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RAPID INCREASE IN ADVERITAS ARR
FROM NEW CLIENTS AND CHANNELS OVER FY22

Key FY22 highlights

- **Annualised Recurring Revenue (ARR) as at 30 June 2022 up 145% from FY21 to circa $2.51 million**
- **Cash balance of $5 million at 30 June 2022 to be further strengthened after year end by receipt of an R&D grant of $1.1 million, supporting accelerated delivery of growth initiatives**
- **Multiple client wins across key industries including gaming, telecommunications, retail, and media and entertainment**
- **New channels to market developed for TrafficGuard with Google Cloud Marketplace and Meta's Facebook, including more channels to commercialise in the pipeline**
- **Cross-sell and expansion of services to existing clients picking up pace**
- **Start of FY23 sees record ARR position continuing to accelerate, standing at circa $2.8 million currently, up over 170% since 30 June 2021**

Adveritas Limited (**Company** or **Adveritas**) (**ASX: AV1**) is pleased to announce its results for the 12 months ended 30 June 2022 (**FY22**), a year which saw ARR rapidly increasing and set to build further, multiple major client wins, new go-to-market channels launched with Google and Facebook, and cross-sell / expansion of services to existing clients picking up pace.
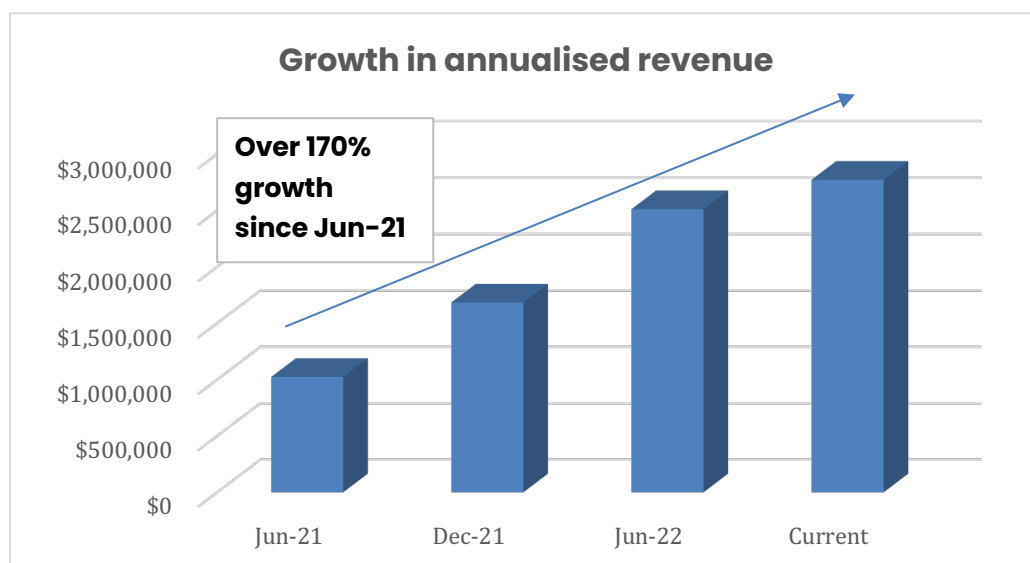
Commenting on the Company's progress over FY22, Adveritas Founder & Chief Executive Officer Mat Ratty said:

"As more large global companies learn about, and better understand, the value TrafficGuard brings to their digital marketing spend, we are seeing the growth of our ARR pick up pace. The implementation of our growth strategy is delivering results with ARR currently up over 170% since 30 June 2021 and we don't see growth slowing given our pipeline of potential new clients is the largest it's ever been.

"TrafficGuard has gone from strength to strength this year, launching as the only digital anti-fraud software on the Google Cloud marketplace, and recently activating on Meta's Facebook platform. Both products that TrafficGuard offers across mobile and PPC are available through Google Cloud Marketplace and are actively being promoted through the Marketplace. Given both products are available, this means clients spending on both Google and Facebook PPC, affiliate or mobile spend can choose a whole package protection. This allows TrafficGuard to offer a true omni-channel digital marketing anti-fraud solution, distinguishing us from our industry peers who only sit in one of these silos."

Rapid growth in ARR

Adveritas' ARR, a key lead indicator of growth and forward cashflow, has continued to strengthen since 30 June 2021. Closing out FY22 at $2.51 million, it now stands at a record circa $2.8 million, up over 170% since 30 June 2021.

