JASPER

Jasper Commerce Provides Corporate Update

VANCOUVER, BC, Dec. 22, 2022 /CNW/ - Following the release of its financial results for fiscal Q1-2023, Jasper Commerce Inc. (TSXV: JPIM) ("Jasper" or "the Company") announced strategic changes in management. This change in management was done in order to better align the Company's focus on accelerated growth while streamlining costs in order to achieve cashflow breakeven; the Company's primary goal over the next 15 months.

In order to achieve its goal, Jasper has been reducing its costs in recent months and is now implementing further reductions. Employee headcount is currently being reduced from 22 to 17 which is a further reduction from cuts made earlier this year. In total, this represents a 33% reduction in headcount from a 2022 peak of 27. While reducing headcount to ensure greater cost efficiency, the Company has not seen a reduction in customer support, retention or growth. In addition to headcount reduction, general expenditures are being reduced which should result in monthly operating and cost of goods being approximately $220,000; a reduction of over 60% from the Company's highest operating costs.

A key part of the Company's cashflow breakeven goal is consistent sales growth. Since September of this year, the Company has booked approximately $5,000 per month in net new subscription Monthly Recurring Revenue ("MRR") and expects to maintain this level of continued sales growth. The new MRR growth has come from both new and existing customers alike.

With strategic cost reductions coupled with the anticipated MRR growth, the Company expects to achieve cashflow breakeven by March 2024 with a total MRR of approximately $200,000. At this time, the Company estimates that it will require an additional $500,000 in cash in order to achieve cashflow breakeven.

"While 2022 has been a challenging year, I am pleased where management execution and focus is now situated." said Gerry Hurlow incoming Chairman and Interim CEO. "Jasper's historical MRR growth has been substantially below expectation. However, I am confident that we are on the cusp of executing on more reliable growth, and doing it with a reduced overhead that did not contribute to overall growth. Jasper's more modest MRR growth goals are in line with recent performance and the cost reductions position the Company to gain healthy traction in the PIM market", he added.

About Jasper Commerce Inc.

Jasper offers a Product Information Management ('**PIM**") solution that has the objective of empowering eCommerce merchants to manage and merchandise their products from a single source of truth, facilitating them to sell more, sell faster and work smarter. Jasper's PIM is accessible from anywhere via a web-browser and is intended to simplify the process by which online merchants import product data into the PIM. Once uploaded, merchants can add various product data including product attributes, images, videos, marketing information, inventory quantities and price books and efficiently merchandise their products using various features that include, among other things, the ability to adjust product categorization, pricing data and other key metrics. Jasper's PIM also allows for automatic syncing to popular eCommerce storefronts, marketplaces, or other connected channels, whenever new products are added to the PIM.

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Forward Looking Statements

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