

A photograph of two women in a cafe setting. The woman in the foreground, with her hair in a bun and a tattoo on her arm, is pointing at a touchscreen monitor. The woman in the background is smiling and looking at the screen. To the right, there is a glass display case containing various items. The background is filled with colorful posters and cafe equipment.

Ackroo Inc.

TSX Venture: **AKR**

OTC Pink: **AKRFF**

INVESTOR DECK – March 2024

 **Ackroo**

ACKROO INC. DISCLAIMER

Certain written and oral statements included in this presentation may constitute “forward-looking information” which reflect the current expectations of Ackroo. This information reflects Ackroo’s current beliefs with respect to future events and are based on information currently available to management. Forward-looking information involves significant known and unknown risks, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking information. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking information contained in this presentation. Although forward-looking information contained in this presentation is based upon what Ackroo believes to be reasonable assumptions, management cannot assure Users that actual results, performance or achievements will be consistent with this forward-looking information and cautions that undue reliance should not be placed on the forward-looking information. The forward-looking information is made as of the date of this presentation and Ackroo does not assume any obligation to update or revise it to reflect new events or circumstances, except as required by law.

Ackroo: pronounced ac-cruē or ə'krōō

Definition of accrue: *to accumulate or be added periodically*

Focus of Ackroo: *To accrue companies in our industry in order to simplify and consolidate the market, enhance operational effectiveness, and to expand our offerings to maximize merchant value*

Primary Goal for Ackroo: *to consolidate the industry until we are consolidated ourselves*



Gift cards



Loyalty



Marketing



Data



Payments



P.O.S

OUR VISION

To **consolidate, simplify** and **improve** the merchant marketing, payments & point-of-sale industry

OUR MISSION

Through industry and product **consolidation** we will **integrate operations** to simplify and maximize value for Ackroo and for our merchants. We will use a **technology first, services second** approach to help merchant's attract, retain and grow their customers and their profits.

OUR SOLUTIONS

Ackroo *MKTG*

- A self-serve, data driven marketing platform that manages important merchant currencies including **loyalty, gift card & promotions**

Ackroo *PAY*

- Powered by Fiserv/First Data and Global Payments we provide **payment processing** technology and services for all merchant types

Ackroo *POS*

- For specific niche markets we provide **point-of-sale solutions** to manage and optimize operations

OUR APPROACH

We are a market leader in:

- The **consolidation** of small to medium sized loyalty marketing, payment and point-of-sale solution providers
- The **optimization** of operations and cash generation by integrating acquired companies into a single operational business
- The **innovation** of a self-serve, data driven merchant marketing platform and niche point-of sale solutions
- The **integration** of loyalty marketing, payment and point-of-sale to our own solutions and to others

Diversified across 4 specialized verticals:



Petroleum



Hospitality

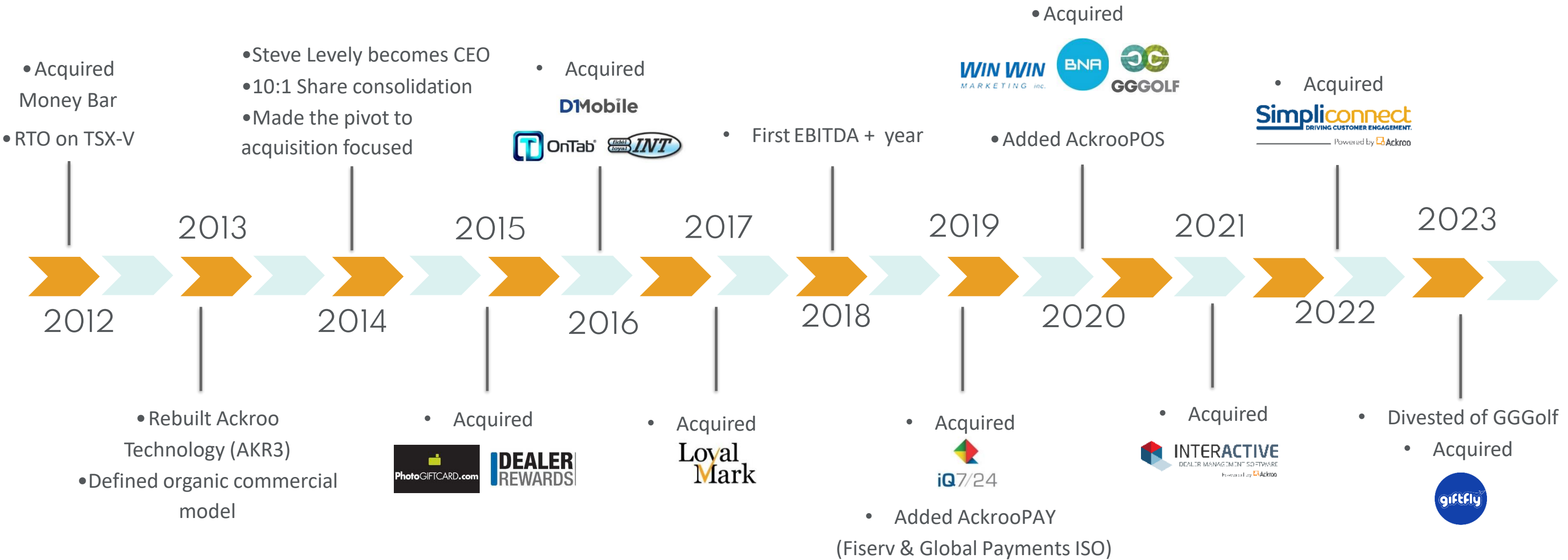


Automotive



Retail

OUR STORY



Invested \$11M of Cash & 44M shares of AKR and have added over \$7M of ARR(divested of \$1M)

DIFFERENTIATION & INVESTOR VALUE

FOCUS

Industry consolidator of small to medium sized providers (<\$3M ARR)

