



Perk Labs Reports Fiscal Year-End Financial Results and Provides Operational Update

This news release constitutes a “designated news release” for the purposes of the Company’s prospectus supplement dated February 17, 2021 to its short form base shelf prospectus dated July 17, 2020.

Vancouver, Canada, March 26, 2021 — Perk Labs Inc. (formerly Glance Technologies Inc.) (CSE: PERK / OTCQB: PKLBF / FKT: PKLB) (“Perk Labs” or the “Company”) today announced financial results for the fourth quarter and fiscal year ended November 30, 2020.

Overview

In 2020, the Company launched *Perk Hero*, an all-in-one payments platform built upon the latest technologies from Amazon, Microsoft and Facebook. Perk Hero was launched in April 2020 with restaurants as its initial merchant base. Over the next eight months, the platform continued to evolve into a complete solution offering not just a food and beverage related functionality, but also the ability to pay for parking, buy digital gift cards and order curated consumer products. This allowed the Company to expand its userbase across multiple provinces in Canada and provided market insights that will help to further the development of Perk Hero.

"Our ongoing financial goals are to keep operating expenses low and to grow our Company's revenues," said Perk CFO Norman Tan. "We are concentrated on providing the products our customers want at competitive prices, and we continue to streamline our business. We believe the investments in marketing activities that we have planned for the second quarter of 2021 will put us on a path to achieve our revenue growth goals."

Perk Labs CEO Jonathan Hoyles said, "I am proud of our team for their accomplishments during this unprecedented year. COVID-19 presented small businesses everywhere with significant challenges, and we have been able to respond by tailoring our product to offer the features that these businesses are looking for. The work that we have put into this platform provides us with a strong foundation for the future."

"There is more work to be done, but the successes we have had over the course of the past year and most recently prove that we are on the right path. Thanks to the right-sizing of our Company and the capital provided through our at-the-market offering and our portfolio of marketable securities, we enter 2021 with the right team, technology and resources needed to drive Perk Labs' growth."

2020 Financial Highlights:

- Revenue of \$45,990 in Q4 2020 increased 508% from \$7,558 in Q4 2019. Revenue of \$63,896 for 2020 increased 99% from \$32,093 in 2019.
- General and administration expenses decreased 54% from \$2.6M in 2019 to \$1.2M in 2020 as the Company continued to right-size its expenditures.
- Research and development expenses decreased 74% from \$2.8M in 2019 to \$0.7M in 2020 due to the right-sizing of the technology team and decreased infrastructure requirements associated with the new *Perk Hero* platform.
- Sales and marketing expenses decreased 39% from \$1.1M in 2019 to \$0.7M in 2020 as the team focused on developing the platform.
- Net loss reduced to \$4.5M for 2020 compared to \$8.1M in 2019.

2020 Operational Highlights

- **Launched the *Perk Hero* mobile application.** The Perk Hero platform features new capabilities: contactless payment using Apple Pay, Google Pay and Alipay, a gamified loyalty program; digital gift cards; payment for parking and parking tickets; e-commerce dropshipping capabilities; pre-order and pick-up; pay at the table with QR code.

- **Reduced expenditures.** As a result of significant cost cutting efforts, the Company reduced its cash used from operations. For the year ended November 2020, the Company used \$2.1m for operations compared to \$4.8m in the prior year. Despite the lower expenditures, Perk Hero was able to efficiently use its resources to drive research and development on the Perk Hero platform which provides the foundation for future growth.
- **Strengthened our financial position.** In January 2020, the Company completed a non-brokered private placement for proceeds of \$176,495. On July 17, 2020, the Company filed a Short Form Base Shelf Prospectus with the British Columbia Securities Commission and using Multilateral Instrument 11-102 *Passport System*, filed the Prospectus in all the provinces and territories of Canada. On July 29, 2020, the Company announced an at-the-market equity program that allows the Company to issue and sell up to \$2,000,000 of common shares of the Company from treasury to the public, from time to time, at its discretion. For the period ending November 30, 2020, the Company raised gross proceeds of \$429,091 under the program.

Highlights Post Fiscal Year End

- **Launched a new web app:** The Company launched a new web app located at Perkhero.com and Perkhero.ca 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 and the Company expects that it will accelerate the Company's growth.
- **Developed a Shopify integration:** The Company created a custom Shopify application that allows merchants to quickly onboard to the Perk Hero platform and seamlessly import their products. In addition, orders placed through the *Perk Hero* platform are automatically synchronized to the merchants' Shopify stores, which allows for a streamlined workflow for fulfilment.
- **Renewal of at-the-market offering:** Subsequent to November 30, 2020, the Company raised gross proceeds of \$1,570,780 through its existing at-the-market offering. On February 17, 2021, the Company announced the renewal of its at-the-market equity program that 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. Under this program, the Company raised gross proceeds of \$434,027 between February 18, 2021 and March 11, 2021.
- **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 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 its communication strategies that speak to key customers with focused messages in the relevant channels in addition to addressing broader brand communications.
- Continue to add useful spending tools to our roadmap that build upon our 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 year ended November 30, 2020, 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

Perk Labs Inc. is the owner of *Perk Hero*, a digital loyalty management platform that enables merchants to provide their customers with digital rewards and a more engaging and convenient customer experience. For more information about Perk Labs, please visit www.perklabs.io

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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.