



## Creative Realities Inc. Secures \$2 Million Funding to Enhance and Expand Industry-Leading Automotive Software Support Platform

November 4, 2022

LOUISVILLE, Ky., Nov. 04, 2022 (GLOBE NEWSWIRE) -- Digital signage leader [Creative Realities, Inc.](#) (the "Company") (NASDAQ: CREX, CREXW) announced today an amendment to its Second Amended and Restated Loan and Security Agreement (the "Credit Agreement") with their lender, Slipstream Communications, LLC ("Slipstream"). The amendment provides the Borrowers with a \$2 million term loan, the net proceeds of which are being used by the Company to accelerate an active software development project with the potential to expand SaaS revenues associated with an existing customer by up to \$5 million annually beginning in 2024.

The term loan has an annual interest rate of 12.5% and matures on September 1, 2023. Commencing on February 1, 2023, the Borrowers will make monthly installment payments of approximately \$270 thousand until the maturity date, consisting of principal and interest sufficient to fully amortize the term loan through the maturity date.

The Company has secured this loan to fund an unplanned and extraordinary growth opportunity associated with its automotive and vehicular dealership software platform. The Company intends to utilize the proceeds to expand and enhance this existing platform in conjunction with a global expansion opportunity with one of the premier OEM dealership networks in the world. From the Internet to the actual dealership, the platform features fully integrated sales' tools for automotive and vehicular dealers and car-buyers, and will be an integral part of the ordering, inventory and delivery process for dealers and their customers.

"We believe that this investment will catapult the Company's industry-leading platform to the global stage, with sales ultimately in a number of domestic and international markets," stated Rick Mills, CEO of the Company. Mr. Mills added "This expansion is further testament to the multi-faceted suite of solutions offered by Creative Realities Inc., which already go well beyond digital signage infrastructure plays with its omni-channel marketing and ad-trafficking platforms."

The additional development of the platform is already underway and expanded commercialization is projected for the latter half of 2023 with a full implementation of the internationalized product beginning in 2024. The expanded commercialization is projected to generate incremental subscription (SaaS)-based annual recurring revenue (ARR) of up to \$5 million in 2024.

Mr. Mills further stated, "This investment will significantly increase the Company's high-margin SaaS revenue in 2024. It is a transformational opportunity that we simply had to seize." Regarding the new funding, Mr. Mills continued "As this opportunity and the related funding were not part of our initial capital plan for 2022, we secured the loan under favorable terms, especially given current market conditions, from a primary investor in the Company, to expedite related value creation." Mr. Mills concluded, "Clearly, the support that we received from that investor is representative of the confidence it has in the Company. As we have communicated to investors, the Company has a number of significant growth initiatives and this incremental funding permits us to allocate resources accordingly without seeking incremental financing via equity instruments or derivatives at valuations which are disconnected from the intrinsic value of our business and would be dilutive to our investor base."

### About Creative Realities, Inc.

[Creative Realities](#) helps clients use the latest omnichannel technologies to inspire better customer experiences. CRI designs, develops and deploys consumer experiences for high-end enterprise-level networks, and is actively providing recurring SaaS and support services across diverse vertical markets, including but not limited to automotive, advertising networks, apparel & accessories, convenience stores, food service/QSR, gaming, theater, and stadium venues. The Company has operations across North America with active installations in more than 10 countries.

### Cautionary Note on Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, and includes, among other things, discussions of our business strategies, product releases, future operations and capital resources. Words such as "estimates," "projected," "expects," "anticipates," "forecasts," "plans," "intends," "believes," "seeks," "may," "will," "should," "future," "propose" and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements. Forward-looking statements are not guarantees of future performance, conditions or results. They are based on the opinions, estimates and beliefs of management as of the date such statements are made, and they are subject to known and unknown risks, uncertainties, assumptions and other factors, many of which are outside of our control, that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. Some of these risks are discussed in the "Risk Factors" section contained in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2021 and the Company's subsequent filings with the U.S. Securities and Exchange Commission. Important factors, among others, that may affect actual results or outcomes include: our ability to effectively integrate Reflect's business operations, our strategy for customer retention, growth, product development, market position, financial results and reserves, our ability to execute on our business plan, our ability to retain key personnel, potential litigation, supply chain shortages, and general economic and market conditions impacting demand for our products and services, including those as a result of the COVID-19 pandemic. Readers should not place undue reliance upon any forward-looking statements. We assume no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

### Contacts

#### Media Inquiries

Christina Davies

[cdavies@ideagrove.com](mailto:cdavies@ideagrove.com)

#### Investor Relations

[ir@cri.com](mailto:ir@cri.com)

CreativeRealities 