STABILITY

EBITDA positive since 2017 generating a 21% + EBITDA Margin

BREADTH OF OFFERING

Marketing + Payment + Point-of-Sale – Omni Channel (in store & online)

RECURRING SaaS REVENUE MODEL

Predictable (87% of total revenue) and highly profitable (89% GP)

PUBLIC CURRENCY

Access to growth capital & liquidity draws interest for M&A

PROVEN EXECUTION

13 accretive deals to date successfully integrating and delivering profitability

FOCUSED PIPELINE

Over 20 active acquisition targets representing over \$60M of ARR

CONSISTENT GROWTH

26% Revenue CAGR since founding in 2012

ATTRACTIVE VALUATION

Currently trading @ less than 1.5x revenue and 6x adjusted EBITDA (non-IFRS)

UNDER THE RADAR

Minimal awareness, trading at a fraction of P/S & EV/EBITDA of public peers.

Looking at strategic options over the next 24 months

FINANCIAL HIGHLIGHTS

Proven Execution

90% Retention Rate

89% Gross Margins

87% Recurring Revenue

21% EBITDA Margin

26% Rev CAGR since
founded

\$300k+ Revenue Per Employee

\$1.8M Available cash (cash + LOC room)

2-1 Debt to EBITDA Ratio

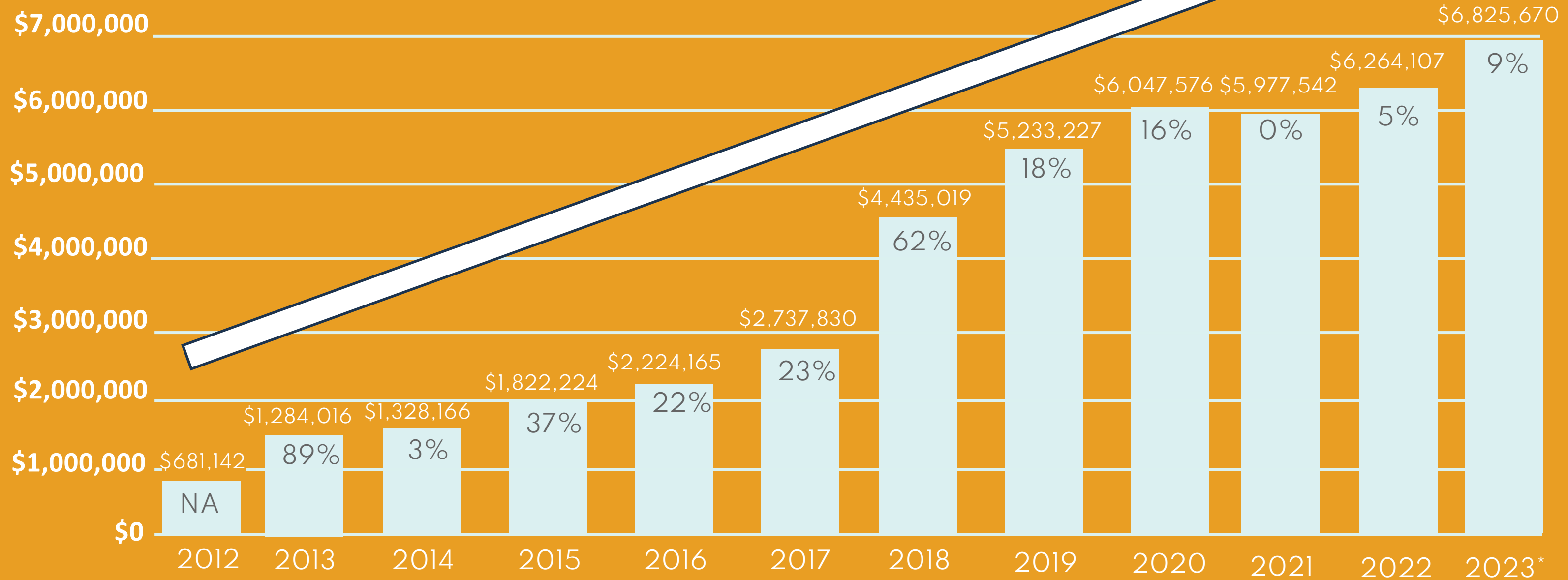
6 Consecutive EBITDA + Years

13 Closed M&A deals

Note: #'s are based on YTD announced unaudited results

OUR RESULTS - REVENUE

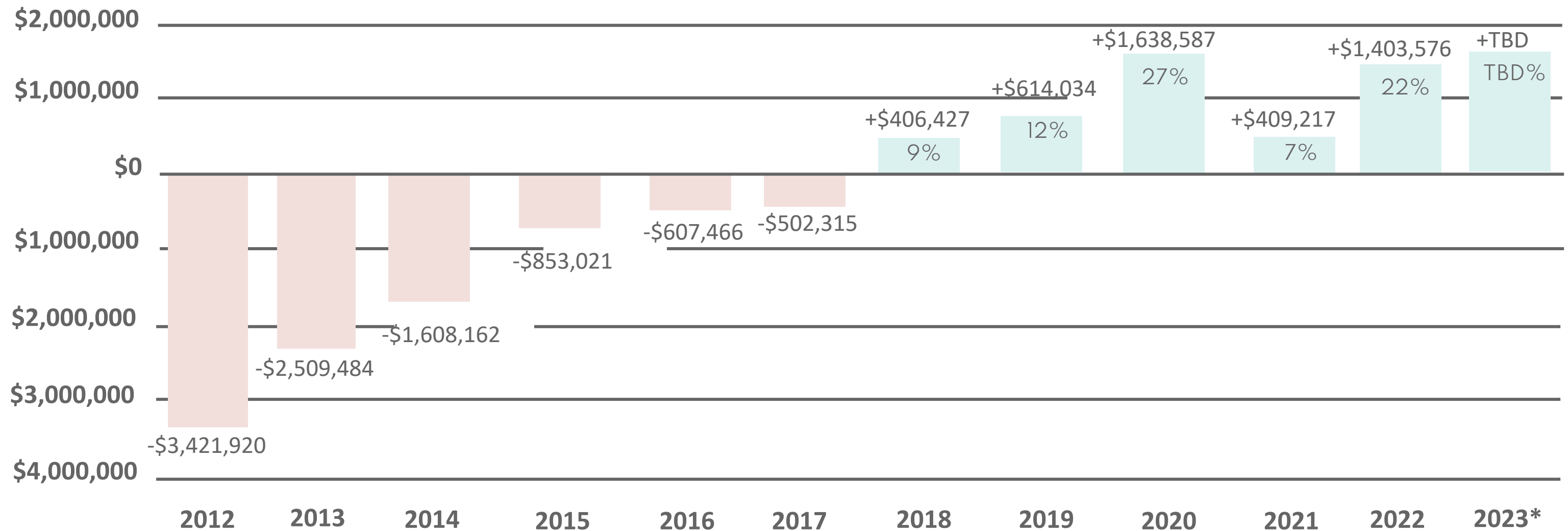
Annual Revenue - 26% CAGR since founded
(% presented is YoY growth %)



