



## Perk Labs Reports Fiscal Year-End Financial Results And Provides Operational Update

*This news release constitutes a “designated news release” for the purposes of the Company’s prospectus supplement dated February 17, 2021 to its short form base shelf prospectus dated July 17, 2020.*

**Vancouver, Canada, March 2, 2022** — Perk Labs Inc. (CSE: PERK / OTCQB: PKLBF / FKT: PKLB) (“Perk Labs” or the “Company”), the parent company of Perk Hero, a digital franchisor with an omnichannel platform, today announced financial results for the fourth quarter and fiscal year ended November 30, 2021.

“We began our fiscal year focusing on our eCommerce marketplace and digital gift cards,” said Jonathan Hoyles, CEO of Perk, “In early 2021 there was a surge in consumer spending on direct-to-consumer goods. As the year progressed, the online shopping boost from the Covid-19 pandemic cooled off as the economy began to re-open. New trends emerged including an increase in offline consumer spending and a supply chain and labor shortage that hit restaurants particularly hard. We re-assessed our priorities and invested in areas with greater opportunity: digital franchising and a software-as-a-service offering for restaurants. From our eCommerce experience, we’ve developed valuable web app ordering technology and know-how that we are putting to use to pursue a path where we believe we can ramp up high-margin revenue more quickly.”

### Overview

The Company continued to evolve its Perk Hero platform as well as build out an up-to-date digital dine-in solution throughout 2021 in response to challenging conditions due to COVID-19’s impact on supply chains and the labor market. The addition of Perk Hero’s digital dine-in solution will give the company the ability to quickly grow across North America while providing a powerful and affordable franchise opportunity to eager entrepreneurs post-pandemic.

Perk Hero developed an innovative digital franchise model that allows entrepreneurs to start a business without the capital requirements of a traditional brick-and-mortar franchise.

“Our new digital franchise model enables Perk Hero to scale our sales team with lower costs and enables us to scale our footprint with lower capital costs,” said Perk CFO Norman Tan. “Licensing and software-as-a-service revenue will have higher margins than payment processing and will help us achieve our growth goals.”

Since signing on as Perk Hero’s first licensee, Justin Strange, VP of Franchise Sales and Operations, has worked closely with Jonathan Hoyles and the Perk Hero team to develop the digital solution for restaurants struggling with the devastation caused by the current and foreseeable labor shortage. “The restaurant market needs a digital dine-in solution to survive and make up ground after prolonged financial strain that was dealt over and over again throughout the pandemic. These are real people with real families that will greatly benefit from a solution that will increase net-profit by substantially reducing their labor costs, all while allowing customers to take control of their dining experiences”, said Mr. Strange.

Joining Perk Hero in January of 2022, Mr. Strange said, “I saw the potential for our digital dine-in and the positive impact it could have on helping restaurants overcome their labor challenges while reducing overhead. Now, as part of Perk Hero, I am extremely passionate and excited to be able to grow our franchise locations across Canada and to get our solution into the hands of the restaurants on the frontline that need it now.”

For the upcoming year, the Company intends to expand its franchise program across Canada and the United States and significantly expand its restaurant install base. In addition to continued product improvements, the Company intends to implement a rewards zone where users of its platform will be able to obtain unique rewards including products, experiences, and digital goods.

## 2021 Financial Summary

	November 30 2021	November 30 2020
	\$	\$
Revenue	28,947	63,896
General and administrative expenses	1,169,643	1,181,457
Research and development expenses	920,927	725,915
Sales and marketing expenses	577,495	676,833
Net loss for the year	(1,487,312)	(4,490,939)
Total working capital	1,995,497	791,584

