ADCORE

Adcore Revenue Increases 250% YoY for Second Quarter 2021

Adjusted EBITDA of CAD$1.5 million, an increase of 189% YoY

TORONTO, ONTARIO – August 10, 2021 – Adcore Inc. (the "**Company**" or "**Adcore**") (TSX:ADCO) (OTCQX: ADCOF) (FSE:ADQ) (TSX: ADCO-WT), a leading e-commerce advertising management and automation platform to leverage digital marketing in an effortless and accessible way ("**Effortless Marketing"**), today announced its financial results for the three and six months ended June 30, 2021.

Second Quarter and Year-to-Date Highlights

- Total revenue for the second quarter of 2021 increased 250% to CAD$7.0 million compared to CAD$2.0 million in the second quarter of 2020. Total revenue for the six months ended June 30, 2021, increased 232% to CAD$15.6 million compared to CAD$4.7 million in the same period in 2020.

- Second quarter gross margin saw a significant increase sequentially to 46% from a gross margin of 23% in Q1 2021.

- Adjusted EBITDA for the second quarter of 2021 was CAD$1.5 million compared to CAD$0.5 million for the same quarter in 2020, an increase of 189%. Adjusted EBITDA was CAD$2.1 million in the first six months of 2021 compared to CAD$1.3 million for the same period in 2020, an increase of 62%.

- As of June 30, 2021, total working capital was CAD$13.1 million compared to CAD$7.8 million at December 31, 2020, an increase of CAD$5.3 million.

- As of June 30, 2021, the Company's cash and cash equivalents were CAD$13.9 million, compared to CAD$11.7 million for the year ended December 31, 2020, an increase of CAD$2.2 million.

- Continued to see strong growth in the Company's direct channel revenue stream driven by a high level of e-commerce, digital transformation and international expansion.

- Made significant progress during the quarter growing the Amphy.com platform, the world's most diverse 24/7 live learning marketplace. Adcore formally launched Amphy in July 2021 and has already screened and onboarded 200+ teachers and is actively offering 800 classes across 70 categories to thousands of students.

- Completed capital raise for gross proceeds of CAD$4.1 million to support future growth.

- Began trading on the OTCQX® Best Market (the "OTCQX") in the U.S. and secured DTC eligibility.

“I couldn’t be happier with our second quarter results, which reflect the strong momentum we’re seeing in our business as we leverage our capabilities and innovative technology for e-commerce marketing as the online retail industry continues to grow exponentially,” commented Omri Brill, Chief Executive Officer of Adcore. “Globally, consumers increasingly shifted their shopping activity to embrace online purchasing during the pandemic and even as the worldwide economy reopens, e-commerce activity remains robust. Adcore’s technologies enable our retail partners to efficiently reach their target audiences to drive product interest and sales and Adcore’s market recognition as a premier MarTech resource for online retailers, both large and small, continues to increase. With our anticipated growth in mind, during the quarter we completed a capital raise in the amount of CAD$4.1 million which we expect to implement as we pursue our long-term vision for the Company as a leading player in the industry. Additionally, our stock recently began trading on the OTCQX expanding our public company profile and making our shares US DTC eligible, which broadens our audience of potential shareholders.”

Mr. Brill continued, “We were excited to also officially launch Amphy this quarter, the world’s most diverse 24/7 live online learning marketplace. We believe the EdTech market represents a tremendous opportunity and Amphy is poised to capitalize on the rapid rise in demand for online learning, in particular live, interactive learning, which has seen dramatic acceleration as consumers increasingly sought socially distant educational experiences during the COVID-19 pandemic. Since we soft launched approximately seven months ago, Amphy has already screened and onboarded 200+ teachers and is actively offering 800 classes across 70 categories to thousands of students. We’re encouraged by the marketplace interest in this new platform and energized about its potential for continued growth.”

“This is a very exciting time for our Company as we pursue opportunities in the complementary e-commerce and e-learning industries. We believe we’re uniquely positioned with technology that simplifies the digital marketing efforts of our partners and, more importantly, enhances their ability to reach the right audiences. Likewise, Amphy is unique in its ability to bring together teachers and students in a live setting, tapping into the global community’s desire to learn and evolve and the natural inclination to connect with other people. We are confident that our technologies present a significant market opportunity and we’re poised to capitalize on the interest we’re seeing in both our core business offering and our new Amphy platform,” Mr. Brill concluded.

