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Trading Update

ARR Reaches $16.3 Million
SME Platform Gaining Rapid Organic Traction

Adveritas Limited (**Company** or **Adveritas**) (**ASX: AV1**), global digital marketing anti-fraud specialists with flagship software, TrafficGuard™, is pleased to provide the following trading update.

Key Highlights

- **Annualised recurring revenue (ARR)** has reached **$16.3 million**, an increase of 8% from $15.08 million in approximately 2 months from 31 March 2026. Since March 2024, ARR has grown by circa 205% (over 100% per annum).
- **SME self-serve platform** is rapidly scaling through organic growth, and is expected to accelerate further following the commencement of paid marketing in June 2026, and additional growth opportunities via potential strategic partnerships.
- **North American growth** is diversifying beyond sports betting and gaming, with the majority of new ARR added in the June 2026 quarter to date derived from US based strategic partnerships and US customers in the agency, e-commerce and retail verticals.
- **E-commerce opportunity**: global digital advertising spend in the e-commerce segment is estimated to exceed US$230 billion annually[(1)], with invalid traffic (IVT) estimated to waste 20-25% of programmatic budgets[(2)], representing a significant market for TrafficGuard's core protection capabilities.
- **Growing use of AI** is accelerating demand for TrafficGuard's solutions as increasingly sophisticated AI-driven bot fraud expands both the scale of the ad fraud problem and the Company's total addressable market.

ARR Growth

Annualised recurring revenue has reached $16.3 million, representing 8% growth from $15.08 million at 31 March 2026.

This growth has been achieved within the first two month of the June 2026 quarter, with the remainder of the quarter expected to benefit from the commencement of targeted marketing of TrafficGuard's SME self-serve platform combined with continued conversion of the enterprise customer pipeline across North America and key international markets.

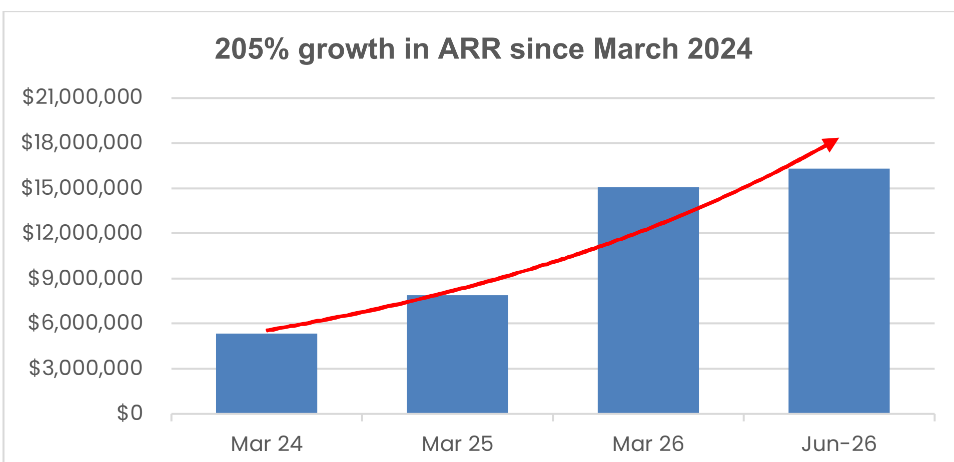
The ARR trajectory reflects the compounding effect of the Company's multi-channel strategy.

Since March 2024, ARR has grown by circa 205% (over 100% per annum), driven by:

- consistently winning enterprise contracts across sports betting and gaming;
- increasing wins within e-commerce; and
- growing contributions from agency and strategic partnerships.

Chart 1 below illustrates the ARR growth trajectory, with the June 2026 data point reflecting the current position.

Chart 1: ARR growth trajectory



SME Self-Serve Platform: Organic Traction Ahead of Expectations

Since its launch on 1 April 2026 (see ASX announcement dated 1 April 2026), the TrafficGuard SME self-serve platform has demonstrated compelling early product-market fit.

