



## **PERK LABS (formerly Glance Technologies) REPORTS FINANCIAL YEAR 2019 RESULTS**

**Vancouver, Canada, March 30, 2020** — Perk Labs Inc. (formerly Glance Technologies Inc.) (CSE:PERK / OTCQB:PKLBF / FKT:GJT) (“Perk Labs” or the “Company”), today announced financial results for the fourth quarter and fiscal year ended November 30, 2019.

### **Overview**

In the fourth quarter, we re-envisioned our business model and developed a strategy that we believe aligns our brand and product with what the market wants. This newfound clarity and focus provides us with a roadmap that will take our business to the next phase of growth, transform the Company and improve our long-term financial position. We also invested in upgrading our technology and streamlined our development process to accelerate our introduction of new product features.

Perk Labs CEO Jonathan Hoyles said, “During strategy reviews and market research conducted in the fourth quarter, we identified and prioritized operating improvements and business opportunities that will drive financial results. We also went through a period of restructuring and right-sizing in our fourth quarter that has placed our Company on a much more sustainable path with a reduced monthly burn rate.”

“The steps we took in 2019 to streamline our costs and rebuild our product have placed our Company in a better position to deliver value to our customers during the crisis caused by the COVID-19 pandemic” said Jonathan Hoyles. “More than ever before, we are seeing the need and demand for mobile ordering and safe contactless digital payments.”

“We have more work to do, and we will continue to take actions to strengthen and re-focus our business. 2019 was a ‘reset year’ for the Company. This is just one quarter in what will be a 12 to 18 month transformation. I remain confident that we will unlock value for our stakeholders as our Company’s transformation accelerates.”

### **Q4 2019 compared to Q4 2018 - Financial Highlights (all figures are rounded to the nearest thousand):**

- Working capital of \$3,347,000 at November 30, 2019 compared to \$7,059,000 at November 30, 2018 and no long-term debt (\$Nil at November 30, 2018).
- Net loss of \$2,533,000 in Q4 2019 compared to a net loss of \$527,000 in Q4 2018.
- Net loss in Q4 2019 represented \$0.02 per share while net loss in Q4 2018 represented \$0.01 per share.

### **Fiscal 2019 Financial Highlights:**

- Revenue of \$32,000 in fiscal 2019 decreased 98% from \$2,044,000 in fiscal 2018.
- Operating expenses of \$7,442,000 decreased 49% from \$14,547,000 in 2018.
- Loss from operations was \$7,410,000 or \$0.05 per share, decreasing 41% compared to \$12,503,000 or \$0.09 per share in fiscal 2018.
- The overall net loss was \$8,079,000 or \$0.06 per share, compared to \$13,016,000 or \$0.10 per share in fiscal 2018.

## Fiscal 2019 Highlights:

- **Reduced expenditures** by right-sizing the team, moving the head office to a smaller space, significantly reducing rent and decreasing advertising and promotions spend.
- **Eliminated non-core products and features** such as *Glance PayMe* to focus on offerings that deliver higher returns.
- **Completed market research** that forms the basis to re-build and transform our mobile payments platform from the ground up into a more comprehensive, all-in-one pre-order, mobile payments and customer loyalty platform that appeals to the primary users of mobile payments—Millennials and Gen Z.
- **Determined a new revenue model** that includes higher transaction fees and white label offerings for enterprise level retail chains.
- **Hired new talent** including Gary Zhang as Chief Technology Officer and appointed Neil Crist to the Advisory Board to assist with sales expansion in the U.S.
- **Research and development** to test and build new platform concepts and technology.
- **Nominated FinTech Company of the Year** at the 5th Annual Canadian FinTech & AI Awards.