Note: 2023* #'s are based on announced unaudited results on January 26th, 2024














OUR RESULTS - EBITDA

6 Consecutive Years of Positive adjusted EBITDA
 (% presented is EBITDA as a % of total revenue)



Note: 2023* #'s are based on annualizing YTD announced unaudited results – adjusted EBITDA is a non-IFRS measure)

INORGANIC GROWTH HISTORY

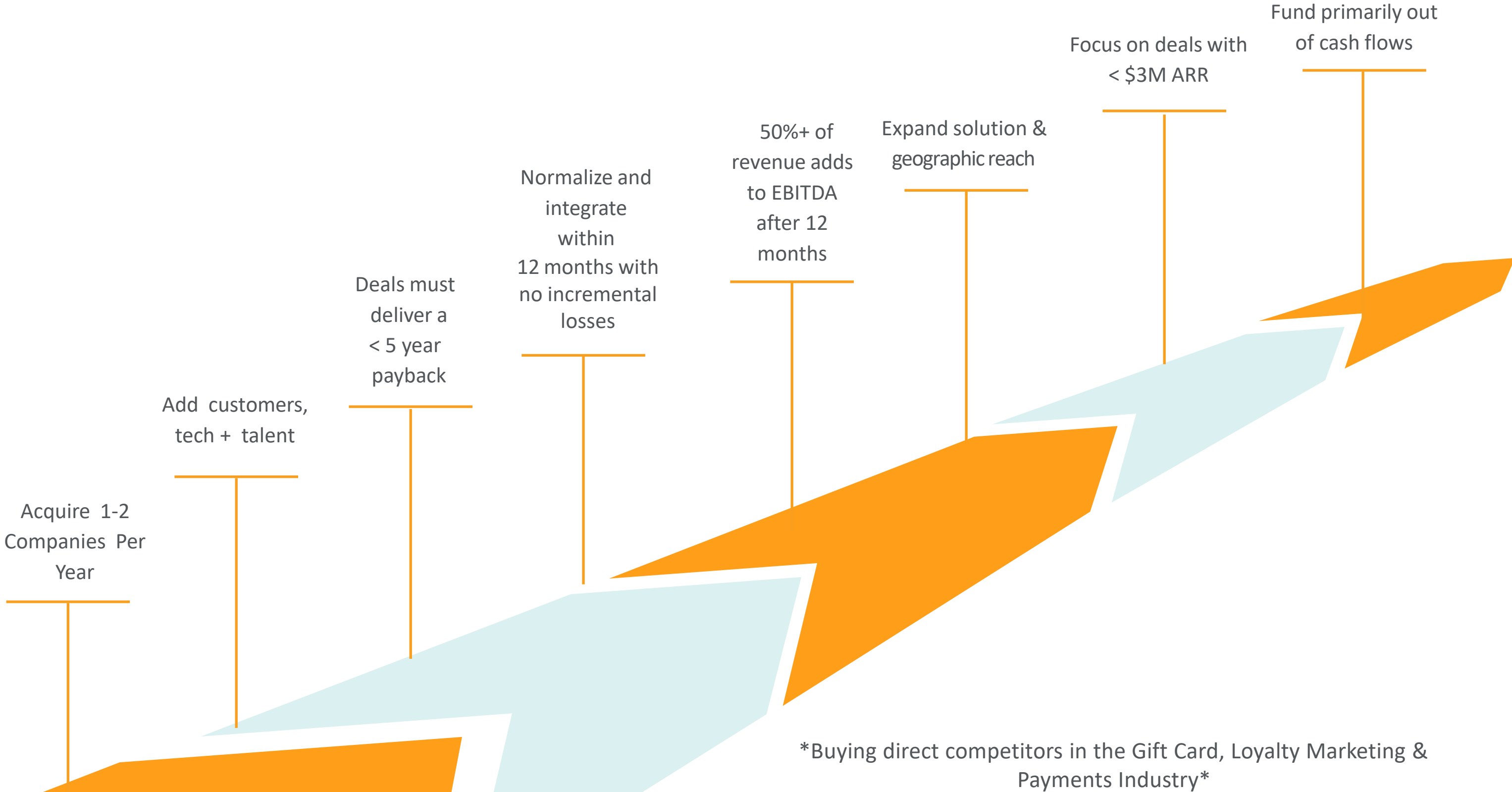
Deals	1	2	3	4	5	6	7	8	9	10	11	12	13
Company													
Rev Multiple Paid	2.5x	2x	N/A	1.5x	2x	1.5x	2x	1.5x	2x	2x	2.2x	2x	1.8x
Structure (cash vs. stock)	1M shares	\$1.5M cash 750k shares	Cons Ag	500k shares	\$380k cash 400k shares	\$200k cash 35.8M shares	\$2.8M cash	\$115k cash	\$800k cash	\$1.8M cash	\$900k cash	\$1.8M cash 5.6M shares	\$900k cash
Integration Time	3 months	24 months	6 months	5 months	8 months	18 months	24 months	13 months	12 months	24 months	12 months	TBD	TBD
ARR Added	\$60k	\$600k	\$0	\$70k	\$180k	\$1.5M	\$1.4M	\$75k	\$400k	\$900k	\$400k	\$1.2M	\$500k

