Zoomd Reports Record Fourth Quarter and Fiscal 2021 Financial Results, with a record of $53M revenues. Expects Fiscal 2022 Revenues of $74M to $80M

Conference call will be held on Monday May 2nd at 11:00AM ET

VANCOUVER, BC, May 2, 2022 /CNW/ — Zoomd Technologies Ltd. (TSXV: ZOMD) (OTC: ZMDTF) and its wholly-owned subsidiary Zoomd Ltd. (collectively, "**Zoomd**" or the "**Company**"), the marketing technology (MarTech) user-acquisition and engagement platform, today reported its financial results for the fourth quarter and fiscal year ended December 2021. The Company's audited financial statements and management discussion and analysis ("**MD&A**") for the year ended December 31, 2021, are available on SEDAR under the Company's profile.

ZOOMD
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Fiscal 2022 Outlook

Zoomd expects revenues growth in fiscal 2022 to be in a range of $74M to $80M, representing a year-over-year growth of up to approximately 50%. The outlook is based on certain assumptions, each of which management considers to be reasonable which are set out in the MD&A.

Key Highlights

- 4Q21 revenues increased 183% YOY, to a quarterly record of $18.7M, being the fifth

consecutive quarter of growth
- FY2021 revenues increased 107% YOY, to a record of $52.6M
- Strong revenue results were driven primarily by the onboarding of new clients in recent months, growth in spending of legacy clients and expansion into growth geographies such as Latin America and Asia
- Clients are continuing to increase their budgets with Zoomd
- Achieved record positive Adjusted EBITDA of $5.8M during FY2021, the highest level as a public company[1], which leads to $8.4M adjusted EBITDA increase YOY
- Operating profit was $3M for FY2021 compared to an operating loss of $5.2M in FY2020, primarily as a result of increased revenue
- Achieved positive cash flow from operations of $3.8M in FY2021
- Ended FY2021 with a cash balance of $5.2M and no long-term debt
- Apple's iOS14+ privacy changes helped drive new customers to Zoomd's platforms

Management Commentary

4Q21 was another record quarter for Zoomd, which capped off a record year in FY2021. During 2021, we continued focusing our efforts on diversifying our client base, both in sectors and geographies. We were successful in securing top tier clients in hypergrowth sectors such as Fintech, Gaming, iGaming, and Ecommerce. In addition, we are seeing a surge in budgets from our legacy clients, as the post-pandemic recovery continues. The strong revenue growth is producing solid positive adjusted EBITDA and cash flows, demonstrating the leverage in our business model.

The strong momentum from 2021 has sustained in 2022. Our clients are continuing to succeed and increase their budgets with us, and we have a strong pipeline of new customers. In addition, in March of 2022, we announced the acquisition of Albert, a U.S.-based artificial intelligence marketing platform for advertisers, driving fully autonomous digital campaigns for some of the world's leading brands. Adding several Fortune 500 customers that will now be able to use our products and services. Our visibility into revenues going forward has a good prospect, and that is why we are introducing our 2022 revenue guidance range of $74M to $80M, which represents up to approximately 50% year over year growth.

"We are excited to announce our 2021 achievements and 2022 revenue guidance, as we see continued strong demand for our user-acquisition activities from both new and existing clients" said Ofer Eitan, Zoomd's CEO. "Our talented team and innovative platforms are continuing to provide strong ROI for our clients all over the globe, resulting increased allocation of advertising budgets. Zoomd is taking share in the growing marketing technology space and expects to accelerate that share gain in 2022".

[1] "Adjusted EBITDA" is a NON-IFRS financial measure. See "Caution Regarding Non-IFRS Financial Measures".

Fourth Quarter 2021 Highlights (All Figures in Thousands in USD)

- For the three months ended December 31, 2021, revenues were $18,691, as compared to $6,609 for the three months ended December 31, 2020, an increase of approximately 183% year-over-year. The increase in revenues is primarily the result of customer acquisitions in the growth sectors such as fintech and E-gaming as well as expansion in new geographies such as Latin America. In addition, our existing customers have allocated in increasing portion of their user acquisition budgets to Zoomd, as they have witnessed strong ROI on their spending.
- Gross profit margin was 30% for the three months ended December 31, 2021, versus 33% for the same period last year, reflecting more social media advertising portion that is known to be with lower profit margins.
- Research and Development (R&D) expenses for the three months ended December 31, 2021 were $970, a 16% decrease YOY, primarily reflecting the capitalization of software development costs.
- Selling, General and Administrative (SG&A) expenses for the three months ended December 31, 2021 were $2,612, a 43% increase YOY, primarily reflecting increases in sales department bonuses as the result of increased revenues, and the expenses incurred as a result of new employees joining the company mainly after the acquisition of Performance Revenues.
- Adjusted EBITDA for the three months ended December 31, 2021 was $2,739 as compared with Adjusted EBITDA loss of ($144) for the three months ended December 31, 2020, an increase of $2,883. The improvement in the Adjusted EBITDA is primarily attributed to the significant increase revenue growth.
- Operating profit was $2,060 for Q4 2021 compared to an operating loss of $806 in Q4 2020, primarily as a result of increased revenue.
- As of December 31, 2021, the Company’s cash and cash equivalents amounted to $5.2 million, and no debt.