- **652 sign-ups** registered with the platform to date;
- **250 account connections**, representing advertisers who have commenced a trial and connected their payment method (38% conversion rate from sign-up to trial);
- **54 billable accounts** now active as paying subscribers (**22% conversion rate** from trial to billing and **8% overall conversion rate** from sign-up to billing); and
- **120 advertisers currently on active trial** under the 30-day free trial period, providing a strong pipeline of near-term conversion opportunities not yet reflected in billable account numbers.

Critically, these strong conversion rates have been achieved through organic discovery only, with no paid marketing initiatives to date.

This organic traction demonstrates that SME advertisers are actively seeking TrafficGuard's protection capabilities and finding the platform without promotional assistance, validating both the product proposition and the scale of unmet demand in the SME market.

SME channel outlook

During the June 2026 quarter, the Company intends to roll out several new initiatives expected to progressively increase both the breadth of the addressable market and the average revenue per subscriber, including:

- tiered pricing
- Meta advertising protection, and
- strategic channel partnerships with Tier 3 and Tier 4 agencies.

The Company plans to start a structured marketing program for the SME platform in June 2026. This program is designed to systematically increase awareness, drive qualified traffic to the self-serve portal, and improve conversion rates at each stage of the funnel. Based on the organic conversion rates observed to date, the Company expects marketing investment to generate a significant increase in billable accounts in the June and September 2026 quarters.

The Company is also progressing potential strategic partnership arrangements with Tier 3 and Tier 4 digital media agencies and with commercial partners holding substantial, established SME customer bases. These partnerships are expected to provide scalable, lowcost distribution channels for the TrafficGuard SME platform, enabling the Company to access large pools of qualified SME advertisers without incurring the full cost of direct-to-consumer acquisition at scale.

North American Expansion: Vertical Diversification Accelerating

The majority of new ARR added in the June 2026 quarter to date has been derived from new US-based organisations outside of the Company's established sports betting and online gaming core. This is a significant development, reflecting the successful execution of the Company's vertical diversification strategy and the growing recognition of TrafficGuard's capabilities among US digital marketing teams and agencies across a broader range of industries.

E-commerce is emerging as a particularly important growth vertical for the Company. Global ecommerce digital advertising is one of the largest and fastest growing advertising categories in the world, with annual spend estimated at over US$230 billion[1]. Within this segment, programmatic advertising, which is most exposed to invalid traffic and click fraud, accounts for an increasing share of total spend. Market estimates are that 20-25% of programmatic advertising budgets are wasted on invalid traffic[2], representing a direct, measurable financial loss that TrafficGuard's platform is uniquely positioned to address.

For a global e-commerce advertiser spending US$10 million annually on programmatic campaigns, TrafficGuard's protection could potentially recover or redirect US$2-2.5 million of wasted spend, delivering a return on investment that is both immediate and quantifiable. This return on investment is a compelling sales proposition that the Company is leveraging systematically in its North American go-to-market activity with further growth in the Company's pipeline across retail and e-commerce in North America expected in the remainder of the June 2026 quarter.

Why the United States is a Critical Market

The United States represents the world's largest digital advertising market, with annual spend exceeding US$300 billion and forecast to surpass US$400 billion by 2028[3].

The US market is also characterised by its depth across verticals with e-commerce, financial services, travel, healthcare and retail each representing multi-billion dollar advertising categories in which TrafficGuard's technology will be able to deliver quantifiable return on investment.

Beyond market size, the US is a critical strategic market because US-headquartered enterprises typically operate global campaigns, which means that a US enterprise contract frequently generates multi-geography protection requirements, expanding contract values and deepening platform integrations.

AI Expanding Total Addressable Market and Operational Leverage

AI Increases Demand for TrafficGuard's Solutions

Artificial intelligence (AI) is dramatically accelerating the sophistication, scale, and cost-efficiency of bot fraud and invalid traffic generation. As AI-powered bots become more human-like in their behaviour, more difficult to detect through rule-based systems, and cheaper to deploy at scale, the volume and complexity of invalid traffic grows. However, as outlined in the Company's comprehensive AI strategy (see ASX announcement dated 26 February 2026), TrafficGuard is structurally advantaged in an environment of accelerating AI adoption, not threatened by it. Consequently, the Company is experiencing an increase in its global total addressable market.

