

Zoomd Technologies Reports First Quarter 2024 Financial Results

Conference call will be held on May 30, 2024 at 11AM ET

VANCOUVER, BC, May 30, 2024 — 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 three months ended March 31, 2024. The Company’s financial statements and management discussion and analysis (“**MD&A**”) are available on SEDAR+ under the Company’s profile.



Key Financial Highlights

- Although the Company discontinued several operations that no longer aligned with the Company’s vision, the Company succeeded in increasing revenues by 1% versus Q1.23 and 16% compared to the previous quarter.
- Last year strategic measures implemented by the Company’s management team, led to Adjusted EBITDA^[1] of \$1.2M in Q1.24, a \$1M increase versus Q1.23.
- Net income of \$0.5M in Q1.24, after six consecutive quarters with a net loss.
- Ended Q1.24 with a cash balance of \$2.3M and no long-term debt.

Management Commentary

Ido Almany, CEO of the Company stated, “In the first quarter of 2024, we continued to successfully navigate the challenging macroeconomic environment, making necessary

adjustments to our day-to-day operations. The diligence of our management in thoroughly implementing the refocusing measures announced last year, allowed us to achieve these outstanding results.

We grew revenue by 16% compared to Q4 of 2023 and reduced operating expenses by 31% quarter over quarter.

By Q4.2023, after initiating our plan in June 2023, we transitioned from an operating loss to an operating profit. For this quarter, the operating profit increased by approximately 950% compared to the previous one, totaling \$0.6M. Additionally, adjusted EBITDA grew by \$1M quarter over quarter, reaching \$1.2M. Moreover, we achieved a net income of \$0.5M for the quarter, after six consecutive quarters of net loss.

The strategic refocusing has not only improved Zoomd's financial standing but also facilitated better internal alignment of teams and goals. With the hard work and determination of our leadership team and their respective members, and the backing of our board of directors, we look forward to continuing to drive value for our customers and shareholders alike."

Amit Bohensky, Chairman of Zoomd Technologies added "These impressive achievements are a testament to our team's relentless dedication and strategic vision. As we move forward, we remain committed to fostering innovation and excellence, ensuring sustainable growth and long-term value for our shareholders. Together, we will continue to seize new opportunities and solidify our position in the market."

First Quarter 2024 Highlights (All Figures in Thousands in USD)

- Although the Company discontinued several operations that no longer aligned with the Company's vision, the Company succeeded in increasing revenues in Q1.24 by 1% compared to Q1.23. Following the strategic actions executed by Company's management team, revenues have consistently increased quarter over quarter, with a 6% rise in Q4.23 and a 16% rise in Q1.24.
- Gross profit margin was 39% for the three months ended March 31, 2024, versus 40% for the same period in 2023.
- Research and Development expenses for the three months ended March 31, 2024 were \$0.7M, a 26% decrease QOQ. Selling, General and Administrative expenses for the three months ended March 31, 2024, were \$2.1M, a 33% decrease QOQ. The decrease in expenses is primarily attributed to strategic measures implemented by the Company's management team aimed at mitigating the impact on the Company's financial health and positioning the Company for sustainable growth.
- Adjusted EBITDA for the three months ended March 31, 2024, was \$1.2M as compared with Adjusted EBITDA of \$0.2M for the three months ended March 31, 2023. The increase in Adjusted EBITDA was primarily attributable to the strategic measures implemented noted above.

- Operating income was \$0.6M for Q1.24, compared to an operating loss of \$3.5M in Q1.23. The increase in operating income is attributable to the impairment of intangible assets that we recognized in Q1.23, and to the implementation of cost savings measures. These measures were implemented in Q2.23 and led to a reduction in the operating loss by approximately 90% in Q3.23 compared to the previous quarter. By Q4.23, the Company transitioned from an operating loss to an operating profit, and in Q1.24, the operating profit increased by approximately 950% compared to the previous quarter.
- Net income was \$0.5M for Q1.24, compared to a net loss of \$3.6M in Q1.23. The Company achieved a positive net income, for the first time after 6 consecutive quarters with a net loss.
- As of March 31, 2024, the Company's cash and cash equivalents amounted to \$2.3M, and no long-term debt.

Conference Call

Amit Bohensky, Founder and Chairman, will hold a conference call to discuss the quarter's financial results at 11AM ET on May 30, 2024.

Interested parties can listen via a live webcast, from the link available in the Investors section of Zoomd's website at <https://zoomd.com/investors/> or at <https://app.webinar.net/Xj6b7GdWaNL>

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/Xj6b7GdWaNL>

About Zoomd:

Zoomd (TSXV: ZOMD, OTC: ZMDTF), established in 2012 and listed on the TSX Venture Exchange since September 2019, provides an innovative mobile app user-acquisition platform that integrates with numerous global digital media outlets. This platform presents a unified view of multiple media sources, thereby serving as a comprehensive user acquisition control center for advertisers. It streamlines campaign management through a single point of contact, simplifying customer acquisition efforts. The consolidation of media sources onto one platform enables Zoomd

to offer advertisers substantial savings by reducing the need for disparate data source integration, enhancing data collection and insights, and minimizing resource expenditure.

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.sedarplus.ca 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 future 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 military conflicts), 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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[1] Adjusted EBITDA is a non-IFRS measure. Please see “Caution Regarding Non-IFRS Financial Measures”.

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