

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

**FORM 8-K**

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (date of earliest event reported): February 10, 2023

**CREATIVE REALITIES, INC.**

(Exact name of registrant as specified in its charter)

<b>Minnesota</b> (State or other jurisdiction of incorporation)	<b>001-33169</b> (Commission File Number)	<b>41-1967918</b> (IRS Employer Identification No.)
<b>13100 Magisterial Drive, Suite 100, Louisville, KY</b> (Address of principal executive offices)		<b>40223</b> (Zip Code)

**(502) 791-8800**

(Registrant's telephone number, including area code)

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Common Stock, par value \$0.001 per share	CREX	The Nasdaq Stock Market LLC
Warrants to purchase Common Stock	CREXW	The Nasdaq Stock Market LLC

## **Item 1.01 Entry into a Material Definitive Agreement.**

### *Second Amendment to Merger Agreement*

As previously reported, on November 12, 2021, Creative Realities, Inc., a Minnesota corporation, or “Creative Realities,” Reflect Systems, Inc., or “Reflect,” and RSI Exit Corporation, or the “Stockholders’ Representative,” entered into an Agreement and Plan of Merger (as amended on February 8, 2023, the “Merger Agreement”). Pursuant to the terms of the Merger Agreement, on February 17, 2022, a direct, wholly owned subsidiary of Creative Realities, CRI Acquisition Corporation, or “Merger Sub,” merged with and into Reflect, with Reflect surviving as a wholly owned subsidiary of Creative Realities, and the surviving company of the merger, which is referred to herein as the “Merger.” On February 11, 2022, the parties executed a Second Amendment to the Merger Agreement.

The Second Amendment to the Merger Agreement provides that, among other things, the cash merger consideration payable in the Merger should be reduced by \$241,817.43, or the “Claim Amount,” subject to a reduction in the Claim Amount to the extent that Reflect or Creative Realities receive payments of certain accounts receivable of Reflect, up to \$26,670,18. An employer retention credit of \$241,817.43 (the “ERC”) based on the operations of Reflect pre-Merger remains outstanding and will be paid to the Stockholders’ Representative for the benefit of former Reflect stockholders upon receipt, subject to the offset rights of Creative Realities described below.

### *Secured Promissory Note*

On February 11, 2023, Creative Realities and the Stockholders’ Representative executed an amendment, or the “Note Amendment,” to the \$2.5 million Note and Security Agreement (the “Secured Promissory Note”) previously executed by Creative Realities in favor of the Stockholders’ Representative at the closing of the Merger. The Secured Promissory Note required Creative Realities to pay to the Stockholders’ Representative a balloon payment of \$1.25 million, plus all accrued and unpaid interest, on its stated maturity date, February 17, 2023. The Note Amendment eliminates the balloon payment, extending the maturity date for a one-year period, to February 17, 2024. During the extended period, Creative Realities will continue to make monthly principal payments of \$104,166.67, and the annual interest rate on the outstanding principal increased from 0.59% to 4.60%, which will accrue and is payable in full on the new maturity date.

### *Offset Rights; Payment of Claim Amount*

In light of the possible collection of the ERC and the Note Amendment, the parties agreed that the Claim Amount would be reduced by the amount of any ERC received by Creative Realities or Reflect prior to the maturity date of the Secured Promissory Note. If the Claim Amount exceeds the remaining amounts payable under the Secured Promissory Note on any payment date, Creative Realities may reduce the amount of the Secured Promissory Note, and the Claim Amount will be reduced on a dollar-for-dollar basis.

### *Escrow Agreement*

In light of the resolution of the Claim Amount, the parties agreed to release the \$250,000 escrow funds, plus interest, to the Stockholders’ Representative, which was placed in escrow at the closing of the Merger to be released once the Claim Amount was paid.

The parties also amended the Escrow Agreement executed at the closing of the Merger (the “Escrow Amendment”) to extend the period for which the escrow agent therein would accept monthly payments of the Secured Promissory Note until the extended maturity date, February 17, 2024.

