

ASX Announcement

26 November 2024

## CEO's ADDRESS TO ANNUAL GENERAL MEETING

Dear Shareholders and Adslot Team Members,

This is my first report to the Shareholder's since my appointment as Interim CEO on 6 September 2024. Much work has been done over these past nearly 3 months to rapidly turn around the group's financial and strategic direction, and there is more work to do.

I will take this opportunity today to recap recent developments and the current commercial outlook.

- A Strategic Review was undertaken resulting in substantial cost reductions and operational restructuring in September and October 2024.
- The Group has been reorganised and managed operationally and financially under the Five key operating divisions being *Adslot Media & Adslot StoreFront*, *Symphony*, *Webfirm* and *Media Auctions*. *Br1dge* costs have been wound back and the opportunity now exists solely within Adslot Media.
- Headcount was reduced in number by 25% during October resulting in an approximate 40% reduction in Group monthly payroll cost from November onwards, and the resignation of directors Ben Dixon and Tom Triscari.
- Overheads were generally reduced with the appointment of new auditors, a reduction in general expenditure, and sub-leasing of under-utilised Melbourne CBD premises being finalised.
- Momentum and progress has been focused on the *StoreFront* media publisher digital advertising sales gateway solution, which is being marketed in Australia, The United Kingdom and the US markets.
- From a standing start in August 2024, the Team is now engaged with 33 publishers and media companies worldwide to use the *StoreFront* solution, of which 28 customers are in commercial discussions or negotiations, 4 have been signed and 1 is now trading.
- Ongoing progress continues with contract negotiations with leading Swiss / German media conglomerate Goldbach to distribute ad inventory to buyers exclusively through the *Adslot Media Open Marketplace*.
- In September we negotiated an extension of *Symphony's* contract with Global Advertising Multinational GroupM for 2 years with a substantial increase in monthly fixed revenues.

## Adslot.

- We also finalised the extension of *Media Auction's* annual contract with REA Group until December 2025.
- New sales and business development strategies are being implemented by *Webfirm* with pleasing early results.
- As reported recently, the Company raised \$2.02 million total new equity funds including a Shortfall Placement in October 2024, in a very difficult equity market.

Much work has been done to reduce costs and focus on the business units that are working, and large strides have been made to improve underlying financial performance.

Notwithstanding these efforts to date there is more to be done to lift revenues and cash flows to take the company to a sustainable break-even position on a monthly basis as soon as possible.

The Group is also considering other significant transactions which may have a material positive impact on both cashflow and the balance sheet.

The entire Team at Adslot is motivated with clear objectives within each business unit to focus on the things that can drive new revenue traction and product development excellence, paired with renewed commercial targets.

Echoing the earlier comments of the Chair, I would like to thank each Team member, executive and the board for their support of me in the new role, and for each of their outstanding efforts during what has been a gruelling year and difficult restructuring process since my appointment.

I would also like to thank our shareholders for their ongoing support of the Company during this transition phase. We hope to deliver much improved results in the new year for the benefit of all stakeholders and Team members.






Ben Loiterton  
Interim CEO

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## About Adslot

Adslot’s mission is to automate the trading of forward guaranteed display advertising, referred to as automated guaranteed. Our leading technology is a purpose-built, global media trading platform. Adslot benefits a global community of media buyers and sellers, including media agencies, publishers and advertisers, by providing trading efficiencies and effectiveness made possible only via technology, and by doing so the basis on which the \$80B online display advertising industry will realise its full growth potential.

Adslot is a global organisation with operations in North America, Europe and Asia Pacific and is headquartered in Australia, operating Five Key Business Units:

Stable Businesses			Growth Businesses	
 <b>Media Auctions</b>	 <b>Symphony.</b>	 <b>webfirm</b>	 <b>Adslot Media.</b>	 <b>Adslot StoreFront</b>
<ul style="list-style-type: none"> <li>Specialist enterprise auction-based platform that enables marketplaces to maximise value of advertising inventory.</li> <li>Major client is REA (ASX:REA) <a href="http://Realestate.com.au">Realestate.com.au</a>.</li> <li>Business model – Monthly SaaS fee, annual contracts.</li> </ul>	<ul style="list-style-type: none"> <li>A global enterprise SaaS platform, providing digital media buying workflow solutions to the world’s largest advertising agencies.</li> <li>Major client is <a href="http://GroupM">GroupM</a> in 8 countries including China.</li> <li>Business model – Monthly SaaS fee, annual contracts</li> </ul>	<ul style="list-style-type: none"> <li>Digital marketing agency providing Website Development, SEO, Search and Social Media solutions to SMEs nationally.</li> <li>Business model – Fee for services, hosting fees.</li> </ul>	<ul style="list-style-type: none"> <li>A global digital media marketplace for media buyers and sellers to trade premium advertising inventory on a targeted, forward guaranteed basis. <i>Bridge</i> feature for bulk digital audience data trading.</li> <li>Many sellers to many <u>buyers</u> marketplace.</li> <li>Business model - Percentage-based fee on advertising spend on the platform (TTV trading fees).</li> </ul>	<ul style="list-style-type: none"> <li>Digital white label gateway for media companies to sell ad inventory and audience access to multiple media buyers. Enables publishers to increase revenue and efficiently manage sales process.</li> <li>Single seller to many buyers.</li> <li>Business model - Percentage-based fee on advertising spend via the gateway plus monthly and set-up fees</li> </ul>

## Future performance

This Announcement contains certain references to forecasts, estimates, assumptions and other forward-looking statements and statements regarding the intent, belief or current expectations of The Company. The words “likely”, “expect”, “aim”, “should”, “could”, “may”, “anticipate”, “predict”, “believe”, “plan” and other similar expressions are intended to identify forward-looking statements. Forward-looking statements, opinions and estimates provided in this Announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This Announcement contains such statements, which are subject to risk factors associated with an investment in The Company. The Company believes that these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially. Forward-looking statements involve known and unknown risks, uncertainties and assumptions and other important factors that could cause actual results, performance or achievements of The Company to be materially different from future results, performances or achievements expressed or implied by such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Announcement.