



Wishpond to Acquire PersistIQ Inc. - a Cutting Edge Sales Automation Technology Company

Profitable Silicon-valley based acquisition expands Wishpond's technology and capabilities into the complementary sales automation market.

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VANCOUVER, BC, Jan. 12, 2021 /CNW/ - **Wishpond Technologies Ltd.** (TSXV: WISH) ("**Wishpond**" or the "**Company**"), a provider of marketing-focused online business solutions, is pleased to announce that it has entered into an arm's length letter of intent (the "**Agreement**") with the shareholders of PersistIQ Inc. ("**PersistIQ**") whereby Wishpond has agreed to acquire, through its wholly owned subsidiary, all of the equity interests of PersistIQ (the "**Transaction**"). Based out of San Mateo, California, PersistIQ is a Software-as-a-Service (SaaS) company providing sales engagement technologies to empower salespeople and entrepreneurs.

"We are very excited about the technology that PersistIQ has developed and believe that it will help to build on the marketing products and services already provided by Wishpond," said Ali Tajskandar, Wishpond's Chairman and CEO. "This acquisition is another step towards our objective of acquiring additional sales and marketing technology and services companies in North America to accelerate Wishpond's growth."

PersistIQ, founded in 2014, is a developer of a sales automation software designed to unify sales communication and workflow into one easy to use system. PersistIQ has committed significant resources into developing a robust sales automation and communication platform with highly advanced functionality. The company's software aids in shortening the sales cycle, enables enterprises to easily personalize each and every campaign, and makes sales teams more effective by allowing them to launch personalized campaigns in just minutes to get conversations started from cold leads.

PersistIQ has a user base of approximately 780 users, and generated revenue of US\$1.1m with EBITDA margins of approx. 20% in 2020. PersistIQ is expected to expand Wishpond's capabilities into the sales automation and communication space, thereby creating significant cross-selling opportunities and opening new customer segments for the Company. PersistIQ's client base is primarily comprised of small medium sized businesses (SMBs), which is consistent with Wishpond's target market.

In consideration for the Transaction, Wishpond expects the total purchase price to be approximately US\$3,000,000, consisting of: (i) an aggregate of US\$1,000,000 paid on the closing date from cash on hand; (ii) US\$1,000,000 paid in common shares of Wishpond (each, a "**Share**") at a price per Share equal to the 5-day VWAP of the Shares on the TSX Venture Exchange (the "**TSXV**") on the closing date; and (iii) a one year earn-out of approximately US\$1,000,000, based on the projected revenue of the business (the "**Earn-Out**"). The Earn-Out payments are payable on a quarterly basis in cash or by the issuance of Shares, at the sole option of Wishpond, at the 5-day VWAP of the Shares. Any Shares issued in connection with the Transaction will be subject to a restricted period of four months and one day from the date of issuance, as well as restrictions pursuant to applicable US securities laws.

This Transaction is Wishpond's second acquisition, after its recently completed acquisition of Invigo Media Corp., and is in line with the Company's strategy to grow inorganically through tuck-in acquisitions of marketing technology companies and digital marketing agencies. The Transaction is subject to TSXV approval and Wishpond anticipates that the Transaction will constitute an "Expedited Acquisition" under the policies of the TSXV. No finder's fee will be paid in connection with the Transaction and no new directors or officers will be added to the Wishpond management team in connection with the Transaction. Subject to customary due diligence, the completion of certain pre-closing transactions by PersistIQ as well as other closing conditions, the Transaction is expected to close within the next 30 days.

WISHPOND TECHNOLOGIES LTD.

Per: "Ali Tajskandar"

Ali Tajskandar

Chairman and Chief Executive Officer

About Wishpond Technologies Corp.

Based out of Vancouver, British Columbia, Wishpond is a provider of marketing focused online business solutions. Wishpond's vision is to become the leading provider of digital marketing solutions that empower entrepreneurs to achieve success online. The Company offers an "all-in-one" marketing suite that provides companies with marketing, promotion, lead generation and sales conversion capabilities from one integrated platform. Wishpond replaces entire marketing functions in an easy-to-use product, for a fraction of the cost. Wishpond serves over 2,000 customers who are primarily small-to-medium size businesses (SMBs) in a wide variety of industries. The Company has developed cutting edge marketing technology solutions and continues to add new features and applications with great velocity. The Company employs a Software-as-a-Service (SaaS) business model where substantially all the Company's revenue is subscription-based recurring revenue which provides excellent revenue predictability and cash flow visibility. Wishpond is listed on the TSX Venture Exchange under the ticker "WISH". For further information, visit: www.wishpond.com.

Cautionary Disclaimers

This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction. Any securities referred to herein have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to a U.S. Person absent registration or an applicable exemption from the registration requirements of the United States Securities Act of 1933, as amended, and applicable state securities laws.

Notice Regarding Forward Looking Statements

Certain statements in this news release related to the Company are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as "may", "should", "could", "intend", "estimate", "plan", "anticipate", "expect", "believe" or "continue", or the negative thereof or similar variations. Forward looking statements in this news release include statements regarding the closing of the Transaction; the receipt of conditional approval from the TSXV; the expectation that closing will occur shortly after TSXV approval; the ability of PersistIQ to complete certain pre-closing transactions; post-closing objectives of Wishpond for the PersistIQ brand and business; the expectation of additional revenues to Wishpond post-closing; the expectation that PersistIQ revenues may continue to grow as expected; that the Transaction may position Wishpond for future growth through additional strategic acquisitions; and that the Vendors will assist Wishpond with the transition of operations post-closing.

There are numerous risks and uncertainties that could cause actual results and Wishpond's plans and objectives to differ materially from those expressed in the forward-looking information, including: (i) inability to close the Transaction for any reason; (ii) COVID-19 risks; (iii) difficulties and delays associated with integrating and growing the PersistIQ business post-closing; (iv) risks inherent in the online marketing software and agency industry in general; (v) other factors beyond the control of the Company; and (vi) risks outlined in Wishpond's publicly filed documents available on SEDAR. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Except as required by law, the Company does not intend to update these forward-looking statements.

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

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