



FOR IMMEDIATE RELEASE

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DATABLE TECHNOLOGY ANNOUNCES Q1 2020 RESULTS

VANCOUVER, B.C. (May 28, 2020) – Datable Technology Corp. (TSXV: DAC) (OTCQB: TTMZF) (the “Company” or “Datable” or “DTC”), a software company that provides a marketing automation platform called **PLATFORM³** to global consumer brands, is pleased to announce its financial results for the quarter ended March 31, 2020 (“Q1 2020”).

For the three months ended March 31, 2020, the Company achieved the following milestones:

- Signed 12 new license agreements to provide **PLATFORM³** to leading Consumer Packaged Goods (CPG) brands. Datable ended February 2020 with approximately \$2.1 million of baseline contracted revenues for **PLATFORM³**, with a gross margin of about 70%. Approximately 64% of these baseline contracted revenues are expected to be recognized as revenue in 2020 with the balance recognized in future periods.
- Revenue increased by 52% to \$465,643 compared to the same period in 2019.
- Continued development of **flexxi Rewards Network** - a web portal that enables opt-in consumers to earn rewards completing activities such as purchasing CPG products, viewing valuable content posted by CPG brands, sharing content on Social media and referring friends. CPG brands will pay Datable for access to the consumers. The **flexxi Rewards Network** is built using Datable's **PLATFORM³** technology.

The Company is also pleased to provide the following 2020 updates:

- As of year-to-date in 2020, Datable has signed 16 new license agreements this year, which together with existing license agreements signed in prior periods represent contracted revenues of approximately \$3.2 million with approximately 70% expected to be recognized in 2020. This includes the largest the largest agreement in Datable’s history under which a leading provider of household products has contracted for approximately \$1,000,000 in license fees and rewards in 2020 with a projected increase to over \$4 million in 2021 (See press release dated April 28, 2020).
- Datable previously provided guidance that revenue will grow by over 100% in 2020 with expenses increasing by about 10%, compared to 2019 (see press release dated February

5, 2020). Datable expects gross margin to be about 55% in 2020. Datable's progress in year-to-date 2020 has increased the Company's confidence in this guidance.

- Datable has several annual agreements where PLATFORM³ hosts an ongoing digital loyalty and rewards program. Datable is generally paid an annual license fee plus transactions fees based on the number of times consumers validate purchases using PLATFORM³. The \$3.2 million in contracted revenues noted above only accounts for license and service fees and does not include any transaction fees.
- To date, COVID 19 has not materially impacted any of the Company's long-term license agreements or its ability to deliver its services to customers. Nor has there been any significant negative impact on discussions regarding the expansion of existing license agreements and new agreements under discussion. However, Datable is monitoring the potential and immediate impact of COVID-19 and working with customers and service providers to mitigate issues that may emerge (See press release dated March 16, 2020).
- Most of Datable's large customers are leading consumer goods companies that provide staples including food, beverages, and household products which are expected to remain in demand during the COVID 19 crisis. In addition, many of Datable's license agreements and marketing programs extend into late 2020 for back-to-school and holiday shopping promotions, and into 2021 as long-term loyalty programs.

"In the first quarter in 2020, we continued to grow our core SaaS business signing multiple Fortune 500 companies as new customers. We achieved the best ever quarter for contracted revenues. The Company also continued work to develop its own Consumer Loyalty and Rewards Portals - the **flexxi Rewards Network**. These Portals provide registered consumers with valuable rewards for engaging with brands and completing brand activities. The **flexxi Rewards Network** will enable Datable to begin collecting consumer data and expand its business model to include data and transactional revenue." said Robert Craig, DTC's CEO. "Building communities of consumers and owning the relationships and subsequent data will be a big driver of revenue in the coming years. Portals on the **flexxi Rewards Network** are built on top of Datable's proprietary **PLATFORM³** technology which dramatically reduces costs and time to market for these properties."

