

HALF YEAR RESULTS UPDATE

Dreamscape Networks Limited (ASX:DN8) is pleased to provide the following results update for the six months to 31 December 2018, following the "Trading Update" released to the ASX on 31 December 2018.

While the financial results for the half year are still subject to audit review, with the Appendix 4D Half Year Report expected to be released on or around 22 February 2019, the Board has reasonable grounds based on the Group's management accounts to provide shareholders with the following guidance:

Non IFRS Measures

Bookings (cash based revenue) are expected to be reported at **\$36 million** for the six months to 31 December 2018, **up \$6.0 million (+20%)** on 1HFY18 (\$30 million).

Adjusted EBITDA¹ is expected to be in the range of **\$4.8 million to \$5.0 million** for the six months to 31 December 2018, **up \$1.6 to \$1.8 million (+50% to +56%)** on 1HFY18 (\$3.2 million).

IFRS Measures

Revenue is expected to be reported at **\$35.1 million** for the six months to 31 December 2018, **up \$5.8 million (+19.8%)** on 1HFY18 (\$29.3 million).

Statutory EBITDA is expected to be in the range of **\$4.2 million to \$4.4 million** for the six months to 31 December 2018, **up \$2.2 to \$2.4 million (+110% to +120%)** on 1HFY18 (\$2.0 million).

Statutory Net Profit After Tax is expected to be in the range of **\$1.45 million to \$1.65 million** for the six months to 31 December 2018, **up \$0.70 to \$0.90 million (+93% to +119%)** on 1HFY18 (\$0.75 million).

As the above results show, the Company is making solid progress with its integration of acquisitions and operations set out in previous ASX releases. As previously announced, the full cost synergies of both the acquisition strategy and operational consolidation are expected to be realised in the 2020 financial year. However, the Board is very pleased with the progress that has been made in the second half of FY18 and now 1HFY19.

The Australian market place remains flat, however the underlying Crazy Domains domestic business made modest improvements in the first half with Bookings contributing 5% of the increase. The majority of growth of 15% has come from acquisitions in Australia and South East Asia. The Company remains in a strong market share and financial position and is executing on its strategy to be the #1 Online Solutions Provider in Australia and South East Asia.

Further details of the Company's results will be contained in the half year report.

Notes

- (1) Adjusted EBITDA is a Non-IFRS cash-based financial measure of DN8's performance that aligns with the Group's Bookings and operating expenditures to evaluate the core operating profitability of the Group's business. Adjusted EBITDA is calculated using the Statutory EBITDA calculation, primarily adjusted for the change in deferred revenue so as to include total Bookings, the change in the deferred costs associated with the total Bookings, and excluding the non-cash equity-based expenses including share-based compensation, Unrealised Foreign currency exchange losses/gains, transaction expenses and non-core one off expenses.

For more information, please contact

Mark Evans – Managing Director & CEO, or

Tony Sparks – Group Finance Director

 +61 8 9422 0894

 investor.relations@dreamscapenetworks.com

About Dreamscape Networks Limited

Dreamscape Networks Limited is a trusted and affordable online solutions provider of domain names, hosting and technology solutions and owns Australia's #1 domain brand Crazy Domains, Singapore's #1 domain and hosting brand Vodien Internet Solutions and recently launched Sitebeat.com, an easy-to-use website builder platform.

The Dreamscape Networks Group offers affordable and easy to use online solutions that help businesses and independents establish, build, maintain and grow their online presence. Our solutions are innovative, user-friendly and engineered across all platforms embracing intuitive design and backed by our focus on best in world premium service.

Vision

Providing simple, innovative and affordable online solutions that change lives

Learn more at www.dreamscapenetworks.com, www.crazydomains.com and vodien.com and sitebeat.com.

