



Ackroo Releases Q1 2024 Financial Results

Ackroo delivers 12% YoY adjusted EBITDA growth

HAMILTON, Ontario, May 23, 2024 -- [Ackroo Inc.](#) (TSX-V: AKR; OTC: AKRFF) (the "Company"), a gift card, loyalty marketing, payments and point-of-sale technology consolidator and services provider, has filed its financial results for the period ended March 31, 2024. The Company is pleased to report quarterly revenues of \$1,547,417, recurring subscription revenue of \$1,425,369, and adjusted EBITDA of \$505,705. The total and subscription revenues declined by 15% and 12% respectively year over year primarily from the divestiture of their GGGolf business on March 31st, 2023 however adjusted EBITDA has increased by 12% year over year representing 33% of total revenues. The Company delivered these results, paid off the debt obligation associated with the acquisition of GiftFly, completed the bulk of the Simpliconnect migration work and continued to streamline and optimize operations for further scale.

The complete financial results for Ackroo, along with management's discussion and analysis for the quarter ended March 31, 2024, are available under the profile for the Company at www.sedarplus.ca. Highlights include:

Q1 2024 vs. Q1 2023:

	Q1 2024 TOTALS	Q1 2023 TOTALS	+/- % Change
Total Revenue	\$1,547,417	\$1,825,486	- 15%
Subscription Rev	\$1,425,369	\$1,613,199	- 12%
Gross Margins	\$1,387,716 (90%)	\$1,607,583 (88%)	+ 1%
Adjusted EBITDA	\$505,705	\$451,424	+ 12%
EBITDA % of Rev	33%	25%	+ 8%

"We had a very busy quarter integrating both of our 2023 acquisitions, further streamlining of operations and keeping a close eye on our earnings," said Steve Lively, CEO of Ackroo. "We knew we had lots to accomplish, while also being aware that Q1 revenues would be lower than Q4 seasonality wise and certainly much lower than Q1 2023 with the GGGolf revenue out. What we didn't expect was a drop in one-time revenue orders in Q1. Our merchants simply ordered fewer additional items and our sales team won less deals in Q1 than previous quarters. We fortunately have seen a bounce back in early Q2 on both fronts and we have made a number of cost savings adjustments to compensate for it. In turn, between where the business was to start the year and the adjustments made during the period, afforded us another great earnings quarter. We delivered one of our highest adjusted EBITDA as a percentage of revenue quarter in Company history, delivering a great 33%, which resulted in a 12% year over year EBITDA growth quarter. We believe EBITDA management is key to our future growth plans, so we plan to continue to manage and optimize for earnings so that we drive quarter over quarter growth in that area."

The Company also announces that BDC Capital has agreed to extend their current loan term an additional 3 months. Currently Ackroo has an existing loan facility with a balance of \$3,000,000 that matures on June 21, 2024, however, BDC Capital and Ackroo have mutually agreed to extend the maturity date to September 15, 2024.

About Ackroo

As an industry consolidator, Ackroo acquires, integrates and manages gift card, loyalty marketing, payment and point-of-sale solutions used by 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 acquisition of payment ISO's affords Ackroo the ability to resell payment processing solutions to their growing merchant base through some of the world's largest payment technology and service providers. As a third revenue stream, Ackroo has acquired certain custom software products, including hybrid management and point-of-sale solutions that help manage and optimize the general operations for niche industries, 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.

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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.