



# YANGAROO ANNOUNCES Q3'2021 RESULTS

## ROBUST BALANCE SHEET AND STRONG QUARTERLY EARNINGS

**TORONTO, CANADA - November 29, 2021** – YANGAROO Inc. (“Yangaroo”, “Company”), (TSX-V: YOO, OTCBB: YOOIF), the software leader in media asset workflow and distribution solutions, today announced its financial results for the quarter ended September 30, 2021. The full text of the Financial Statements and Management Discussion & Analysis is available at [www.yangaroo.com](http://www.yangaroo.com) and at [www.sedar.com](http://www.sedar.com). Please note that all currency in this press release is denominated in Canadian dollars.

### ***Q3'2021 Financial Highlights***

- Revenue in Q3'2021 was \$3,059,383 compared to \$1,921,312 and \$2,152,833 in the third quarter of 2020 and the second quarter of 2021, respectively. The increase in revenue in Q3'2021 is primarily attributed to the acquisition of DMS in May 2021, which had a direct positive contribution to our advertising business.
- Normalized EBITDA in Q3'2021 was \$433,065, inclusive of government assistance, in comparison to normalized EBITDA of \$645,514 in the second quarter of 2021 ended June 30, 2021, and \$502,299 in the prior year quarter ended September 30, 2021. The decrease in normalized EBITDA relative to the prior quarters is primarily attributed to higher salaries and consulting expenses as well as higher general and administrative expenses, related to the acquisition of DMS.
- Balance Sheet Strength; cash and cash equivalents of \$1,620,491, working capital of \$2,529,705 and liquidity of \$3,370,491 as of September 30, 2021.

During the third quarter of 2021 Yangaroo recognized 59% year-over-year revenue growth. The majority of the increase is attributable to the inclusion of the DMS business lines and assets into our Advertising division's operating results for the entire period. In addition, the Company continued to observe sales trends across its overall operations, on a year-over-year basis, in line with other groups within the industry. While lingering issues relating to COVID-19 have continued to have a negative effect on our business year to date, the advertising industry is regaining positive momentum to rebound to pre-pandemic volumes and revenue trends moving forward.

As part of the next phase of growth, we are now working on several industry specific integrations and technology innovations to enhance our current tech-stack and service offering to fuel volumes and revenue with our expanded list of advertising and media content clients, and new prospects. Our software development efforts are focused on expanding the Advertising platform workflows to include,



but are not limited to, a seamless and rapid TV clearance (legal) submission and approval service, and an advertising analytics dashboard providing TV, radio, OTT/CTV, and video publishing, occurrence and audience reporting for all advertising content submitted through DMDS.

### ***Q3'2021 Commentary***

Grant Schuettrumpf, CEO of Yangaroo, stated, “During the third quarter of 2021 we successfully continued to integrate the business we acquired from DMS. We expect the last remaining integration activities and synergies to be realized by the first quarter of 2022. As a result of the integration, our top line revenues experienced a significant bump-up in the third quarter, both on a year-over-year basis and on a quarter-over-quarter basis. Although our existing Advertising customers and business was flat on a year-over-year basis, there is indication that economic and industry sentiment is on the uptick with higher volume usage of our platform. We are hopeful this is indicative of a return to pre-pandemic customer spend for the Advertising division. The Music and Awards divisions continue to perform well providing stable revenues and EBITDA contribution margins throughout the period.”

Mr. Schuettrumpf further stated, “Overall, our strategic focus in terms of revenue growth, customer opportunities, and mergers and acquisitions continues to be in the Advertising space. We continue to look for opportunities that would fit our criteria with a focus on those that would be accretive and with favourable valuation metrics. Our technology development efforts and customer service improvements are also aligned with these goals and again are primarily focused on the Advertising platform. Some of our more recent Advertising platform improvements include platform integrations with Innovid’s video ad server allowing our clients to reach OTT and CTV destinations, and The TEAM Companies connecting talent tracking and licensing rights notifications directly with our ad management and delivery. We see tremendous value in building a industry leading tech-stack to provide a single solution offering to meet the advertising eco-system needs, whether through proprietary technology development or through partnerships with other technology and service providers to drive future growth for Yangaroo.”

