

*Mediagrif reports results for its first quarter of fiscal 2020
First quarter since the activation of the strategy refocusing
on B2B*

Highlights:

- Mediagrif continues strategy of refocusing operations on B2B business.
- Total revenues, excluding B2C marketplaces, classified as held-for-sale, totalled \$16.8 million, up 3.4%.
- Adjusted EBITDA¹ of \$4.1 million, representing a 20% profit margin.
- Adjusted profit² of \$1.3 million, or \$0.09 per share.
- Net cash position of \$ 3.9 million as at June 30, 2019
- Declaration of quarterly dividend of \$0.10 per share payable on October 15, 2019 to shareholders of record on October 1, 2019.

Longueuil, Canada, August 6, 2019 – Mediagrif Interactive Technologies Inc. (TSX: MDF), a Canadian leader in information technology, today released its results³ for the first quarter of fiscal 2020. This is the first quarter since the Company's announcement regarding the sale of its B2C assets and the strategic direction to focus operations on its growing B2B businesses.

REFOCUSING OUR OPERATIONS

In recent months, Mediagrif has chosen to refocus its activities on its B2B operations with strong growth potential. The first phase of this refocusing began with the sale of LesPAC last June.

"We are confident that our choice to focus our attention and investments on our strategic sourcing and unified commerce solutions will demonstrate the full value of our business. These two segments are growing year over year and we are determined to accelerate their expansion" said Paul Bourque, Acting President and Chief Executive Officer and Chief Financial Officer.

"We are currently working on an ambitious strategic plan to seize growth opportunities in North American markets in these two key segments. We expect to have completed the development of our strategy by the fall and look forward to sharing it with the market in the near future.", added Paul Bourque.

¹ See reconciliation of adjusted EBITDA and profit as well as the "About Mediagrif Interactive Technologies Inc." section.

² See the reconciliation of adjusted profit and profit as well as the "About Mediagrif Interactive Technologies Inc." section.

³ Unless otherwise indicated, all amounts are in Canadian dollars.

SEARCH FOR A NEW PRESIDENT & CEO

The recruitment process for Mediagrif's new President & CEO, initiated by the Board of Directors last April, continues. The Board commissioned Boyden Canada to oversee the executive search. During this period, Paul Bourque continues to serve as Acting President & CEO.

SUMMARY OF CONSOLIDATED RESULTS

In thousands of Canadian dollars, except per share amounts Unaudited and not reviewed by independent auditors	Three months ended June 30,	
	2019 \$	2018 \$
Revenues	20,228	21,128
B2B platforms revenues	16,848	16,295
B2C marketplaces revenues	3,380	4,833
Adjusted EBITDA¹	4,144	5,256
Operating profit	2,514	3,224
Profit for the period	1,051	2,432
Adjusted profit²	1,308	2,432
Adjusted earnings per share² (basic and diluted)	0.09	0.16
Earnings per share (basic and diluted)	0.07	0.16
Weighted average number of shares outstanding, basic and diluted (in thousands)	14,849	14,849

FIRST QUARTER OF FISCAL 2020

For the first quarter of fiscal year 2020, revenues from B2B platforms reached \$16.8 million, an increase when compared to \$16.3 million for the first quarter of 2019.

The increase in revenues is mostly explained by a strong increase in revenues from Orchestra for an amount of \$0.9 million. This is attributable to higher subscription revenues of \$0.3 million and to higher professional services revenues of \$0.6 million. Also during this first quarter, revenues from BidNet increased by \$0.1 million.

On their end, revenues from the B2C marketplaces, classified as held for sale, totalled \$3.4 million compared to \$4.8 million during the corresponding quarter of fiscal 2019.

For the first quarter of fiscal 2020, adjusted EBITDA totalled \$4.1 million representing 20% of the revenues.

ADJUSTED PROFIT

Adjusted profit² of the first quarter of fiscal 2020 totalled \$1.3 million (\$0.09 per share) compared to \$2.4 million (\$0.16 per share) during the first quarter of fiscal 2019.

Adjusted profit² for the first quarter of fiscal 2020 includes a foreign exchange loss of \$0.4 million on assets denominated in U.S. dollars compared to a foreign exchange gain of \$0.3 million during the corresponding quarter of fiscal 2019.