Conference Call and Webcast Information

Adcore will host a conference call to discuss its second quarter 2021 financial results at 8:30 a.m. ET on Wednesday, August 11, 2021.

To register for the conference call please click here or visit https://bit.ly/2TV1OjQ

The conference call will include a brief statement by management and will focus on answering questions about Adcore’s results during the second quarter, which can be sent in advance to invest@adcore.com.

USE OF NON-IFRS MEASURES

Adjusted EBITDA

Management uses Adjusted earnings before interest, income taxes, depreciation, and amortization ("Adjusted EBITDA") as a key financial metric to evaluate Adcore's operating performance and for planning and forecasting future business operations. Adjusted EBITDA excludes significant items that are non-operating in nature in order to evaluate Adcore's core operating performance against prior periods. Adjusted EBITDA is not a measure of financial performance under GAAP and should be considered in addition to, and not as a substitute for net earnings, overall change in cash or liquidity of the business as a whole. Management believes the use of Adjusted EBITDA allows investors and analysts to understand the results of the continuing operations of the Company and its subsidiary, by excluding certain items that have a disproportionate impact on Adcore's results for a particular period. Management's method of determining non-GAAP financial measures is evaluated periodically and may differ from other companies' methods and therefore may not be comparable to those used by other companies.

The following table presents the Adjusted EBITDA for the periods ended:

	Three months ended June 30, 2021	**Three months ended June 30, 2020**
	CAD$ in thousands (Unaudited)	
Operating profit	**254**	**264**
Depreciation and amortization	211	128
Share-based payments	267	65
Offering, listing & global expansion	780	77
Other non-recurring items	32	-
Total Adjustments	**1,290**	**270**
Adjusted EBITDA	**1,544**	**534**

Adcore's second quarter 2021 financial statements are available on the Company's SEDAR profile at www.sedar.com. All amounts are in CAD and are based on Adcore's condensed consolidated interim financial statements for the three months ended June 30, 2021 and related notes prepared in accordance with International Financial Reporting Standards (IFRS), unless otherwise noted.

Amounts in this press release are in CAD based on the following USD to CAD average exchange rates for each of the relevant periods: For the three months ended June 30, 2021 and June 30, 2020, 0.802 and 0.734 respectively.

ABOUT ADCORE

Adcore is empowering entrepreneurs, advertisers, and the future of e-commerce through its advertising management and automation platform. By combining extensive industry knowledge and experience with its proprietary artificial intelligence engine, Adcore offers a unique digital marketing solution that empowers entrepreneurs and advertisers by managing and automating their e-commerce store advertising and monitoring and analyzing the performance of their advertising budget to ensure maximum Return on Investment. In addition to being named numerous times on Deloitte's Fast 50 Technology list, Adcore is a certified Google Premier Partner, Microsoft Partner, Facebook Partner and TikTok Partner.

Established in 2006, the Company employs over fifty people in its headquarters in Tel Aviv, Israel and satellite offices in Toronto, Canada, Melbourne, Australia, Hong Kong and Shanghai, China.

For more information about Adcore, please visit https://www.adcore.com/investors/

ABOUT AMPHY

Founded by Adcore in 2020, Amphy is the world's most diverse 24/7 live online learning marketplace. With Amphy, students can choose from over 800+ classes across 70 categories to grow their passions and skills, expand their children's learning opportunities, and much more. Teachers on the Amphy platform join a vibrant virtual teacher community that promotes and supports their success through enrichment seminars, marketing and advertising, and a suite of tools that allow them to run their classes hassle-free so they can focus on their students. Amphy students enjoy access to high-quality, personalized classes available 24/7, as well as being a part of a growing community of lifelong learners.

For more information about Amphy, please visit https://www.amphy.com

FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements, including statements about the Company. Wherever possible, words such as "may", "will", "should", "could", "expect", "plan", "intend", "anticipate", "believe", "estimate", "predict" or "potential" or the negative or other variations of these words, or similar words or phrases, have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof.

Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

For further information please contact:

ADCORE INC.

https://www.adcore.com/investors/

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