



KIDOZ Inc.

Hansa Bank Building, Ground Floor
Landsome Road, The Valley
AI 2640, Anguilla, BWI
Ph: +1 888-374-2163
Fax: +1 604-694-0301

Kidoz Inc. Revenue Growth Continues in Q2 2022 with Revenue of \$2,513,613

ANGUILLA, B.W.I., August 15, 2022 – Kidoz Inc. (TSXV:KIDZ) (the "Company"), mobile AdTech developer and owner of the market leading Kidoz Contextual Ad Network (www.kidoz.net) and the Kidoz Publisher SDK, announced today its unaudited financial results for the second quarter ended June 30, 2022. All amounts are presented in United States dollars and are in accordance with United States Generally Accepted Accounting Principles.

Recent Kidoz Inc. Q2 2022 highlights include:

- Total Revenue of \$2,513,613 compared to Q2 2021 Total Revenue of \$2,177,505 and Q1 2022 Total Revenue of \$2,283,974
- AdTech revenue of \$2,484,799 compared to Q2 2021 AdTech Revenue of \$2,120,500.
- Q2 2022 Gross Profit of \$971,965 compared to Q2 2021 Gross Profit of \$1,024,333.
- Q2 2022 loss of (\$721,677) from a loss of (\$545,077) in Q2 2021.
- Q2 2022 Adjusted EBITDA loss of (\$386,987) compared to Q1 2022 Adjusted EBITDA loss of (\$427,284).
- Cash of \$1,729,653 and working capital of \$3,773,961 as at June 30, 2022.

"We're excited to announce another period of strong revenue growth for Kidoz in the second quarter of 2022, despite an extremely slow month of May across the entire industry, where revenues came in lower than anticipated as advertisers made adjustments within the turbulent market environment that exists today." said Jason Williams, Kidoz CEO.

"However, all three of our business units including brand, performance, and programmatic are performing well as we position the business for increased scale in the second half of the year. Our proprietary technology platform continues to advance at a rapid pace and we're seeing many new avenues of advertising demand world-wide which will increase our rate of revenue growth," continued Williams.

"We have increased our investment in both additional staff and technologies. While these investments significantly affect our first half profitability, we are confident that they will help maintain our rapid annual growth and drive strong returns later in the year and in the future. Kidoz is the market leader for kid safe mobile advertising and the second half of the year, which accounts for the majority of our annual business, is off to a strong start."

"While some advertisers are behaving more cautiously in the current uncertain global environment, we have increased our focus on our world-wide diversification strategy which has resulted in considerable growth in our non-US revenue. We are confident that Kidoz will continue to outperform given our market leadership and unique media offering."

"Our visibility into revenue and EBITDA going forward is good, therefore, we continue to provide 2022 revenue guidance of \$19M to \$21M, which represents approximately 60% year over year growth, and we expect 2022 Adjusted EBITDA to be positive and maintain our profitable Adjusted EBITDA for the third year in a row."

For full details of the Company's operations and financial results, please refer to the Securities and Exchange Commission website at www.sec.gov or the Kidoz Inc. corporate website at <https://investor.kidoz.net> or on the www.sedar.com website.

CAUTION REGARDING NON-GAAP FINANCIAL MEASURES

This press release refers to “Adjusted EBITDA” which is a non-GAAP financial measure that does not have a standardized meaning prescribed by GAAP. Adjusted EBITDA is not presented in accordance with, or as an alternative to, GAAP financial measures and may be different from non-GAAP measures used by other companies. These non-GAAP measures should not be considered a substitute for, or superior to, financial measures calculated in accordance with generally accepted accounting principles in the United States of America (“GAAP”). We encourage investors to review the GAAP financial measures included in the Quarterly Form 10-Q, including our unaudited consolidated financial statements, to aid in their analysis and understanding of our performance and in making comparisons.

We use Adjusted EBITDA internally to evaluate our performance and make financial and operational decisions that are presented in a manner that adjusts from their equivalent GAAP measures or that supplement the information provided by our GAAP measures. Adjusted EBITDA is defined by us as EBITDA (net income (loss) plus depreciation expense, amortization expense, interest, stock-based compensation and impairment of goodwill), further adjusted to exclude certain non-cash expenses and other adjustments. We use Adjusted EBITDA because we believe it more clearly highlights business trends that may not otherwise be apparent when relying solely on GAAP financial measures, since Adjusted EBITDA eliminates from our results specific financial items that have less bearing on our core operating performance.

For full details of the Company's operations and financial results, please refer to the Securities and Exchange Commission website at www.sec.gov or the Kidoz Inc. corporate website at <https://investor.kidoz.net> or on the www.sedar.com website.

About KIDOZ INC.

Kidoz Inc. (TSXV:KIDZ) (www.kidoz.net) owns the leading COPPA & GDPR compliant contextual mobile advertising network that safely reaches hundreds of million kids, teens, and families every month. Google certified and Apple approved, Kidoz provides an essential suite of advertising technology that unites brands, content publishers and families. Trusted by Disney, Hasbro, Lego and more, the Kidoz Contextual Ad Network helps the world’s largest brands to safely reach and engage kids across thousands of mobile apps, websites and video channels. The Kidoz network does not use location or PII data tracking commonly used in digital advertising. Instead, Kidoz has developed advanced contextual targeting tools to enable brands to reach their ideal customers with complete brand safety. A focused AdTech solution provider, the Kidoz SDK and Kidoz Programmatic network have become essential products in the digital advertising ecosystem.

The Private Securities Litigation Reform Act of 1995 provides a “safe harbor” for forward-looking statements. Certain information included in this press release (as well as information included in oral statements or other written statements made or to be made by the company) contains statements that are forward-looking, such as statements relating to anticipated future success of the company. Such forward-looking information involves important risks and uncertainties that could significantly affect anticipated results in the future and, accordingly, such results may differ materially from those expressed in any forward-looking statements made by or on behalf of the company. For a description of additional risks and uncertainties, please refer to the company’s filings with the Securities and Exchange Commission. Specifically, readers should read the Company’s Annual Report on Form 10-K, filed with the SEC on March 30, 2022, and the prospectus filed under Rule 424(b) of the Securities Act on March 9, 2005 and the SB2 filed July 17, 2007, and the TSX Venture Exchange Listing Application for Common Shares filed on June 29, 2015 on SEDAR, for a more thorough discussion of the Company’s financial position and results of operations, together with a detailed discussion of the risk factors involved in an investment in Kidoz Inc.

For more information contact:

Henry Bromley

CFO

ir@kidoz.net

(888) 374-2163