FINANCIAL POSITION AND FINANCING

As at June 30, the Corporation had \$17.0 million in cash and cash equivalents whereas the long-term debt totalled \$13.1 million at this same date.

During the first quarter of fiscal 2020, the Corporation invested \$1.1 million mostly for acquisitions of capital assets, and repaid an amount of \$11.8 million on its long-term debt following the sale of LesPAC on June 11, 2019. The Corporation also paid out a total of \$1.5 million in dividends.

QUARTERLY DIVIDEND

The Board of Directors of Mediagrif declared a quarterly dividend of \$0.10 per share payable on October 15, 2019, to shareholders of record on October 1, 2019.

RECONCILIATION OF ADJUSTED EBITDA AND PROFIT

Adjusted EBITDA represents earnings before interest, taxes, depreciation, amortization, foreign exchange gain (loss) and other revenues (expenses) as historically calculated by the Corporation.

In thousands of Canadian dollars Unaudited and not reviewed by independent auditors	Three months ended June 30,	
	2019 \$	2018 \$
Profit	1,051	2,432
Income tax expense	488	825
Depreciation of property, plant and equipment and amortization of intangible assets	679	882
Amortization of acquired intangible assets	601	1,189
Amortization of right-of-use assets	350	-
Amortization of deferred financing costs	9	10
Amortization of deferred lease inducement	-	(33)
Foreign exchange loss (gain)	364	(316)
Interests on long-term debt and lease liability	345	267
Loss on disposal of a subsidiary	257	-
Adjusted EBITDA	4,144	5,256

The adoption of IFRS 16 had a favorable impact of \$0.4 million on the adjusted EBITDA of the first quarter ended June 30, 2019, i.e., a depreciation expense of the right-of-use asset of \$0.3 million and an interest expense on the lease liability for an amount of \$0.1 million. Moreover, the adjusted EBITDA of the previous period has not been restated to reflect the impact of IFRS 16.

RECONCILIATION OF PROFIT AND ADJUSTED PROFIT

In thousands of Canadian dollars Unaudited and not reviewed by independent auditors	Three months ended June 30,	
	2019 \$	2018 \$
Profit	1,051	2,432
Loss on disposal of a subsidiary – see Note 5 of Financial Statements	257	-
Adjusted profit	1,308	2,432
Profit per share	0.07	0.16
Adjusted profit per share	0.09	0.16

ABOUT MEDIAGRIF INTERACTIVE TECHNOLOGIES INC.

[Mediagrif Interactive Technologies Inc.](http://www.mediagrif.com) (TSX: MDF) is a Canadian leader in information technology offering strategic sourcing and unified commerce solutions as well as B2B & B2C marketplaces. Mediagrif's solutions are used by millions of consumers and businesses in North America and around the world. The Corporation has offices in Canada, the United States, Denmark, Ukraine and China. For more information, please visit us at www.mediagrif.com or call 1-877-677-9088.

In addition to providing profit measures in accordance with IFRS, the Corporation shows operating profit and earnings before interest, taxes, depreciation, amortization, foreign exchange gain (loss) and other revenues (expenses) ("Adjusted EBITDA") as supplementary earnings measures. Operating profit and adjusted EBITDA are not intended to be measures that should be regarded as an alternative to other financial operating performance measures prepared in accordance with IFRS. Those measures do not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. Adjusted EBITDA is provided to assist investors in determining the Corporation's ability to generate profitability from its operations and to evaluate its financial performance.

This press release contains certain forward-looking statements with respect to the Corporation. These forward-looking statements, by their nature, necessarily involve risks and uncertainties that could cause actual results to differ materially from those expected by these forward-looking statements. We consider the assumptions on which these forward-looking statements are based to be reasonable, but caution the reader that these assumptions regarding future events, many of which are beyond our control, may ultimately prove to be incorrect since they are subject to risks and uncertainties that affect us. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities legislation. Unless otherwise indicated, all amounts are in Canadian dollars.

Audited consolidated financial statements, accompanying notes and MD&A are available on www.mediagrif.com and have been filed with SEDAR at the following address: www.sedar.com.

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