

For Immediate Release

CYDigital Using Blockchain to Supplant Search and Social Advertising

New Company to Directly Compete Against Major Platforms

Burlingame, CA – December 4, 2018 - CYDigital, Inc., headquartered in Burlingame, CA, has formally launched in the U.S. with the objective of displacing search and social advertising as the new vehicle to reach specific consumers with specific offers at the time when consumers are most interested: when they are looking online at similar products. CYDigital's solution is a blockchain-based, smart contract-enabled platform that is powered by its CYD token ("CYDT").

Google and Facebook control the vast majority of the U.S. digital advertising market,¹ yet ads are mistimed and mistargeted. These online giants offer consumers little to no protection for their data. They gather it, sell it, and exploit it all without consumer permission, control, or revenue sharing. In the last year, more than 25% of all Facebook users and 44% of those users 18 to 29 have deleted the app from their phones due in large part to privacy concerns.²

Through CYDigital, consumers will be able to control and benefit from their online activity while advertisers receive the Holy Grail they've long been seeking – a way to present timely, focused, results-driven ads to consumers who want to receive their promotions.

"For advertisers, CYDigital can supplant search or social advertising because it is a far more targeted means to reach consumers who actually don't mind viewing ads that deliver value. And in the era of privacy invasion, intrusive ads and GDPR-like constraints, CYDigital's timing could not be better," said Joe Rizzo, CEO and co-Founder of CYDigital.

¹Margaret Boland, *The US Digital Media Ad Revenue Report: The path to \$100 billion in annual revenue by 2021*, Business Insider Intelligence (Aug. 16, 2016, 2:32 PM), <u>https://intelligence.businessinsider.com/analysts/margaret-boland</u>. ² Rani Molla, *More Than a Quarter of Americans Say They've Deleted Facebook App From Their Phones*, Recode (Sep. 5, 2018, 5:33 PM EDT), <u>https://www.recode.net/2018/9/5/17824116/delete-facebook-mark-zuckerberg-social-media-break-time-well-</u>



According to research published by the DMA, Acxiom and Future Foundation, 80 percent of consumers believe that personal data is their property and that they should be able to trade it as they see fit.³

"We are giving consumers a completely different model, changing advertisements from something that happens to them into something they anticipate and look forward to," said John Rizzo, CTO and co-Founder of CYDigital.

As consumers capture all activities into their "digital picture," they will be able to make their picture available to advertisers, and in the process, benefit in 5 different ways:

- Earning CYDT through active program participation;
- Sharing in advertising revenue by making themselves available to advertiser's offers;
- Earning CYDT by referring friends and family members;
- Receiving deeply discounted and unique offers from advertisers;
- Apply their CYDT earnings to advertiser offers (think "GroupOn for the blockchain").

In return, advertisers will receive access to highly desired consumers who actually want to see their advertisements, will receive better information about those consumers, and will be able to reach those consumers at the perfect time: when the consumer is looking at competing items.

Led by a seasoned team of technology and marketing experts with a solid track record of tech startups, CYDigital aims to build the platform and drive Consumer adoption to seven million consumers and over 1,000 advertisers during the first 36 months of operation. CYDigital anticipates launching its solution by mid-2019. CYDigital will soon be conducting a private securities offering to accredited investors under Rule 506(c) of Regulation D of the Securities Act of 1933 to raise capital to continue building the CYDigital Platform.

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³ Acxiom, *Data Privacy: What the Consumer Really Thinks*, June 2015 at 5, <u>https://dma.org.uk/uploads/ckeditor/Data-privacy-2015-what-consumers-really-thinks_final.pdf</u>.



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Figure 1: CYDigital Explainer Video

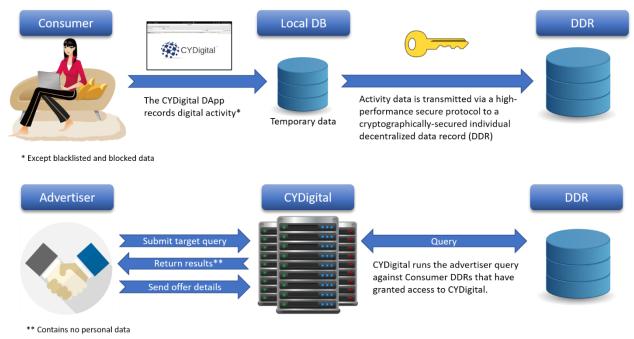


Figure 2: CYDigital's Technology Overview



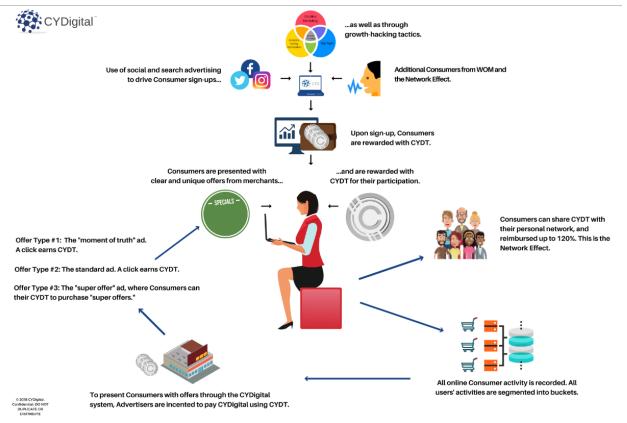


Figure 3: The CYDigital Process



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Investors and others should note that CYDigital announces material financial information to its investors using press releases and SEC filings. CYDigital also intends to use the following social media channels as a means of disclosing information about CYDigital, its services and other matters and for complying with its disclosure obligations under the federal securities laws:

- Twitter: https://twitter.com/CYD_digital
- LinkedIn: https://www.linkedin.com/company/cyddigital/

The information that CYDigital posts through these social media channels may be deemed material. Accordingly, investors should monitor these accounts, in addition to following CYDigital's press releases and SEC filings. This list may be updated from time to time.

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