## 2021 Operational Highlights

- **Launched a National Franchise Program:** On October 12, 2021, the Company announced the launch of its mobile-first digital franchise system. With this offering, Perk Hero becomes one of a select few franchise systems that offer franchisees the ability to earn recurring software-as-a-service (SaaS) revenue. Coinciding with this launch, Perk Hero showcased its franchise offering at the Canadian Franchise Association's virtual show in October. Perk Hero signed up its first franchisee under its new franchise program in Mississauga.
- **Received Mobile Payment Patent:** Perk Hero received its first U.S. patent (No. 11,170,354) that protects the Company's rights to one of its inventions enabling the payment of invoices and bills using a mobile device. This new asset strengthens the Company's licensing programs as it can now license patent-protected technology to potential licensees and franchisees.
- **Renewal of at-the-market offering:** During the year ended November 30, 2021, the Company issued 15,641,000 common shares through its at-the-market offering filed July 29, 2020, at an average price of \$0.10 per share for gross proceeds of \$1,570,780 and net proceeds of \$1,523,657. The Company paid commissions of \$47,123.

On February 17, 2021, the Company announced the renewal of its at-the-market equity program that allows the Company to issue and sell up to an additional \$4,000,000 worth of common shares in the capital of the Company from treasury to the public from time to time. Under this program, the Company issued 10,928,000 common shares through its at-the-market offering filed February 17, 2021, at an average price of \$0.10 for gross proceeds of \$1,041,938 and net proceeds of \$1,010,680. The Company paid commissions of \$31,258.

- **Euro Asia Pay IPO:** On February 25, 2021, Euro Asia Pay Holdings Inc. ("EAP") completed its initial public offering of shares at a price to the public of \$0.25 per share. At that date, Perk Labs owned 8,500,000 shares of EAP which it received as part of a licensing agreement dated October 14, 2017, as amended on September 30, 2018. EAP shares are subject to both a pooling and an escrow agreement in which 425,000 shares were available to the Company on IPO day, 637,500 shares were released in August 2021, 2,337,500 shares were released in February 2022 and the remaining 5,100,000 shares will be released in 1,275,000 share tranches every six months starting in August 2022.

## Highlights Post Fiscal Year-End

- **British Columbia Restaurant and Foodservices Association (BCRFA) and the BC's Alliance of Beverage Licensees (ABLE BC) joint endorsement:** Perk Hero received a joint endorsement from BC's leading industry associations as the preferred solution for Digital Dine-in. This endorsement provides further evidence of a need for Perk Hero's offerings.
- **Launch of "PERKS" Crypto Rewards:** In February 2022, the Company launched its "PERKS" cryptocurrency rewards. Easy to understand and environmentally friendly, PERKS uses the Solana blockchain and requires near-zero energy to run.
- **ATM raises:** Subsequent to November 30, 2021, the Company issued 1,028,000 common shares through its at-the-market program at an average price of \$0.05 per share for gross proceeds of \$51,400. Commissions paid were \$1,542 for net proceeds of \$49,858.

## Outlook

The Company's strategic priorities for 2022 include:

- Continued improvement of the Perk Hero platform.
- Grow the number of end-user customers, restaurants and franchisees using our platform.
- Expand our digital franchise program in Canada.
- Launch a special rewards zone that includes NFTs.
- Expand our digital franchise program to the United States.
- Grow our licensing revenue.
- Invest in sales, marketing and communication strategies to drive growth.

The Company's complete financial results are available in its Consolidated Financial Statements and Management's Discussion and Analysis for the year ended November 30, 2021, each 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 Standard (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)

## For more information, please contact:

Norman Tan  
Chief Financial Officer  
[norman@perkhero.com](mailto:norman@perkhero.com)

Jules Gagnon  
Director of Investor Relations and Community  
833-338-0299  
[investors@perklabs.io](mailto:investors@perklabs.io)

*Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accept responsibility for the adequacy or accuracy of this release.*

## 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, the Perk Hero app will continue to evolve and offer a unique feature set that we believe will poise us for growth, the continued development of the Perk Hero product through a series of build-measure-learn iterations, that the Company will increase the number of users and merchants using the Perk Hero platform, that the Company will ramp-up sales and high margin revenue generation by focusing on digital franchising and its software-as-a-service offering for restaurants and that the addition of Perk Hero's digital dine-in will give the company the ability to quickly grow across North America while providing a powerful and affordable franchise opportunity to eager entrepreneurs post-pandemic. 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.*