Fiscal Year 2021 Highlights (All Figures in Thousands in USD)

- For the fiscal year ended December 31, 2021, revenues were $52,585, as compared to $25,423 for the fiscal ended December 31, 2020, an increase of approximately 107% year-over-year. The increase in revenues is a result of customer acquisitions in the growth sectors such as fintech and E-gaming as well as expansion in new geographies such as Latin America.
- Gross profit margin was 31%, same as in 2020.
- Research and Development (R&D) expenses for the fiscal year ended December 31,

2021 were $4,221, a 29% decrease YOY, primarily reflecting the capitalization of software development costs.

- Selling, General and Administrative (SG&A) expenses were $9,066, a 25% increase YOY, primarily reflecting increases in sales department bonuses as the result of increased revenues, new employees and the expenses incurred as a result of the Performance Revenues acquisition.
- Adjusted EBITDA for the fiscal ended December 31, 2021 was $5,767 as compared with Adjusted EBITDA loss of ($2,601) for fiscal year ended December 31, 2020. The improvement in the Adjusted EBITDA is primarily attributed to the significant increase revenue growth.
- Operating profit was $3,004 for 2021 compared to an operating loss of $5,248 in 2020, primarily as a result of increased revenue.

GENERAL MARKET AND PLATFORMS NOTES:

SaaS and Self Serve products:

During 2021, the company has accomplished the planed milestones for the launch of its self-serve products. The milestones include the launch of the beta version, onboarding design partners and soft launches.

Zoomd's products use various business models based on performance, transparency and SaaS-based solutions. These products feature fully self-managed options in different media channels. In addition, the recent acquisition of Albert by the Company provides further strengthening for Zoomd's future growth plans.

Apple iOS 14 + and general market privacy changes:

During 2021 and following Apple's privacy changes, user acquisition costs kept on rising on Facebook, Google and other global internet leaders. Zoomd's platform and business logic of a wide range and variety of media integrations using a single platform drove new customers to try new and different media channels rather than the common global social media channels. Using the Zoomd platform, customers can drive customer acquisition in new media channels to lessen the impact of the recent privacy change.

Conference Call

Amit Bohensky, Founder and Chairman, will hold a conference call to discuss the quarter's financial results at 11:00 a.m. (Eastern Time) on May 2, 2022.

Interested parties can listen via a live webcast, from the link available in the Investors section of the Company's website at https://zoomd.com/investors/ or at

https://app.webinar.net/BQ5o4odDrVP.

A replay will be available after the call, in the Investors section of the Company's website at https://zoomd.com/investors/ or via https://app.webinar.net/BQ5o4odDrVP.

About Zoomd:

Zoomd (TSXV: ZOMD, OTC: ZMDTF), founded in 2012 and began trading on the TSX Venture Exchange in September 2019, offers a site search engine to publishers, and a mobile app user-acquisition platform, integrated with a majority of global digital media, to advertisers. The platform unifies more than 600 media sources into one unified dashboard. Offering advertisers, a user acquisition control center for managing all new customer acquisition campaigns using a single platform. By unifying all these media sources onto a single platform, Zoomd saves advertisers significant resources that would otherwise be spent consolidating data sources, thereby maximizing data collection and data insights while minimizing the resources spent on the exercise. Further, Zoomd is a performance-based platform that allows advertisers to advertise to the relevant target audiences using a key performance indicator-algorithm that is focused on achieving the advertisers' goals and targets.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.

CAUTION REGARDING NON-IFRS FINANCIAL MEASURES

This press release refers to "Adjusted EBITDA" which is a non-IFRS financial measure that does not have a standardized meaning prescribed by IFRS. The Company's presentation of this preliminary financial measure may not be comparable to similarly titled measures used by other companies. This preliminary financial measure is intended to provide additional information to investors concerning the Company's estimated results. Adjusted EBITDA is defined as earnings before interest, tax, depreciation and amortization, as adjusted for share-based payments, and is a measure of a company's operating performance. Essentially, it's a way to evaluate a company's performance without having to factor in financing decisions, accounting decisions or tax environments.

Management uses this non-IFRS measure as a key metric in the evaluation of the Company's performance and the consolidated financial results. The Company believes Adjusted EBITDA is useful to investors in their assessment of the operating performance and the valuation of the Company. However, non-IFRS financial measures are not prepared in accordance with IFRS, and the information is not necessarily comparable to other companies and should be considered as a supplement to, not a substitute for, or superior to, the corresponding measures calculated in accordance with IFRS. A reconciliation of Adjusted EBITDA and

operating profit is available in Zoomd's MD&A located on the Company's profile at www.sedar.com which is incorporated by reference into this press release.

DISCLAIMER IN REGARD TO FORWARD-LOOKING STATEMENTS

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to Zoomd's 2022 revenue outlook, its future ability to successfully continue its growth, its ability to continue to deliver products and services largely unimpacted by the privacy updates undertaken (or will be undertaken in the future) by Google and Apple as well as its ability to continue expanding into new geographies and industries. Forward-looking statements are based on our current assumptions, estimates, expectations and projections that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors that may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, technological, legal, privacy matters, political and social uncertainties (including the impacts of the COVID-19 pandemic and the current war in Ukraine), the extent and duration of which are uncertain at this time on Zoomd's business and general economic and business conditions and markets. There can be no assurance that any of the forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether because of new information, future events or otherwise, except as required by law.

The reader should not place undue importance on forward-looking information and should not rely upon this information as of any other date. All forward-looking information contained in this press release is expressly qualified in its entirety by this cautionary statement.

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