Subsequent to the financial year-end, the following events occurred:

- **Entered into an agreement with Alipay**, the world's largest mobile payment platform, with 900 million Alipay users as of June 2019, to enable Alipay users to make payments on the Company's payment platform and the Company will be harmonizing its QR codes to enable Alipay payment at Perk Hero merchants. This development will add value to *Perk Hero* merchants, who will be better positioned to benefit from a massive, new base of Alipay users who represent increased foot traffic, spending power and revenue.
- **Started beta testing of the new Perk Hero mobile application.** Our new platform features new capabilities: pre-order and pick-up, contactless payment using Apple Pay and Google Pay, a gamified loyalty program and merchant analytics. Perk Hero will replace the company's original mobile payment solution, which was limited in its capabilities, and didn't appeal to the main demographic using mobile payments.
- **Hired Christina Baker as the new Head of Sales.** Prior to joining Perk Labs, Christina served as the Regional Vice President, National Accounts, Western Canada at Moneris, Canada's largest financial technology company that specializes in payment processing. While at Moneris, Christina led the Western National sales team to consistently achieve and exceed their annual quotas and the management of a portfolio representing over \$23B in card processing and 200+ National Accounts in the region.
- **Re-branded the company** with a name, look and feel that resonates more with a younger demographic.
- **Completed a non-brokered private placement** for proceeds of \$176,495.
- **Adopted an RSU Plan** to incentivize employees and foster an ownership mentality while conserving cash.
- **The Company named Jonathan Hoyles as permanent CEO.**
- Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

## Outlook

The Company's strategic priorities for 2020 include:

- Official launch of *Perk Hero*, the all-in-one mobile ordering, payment and customer loyalty platform.
- Continued development of the *Perk Hero* product through a series of build-measure-learn iterations and moving beyond the restaurant vertical.
- Building an exceptional and world-class brand with a focus on high quality content.
- Increasing the number of merchants and users using the *Perk Hero* platform.
- Using data, technology, and inbound selling to ramp up sales and revenue generation.
- Sign enterprise accounts for the Company's white label solution.

The Company's complete financial results are available in its annual audited Consolidated Financial Statements and Management's Discussion and Analysis for the year ended November 30, 2019, each of which have been filed with Canadian securities regulators at [www.sedar.com](http://www.sedar.com).

## IFRS

The operational and financial information in this release is based on the consolidated figures in accordance with International Financial Reporting Standards (IFRS).

## About Perk Labs

Perk Labs Inc. is the owner of *Perk Hero*, a digital loyalty management platform that enables merchants to provide their customers with digital rewards and a more engaging and convenient customer experience. For more information about Perk Labs, please visit [www.perklabs.io](http://www.perklabs.io)

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## Forward-Looking Statements

*This press release contains forward-looking information or forward-looking statements (collectively "forward-looking information") within the meaning of applicable securities laws. Forward-looking information is typically identified by words such as: "may", "believe", "thinks", "expect", "exploring", "expand", "could", "anticipate", "intend", "estimate", "plan", "pursue", "potentially", "projected", "should", "will" and similar expressions, or are those, which, by their nature, refer to future events. These forward-looking statements, which involve risks and uncertainties, relate to, among other things, the discussion of Perk Labs' business strategies and its expectations concerning future operations and that the Company: will take its business to the next phase of growth, will improve its long term financial position; will be able to deliver value to our customers during the crisis caused by the COVID-19 pandemic; will unlock value for our stakeholders as our Company's transformation accelerates; is on a sustainable path with a reduced monthly burn rate; will build an exceptional and world-class brand; increase the number of users and merchants using the Perk Hero platform; ramp up sales and revenue generation, and sign enterprise accounts for the Company's white label solution. Although Perk Labs considers these forward-looking statements to be reasonable based on information currently available to it, they may prove to be incorrect, and the forward-looking statements in this release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking statements. For additional information with respect to these and other factors and assumptions underlying the forward-looking statements in this press release, see the section entitled "Risk Factors" in the most recent Annual Information Form and Prospectus of Perk Labs, which may be accessed through Perk Labs' profile on SEDAR at [www.sedar.com](http://www.sedar.com). Perk Labs cautions investors that any forward-looking information provided by Perk Labs is not a guarantee of future results or performance, and that actual results may differ materially from those in forward-looking statements. Undue reliance should not be placed on such forward-looking information, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur.*