Extra WINS from M&A over and above of customers, revenue and talent:

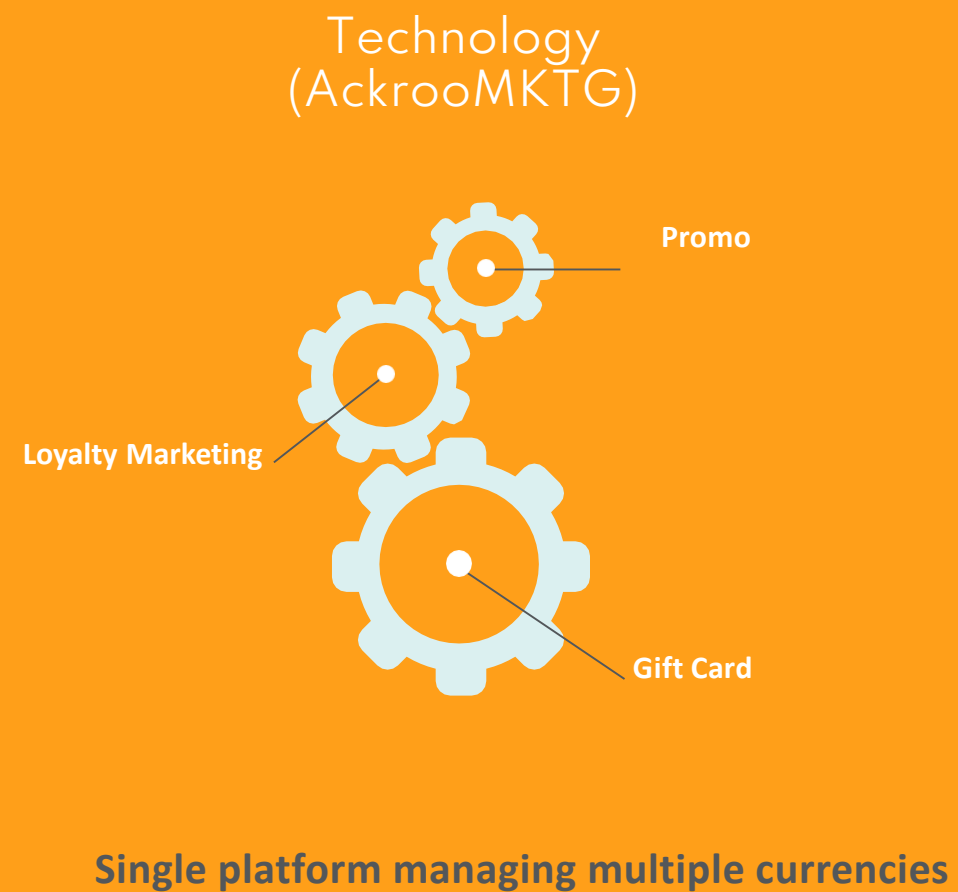
PGC added gift card fulfillment	DRC & Loyalint added Automotive Loyalty	OnTab & D1 Mobile added Mobile	KESM/ LoyalMark added Petroleum Loyalty	iQ724 & WinWin Added Digital Marketing	BNA Added Payment	GGGolf & IDMS added P.O.S	Simpli & GiftFly add US expansion
---------------------------------	---	--------------------------------	---	--	-------------------	---------------------------	-----------------------------------

Note: GGGolf divested in March 2023 + Current active funnel is 20 + opportunity's generating over \$60M in annual revenue

INORGANIC GO FORWARD STRATEGY



ORGANIC GROWTH



Geography



North America Focused

Client Revenue Mix = 87% MKTG | 7% PAY | 6% POS

Geographic Revenue Mix = 67% CAN | 33% USA

(* < 2% of customers today use more than 1 solution – lots of cross-sell opportunity*)

ORGANIC BUSINESS MODEL

1. ONE TIME SETUP REVENUE (OTR)

- Platform Setup, initial Cards/collateral & Custom Development
 - \$250 - \$1,000 for MKTG
 - No charge for PAY or POS
-

2. MONTHLY SUBSCRIPTION REVENUE (MRR)

- Platform access, development & support
 - \$50 - \$500 per location per month
 - Current average is \$108 per loc per month
-

3. VARIABLE SUBSCRIPTION REVENUE (MRR)

- Payment & P.O.S. Commissions
-

4. OTHER PRODUCT REVENUE(OTR)

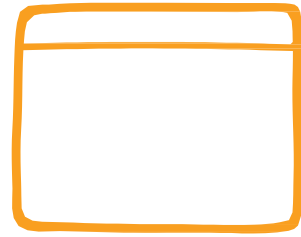
- Additional collateral like cards & signage
 - Custom development
 - Current average is \$16 per location per month
-

5. CAC vs. LTV

- Cost to Acquire in 2023 = Approx. \$2,037 per location
 - Lifetime Value (7-year ARPU) = \$10,416 per location
 - Ratio: 5 to 1
-

Current average monthly revenue (MRR + OTR) = \$124 per location per month and growing

