



Ackroo adds \$1 million through BDC Capital and increases access to capital through RBC/EDC

Ackroo receives working capital from BDC and approval to increase existing line of credit from RBC/EDC

HAMILTON, Ontario, April 07, 2020 -- [Ackroo Inc.](#) (TSX-V: AKR; OTC: AKRFF) (the "Company" or "Ackroo"), a loyalty marketing, gift card and payments technology and services provider, is pleased to announce it has received an additional \$1,000,000 of working capital from BDC Capital (BDC). Under the terms of the loan from BDC Capital, Ackroo received a second and final tranche of \$1,000,000 from their previously approved \$4,000,000 loan. \$3,000,000 of that loan was drawn down in July 2019 to support an acquisition and working capital needs at that time. This final \$1,000,000 was drawn to support recent small acquisitions and provide working capital to support Ackroo's on-going growth. The loan, and additional advance from BDC:

- Bears a 9.75% interest rate while EBITDA is under \$750k per year and will reduce to a low of 7.5% once audited EBITDA is in excess of \$1,100,000 per year
- Requires no principal payments to be made until April 2021 and will be done in the form of an annual excess cash flow sweep.
- Includes a 2.55% annual royalty on clients acquired with the facility during the term of the loan, excluding the first year.
- Includes a 0.5% bonus on sale or change of control payment to be made to BDC Capital should the Company sell the business during the term of the loan
- Includes a 1.5% processing fee of the value of the facility (as the funds are tranching) plus \$100 a month financing management fee

The Company has also received approval from the Royal Bank of Canada (RBC), in cooperation with Export Development Canada (EDC), to increase the Company's current revolving line of credit from \$350,000 to a maximum of \$1,600,000. The increase in the line of credit from RBC, the Company's long-standing banking partner, is based on a multiple of 4 x MRR (Reported monthly recurring revenue) and bears interest at a rate of 4.45%. No additional costs were incurred by the Company in expanding the facility.

"We feel very fortunate to have such a strong working partnership with BDC, RBC and EDC," commented Steve Levely, CEO of Ackroo. "The world is facing challenging times with the global pandemic so seeing organizations like BDC, RBC and EDC continue to support organizations like Ackroo during these times speaks to the strength of our partnership and our economy in general. As a growing company, we fully expect to continue to advance our technology and our company during these challenging times so that we are even stronger when business goes back to normal. These funds help further support our expansions plans in Canada and the USA and allows us to stay committed to our goal of not doing any staff layoffs during the current pandemic while also supporting our current and prospective merchants where we can."

About BDC Capital

BDC Capital is the investment arm of the Business Development Bank of Canada - Canada's only bank devoted exclusively to entrepreneurs. With \$3 billion under management, BDC Capital serves as a strategic partner to the country's most innovative firms. It offers a full spectrum of risk capital, from seed investments to transition capital, supporting Canadian entrepreneurs who wish to scale their businesses into global champions. Visit bdc.ca/capital.

About Ackroo

Ackroo provides merchants of all sizes a robust, cloud based multi-currency marketing platform to help attract, engage and grow their customers while increasing their revenues and margins. Through a SaaS based business model Ackroo provides an in-store and online automated solution to help merchants process loyalty, gift card and promotional transactions at the point of sale, provide key administrative and marketing data, and to allow customers to access and manage their loyalty and gift card accounts. Ackroo also provides important marketing and payment services to assist their merchants with utilizing Ackroo's technology solution and to provide a single point of contact for all of their primary merchant currencies. Ackroo is headquartered in Hamilton, Ontario, Canada. For more information, visit: www.ackroo.com.

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The TSX Venture Exchange has neither approved nor disapproved the contents of this press release. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward Looking Statements

This release contains forecasts and forward-looking statements that are not guarantees of future performance and activities and are subject to risks and uncertainties. The company has based these forward-looking statements on assumptions and assessments made by its management in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate. Important factors that could cause actual results, developments and business decisions to differ materially from those anticipated in these forward-looking statements include, but are not limited to: the company's ability to raise enough capital to support the company's go forward plans; the overall global economic environment; the impact of competition and new technologies; general market, political and economic conditions in the countries in which the company operates; projected capital expenditures and liquidity; changes in the company's strategy; government regulations and approvals; changes in customers' budgeting priorities; plus other factors that may arise. Any forward-looking statements in this press release are made as of the date hereof, and the company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.