



Perk Labs Reports Second Quarter 2023 Results

Vancouver, Canada, July 31, 2023 — Perk Labs Inc. (CSE: PERK / OTCQB: PKLBF / FKT: PKLB) (“Perk” or the “Company”) today announced financial results for the second quarter ended May 31, 2023.

Overview

For the second quarter of 2023, the Company completed its purchase of Getit Technologies Inc. As a result of this transaction, Ryan Hardy became the CEO of Perk Labs, with Jonathan Hoyles transitioning to the role of Chief Legal Officer. As a result, the Company expanded its presence into large enterprise businesses and has dramatically increased its product portfolio and its revenues.

“Over the period of Q2, my primary focus has been to streamline the Company's operations and develop a clear and concise strategy for growth. We continue to make significant progress in these areas, quarter over quarter,” said Ryan Hardy, Perk CEO, “Our strategy and execution of signing new enterprise clients and leveraging the synergies of both Perk and Getit continue to show solid traction and growth for the company in a large enterprise market for custom digital payments and loyalty offerings.”

2023 Q2 Financial Highlights:

- Revenue of \$42,041 for the 6 months ended May 31, 2023 (“year to date” or “YTD”) compared to \$15,003 for the comparative period in 2022.
- General and administrative expenses decreased from \$645k for YTD Q2 2022 to \$545k for YTD Q2 2023 as the Company continued to minimize its administrative expenses.
- Research and development expenses also decreased from \$406k YTD Q2 2022 to \$250k YTD Q2 2023 as the Company became more efficient at developing its products.
- Sales and marketing expenses remained stable at \$218k for YTD Q2 2023 compared to \$225k for the comparative period in 2022.
- Net loss was significantly reduced to \$843k for the YTD Q2 2023, compared to a loss of \$1928k in the comparative period of 2022.

2023 Q2 Operational Highlights

- **Completion of Merger with Getit:** On March 2, 2023, the Company announced it had completed its merger with Getit. The acquisition was completed through a share exchange, with the Company issuing an equivalent value of \$4.655M in common shares of the company in exchange for all of the issued and outstanding shares of Getit. As part of the merger, Steve Cadigan and James Topham stepped down from the Board of Directors of the Company. Ben Lacroix and Ryan Hardy, the co-founders of Getit, were appointed to the Board of Directors. In connection with the merger, the four largest shareholders of Getit agreed not to sell, assign, or otherwise transfer the common shares of the Company received, with the lock-up period expiring on February 28, 2024.
- **Private Placement:** On April 25, 2023, the Company announced that it had closed a private placement of 11,609,909 units (“Units”), for proceeds of ~\$190,000 and settled a debt of ~\$85,900 with a creditor by issuing 5,238,414 Units. Each Unit included one Common Share and one Common Share purchase warrant. The net proceeds of the private placement are to be used for sales, marketing, and working capital. The Company also announced that Gary Zhang was transitioning from his role as Chief Technology Officer to an advisory role.
- **Change of Auditor:** The Company appointed Welch LLP as the independent auditor of the Company, effective as of May 3, 2023. Welch LLP replaced Saturna Group Chartered Professional Accountants LLP. There were no reportable events between the Company and the Former Auditor.

Highlights Subsequent To May 31, 2023

- **Ottawa Dragon Boat Festival:** In June, the Company announced that its subsidiary, Getit Technologies Inc., was selected as the official ordering and payments partner for the Tim Hortons Ottawa Dragon Boat Festival and BeaverTails Ottawa Ice Dragon Boat Festival in a three-year, multi-festival agreement.
- **Clocktower Group of Brewpubs:** The Company was also selected as an ordering and payment technology provider by the Clocktower Group of Brewpubs, encompassing 5 locations across Ottawa, including Ottawa's original craft brewery.
- **Fiazza Fresh Fired:** Fiazza selected Getit Technologies Inc. as its technology partner and is implementing Getit's innovative web-based QR code ordering solution at four of its locations in Ottawa.
- **Annual General Meeting:** The Company held its Annual General Meeting on July 5, 2023. All of the ordinary resolutions were passed, and 5 of the 6 incumbent directors were re-elected to serve until the close of the next annual meeting of shareholders. In accordance with the Company's majority voting policy, Patrick Power submitted his resignation. The full voting results on all matters voted on at the meeting were filed on SEDAR at www.sedarplus.ca.
- **Private Placement of Units:** In July, the Company announced a proposed non-brokered private placement of up to 6,250,000 Units at a price of \$0.016 per Unit for gross proceeds of up to \$100,000. Each Unit will consist of one Common Share of the Company and one Common Share purchase warrant. Each Warrant will entitle the holder to purchase one additional Common Share at a price of \$0.05 per Common Share for a period of 24 months from the Closing date.
- **Private Placement of Convertible Debentures:** Perk also announced a proposed non-brokered private placement of convertible debentures for gross proceeds of up to \$250,000. The convertible debentures will be offered on varying terms, including interest rates ranging from 5% to 15% and differing acceleration terms and maturity dates specific to the terms of each convertible debenture agreement. The convertible debentures will be convertible into common shares of Perk Labs at a conversion price of \$0.05 per share, subject to the terms and conditions set forth in the specific convertible debenture agreement. The private placement of the Units and the convertible debentures is expected to close on or before August 24, 2023. All securities issued pursuant to the private placement will be subject to a statutory hold period of four months and one day following the Closing. The Company intends to use the net proceeds from the private placements for general working capital purposes, accounts payable, and employee salaries.
- **Resignation of Chief Legal Officer:** The Company also announced the resignation of Jonathan Hoyles, Chief Legal Officer and Director, effective July 13, 2023. Mr. Hoyles is pursuing another opportunity, and his departure from Perk Labs is amicable.

Outlook

In the upcoming quarter, the Company expects to sign and launch a number of enterprise clients and roll out improvements and integrations between the Getit and Perk platforms. We believe that these developments, in conjunction with increased sales and marketing resources, will provide the required visibility to the Company's operations that will enable growth.

The Company's strategic priorities for 2023 include:

- A successful merger of the operations of Perk Hero Software Inc. and Getit Technologies Inc.
- Signing enterprise customers to use the Company's technologies and services
- Continued improvement of our products and offerings.
- Grow the number of end-user customers and businesses using our technologies and services
- Grow our licensing and transactional revenue.
- Invest in sales, marketing, and communication strategies to drive growth.

Additionally, we are open to opportunities to expand our operations through mergers and acquisitions.

The Company's complete financial results are available in its Consolidated Financial Statements and

Management's Discussion and Analysis for the quarter ended May 31, 2023, each filed with Canadian securities regulators at www.sedarplus.ca.

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, the owner of Getit Technologies Inc. and Perk Hero Software Inc, specializes in apps, payments, and loyalty rewards. Our technologies connect businesses and consumers through mobile apps and web-based payment services that streamline and optimize the consumer experience and merchant digitalization.

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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, that the Company's efforts will be reflected in much more positive results in our next quarter, that by focusing on signing new enterprise clients and leveraging the synergies of both Perk and Getit, the Company is well-positioned to achieve much greater success in the upcoming quarter; that by prioritizing enterprise sales and strategic partnerships, we are confident our efforts will result in improved results and generate significant value for our stakeholders; that the Company will sign enterprise clients; the continued improvement of our platform; that we will grow the number of end-user customers and businesses using our platform; that we will grow our licensing and transactional revenue; and that we will invest in sales, marketing, and communication strategies to drive growth. 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.sedarplus.ca. 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.