

NEWS RELEASE

ZOOMD REPORTS Q1 2020 RESULTS; *Generated US\$6.5 million in Revenue, on track with product roadmap and achieved a 30% gross profit margin*

VANCOUVER, BRITISH COLUMBIA, May 28, 2020 - Zoomd Technologies Ltd. (TSXV: ZOMD, <https://www.zoomd.com>) and its wholly-owned subsidiary Zoomd Ltd. (collectively, "Zoomd" or the "Company"), the online advertising management platform, today reported financial results for the three-month period ended March 31, 2020. The interim financial statements and interim MD&A are available on SEDAR under the Company's profile.

"Despite the impacts of the COVID-19 pandemic on the Company's operations for the period, and the fact that all of the Company's employees worked from home for a material amount of time during the period, we successfully advanced the product development roadmap and we're on track to reach our strategic target" said Ofer Eitan, the Company's CEO, adding "the Company is heading towards meeting its first milestone - the MVP release by the end of October".

FIRST QUARTER 2020 HIGHLIGHTS

- Total revenue for the three months ended March 31, 2020 was US\$6.5 million compared to US\$6.9 million for the same period in 2019, a decrease of 5%.
- Cost of sales and services of US\$4.5 million, representing a decrease of approximately 8% compared to the same period in 2019.
- Gross profit margin (revenue less cost of sales and services) of 30%, representing an increase of approximately 7% compared to the same period in 2019.
- Adjusted EBITDA of US\$(0.8) million for the three months ended March 31, 2020 compared to Adjusted EBITDA of US\$0.3 million for the same period in 2019.
- Operating loss of US\$(1.5) million for the three months ended March 31, 2020 compared to an operating loss of US\$(0.4) million for the same period in 2019.
- As at March 31, 2020, the Company's cash and cash equivalents was US\$4.3 million compared to US\$2.1 million for the same period in 2019, an increase of 105%.

NON-IFRS MEASURES

This press release refers to "Adjusted EBITDA" which is a non-GAAP and non-IFRS financial measure that does not have a standardized meaning prescribed by GAAP or IFRS. The Company's presentation of this financial measure may not be comparable to similarly titled measures used by other companies. This financial measure is intended to provide additional information to investors concerning the Company's estimated results. Adjusted EBITDA is defined as earnings before interest, tax, depreciation and amortization and share-based compensation is a measure of a company's operating performance. Essentially, it's a way to evaluate a company's performance without having to factor in financing decisions, accounting decisions or tax environments. The following table (all in \$US thousands) shows the Company's Non-IFRS measure (Adjusted EBITDA) reconciled to operating profit for the indicated periods:

	<u>Three months ended</u>	
	<u>March 31, 2020</u>	<u>March 31, 2019</u>
Operating loss	(1,514)	(432)
Adjustments:		
Depreciation and amortization	619	457
Cost of share-based payments	48	286
Total adjustments	667	743
Adjusted EBITDA	(847)	311

Management uses this non-IFRS measure as a key metric in the evaluation of the Company's performance and the consolidated financial results. The Company believes Adjusted EBITDA is useful to investors in their assessment of the operating performance and the valuation of the Company. However, non-IFRS financial measures are not prepared in accordance with GAAP or IFRS, and the information is not necessarily comparable to other companies and should be considered as a supplement to, not a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP or IFRS. The references in this press release to Adjusted EBITDA are forward-looking information about prospective financial performance and readers are cautioned that this information may not be appropriate for other purposes.

ABOUT ZOOMD:

Zoomd (TSXV: [ZOMD](#)), founded in 2012 and began trading on the TSX Venture Exchange in September 2019, offers a site search engine to publishers, and a mobile app user-acquisition platform, integrated with a majority of global digital media, to advertisers. The platform unifies more than 600 media sources into one unified dashboard. Offering advertisers a user acquisition control center for managing all new customer acquisition campaigns using a single platform. By unifying all these media sources onto a single platform, Zoomd saves advertisers significant resources that would otherwise be spent consolidating data sources, thereby maximizing data collection and data insights while minimizing the resources spent on the exercise. Further, Zoomd is a performance-based platform that allows advertisers to advertise to the relevant target audiences using a key performance indicator-algorithm that is focused on achieving the advertisers' goals and targets.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.

DISCLAIMER IN REGARD TO FORWARD-LOOKING STATEMENTS

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to Zoomd's future financial situation, the impact and length of time of the COVID-19 pandemic on global advertising budgets and Zoomd's revenue, its ability to meet its strategic targets on the development roadmap (including the expected MVP release in October) and the overall success of the development roadmap. Forward-looking statements are necessarily based



KNOW MORE, DO MORE.

upon several estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties (including the impacts of the COVID-19 pandemic), the extent and duration of which are uncertain at this time on Zoomd's business and general economic and business conditions and markets. There can be no assurance that any of the forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether because of new information, future events or otherwise, except as required by law.

The reader should not place undue importance on forward-looking information and should not rely upon this information as of any other date. All forward-looking information contained in this press release is expressly qualified in its entirety by this cautionary statement.

FOR FURTHER INFORMATION PLEASE CONTACT:

Company Media Contacts

Amit Bohensky

Chairman

Zoomd

ir@zoomd.com

Website: www.zoomd.com

Telephone: +972 722200555