CLIENT BENEFITS



Gift cards

Increase merchant revenues and cash flow



Loyalty

protects margin, attracts customers, creates lift and drives behaviors



Marketing platforms

provide actionable tools to drive results



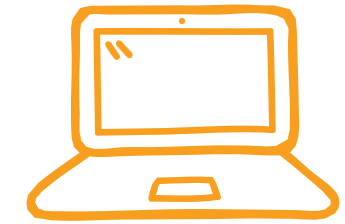
Data

Provides important insights to support marketing initiatives and business understanding



Payment Processing

Ability to accept digital payments via Debit/Credit at industry best prices



Point of Sale

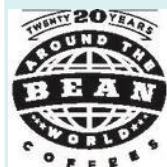
Technology used to manage and optimize general operations

SOME TESTIMONIALS:



Auto Motion has been with Ackroo since 2017 using Ackroo's gift card and loyalty marketing platform with over 1,200 registered users. In the winter of 2023 the dealership was looking for additional ways to reduce costs and approached Ackroo about their AckrooPAY services. Auto Motion was using Desjardins to process payments and was unhappy with the hardware being used and fees they were paying so they switched to AckrooPAY where they saved 50% on their processing fees saving them over \$400 a month and upgraded to Clover Flex for a better hardware/software experience. A quote from Chantelle Ovecka, Operation Manager:

"Our previous payment machine was out of date, slow, and sometimes glitched. The new Clover devices are simplified and comfortable – it strongly resembles a smart phone. We were open minded and willing to see where, if possible, we could save money. We were not disappointed!"

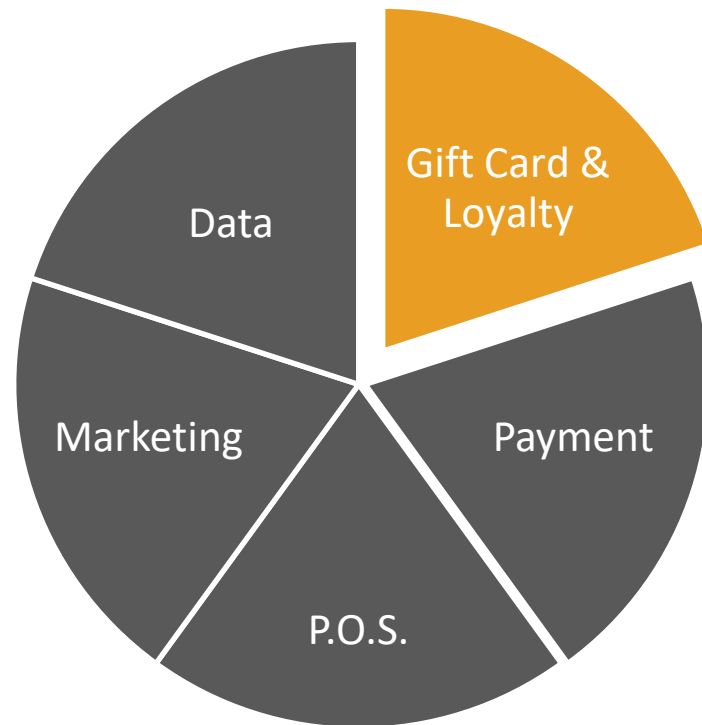


Bean Around the World has been a client of Ackroo's since the Company was founded in 2012 via the purchase of MoneyBar rewards. With 21 locations the brand was looking for a digital way to manage their punch card loyalty system which Ackroo provides. The brand now has over 26,000 visits by members per year growing at an 11% annual growth rate where members are spending 22% more than non-members. A quote from Nicole Topic, Promotions Manager:

"Back in the day it was all punch cards for coffee houses. It became tricky with independent owned and operated stores – we needed something that could be centrally managed and reconciled across all locations. We feel fortunate that Ackroo was able to accommodate separate virtual wallets for people to earn loyalty in different locations, and use it anywhere."

