



## OOOOO Entertainment Commerce Ltd. Reports Year End Fiscal 2021 Financial Results

VANCOUVER, British Columbia, Feb. 28, 2022 -- OOOOO Entertainment Commerce Limited (TSXV: OOOO OTCQB: OOOOF) announces that it has released its financial results for the year ended October 31, 2021. All amounts are in Canadian Dollars unless otherwise noted.

### Financial Highlights

- The Company generated \$91,063 of revenue for the year ended October 31, 2021 as compared to \$nil for the period from incorporation on March 19, 2020 to October 31, 2020. \$82,877 or 91% of the revenue was generated in the fourth quarter of fiscal year 2021 since the Company's focus since incorporation has been on the continuous development of its video commerce technology platform. During the fiscal year 2021, the Company entered into a number of commercial partnerships by onboarding companies to its platform, including B2W – Companhia Digital, JD Sports Fashion plc., TikTok Information Technologies UK Limited and others listed in the Company's management's discussion and analysis for the year ended October 31, 2021. The Company also expects to launch a web-based software development kit ("SDK") in March 2022. The Company expects that these, and other new partnerships and license agreements will help drive revenue growth in subsequent periods.
- Operating expenses were \$13.3 million for the year ended October 31, 2021 as compared to \$0.9 million for the period from incorporation on March 19, 2020 to October 31, 2020. The increase in operating expenses reflects increased sales and marketing expenses as well as general and administrative expenses to support business development following closing of the reverse takeover transaction with Evermount Ventures Inc. on July 19, 2021. Operating expenses also included an impairment loss on intangible assets of \$3.2 million. The recorded impairment will be reviewed annually and is subject to recovery if and when certain conditions are met pursuant to the accounting standards the Company has adopted. The impairment recognized in the consolidated financial statements does not in any way reflect management's view on the strength of its intangible assets.
- For the year ended October 31, 2021, the Company's net loss was \$17.1 million as compared to a net loss of \$0.9 million for the corresponding period of 2020. The increase in net loss for the year ended October 31, 2021 was primarily due to increased operating expenses and a one-time non-cash listing expense of \$3.6 million.
- Basic and diluted net loss per share was \$0.76 for the year ended October 30, 2021 compared to \$74.77 for the prior period.
- As of October 31, 2021, the Company had cash and cash equivalent of \$7.4 million, representing an increase of \$7.3 million as compared to the cash balance as at October 31, 2020.

The OOOOO technology platform consists of several key components, namely the iOS and Android apps and three (3) back-end systems, the merchant center, creator center and operation center. The Company's platform enables video commerce with multiple stakeholders to co-exist in a single platforms and facilitates activity between commerce companies, creators and customers.

Since the Company was founded in March 2020, the OOOOO technology development team has constantly iterated the platform based on user feedback and application and platform usage behaviour. Additionally, the Company has stress tested the technology with large retail partners including The Hut Group and Boohoo Group.

As a result of extensive development and testing with real clients and customers in the United Kingdom, the Company is now in a position to license its technology in other markets at speed. Our technology development team has also created the ability to add multiple languages and currencies in order to increase the usage of the platform internationally.

The Company is also developing a lighter service offering in the form of its SDK that will allow companies to embrace video commerce through their own websites and applications.

While the development costs for the Company's technology and platform have been extensive and taken two years of effort, the Company believes that the opportunities available to generate a scalable international business through licensing the technology are significant.

### About OOOOO Entertainment Commerce

OOOOO operates a technology platform that enables retailers, brands and entrepreneurs to share product-based opinions directly to consumers through live, interactive, shoppable videos. The platform also offers gamification and social features which reward the community for helping to grow the user base, reducing the need for traditional ad networks.

The Company was founded in 2020 by Sam Jones and Eric Zhang and has offices in Manchester and Shanghai.

Interactive video commerce continues to explode as a mega-trend in China, estimated to reach \$420 billion this year according

to McKinsey. OOOOO are focused on delivering a technology platform and app to enable brands, retailers, and entrepreneurs to embrace the live stream economy. Having launched in November 2020, the OOOOO platform has seen over +500,000 installs to date and successfully onboarded leading brands across fashion, sport, beauty, and wellness.

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**Forward Looking Information**

*Certain statements in this news release may constitute “forward-looking statements”. Forward-looking statements are statements that address or discuss activities, events or developments that OOOOO expects or anticipates may occur in the future. When used in this news release, words such as “estimates”, “expects”, “plans”, “anticipates”, “projects”, “will”, “believes”, “intends” “should”, “could”, “may” and other similar terminology are intended to identify such forward-looking statements. Forward-looking statements reflect the current expectations and beliefs of OOOOO’s management. Because forward-looking statements involve known and unknown risks, uncertainties and other factors, actual results, performance or achievements of OOOOO or the industry may be materially different from those implied by such forward-looking statements. Examples of such forward-looking information that may be contained in this news release include statements regarding: growth and future prospects of our business; our perceptions of the industry and markets in which we operate and anticipated trends in such markets, including the continued worldwide adoption of football; expectations regarding the operation of our app; the launch date for the services and goods offered on the Fanz.com website, our ability to successfully launch our SDK product and our future revenues. Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking statements may include, but are not limited to, our ability to execute on our business plan, increase visibility amongst consumers and convert users to revenue producing subscribers and the success of the business of our partners, including our ability to attract and retain sports teams and players. Forward-looking statements involve significant uncertainties, should not be read as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, without limitation: those relating to potential disruptions to product delivery; failure to meet regulatory requirements; changes in the market; potential downturns in economic conditions; availability of financing (as necessary); and other risk factors described in our Filing Statement which is available on SEDAR at [www.sedar.com](http://www.sedar.com). These risks, as well as others, could cause actual results and events to vary significantly. Accordingly, readers should exercise caution in relying upon forward-looking statements and OOOOO undertakes no obligation to publicly revise them to reflect subsequent events or circumstances, except as required by law.*