

# Zoomd Technologies Reports Second Quarter 2024 Financial Results

**Conference call will be held on August 28, 2024 at 11 AM ET**

VANCOUVER, BC, Aug. 28, 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 and six months periods ended June 30, 2024. The Company’s financial statements and management discussion and analysis (“**MD&A**”) are available on SEDAR+ under the Company’s profile.



## Second Quarter Financial Highlights

- Revenues were \$14M reflecting 58% growth YoY. Gross profit margin was 38%.
- Adjusted EBITDA<sup>[1]</sup> of \$3M, a \$2.7M increase compared to Q2.23.
- Net income of \$2.2M, reflecting the fifth consecutive quarter of net profit growth.
- Ended with a cash balance of \$4.4M and no long-term debt. Cash flow generated from operating activities of \$2.3M.

## Management Commentary

Ido Almany, CEO of Zoomd Technologies stated, “Over the past year, the strategic decisions we have made have directly contributed to our strong financial performance, fueling our continued growth and consistent improvements across all aspects of profitability. For

instance, new clients acquired in recent quarters now represent over 10% of our total Q2.24 revenue. Furthermore, our operating profit has improved quarter over quarter, while total operating costs as a percentage of revenue decreased to 21% in Q2.24, a 50% reduction compared to the same quarter last year. Additionally, our net profit has shown steady improvement for five consecutive quarters. These results demonstrate our ability to execute our strategy effectively and adapt to market conditions, ensuring sustained growth and profitability as we move forward.”

Amit Bohensky, Chairman of Zoomd Technologies added “These strong financial results are a testament to our team’s dedication and the effectiveness of our focused strategy. As we move forward, we remain committed to driving innovation and maintaining the highest standards of excellence. We’re excited to explore new opportunities that will further strengthen our market position and ensure long-term success.”

### **Second Quarter 2024 Highlights (All Figures in Thousands in USD)**

- Although the Company discontinued several operations that no longer aligned with its vision, it succeeded in increasing revenues in Q2.24 by 58% compared to Q2.23. Following these strategic changes, the Company’s revenues have grown exponentially each quarter compared to the previous quarter: a 6% increase in Q4.23, a 16% increase in Q1.24 and a 60% increase in Q2.24.
- Gross profit margin was 38% for the three months ended June 30, 2024, versus 36% for the same period in 2023.
- Research and Development expenses for the three months ended June 30, 2024, were \$0.8M, a 20% decrease YoY. Selling, General and Administrative expenses for the three months ended June 30, 2024, were \$2.2M, a 22% decrease YoY. The decrease in expenses is primarily attributed to strategic refocusing 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 in Q2.24 was \$3 million, reflecting an approximately 700% increase compared to Q2.23. This improvement was driven by strategic refocusing measures and revenue growth.
- Operating income was \$2.4M in Q2.24, compared to an operating loss of \$0.6M in Q2.23. Over the last quarters we had a consistent improvement in the Company’s Operating income in each quarter compared to the previous quarter: In Q3.23 operating Loss was reduced by approximately 90% compared to the previous quarter. In Q4.23 we transitioned from an Operating Loss to an Operating Profit. In Q1.24 the Operating Profit continued to increase, and in Q2.24 the Operating Profit increased by approximately 300%, compared to the previous quarter.
- Net income was \$2.2M in Q2.24, compared to a net loss of \$0.8M in Q2.23, reflecting the fifth consecutive quarter of net profit growth.
- Cash flow generated from operating activity for Q2.2024 was \$2.3M. As of June 30,

2024, the Company's cash and cash equivalents amounted to \$4.4M, 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 11 AM ET on August 28, 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 via <https://rb.gy/fq0h5u>. A replay will be available after the call using the same links.

## **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](http://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.

### **FOR FURTHER INFORMATION PLEASE CONTACT:**

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<sup>[1]</sup> Adjusted EBITDA is a non-IFRS measure. Please see “Caution Regarding Non-IFRS Financial Measures”.

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