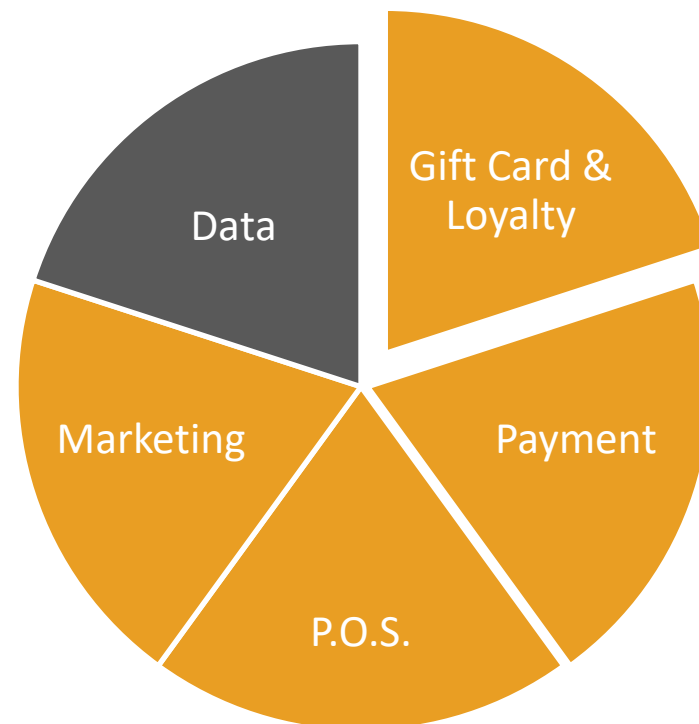
MARKET POSITIONING

Ackroo Past



Ackroo focused on 1 area of the 5 core pieces of our ecosystem

Ackroo Today



Ackroo has consolidated 4 of the 5 core pieces of the ecosystem

Ackroo Future

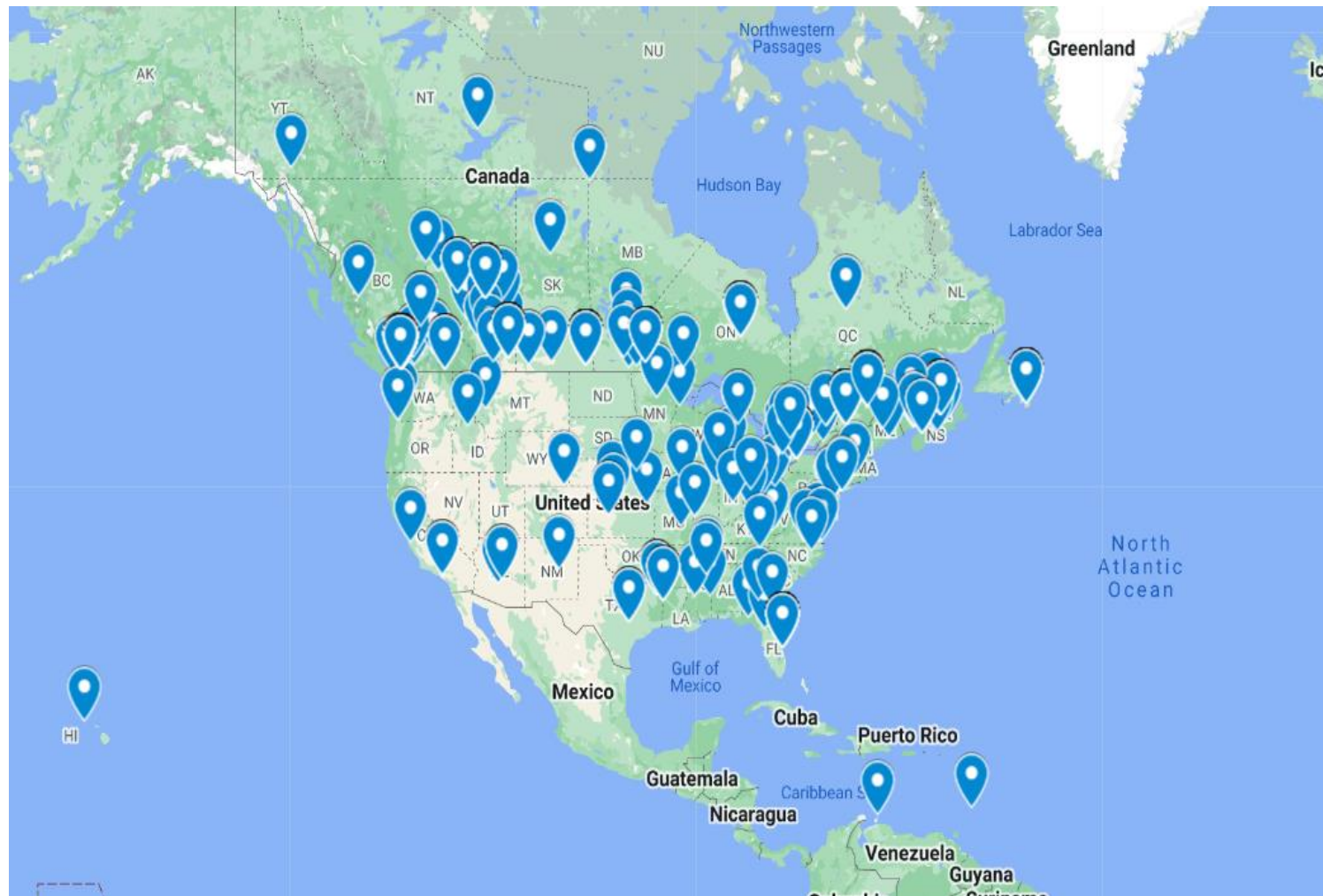


Ackroo will add the 5th and most valuable piece to their offering

Ackroo*PAY* **Ackroo***MKTG* **Ackroo***POS*

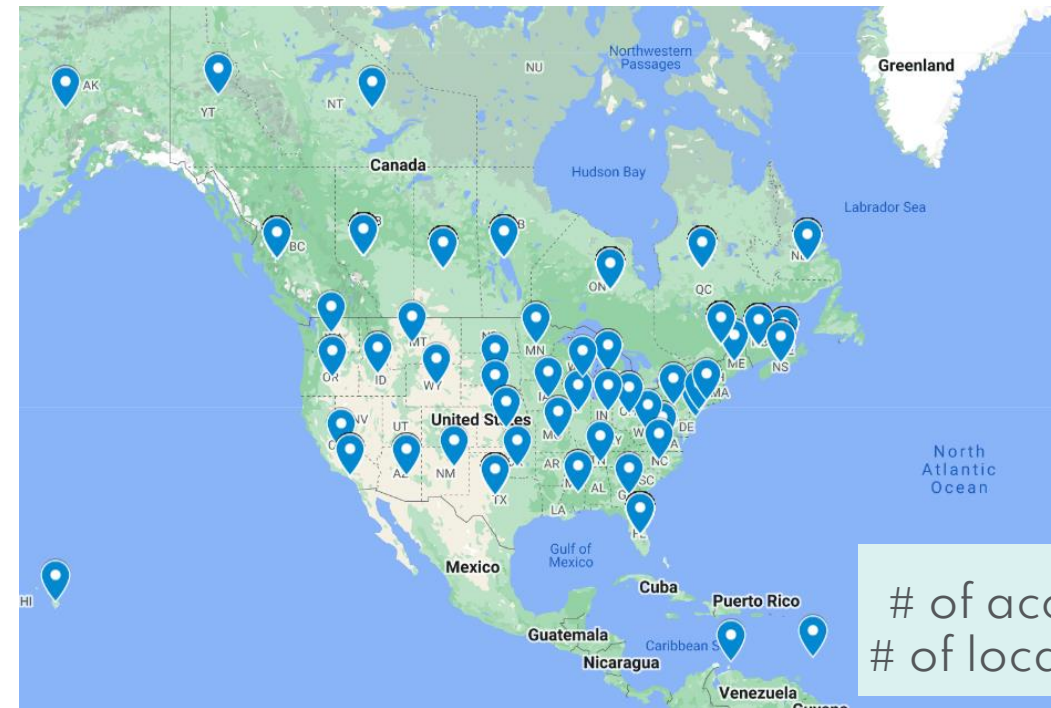
OUR CLIENTS

All Clients/Customers



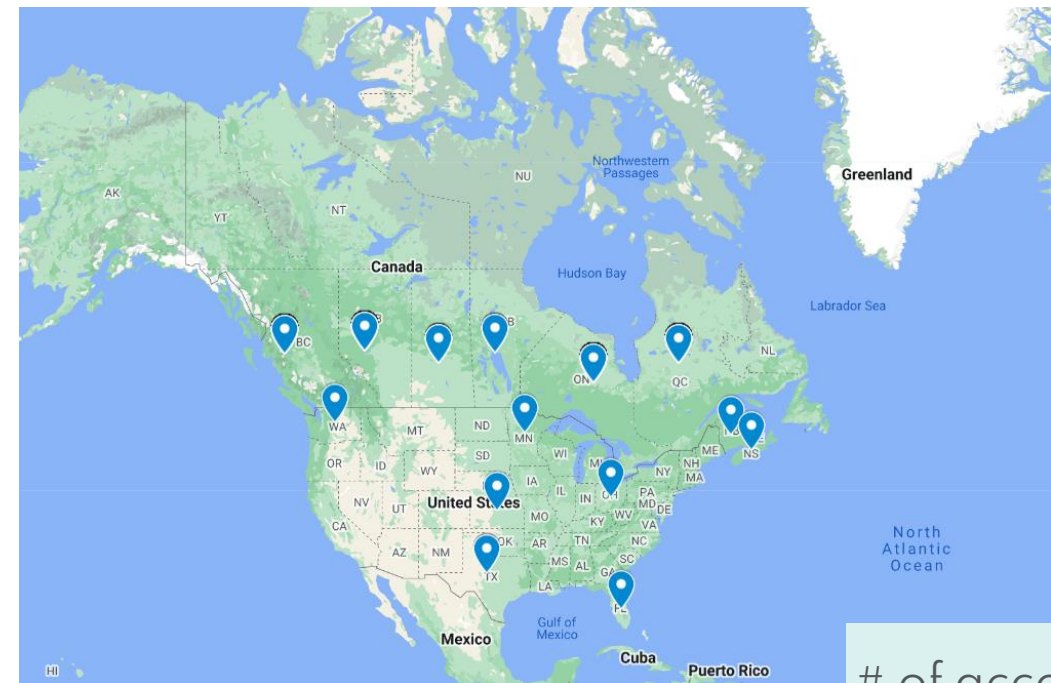
of accounts: 1829
of locations: 4953

Inorganically added in 2023



of accounts: 47
of locations: 249

Organically added in 2023

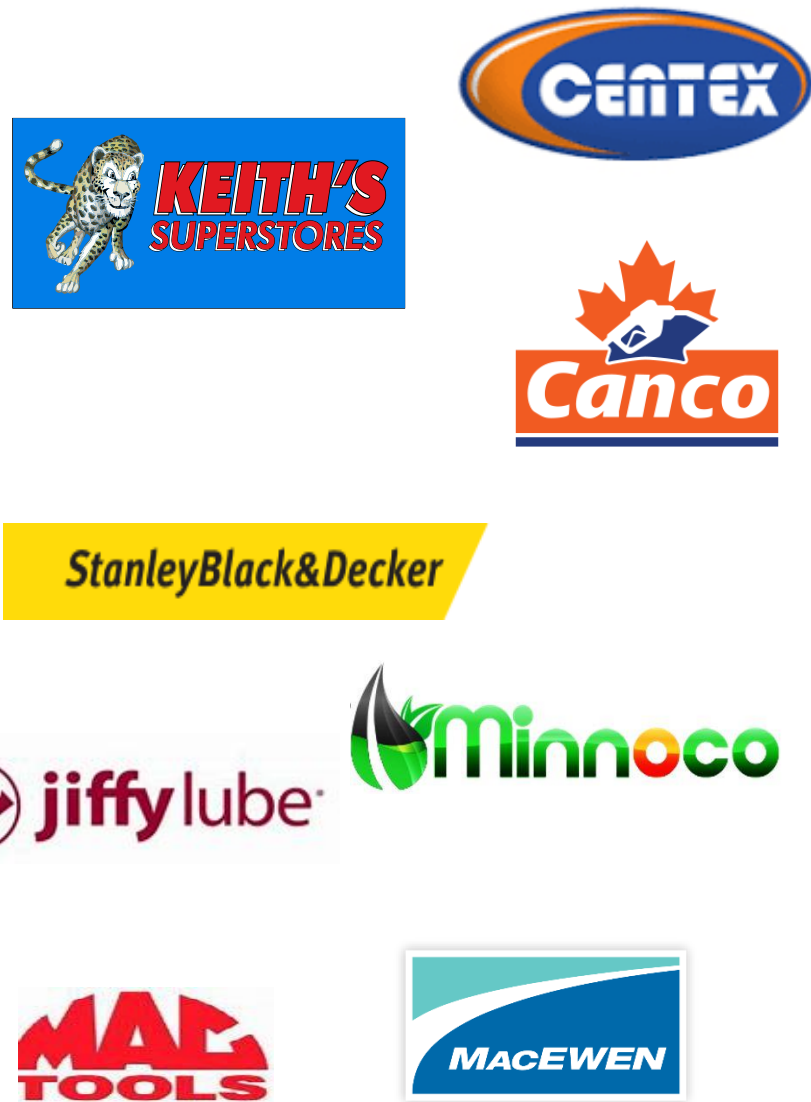


of accounts: 242
of locations: 316

ACKROO SUPPORTS THESE MERCHANTS + THOUSANDS OF GIFTFLY MERCHANTS

SOME OF OUR CLIENTS

Larger Merchants



Mid - Market Merchants



Small Merchants



Ackroo supports a mix of large, medium and small merchant types

OUR SELECTED PARTNERS

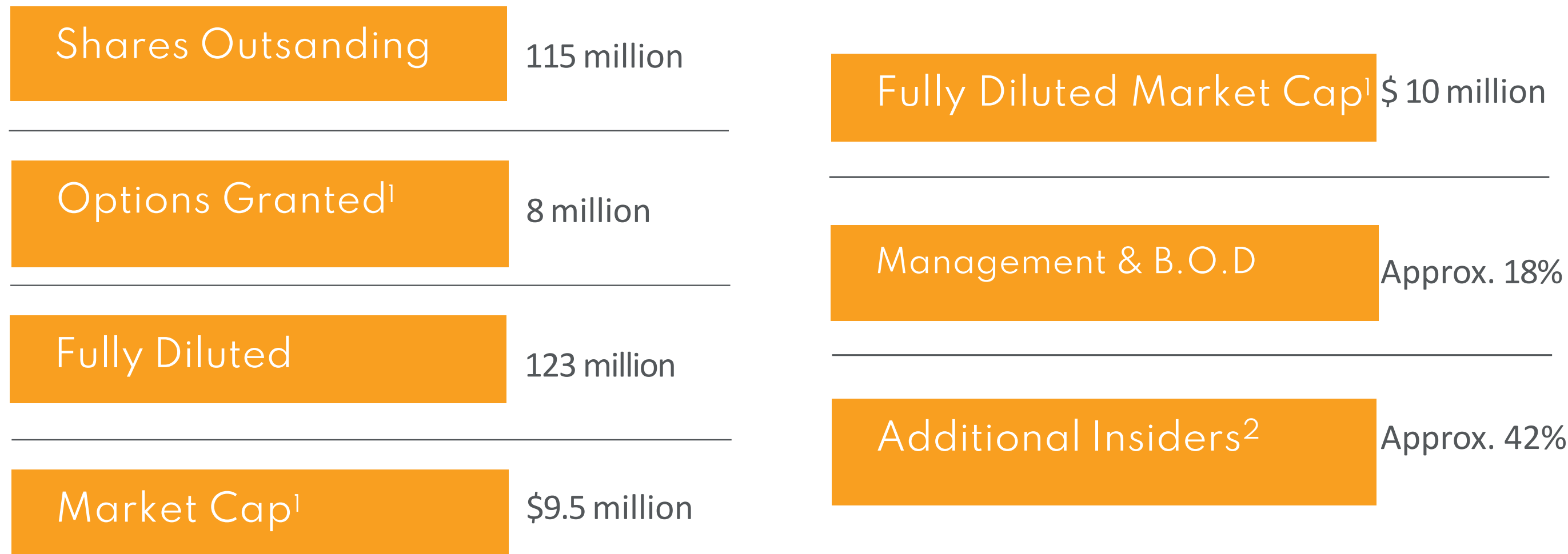


COMPETITIVE LANDSCAPE



Very fragmented industry aggressively consolidating

SHARE STRUCTURE & OWNERSHIP



1. As of March 1st, 2024