Growth in annualised revenue

Over 170% growth since Jun-21

	Jun-21	Dec-21	Jun-22	Current

($3,000,000 / $2,500,000 / $2,000,000 / $1,500,000 / $1,000,000 / $500,000 / $0)

The rapid growth in ARR has been underpinned by an increasing number of new client wins as more companies experience the increasing ROI from digital marketing protected by TrafficGuard, and existing clients who have seen the benefits from TrafficGuard now utilising additional services in line with Adveritas' "land and expand" growth initiative.

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New customer wins over FY22 have been from across a spectrum of industries, These blue-chip customer contracts were for Pay Per Click (PPC), Mobile, and Affiliate products, and follow from the investments made in sales and marketing, including the appointments of Chad Kinlay as Chief Marketing Officer (CMO) and Matt Sutton (Chief Revenue Officer).

Major global client wins

Over FY22, Adveritas signed up multiple major client contracts across key industries such as gaming, telecommunications, retail and media and entertainment including:

- **Betfred**, the largest private retail bookmaker in the UK, which has rapidly grown to have turnover in excess of £500 million per annum
- **William Hill**, a leading global online bookmaker, based in the UK
- **Singtel**, Asia's leading communications group (parent company of Optus)
- **Fortuna Entertainment group**, a leading omni-channel betting and gaming operator in Central and Eastern Europe
- **Banco Santander**, one of Spain's main banking and financial services companies, which also operates on a multinational level
- **Smarkets**, an award-winning, UK-based, low commission betting company
- **BoyleSports**, a bookmaker based in Ireland with over 320 retail branches throughout the UK and Ireland.

Several of the major global client wins have also had upgrades signed over the year.

Since closing FY22, new blue-chip clients including gaming business **Better Collective**, global online travel company **Lux Escapes**, and global media and entertainment business, **Disney Streaming Services**, have signed contracts to use TrafficGuard's digital anti-fraud software.

New channels to market developed for TrafficGuard – Google Cloud Marketplace and Meta's Facebook

In October 2021, TrafficGuard integrated with the Google Cloud Marketplace platform, enabling Google Cloud's customers to utilise TrafficGuard's PPC product. The first sale of TrafficGuard via the Google Cloud Marketplace occurred in May 2022.

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TrafficGuard is the only digital anti-fraud solution on the Google Cloud Marketplace. Being the preferred vendor for Google Cloud has opened additional global sales channels for the Company, providing access to Google Cloud's customer base around the world, particularly in key target countries, and streamlines legal and procurement times, reducing the sales cycle.

TrafficGuard now offers more anti-fraud solutions for Google Cloud other than PPC verification, including its flagship Mobile App install verification, ensuring clients are not paying for misattributed or fake installs of their apps, and Affiliate Verification, which mitigates affiliate misattribution and ensure clients are paying for real conversions to their website.

TrafficGuard recently entered beta trials for PPC with Meta's Facebook platform to help users mitigate invalid and fraudulent advertising traffic, and has now started a new channel offering of Social Verification for Meta. There are already a number of new and existing clients for the offering, with commercialisation planned for later this calendar year.

Commenting on Adveritas' outlook for FY23, Mr Ratty said:

"While we're only eight weeks into the new financial year, our ARR has continued to grow, and we expect to continue the growth trajectory given our new client wins, extensions and upgrades to existing clients, and a growing pipeline of opportunities.

"The execution of TrafficGuard's omni-channel go-to-market strategy through Google Cloud Marketplace and Facebook, opens a range of potential customers globally via two of the world's largest digital platforms.

"Digital ad-fraud is a serious and ongoing problem for many companies and industries around the world. The rise of interest in our technology from companies such as Banco Santander, William Hill, Singtel, and Disney Streaming Services, reflects the value we create through our software. Our new channels and scaling of our technology platform means that we can further increase our services to help new and existing clients avoid fraudulent traffic, so they can maximise the return on their digital advertising."

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

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Adveritas Ltd (ASX:AV1) 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/

TrafficGuard detects, mitigates and reports on ad fraud before it impacts digital advertising budgets. Three formidable layers of protection block both general invalid traffic (GIVT) and sophisticated invalid traffic (SIVT) to ensure that digital advertising results in legitimate advertising engagement. TrafficGuard uses patent-pending technology and proprietary big data accumulated by the performance advertising business previously operated by the Company.

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