The Company's multi-layered detection engine, incorporating device fingerprinting, behavioural analysis, and proprietary machine learning models trained on billions of data points, is specifically designed to identify and respond to the kind of AI-driven, adaptive fraud that increasingly characterises the threat landscape. TrafficGuard's platform improves as fraud evolves, creating a durable and compounding competitive advantage.

Commentary from Co-founder and CEO, Mathew Ratty

"The June 2026 quarter is tracking ahead of our expectations across multiple dimensions.

ARR has grown to $16.3 million, an 8% uplift from the $15.08 million we reported at the end of March, and we are only halfway through the quarter.

The early traction in our SME self-serve platform is genuinely exciting: 652 sign-ups, 250 account connections, and 54 billable accounts, all achieved without a single dollar of paid marketing spend. The organic discovery of TrafficGuard demonstrates real product-market fit and gives us significant confidence in the conversion uplift we expect when our marketing programs begin in June.

Simultaneously, our US operations are delivering the vertical diversification we have been building towards, with new verticals now contributing meaningfully alongside our established sports betting and gaming base.

Our AI strategy continues to compound in our favour, as automated bot fraud grows in sophistication, our total global addressable market and the proprietary value of TrafficGuard grows with it. We are very well placed for a strong second half of the 2026 calendar year."

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

-ENDS-

Footnotes:

1. Statista / DataReportal, *Digital 2025: Global Advertising Trends* (5 February 2025). Online retail platform advertising accounted for 21.2% of global digital ad spend in 2024, with total global digital ad spend of approximately US$1.1 trillion — implying global ecommerce/retail media advertising of approximately US$230 billion. Available at: https://datareportal.com/reports/digital-2025-sub-section-global-advertising-trends
2. Pixalate, *Q4 2025 Global Invalid Traffic (IVT) & Ad Fraud Benchmark Reports* (March 2026). Based on analysis of over 103 billion global programmatic advertising impressions in Q4 2025, Pixalate found global IVT rates of 23% for web traffic, 21% for connected TV (CTV) traffic, and 36% for mobile app traffic. Pixalate is accredited by the Media Rating Council (MRC) for the detection and filtration of Sophisticated Invalid Traffic (SIVT). Available at: https://www.globenewswire.com/news-release/2026/03/09/3251883/0/en/Pixalate-Releases-Q4-2025-North-America-Invalid-Traffic-IVT-Ad-Fraud-Benchmarks-Connected-TV-CTV-IVT-Rate-in-United-States-at-19.html
3. eMarketer / Oberlo, *Digital Ad Spend* (updated August 2024). US digital ad spend was estimated to be US$298.4m in 2024 and US$324.9m in 2025, and is forecast to continue growing to US$402.1m in 2028. Available at: https://www.oberlo.com/statistics/us-digital-ad-spending

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Adveritas

ABOUT US

Adveritas

Adveritas Ltd (ASX: AV1) is a pioneering technology company that is revolutionising the advertising technology space. As the parent company of TrafficGuard Pty Ltd Adveritas focuses on leveraging big data and AI to solve some of the most critical challenges in digital advertising, such as ad-fraud prevention and performance optimisation.

The Company is strongly positioned at the intersection of AI and advertising technology, offering cutting-edge software solutions that help businesses optimise their advertising spend and improve campaign performance. With a portfolio of industry-leading products like TrafficGuard, Adveritas is actively capturing a share of the rapidly growing ad tech market, where demand for intelligent, data-driven solutions is skyrocketing.

For more information, visit https://www.adveritas.com.au/

TrafficGuard

TrafficGuard, the ad verification platform from Adveritas, is transforming how businesses protect their digital advertising spend from fraud and optimise campaign performance. TrafficGuard provides real-time protection across Google PPC, mobile app user acquisition campaigns, affiliate networks, and social media platforms.

TrafficGuard's technology proactively detects and blocks invalid traffic, ensuring that ad spend is directed towards real, high-value users. The platform's ability to safeguard campaign data integrity and deliver actionable insights is trusted by leading global brands, including Disney Streaming, Tabcorp, William Hill, Singtel, and Coinbase.

As the only PPC verification vendor admitted to the Google Cloud Marketplace, TrafficGuard is positioned for significant growth within the rapidly expanding ad tech market.

For more information, visit www.trafficguard.ai

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.