Results of Operations:

Revenue for Q1 2020 increased by 52% to \$465,643 compared with the same period in 2019 due to increase in average contract value, project deliveries and transactional revenues compared to that incurred in 2019. The Company's **PLATFORM³** product is an integrated suite of digital marketing applications sold as SaaS for short-term promotions or on an annual subscription basis with recurring revenues. Revenue in Q1 reflected recognition of revenue from previous year contracts and new sales of the **PLATFORM³** product offering.

Revenue growth Q1 was partly due to improvements in the functionality of **PLATFORM³**. In late 2019, DTC launched version 3.0 of **PLATFORM³** which included new modules that extended and deepened its differentiation in the market by launching a break-through features on PLATFORM³ - Dynamic Messaging and Rewards (DMR). This feature is built on an Artificial Intelligence (AI)

framework and empowers brands to deploy omnichannel communications, retargeting and contextual rewards to induce consumer purchases based on their previous and ongoing purchase behavior and brand engagement. DMR transforms PLATFORM³ into a self-regulating continuous feedback loop for ongoing sales (See press release dated Feb. 14, 2020).

Gross margin as a percentage of revenue for Q1 2020 was 67%, compared to 72% in Q1 2019. Gross margin as a percentage of revenue depends on the product mix for the reporting period. Revenues are comprised of a combination of higher margin sales of **PLATFORM³**, the Company's proprietary SaaS product, combined with some lower margin third party services.

Datable launched an API connection to third party digital rewards platforms in prior years. This service enables DTC clients to offer digital rewards such as gift cards, movie tickets and virtual visas to incentivize purchase and purchase frequency. DTC purchases these rewards on behalf of the Company's clients and charges a transaction fee for the total amount of rewards purchased. Cost of sales also includes the cost of servers to host **PLATFORM³**, and project management and customer support staff.

General and administrative expenses for the three months ended March 31, 2020 were \$249,683, unchanged compared to the same period in 2019. General and administrative expenses include salaries and benefits, accounting, legal, corporate finance services, travel, rent, office, other administrative costs.

Sales and marketing expenses for the three months ended March 31, 2020 increased by 17% to \$170,523 respectively compared to \$145,561 for the same period in 2019.

Research and development expenditures for the three months ended March 31, 2020 increased by 25% to \$214,473 compared to the same period in 2019. The increase in research and development expenses was related to improving **PLATFORM³** and developing **Flexxi**. Research and development expenses may continue to increase in the future as the Company seeks to evolve and improve **PLATFORM³** and **Flexxi**, as well as to invest in creating new technology and products that will enhance the Company's value proposition to customers and provide additional revenues. Research and development expenses include wages and salaries and consulting fees.

Net and comprehensive loss for the three months ended March 31, 2020 was \$520,376 compared to \$389,650 for the same period in 2019. This increase in net loss was mainly due to the increase of share-based compensation and research and development expenses, net of the increase in gross profit and growth in revenue.

For further information, please contact:

Datable Technology Corp.
Robert Craig
Chief Executive Officer
(604) 639-5441
rcraig@3tl.com

About Datable Technology Corp.

DTC has developed a proprietary, mobile-based consumer marketing platform – **PLATFORM³** – that is sold to global Consumer Packaged Goods (CPG) companies and consumer brands. **PLATFORM³** is delivered as a subscription service (Software as a Service model) and used by

CPG companies to engage consumers, reward purchases and collect valuable consumer data. **PLATFORM³** incorporates Artificial Intelligence and Machine Learning to monetize the consumer data, including demographics and purchasing behaviour, by sending consumers targeted offers by email and text messages. For more information, visit datablecorp.com.

For additional information about the company please visit www.sedar.com. The TSX Venture Exchange Inc. has in no way passed upon the merits of the transaction and has neither approved nor disapproved the contents of this press release. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. This news release contains forward-looking information, which involves known and unknown risks, uncertainties and other factors that may cause actual events to differ materially from current expectation. Important factors – including the availability of funds and the results of financing efforts, – that could cause actual results to differ materially from the Company's expectations are disclosed in the Company's documents filed from time to time on SEDAR (see www.sedar.com). Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The Company disclaims any intention or obligation, except to the extent required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.