ADCORE

On Thursday 05 14, 2026 at 8:00AM ET

Adcore Reports First Quarter 2026 Results: Revenue Up 22% to CAD $8.5 Million, as APAC Grows 42% to CAD $5.5 Million

(All figures in CAD unless otherwise stated)

TORONTO, ON / ACCESS Newswire / May 14, 2026 / Adcore Inc. ("Adcore" or the "Company") (TSX:ADCO) (OTCQX:ADCOF)(FSE:ADQ), a global marketing-technology company operating an AI-powered Marketing Cloud, today announced financial results for the three months ended March 31, 2026.

Omri Brill, CEO and Founder of Adcore, commented: "Q1 was a strong start to the year on both the top and middle of the P&L. Revenue grew 22% in Canadian dollars - and meaningfully more in U.S. dollar terms, since reported growth absorbs a ~4.5% strengthening of the Canadian dollar versus the U.S. dollar year-over-year. In the currency in which most of our revenue is actually transacted, growth is closer to 27%.

"Mr. Brill continued: "APAC remains the engine, growing 42% . Just as importantly, North America - which softened through 2025 - is showing the first signs of stabilization, and our plan is to convert that into a positive trend as the year progresses. The Adjusted EBITDA swing to a small loss and the gross-margin compression reflect a higher-revenue, lower-margin product mix that we expect to normalize. The sequential drop in cash and working capital is overwhelmingly seasonal: a large portion of fourth-quarter holiday-campaign spend cycles in during Q4 and out during Q1 in our managed-media model, and we expect that pattern to reverse over the remainder of the year."

Mr. Brill added: "I'm particularly encouraged by the early results from two new AI product lines. Proposaly, our AI-native sales workflow platform, has shipped its first agent - the Inbound Agent - and is already generating very strong results in early production. Our AI Studio applications are receiving highly positive feedback from early beta users. These products give us a credible second engine for growth alongside the marketing-cloud business that has carried us to date."

First Quarter 2026 Detailed Highlights

- **Revenue** was **CAD $8.5 million** in Q1 2026 versus CAD $7.0 million in Q1 2025, an increase of **22%**. On a constant-currency basis, growth in USD terms was approximately 27%.
- **Gross profit** was **CAD $3.1 million** in Q1 2026, versus CAD $3.1 million in Q1 2025, an increase of **1%**. On a constant-currency basis, growth in USD terms was approximately 6%.
- **Gross margin** was **36.6%** in Q1 2026 versus **44.0%** in Q1 2025 - a compression of approximately **7%**, reflecting a higher-revenue, mix-driven shift in the period. Management expects margin to recover as product-mix normalizes through the year.
- **APAC revenue** was **CAD $5.5 million** versus CAD $3.9 million, an increase of **42%**, driven by continued increase in existing clients activity and new client acquisition.
- **EMEA revenue** was **CAD $1.6 million**, essentially flat (-2%) versus Q1 2025.
- **North America revenue** was **CAD $1.4 million** versus CAD $1.5 million (-7%), with quarter-over-quarter trends suggesting the region is stabilizing after a softer 2025. Management aims to convert this into a positive trend over the remainder of 2026.
- **Cash and equivalents** stood at **CAD $5.1 million** at March 31, 2026 versus CAD $10.3 million at December 31, 2025. The sequential drawdown is primarily seasonal: a significant portion of Q4 2025 holiday-campaign media spend was collected from clients in Q4 and disbursed to media partners in Q1, a working-capital pattern management expects to reverse as the year progresses.
- **Working capital** was **CAD $4.2 million** at March 31, 2026 versus CAD $5.1 million at December 31, 2025, reflecting the same seasonal dynamic.

New AI product lines: early proof points

- **Proposaly** - Adcore's AI-native sales workflow platform - shipped its first agent (the **Inbound Agent**) during the quarter and is already producing meaningful results with early tests.
- **AI Studio applications** are receiving strongly positive feedback from early beta users and represent a second pillar of Adcore's AI product roadmap alongside its established Marketing Cloud.

CONFERENCE CALL AND WEBCAST INFORMATION

Adcore will host a webcast and conference call to discuss those results on Thursday May 14, 2026, at 10:00 a.m. ET.

To register for the conference call/webcast please click here or visit: https://investors.adcore.com/Q1-26.

The conference call will include a brief statement by management and will focus on answering questions about Adcore's results. Questions regarding results can be sent in advance to invest@adcore.com.

USE OF NON-IFRS MEASURES

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.

ADCORE INC.
ADJUSTED EBITDA
(Express in CAD Thousands)

	Three Months Ended	
	March 31, 2026	**March 31, 2025**
Operating (loss) profit	**(673)**	**(254)**
Depreciation and amortization	392	446
Share-based payments	8	2
Other non-recurring items	8	14
Total Adjustments	**408**	**462**
Adjusted EBITDA	**(265)**	**208**

ADCORE INC.
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Express in CAD Thousands)

	Three Months Ended	
	March 31, 2026	**March 31, 2025**
Revenue	**8,528**	**7,011**
Cost of revenues	5,405	3,927
Gross profit	**3,123**	**3,084**
Research and development, net	432	568
Selling, general and administrative expenses	3,364	2,770
Operating profit (loss)	**(673)**	**(254)**
Finance expense	158	116
Finance income	(75)	(169)
Taxes on income	-	1
Net Profit (loss)	**(756)**	**(202)**
Basic loss per share attributable to shareholders	(0.012)	(0.003)
Diluted loss per share attributable to shareholders	(0.012)	(0.003)

ADCORE INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in CAD Thousands)

	March 31, 2026	December 31, 2025
CURRENT ASSETS:		
Cash and cash equivalents	5,096	10,281
Trade accounts receivable, net	5,735	5,215
Other accounts receivable	497	413
Total current assets	**11,327**	**15,909**
NON-CURRENT ASSETS:		
Property, plant and equipment, net	1,035	1,055
Intangible assets, net	4,944	4,622
Total non-current assets	**5,979**	**5,677**
Total assets	**17,306**	**21,586**
CURRENT LIABILITIES:		
Trade accounts payable	4,798	8,382
Other accounts payable	2,148	2,233
Lease liability	223	217
Total current liabilities	**7,169**	**10,832**
NON-CURRENT LIABILITIES:		
Accrued severance pay, net	8	8
Deferred tax liability, net	-	-
Lease liability	430	466
Total non-current liabilities	**438**	**474**
SHAREHOLDERS' EQUITY:		
Share capital	11,398	11,201
Additional paid in capital	4,038	3,960
Treasury stocks	(1,067)	(1,050)
Actuarial reserve	(104)	(102)
Retained earnings	(4,566)	(3,729)
Total Equity	**9,699**	**10,280**
TOTAL LIABILITIES AND EQUITY	**17,306**	**21,586**

ABOUT ADCORE

Adcore is a leading AI-powered marketing technology company.

By combining extensive industry knowledge and experience with its proprietary artificial intelligence (AI) powered technology, 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. Adcore is a certified Google Premier Partner, Elite Tier Microsoft Partner, Facebook Partner, Verified Amazon 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/, https://www.adcore.com/blog or follow us on LinkedIn.

FORWARD-LOOKING STATEMENTS

This press release contains or may contain 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.

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