 15 months, since December 2019, with peak revenue days unmatched in over 18 months, month to date.

April 2021 revenue is expected to exceed US\$1.2M (A\$1.6M), with daily revenue now up to US\$60K (A\$79K) per day. This increase is a direct result of new, recently announced integrations that are now beginning to generate incremental, recurring revenue.

The first four months of 2021 yielded the same revenue as the first four months of 2020 before COVID's negative impact on the Company's revenue. To date in 2021, the Company has generated US\$3.8M in revenue. Management is pleased to update shareholders that the Company's revenues have now been restored to pre-Covid-19 levels.

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The Company's Q1 2021 yielded similar performance to Q4 2020; which is historically the advertising industry's largest quarter of every year. Q1 of each year typically yields the least demand each year. Additionally, the Company collected more revenue (receipts) in Q1 2021 vs Q4 2020. This sets the Company up for its best year on record.

Net cash used in operating activities was \$1M; cash balance at the end of quarter was A\$1.86M.

## January - April 2021 vs 2020 Comparative (USD\$):

2020	January	February	March	April	Total 2020	Converted
	\$984K	\$1.04M	\$1.1M	\$668K	\$3.8M	AU\$5.7M
					Total 2021	
<b>2021</b>	<b>\$716K</b>	<b>\$775K</b>	<b>\$981K</b>	<b>\$1.3M</b>	<b>\$3.8M</b>	<b>AU\$4.9M</b>

## Q4 2020 vs. Q1 2021 Comparative (USD\$):

Q4 2020	October	November	December	Total Q4 2020	Converted
	\$1.01M	\$815K	\$799K	\$2.6M	AU\$3.38M
Q1 2021	January	February	March	Total Q1 2021	
	\$716K	\$775K	\$981K	\$2.5M	AU\$3.28M

During the quarter there were payments of \$227,911 associated with executive and nonexecutive fees paid to Directors fees for the March 2021 quarter. This is outlined in section 6.1 of the Appendix 4C.

We encourage our Shareholders to register their details using the QR Code below to ensure they're kept up to date with the latest news and to be notified of any upcoming Shareholder presentations or events.



For further investor enquires please contact Viriathus Capital on 1300 509 924 or please email [investors@engageBDR.com](mailto:investors@engageBDR.com).

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On behalf of the Board  
Ted Dhanik  
Co-Founder and Executive Chairman

### Forward Looking Statements

Preliminary financial results published above are subject to audit, adjustment and closing, as they are estimates and figures may be rounded. Figures have not been audited, adjusted and are preliminary estimates. 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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## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

engage:BDR Limited

**ABN**

621 160 585

**Quarter ended ("current quarter")**

31/03/2021

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$AUD</b>	<b>Year to date (3 months) \$AUD</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	3,235,691	3,235,691
1.2 Payments for		
(a) engineering / research & development	(398,870)	(398,870)
(b) ad inventory costs of goods sold	(2,177,110)	(2,177,110)
(c) advertising and marketing	(197)	(197)
(d) leased assets	-	-
(e) staff costs	(701,802)	(701,802)
(f) administration and corporate costs	(1,192,993)	(1,192,993)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(4,193)	(4,193)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	335,295	335,295
1.8 Other (provide details if material)		
(a) prepaid ad inventory	-	-
(b) legal & settlements	(117,494)	(117,494)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,021,673)</b>	<b>(1,021,673)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-

Consolidated statement of cash flows		Current quarter \$AUD	Year to date (3 months) \$AUD
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	<b>Net cash from / (used in) investing activities</b>	-	-

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(213,738)	(213,738)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)		
	(a) finance lease obligations	(40,391)	(40,391)
3.10	<b>Net cash from / (used in) financing activities</b>	<b>(254,129)</b>	<b>(254,129)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,135,048	3,135,048
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,021,673)	(1,021,673)

Consolidated statement of cash flows		Current quarter \$AUD	Year to date (3 months) \$AUD
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(254,129)	(254,129)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>1,859,246</b>	<b>1,859,246</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$AUD	Previous quarter \$AUD
5.1	Bank balances	1,859,246	1,859,246
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,859,246</b>	<b>1,859,246</b>

6.	Payments to directors of the entity and their associates	Current quarter \$AUD
6.1	Aggregate amount of payments to these parties included in item 1.2	(227,911)
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

**7. Financing facilities**

*Note: the term "facility" includes all forms of financing arrangements available to the entity.*

*Add notes as necessary for an understanding of the sources of finance available to the entity.*

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

Total facility amount at quarter end \$AUD	Amount drawn at quarter end \$AUD
3,949,447	1,758,062
-	-
-	-

7.5 **Unused financing facilities available at quarter end**

2,191,385

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Loan facility is actually a cash enhancement activity known as factoring. Advances are recorded against certain receivables balances which are factored under this facility. The credit risk associated with the transfer of trade receivables are retained with the Company.

In accordance with the terms noted in the Company's ASX announcement dated 25 September 2019, the Company entered into a Convertible Securities Agreement with Alto Opportunity Master for the funding of up to approximately AU\$38 million.

8. Estimated cash available for future operating activities	\$AUD
8.1 Net cash from / (used in) operating activities (Item 1.9)	(1,021,673)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	1,859,246
8.3 Unused finance facilities available at quarter end (Item 7.5)	2,191,385
8.4 Total available funding (Item 8.2 + Item 8.3)	4,050,631
8.5 <b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	4
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: .....30/04/2021.....

Authorised by: .....the Board of engage:BDR Limited.....  
(Name of body or officer authorising release – see note 4)

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.