Dom Kizek, CFO of Yangaroo, stated, “Our cash, working capital, and liquidity positions, as of September 30, 2021, are strong and surpassed our internal targets post acquisition. This can be directly linked to the great job our team has done in integrating the DMS assets and related personnel into Yangaroo.”

Mr. Kizek further stated, “Our financial goals over the next twelve months will be to continue to maintain a strong and robust balance sheet while continuing to invest into our Advertising platform tech-stack. We see tremendous market opportunity in the Advertising business, with the greatest total addressable market and potential for revenue growth amongst our three business divisions. As such, we will allocate our spending and management focus on the Advertising business on a go forward basis. Further to Grant’s view on the future of the Yangaroo business, we believe that enhancing our Advertising platform



through the development of our analytics data offering to customers, improving work-flow with clearance improvements, and integrating with incredible partners such as Innovid on digital offerings for our customers will be a key priority of ours and will drive future top and bottom line revenues.”

### **Conference Call & Webcast Information**

Yangaroo’s management team will host a conference call to discuss third-quarter results at 10:00 a.m. ET on Tuesday, November 30, 2021. The conference call will be available at:

Webcast Link: <https://www.gowebcasting.com/11660>

Canada/USA Toll Free Number: 1-800-319-4610

A replay of the conference call and webcast will be available for streaming on the Investor Relations website at: <https://yangaroo.com/investor-relations/>

### **Summary of Quarterly Results**

	Three Months		Nine Months	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Revenue	\$ 3,059,383	\$ 1,921,312	\$ 6,772,763	\$ 5,880,774
EBITDA (loss)	\$ 374,409	\$ 452,666	\$ 937,022	\$ 1,161,328
Normalized EBITDA (loss)	\$ 433,065	\$ 502,299	\$ 1,531,709	\$ 1,181,042
Normalized EBITDA (loss) Margin	14.16%	26.14%	22.62%	20.08%
Net Income (loss)	\$ 2,459	\$ 384,630	\$ 311,850	\$ 943,371
Basic EPS	\$ 0.00	\$ 0.01	\$ 0.01	\$ 0.02
Diluted EPS	\$ 0.00	\$ 0.01	\$ 0.00	\$ 0.02
<b>As at</b>				
	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
Cash	\$ 1,620,491	\$ 1,284,491	\$ 2,339,122	\$ 1,861,253
Liquidity	\$ 3,370,491	\$ 3,034,491	\$ 3,339,122	\$ 2,861,253
Working Capital	\$ 2,529,705	\$ 2,474,561	\$ 3,300,913	\$ 3,104,469



## **About YANGAROO**

Yangaroo is a software leader in media asset workflow and distribution solutions for advertising, music, and awards industries. YANGAROO's patented Digital Media Distribution System is a leading secure business to business cloud-based solution that incorporates production services, traffic, clearance, delivery, analytics, and secure API integration for the industries various video and audio work-flow challenges.

YANGAROO has offices in Toronto, New York, and Los Angeles. YANGAROO trades on the TSX Venture Exchange (TSX-V) under the symbol YOO and in the U.S. under OTCBB: YOOIF.

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### **For YANGAROO Investor Inquiries:**

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### **Cautionary Note Regarding Forward-looking Statements**

This news release contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "achieve", "could", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "outlook", "expect", "may", "will", "project", "should" or similar words, including negatives thereof, suggesting future outcomes.

Forward looking statements are subject to both known and unknown risks, uncertainties and other factors, many of which are beyond the control of YANGAROO, that may cause the actual results, level of activity, performance or achievements of YANGAROO to be materially different from those expressed or implied by such forward looking statements, including but not limited to: the use of proceeds of the offering, receipt of all necessary approvals of the offering, general business, economic, competitive, political and social uncertainties; negotiation uncertainties and other risks of the technology industry. Although YANGAROO has attempted to identify important factors that could cause actual results to differ



materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended.

Forward-looking statements are not a guarantee of future performance and involve a number of risks and uncertainties, some of which are described herein. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause YANGAROO's actual performance and results to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Any forward-looking statements are made as of the date hereof and, except as required by law, neither YANGAROO assumes no obligation to publicly update or revise such statements to reflect new information, subsequent or otherwise.