



Perk Labs Reports First Quarter 2021 Results

Vancouver, Canada, April 29, 2021 — Perk Labs Inc. (CSE: PERK / OTCQB: PKLBF / FKT: PKLB) (“Perk Labs” or the “Company”) today announced financial results for the first quarter ended February 28, 2021.

Overview

The Company enters the new fiscal year with a significantly strengthened balance sheet due to the success of its at-the-market offerings coupled with the IPO of Euro Asia Pay. As at February 28, 2021, the Company had \$2.1 million cash, \$2.8 million in marketable securities and zero long term debt. This strength in its balance sheet provides Perk Hero with the resources required to execute on its plan.

During the first quarter, Perk Hero expanded its marketplace offerings into the US market which is over ten times the size of the Canadian market. It expanded its partnership with InComm Payments to offer digital gift cards in the United States and developed a Shopify integration that enables merchants to onboard the Perk Hero platform more quickly and efficiently.

“Our strong balance sheet enables us to scale up our marketing efforts which we believe will drive growth in the number of users and merchants,” said Perk CFO Norman Tan. “Our investments in these areas will create value for our company and drive future results.”

Jonathan Hoyles, Perk Labs CEO, said: “I am excited about the marketing resources that we have onboarded and look forward to scaling up. We have continued to improve our product and we now have a complete omnichannel package that can help small businesses across the continent. This sets the foundation for our future success.”

2021 Q1 Financial Highlights:

- Net income of \$1.6M in Q1 2021 compared to a net loss of \$1.2M in Q1 2020.
- Working capital of \$3.5M in Q1 2021 compared to \$2.8M in Q1 2020 and \$785k in Q4 2020.
- General and administration expenses decreased 11% from \$306k in Q1 2020 to \$272k in Q1 2021 as the Company continued to practice cost discipline.
- Research and development expenses increased 15% from \$146k in Q1 2020 to \$169k in Q1 2021 as the Company continues to invest in its technology platform.
- Sales and marketing expenses increased 4% from \$157k in Q1 2020 to \$162k in Q1 2021 as the Company continues to test and refine its marketing efforts.

2021 Q1 Operational Highlights

- **Launched a new web app:** The Company launched a new web app located at Perkhero.com that enables users to make purchases and receive rewards using their desktop or mobile web browser. This new web app syncs directly with the Perk Hero database and allows for a true omnichannel experience. Furthermore, it allows the Company to build a large web presence that will help with search engine optimization and marketing campaigns.
- **Entered the US market:** Multi-currency support was added to the Perk Hero platform that enables users from the US to shop from existing Perk Hero merchants. The eCommerce market in the United States is more than ten times the size of Canada’s, representing a great opportunity for the acceleration of the Company’s growth.

- **Developed a Shopify integration:** The Company created a custom Shopify application that allows merchants to quickly onboard the Perk Hero platform and seamlessly import their products. In addition, orders placed through the Perk Hero platform are automatically synchronized with the merchants' Shopify stores, which allows for a streamlined workflow for fulfilment.
- **Renewal of at-the-market offering:** On February 17, 2021, the Company announced the renewal of its at-the-market equity program following the successful conclusion of the previous program filed July 29, 2020. The renewed offering allows the Company to issue and sell up to \$4,000,000 worth of common shares in the capital of the Company from treasury to the public from time to time. Between December 1, 2020 and April 28, 2021, the Company raised a total of \$2.1M through its at-the-market equity programs.
- **Euro Asia Pay IPO:** On February 25, 2021, Euro Asia Pay Holdings Inc. completed its initial public offering of shares at a price to the public of \$0.25 per share. Perk Labs owns 8,500,000 shares of Euro Asia Pay which it received as part of a licensing agreement dated October 14, 2017, as amended on September 30, 2018.

Outlook

The Company's strategic priorities for the remainder of 2021 include:

- Investments into sales and marketing to drive significant merchant and user growth on the Perk Hero Platform.
- Continued development of the Perk Hero product through a series of build-measure-learn iterations and expanding upon its omnichannel commerce capabilities.
- Developing communication strategies that speak to key customers with focused messages in the relevant channels in addition to addressing broader brand communications.
- Continuing to add useful spending tools to Perk's roadmap that build upon an existing platform, including enabling customers to make purchases using digital wallets and cryptocurrency.

The Company's complete financial results are available in its Consolidated Financial Statements and Management's Discussion and Analysis for the quarter ended February 28, 2021, each filed with Canadian securities regulators at www.sedar.com.

IFRS

The operational and financial information in this release is based on the consolidated figures in accordance with International Financial Reporting Standard (IFRS).

About Perk Labs Inc.

Perk Labs Inc. (CSE: PERK) (OTCQB: PKLBF) (FKT: PKLB) is the owner of Perk Hero, the mobile commerce platform on a mission to make shopping experiences more engaging, convenient, and rewarding. We've partnered with vetted specialized brands across North America to bring our customers products that are eco-friendly, natural, organic, and ethically sourced. Consumers can also buy digital gift cards from top merchants that include gaming and electronics, apparel, dining, and more. The Perk Hero platform, currently available in Canada and the US, was engineered for reliability and scale using enterprise-level technology fit for businesses of all sizes. The platform also features Shopify integration, contactless payments using Apple Pay, Google Pay and Alipay, as well as its own digital currency called Perk Coin, a gamified loyalty program, e-commerce dropshipping capabilities, pre-order and pick up, and in-store payments with a QR code. For more information about Perk Labs, please visit www.perklabs.io. Visit Perk Hero at www.perkhero.com

For more information, please contact:

Norman Tan
Chief Financial Officer
norman@perkhero.com
833-338-0299
investors@perklabs.io

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

Forward-Looking Statements

This press release contains forward-looking information or forward-looking statements (collectively "forward-looking information") within the meaning of applicable securities laws. Forward-looking information is typically identified by words such as: "may", "believe", "thinks", "expect", "exploring", "expand", "could", "anticipate", "intend", "estimate", "plan", "pursue", "potentially", "projected", "should", "will" and similar expressions, or are those, which, by their nature, refer to future events. These forward-looking statements, which involve risks and uncertainties, relate to, among other things, the discussion of Perk Labs' business strategies and its expectations concerning future operations, the Perk Hero app will continue to evolve and offer a unique feature set that we believe will poise us for growth, that our community commerce mobile platform will enable us to expand into other markets more quickly due to low capital requirements required with onboarding dropshipping merchants, the continued development of the Perk Hero product through a series of build-measure-learn iterations, that the Company will build an exceptional and world-class brand, that the Company will increase the number of users and merchants using the Perk Hero platform, and that the Company will ramp up of sales and revenue generation. Although Perk Labs considers these forward-looking statements to be reasonable based on information currently available to it, they may prove to be incorrect, and the forward-looking statements in this release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking statements. For additional information with respect to these and other factors and assumptions underlying the forward-looking statements in this press release, see the section entitled "Risk Factors" in the most recent Annual Information Form and Prospectus of Perk Labs, which may be accessed through Perk Labs' profile on SEDAR at www.sedar.com. Perk Labs cautions investors that any forward-looking information provided by Perk Labs is not a guarantee of future results or performance, and that actual results may differ materially from those in forward-looking statements. Undue reliance should not be placed on such forward-looking information, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur.