

Record Annual Contract Value Keeps Company on Track to Achieve Strategic Priorities

Key highlights

- **Record single customer annual contract value** of \$1 million achieved, a significant milestone in the Company's global evolution.
- **Multi-year contract renewals and contract upgrades** expected to provide over \$5 million in cash receipts over the lives of the contracts.
- **Increasing sports betting and online gaming customer base.**
- Progressing towards first **enterprise level ecommerce clients**, opening up the world's largest digital marketing customer segment.
- **On track for record March Quarter.**

Adveritas Limited (**ASX: AVI**) (**Adveritas** or **Company**) is pleased to provide this trading update.

Multi-year Renewals and record Single Customer Annual Contract Value

As noted at the Company's Annual General Meeting on 18 November 2024, increasing TrafficGuard's market share in the sports betting vertical remains a key strategic priority.

The Company has successfully signed a number of renewal contracts with global sports betting organisations that contain higher contract rates and span more than one year. While not individually material, these renewal contracts have driven up annual contract values by circa 27% and are expected to generate cash receipts of \$5 million over their term.

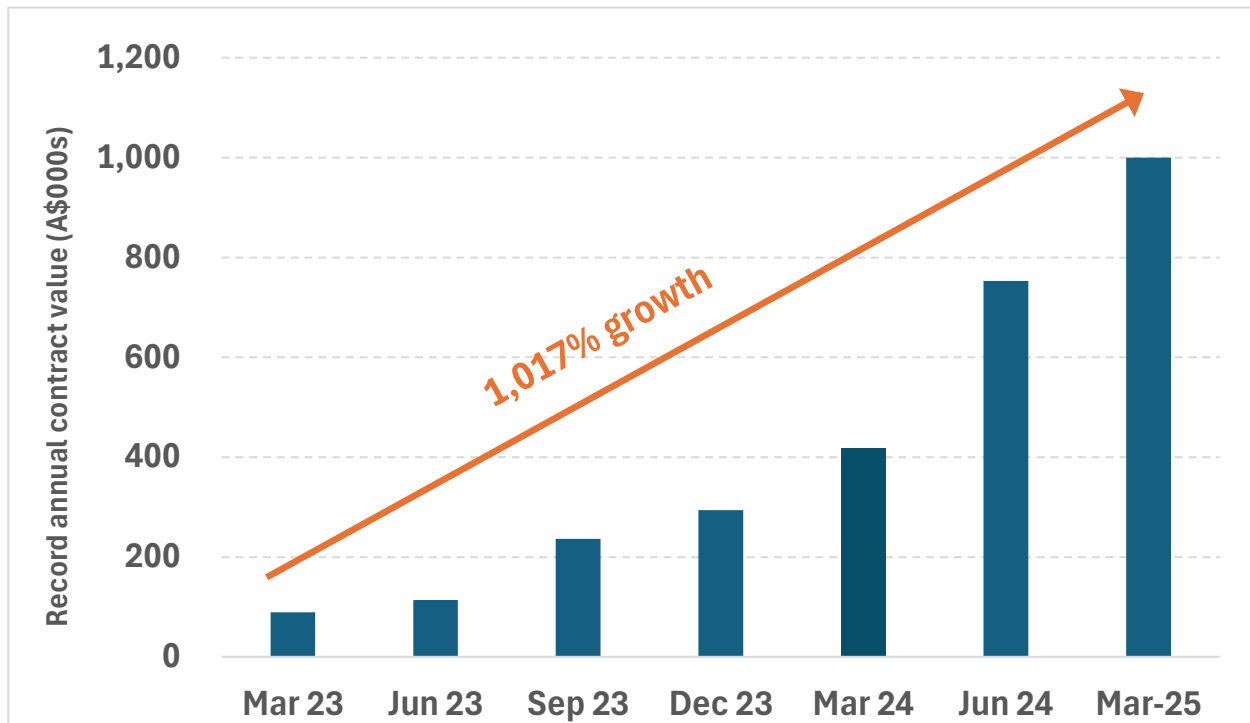
Importantly, through these renewals, the Company has achieved a significant milestone by securing its first ever \$1 million annual contract value (ACV) for a single enterprise level customer, which is more than 10 times higher than the record ACV in March 2023, only 2 years ago.

This is a substantial milestone in the Company's history for three key reasons:

1. this record \$1 million ACV highlights the substantial value that TrafficGuard provides its clients.
2. it differentiates Adveritas from the majority of software-as-a-service (**SaaS**) companies, given that the median ACV of the last 74 SaaS initial public offerings in the USA was US\$52,350¹.
3. it highlights the capacity of the Company to quickly scale revenues through its enterprise customer base.

The Company is focused on securing further contracts with an ACV of \$1 million in all its target verticals.

Chart 1: Growth in Annual Contract Values



Increased Market Share in Sports Betting

In addition to strengthening its relationship with several key sports betting groups through renewed and upgraded contracts, TrafficGuard has engaged a number of new clients in the sports betting and online gaming vertical.

The Company sees significant further upside in penetrating the global sports betting market. Adveritas has identified over 1,000+ sports betting companies globally. TrafficGuard is currently servicing approximately 60 of these companies, meaning that a substantial revenue opportunity remains in the sports betting customer segment, where TrafficGuard has to date found its strongest product-market fit.

Many of the globally recognised sports betting companies are owned by larger holding groups which creates the opportunity for TrafficGuard to sign group deals. Several group wide negotiations are currently underway, which, if successful will significantly streamline the contracting process, avoiding the need for individual company documentation, facilitating larger agreements that incorporate all subsidiaries, shortening the sales cycle and increasing annual cash receipts.

Product Development

Adding more channels has been identified as a strategic priority for the Company. As announced on 7 January 2025, the Company's investment in product development across the Meta suite, which includes Facebook and Instagram, is set to enhance its ability to cross-sell new vertical protection solutions to its existing customer base.

The solutions are currently in beta with selected clients and commercial rollout is planned for the second half of FY2025, providing a clear pathway to strengthen customer relationships and unlock new revenue opportunities.



On track for a record March quarter

The Company is optimistic about the March 2025 quarter. Negotiations that are currently underway underpin this strong March quarter and presents opportunities for scalable growth beyond the March quarter.

The Company remains focused on its strategic priorities as follows:

- Expand its share in the global sports betting market.
- Secure entry into the ecommerce sector.
- Adding more channels through which the Company can offer its TrafficGuard products.
- Enter long term strategic partnerships with agencies to broaden market reach.

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

¹ Source: \$52k is the "Average Contract Value" of SaaS IPOs", Blossom Street, 24 January 2025.

FORWARD LOOKING STATEMENTS

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations and sales. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

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