

engage:BDR Ltd

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engage:BDR "moves mountains" as it turns to profit and achieves 50% revenue boost

engage:BDR Ltd (ASX:EN1) has achieved its strategic plan to profitability in calendar year 2019 along with a 50% growth in revenue compared to 2018.

The digital advertising company's revenue increased from A\$11.4 million in 2018 to A\$17.1 million in 2019 while EBITDA profit increased to A\$1.6 million (from A-\$7.3 million).

Gross profit earned grew 216% to A\$9.3 million over 2018 (A\$4.3 million). Additionally, gross margins grew to 54% from 38% in 2018, a 42% growth.



Price: 0.009

Market Cap: \$8.3 m

1 Year Share Price Graph



Share Information

Code: EN1

Listing: ASX

52 week High Low
0.047 0.009

Sector: Tech

Website: engagebdr.com

Company Synopsis:

engage:BDR Ltd (ASX:EN1) is a technology company operating in the United States, Ukraine and Australia. Founded by executives from pioneering internet companies myspace and LowerMyBills, the company has made a name for itself by developing innovative solutions for advertisers (brands and agencies) as well as content owners.

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EN1 executive chairman and CEO Ted Dhanik said: "2019 was a pivotal year for EN1.

"At the beginning of the year, we set out to move a mountain with just a strong plan ... I believe we moved several mountains by believing in and daily execution on that plan.

"We grew revenues 50%, grew gross margins 42%, achieved profitability and consistently signed key customers and new partnerships, previously unattainable."

Significant cost reductions

The company successfully executed several cost-saving measures, consistently, to reduce operating expenses. EN1 was able to achieve the following in 2019, over the prior year:

- Total staff costs decreased 43%; and
- Operating and administrative expenses (including tech infrastructure) reduced about 26%.

Outlook

EN1 has a healthy balance sheet, is profitable, has scaling revenue and margins and has access to significant capital.

As of today, the company is about 300% ahead of 2019 (revenue), year to date.

In January 2020, EN1 achieved nearly 281% of January 2019 revenue; EN1's February is on track to exceed January 2020, and nearly 300% of February 2019.

Management expects revenue, gross margins, EBITDA and NPAT to continue to increase in 2020 as a result of its client and partnership mix.

Head start on 2020

Dhanik added: "We now have a blank slate; we are positioned well with a strong balance sheet, key and unique partnerships and most importantly, the winning team.

"We have a head start on 2020 with about three times the revenue we had this time last year; we're focused on keeping that momentum growing. I'm looking forward to enjoying greater wins with you in 2020!"

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