



Spetz Announces Results from Third Quarter Ending September 30, 2023

PRESS RELEASE – November 08, 2023

TORONTO/ACCESSWIRE – SPETZ INC. (the “Company” or “Spetz”) (CSE: SPTZ, OTC: DBKSF) today reported its financial results for the third quarter ended September 30, 2023 (“Q3 2023”) all figures in US Dollars.

Highlights:

- Revenue for the nine months ended September 30, 2023, increased by 207% to \$1,632,000 compared to \$534,000 in the nine months ended October 31, 2022. Part of the comparative period represents the operations of DigiMax Global Inc. prior to the acquisition of Spetz Tech Ltd. on August 17, 2022.
- Net Loss after income tax expenses decreased by 53.1% to \$739,000 for Q3 2023 compared to \$1,577,000 in Q3 2022. Net Loss after income tax expenses decreased by 38.9% to \$2,458,000 for nine months ended September 30, 2023, compared to \$4,026,000 in the nine months ended October 31, 2022.
- Adjusted EBITDA loss, as defined in the management discussion and analysis, decreased by 18.1% to \$221,000 for Q3 2023 compared to \$270,000 in Q3 2022. In addition, the Q3 2023 adjusted EBITDA loss decreased by 54% compared to Q2 2023, reducing from \$481,000 to \$221,000.

Yossi Nevo, CEO of Spetz, shares key points and illustrates his conclusions. "A few months ago, we introduced our comprehensive efficiency plan. It is designed as an ongoing process aimed at reducing our operational costs while safeguarding our revenue streams by concentrating our efforts on our most profitable operations, and we have now witnessed a remarkable 53% decrease in losses between Q3 2022 to Q3 2023 and an improvement of 54% in the Adjusted EBITDA loss in Q3, 2023 compared to Q2, 2023. This significant improvement demonstrates a positive trend in the company's financial performance over the past year.

We are proud to say that this has successfully brought us to a situation where we believe we can accelerate our operations in a highly profitable manner. We are rapidly approaching the break-even point in the short term, and we are laying the foundation for sustained cash flow positivity in the long term, which will be

invested in boosting our marketing using our AI marketing capabilities with the expectation to create exponential growth," commented Yossi Nevo, CEO of Spetz. "We believe that this strategic transformation has the potential to create the ideal environment for our company's value to surge and would ultimately benefit our investors and make them exceptionally pleased with our progress," Mr. Nevo added.

For full financial information, notes, and management commentary please refer to the Company's Management's Discussion and Analysis (MD&A) and Financial Statements posted on the Company's website and available on SEDAR. All financial information is provided in U.S. dollars, unless otherwise indicated. In addition, all financial information provided herein is unaudited unless otherwise stated.

The comparative figures have been restated into US Dollars as the Company changed its reporting currency from Canadian dollars to US Dollars effective September 30, 2022.

(Expressed in thousands of United States dollars, except for per share amounts)

	ref.	Three months ended		Nine months ended	
		September 30, 2023	October 31, 2022	September 30, 2023	October 31, 2022
Revenue	a	\$ 534	\$ 532	\$ 1,632	\$ 532
Cost of revenues		112	11	352	11
Gross margin		422	521	1,280	521
Expenses					
Consulting fees	b	121	79	349	369
Professional fees	c	148	9	281	52
Investor and public company costs	d	23	11	36	30
Sales and marketing expenses	e	295	452	934	458
General and administration	f	54	239	788	325
Depreciation and amortization expenses	g	223	159	797	184
Share based compensation	h	12	129	235	750
Research expenses		102	181	428	181
Total expenses		978	1,259	3,848	2,349
		(556)	(738)	(2,568)	(1,828)
Other income/(expenses)					
Interest, finance and accretion expense	i	(247)	(35)	(425)	(45)
Acquisition costs, net	i	-	(447)	-	(447)
Gain on revaluation of derivative liabilities	j	-	-	312	-
Foreign exchange gain		64	401	192	390
Interest earned on investments		-	1	6	19
		(183)	(80)	85	(83)
Net Loss from continuing operations		(739)	(818)	(2,483)	(1,911)
Income from discontinued operations	k	-	(759)	25	(2,115)
Net Loss before income tax expense		(739)	(1,577)	(2,458)	(4,026)
Income tax recovery		-	-	-	-
Net loss after income tax expense		(739)	(1,577)	(2,458)	(4,026)
Foreign exchange loss on translating foreign operations		10	(401)	(103)	(401)
Unrealized gain/(loss) on digital currencies	l	-	161	-	(596)
Comprehensive loss for the period		\$ (729)	\$ (1,817)	\$ (2,561)	\$ (5,023)
Loss per share continuing operations- Basic and diluted		\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)

(Expressed in thousands of United States dollars)

	Three months ended		Nine months ended	
	September 30, 2023	October 31, 2022	September 30, 2023	October 31, 2022
Net Loss from continuing operations	\$ (739)	\$ (818)	\$ (2,483)	\$ (1,911)
Addback:				
Depreciation and amortization expenses	223	159	797	184
Share based compensation	12	129	235	750
Research expenses	102	181	428	181
Other (income)/expenses	183	80	(85)	83
Adjusted EBITDA	\$ (221)	\$ (270)	\$ (1,108)	\$ (713)

About Spetz Inc.

Spetz Inc. is a multinational technology company that operates Spetz, a global online, AI-powered marketplace platform that dynamically connects consumers to nearby top-rated service providers in around 30 seconds. Spetz is available in the USA, United Kingdom, Australia, and Israel. The Spetz vision is to reinvent how people around the world connect to services in their moment of need. Connecting them immediately with the top-matched service provider for any need, anytime, anywhere.

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Cautionary Note Regarding Forward-looking Statements

Certain information in this press release constitutes forward-looking statements under applicable securities laws. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements and are based on expectations, estimates and projections as at the date of this press release. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "plans", "expect", "potential", "believe", "intend" or negatives of these terms and similar expressions. In this press release, forward-looking statements relate, among other things, to: the ability of Spetz to achieve cash-flow positivity and growth on a go-forward basis.

Forward-looking statements are based on certain assumptions. While the Company considers these assumptions to be reasonable based on information currently available, they are inherently subject to

significant business, economic and competitive uncertainties and contingencies and they may prove to be incorrect. In this press release, such assumptions include, but are not limited to: the ability of Spetz to maintain its current growth trajectory.

Forward-looking statements also necessarily involve known and unknown risks, including without limitation: risks associated with general economic conditions; the inability of Spetz to achieve growth; and increased competition in the mobile application and home-services market.

Readers are cautioned that the foregoing is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ from those anticipated. Forward-looking statements are not guarantees of future performance. The purpose of forward-looking information is to provide the reader with a description of management's expectations, and such forward-looking information may not be appropriate for any other purpose. Except as required by law, the Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise. Forward-looking statements contained in this news release are made as to the date hereof and are expressly qualified by this cautionary statement. Except as required by law, the Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change.