



## Ackroo Releases Q2 2023 Financial Results

**Ackroo delivers 9% YTD YoY revenue growth and 20% YTD EBITDA as a percentage of revenue**

HAMILTON, Ontario, Aug. 04, 2023 -- [Ackroo Inc.](#) (TSX-V: AKR; OTC: AKRFF) (the "Company"), a loyalty marketing, payments and point-of-sale technology and services provider, has filed its financial results for the period ended June 30, 2023. The results for the period ended June 30<sup>th</sup>, 2023 reflect 9% year to date year over year revenue growth and 2% year over year quarterly growth. The Company achieved a 5% increase in subscription revenue growth over the same period last year which now has year to date subscription revenue growth at 12%. The Company delivered \$241,838 of positive adjusted EBITDA during the quarter which now has year to date adjusted EBITDA at \$693,263 representing 20% of total revenues. The Company is very encouraged by these positive trends and expects continued success in the quarters ahead.

The complete financial results for Ackroo, along with management's discussion and analysis for the quarter ended June 30, 2023, are available under the profile for the Company at [www.sedar.com](http://www.sedar.com). Highlights include:

### H1 2023 vs. 2022:

	H1 2023 TOTALS	H1 2022 TOTALS	+/- % Change
Total Revenue	\$3,436,327	\$3,139,992	+ 9%
Subscription Rev	\$3,021,865	\$2,700,840	+ 12%
Gross Margins	\$3,159,372 (92%)	\$2,890,352 (92%)	+ 9% (+0%)
Adjusted EBITDA	\$693,263	\$554,868	+ 25%
EBITDA % of Rev	20%	18%	+ 2%

### Q2 2023 vs. 2022:

	Q2 2023 TOTALS	Q2 2022 TOTALS	+/- % Change
Total Revenue	\$1,610,841	\$1,583,497	+ 2%
Subscription Rev	\$1,408,666	\$1,347,353	+ 5%
Gross Margins	\$1,463,561 (91%)	\$1,496,716 (95%)	-2% (-4%)
Adjusted EBITDA	\$241,838	\$312,307	-29%
EBITDA % of Rev	15%	20%	-5%

"We are very happy with the continued growth and our strong adjusted EBITDA and general business management we are delivering," said Steve Levely, CEO of Ackroo. "To start the year, we had a goal of double-digit growth while maintaining a 20% plus adjusted EBITDA business, so it is great to see us half way through the year and on track to deliver. We also had aggressive goals to clear various debts and liabilities in the business to further improve the balance sheet where we were happy to have fully paid off a large debt settlement agreement at the end of June while also paying off the full balance of payments owed to our acquisition of Simpliconnect. Those two payments total more than \$1 million of debt/liability paid off during the period leaving us with just our loan from BDC as the only material debt that Ackroo has to service. On the Simpliconnect front we took significant steps forward in the normalization of that new business with many operational changes and the advancement of the technology in areas like brand loyalty which is an exciting new area for Ackroo. We also made sure to advance our core AckrooMKTG platform with more data being provided and advancing tools within the Ackroo self-serve program console used by our merchants. We took our first steps into Artificial Intelligence "AI" into our product with the introduction of code completion and code generation tools. These tools allow us to drastically increase our speed by automatically completing certain code writing tasks in order to enhance various functionalities in our technology. In the future we foresee us implementing AI tools to provide predictive insights for merchants to help guide them with their loyalty marketing efforts so an exciting next step for Ackroo. We did all this while still managing a strong EBITDA as a percentage of revenue and growing our recurring and total revenues. We finished the quarter with a continued focus on capital allocation where in looking at our growing M&A funnel we realized the best opportunity for our next acquisition is actually our own stock. As we continue to generate cash for the business, we recognized buying back our own stock right now would be a wise use of capital and so for the first time we initiated an NCIB. We are very pleased with our first half of 2023 results and are looking forward to a very strong second half of the year."

### About Ackroo

Through vendor and industry consolidation, Ackroo provides marketing, payment and point-of-sale solutions for merchants of all sizes. Ackroo's self-serve, data driven, cloud-based marketing platform helps merchants in-store and online process and manage loyalty, gift card and promotional transactions at the point of sale. Ackroo's payment services provide merchants with low-cost payment processing options through some of the world's largest payment technology and service providers. Ackroo's hybrid management and point-of-sale solutions help manage and optimize the general operations for niche industry's including

automotive dealers and more. All solutions are focused on helping to consolidate, simplify and improve the merchant marketing, payments and point-of sale ecosystem for their clients. Ackroo is headquartered in Hamilton, Ontario, Canada. For more information, visit: [www.ackroo.com](http://www.ackroo.com).

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**Forward Looking Statements**

This release contains forecasts and forward-looking statements that are not guarantees of future performance and activities and are subject to risks and uncertainties. The Company has based these forward-looking statements on assumptions and assessments made by its management in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate. Important factors that could cause actual results, developments and business decisions to differ materially from those anticipated in these forward-looking statements include, but are not limited to: the Company's ability to raise enough capital to support the Company's go forward plans; the overall global economic environment; the impact of competition and new technologies; general market, political and economic conditions in the countries in which the Company operates; projected capital expenditures and liquidity; changes in the Company's strategy; government regulations and approvals; changes in customers' budgeting priorities; plus other factors that may arise. Any forward-looking statements in this press release are made as of the date hereof, and the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

*\*"Adjusted EBITDA" is a non-International Financial Reporting Standard (IFRS) measure, and does not have a standardized meaning prescribed by IFRS. Adjusted EBITDA is calculated as net income (loss) excluding interest, taxes, depreciation and amortization, or EBITDA, as adjusted for share-based compensation and related expenses and foreign exchange gains and losses. A complete reconciliation of this amount to net income (loss) for the corresponding period is available in managements' discussion and analysis.*