2. Includes institutional investor Rivemont MicroCap Fund's ~15% stake

MANAGEMENT TEAM

Senior Leadership Team



Steve Levely | CEO - Sales, Marketing and Executive leadership expertise; Pitney Bowes, Maritz, and Ackroo



Cheryl Lewis | VP of Operations - Customer Experience and Operations executive; Dependable IT Group, Facedrive and Ackroo



Amanda Gall | VP of Product - Product Marketing & design expertise; OCAD University and Ackroo



Kevin Kennedy | VP of Engineering - Software Engineering expertise; Pragmatic conferencing and Ackroo



Aysha Vallance | Director of Finance - Finance expertise & CPA Student; Great Blue Resorts and Ackroo

BOARD OF DIRECTORS



Steve Levely | Director - Sales, Marketing and Executive leadership expertise; Pitney Bowes, Maritz, and Ackroo



Sam Cole | Director - Corporate securities law expertise; ASKD Law and Cassels Brock & Blackwell LLP



Jeremy Jagt | Director - Public & Private accounting and executive expertise; Grant Thornton LLP and Potentia Renewables



Brad French | Director - Business founder, investor and executive; Alliance Communications and FuneralTech



Jon Clare | Director - Technology founder, investor and executive; FuneralTech and SportsHeadz



Philippe Bergeron-Belanger | Director - Capital markets research, investor and executive; Rivemont and Good Protein

FY2024 TOP 5 PRIORITIES

1. CASH/EBITDA MANAGEMENT

Increase EBITDA year over year + finish the year with EBITDA at 25% as a % of total revenue

2. DEBT PAYDOWN

Use current and future cashflows to reduce debt

3. ACQUISITION EFFICIENCY

Migrate and decommission acquired legacy technology for cost savings, efficiency and optimization + preparation for our next deal in late 2024

4. GROW OUR ACKROOPAY BUSINESS

Both through cross sell/up-sell and new business so that payments is 10% + of total revenues (approx. 5% now)

5. IMPROVE RETENTION & EXPANSION

Reduce attrition by improving the merchant experience and expand product offerings to increase value to merchants and revenue to Ackroo

CONTACT INFORMATION



Ackroo Inc.

Steve Levely

416.360.5619 x 730

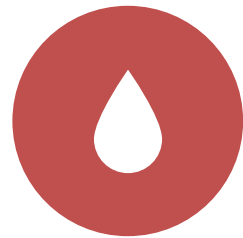
slevely@ackroo.com

Hamilton Office

1250 South Service Road, A31

Hamilton, Ontario L8E 5R9

Ackroo **PAY**



Ackroo **MKTG**



Ackroo **POS**



Consolidate, Simplify & Improve!