The foregoing descriptions of the Second Amendment to the Merger Agreement, the Note Amendment and Escrow Amendment, and the transactions contemplated thereby, are not complete descriptions thereof and are qualified in their entirety by reference to the full text of such documents attached as exhibits 10.1, 10.2 and 10.3 to this Report, respectively, and incorporated herein by this reference.

**Item 7.01 Regulation FD Disclosure.**

On February 15, 2023, the Company issued a press release announcing the foregoing amendments, which press release is filed as Exhibit 99.1 to this report

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
10.1*	<a href="#">Second Amendment to Merger Agreement</a>
10.2	<a href="#">Amendment to Secured Promissory Note</a>
10.3	<a href="#">Amendment to Escrow Agreement</a>
99.1	<a href="#">Press Release dated February 15, 2023</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

\* Certain exhibits and schedules to this Exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5). Creative Realities agrees to furnish a supplemental copy of any omitted exhibit or schedule to the SEC upon its request.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**CREATIVE REALITIES, INC.**  
(Registrant)

Date: February 15, 2023

By: /s/ Will Logan  
WILL LOGAN  
*CHIEF FINANCIAL OFFICER*

**SECOND AMENDMENT TO  
AGREEMENT AND PLAN OF MERGER**

THIS SECOND AMENDMENT TO AGREEMENT AND PLAN OF MERGER (this "Amendment") is entered into as of February 11, 2023, by and among Reflect Systems, Inc., a Delaware corporation (the "Company" or "Surviving Corporation"), Creative Realities, Inc., a Minnesota corporation ("Parent"), and RSI Exit Corporation, a Texas corporation ("Stockholders' Representative").

**RECITALS**

A. On November 12, 2021, the parties entered into that certain Agreement and Plan of Merger (as amended on February 8, 2022, the "Agreement").

B. The parties consummated the transactions contemplated by the Agreement on February 17, 2022.

C. Pursuant to the Agreement, the parties have calculated and agreed upon the amount of the post-closing merger consideration adjustment set forth in Section 1.11 of the Agreement, and the process by which such adjustment will be paid.

D. The parties have agreed to amend the terms of the Escrow Agreement and Secured Promissory Note upon the terms set forth in the "Escrow Amendment" and "Note Amendment" (each as defined below).

E. In connection with the foregoing, the parties desire to amend the terms of the Agreement pursuant to Section 11.5 of the Agreement, upon the terms and conditions set forth in this Amendment.

**NOW, THEREFORE**, in consideration of the mutual agreements specified in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Definitions.** Capitalized terms used in this Amendment (including the Recitals) and not otherwise defined shall have the respective meanings ascribed to such terms in the Agreement.

2. **Amendments to Escrow Agreement and Secured Promissory Note.** The parties agree to execute, contemporaneously with the execution of this Amendment, the form of First Amendment to Escrow Agreement attached to this Amendment as Exhibit A (the "Escrow Amendment"), and the form of First Amendment to Note and Security Agreement attached to this Amendment as Exhibit B (the "Note Amendment"), and all references in the Agreement and Transactions Agreements to the "Escrow Agreement" and "Secured Promissory Note" shall hereafter be deemed to refer to the Escrow Agreement, as amended by the Escrow Amendment, and the Secured Promissory Note, as amended by the Note Amendment, respectively. The extension of the Escrow Termination Date to February 17, 2024 by the Escrow Amendment shall in no event extend the time period for Parent or Surviving Corporation or any Affiliate thereof making any claims under the Escrow Agreement beyond the original Escrow Termination Date of February 17, 2023.

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3. **Post-Closing Merger Consideration Adjustment.** The parties agree that, after review, calculation, discussion and final agreement of the Actual Closing Balance Sheet, Actual Cash, Actual Indebtedness, Actual Transaction Expenses (including, without limitation, all employment-related Taxes) and Actual Working Capital, that Parent is entitled to receive an aggregate of \$241,817.43 (as may be adjusted downward prior to payment pursuant to Section 4 of this Amendment, the “Claim Amount”) pursuant to Section 1.11(e)(ii) of the Agreement. Notwithstanding Section 1.11(e)(ii) of the Agreement, the Claim Amount will be satisfied on the earlier of (i) the date on which Surviving Corporation or Parent actually receives payment in full of the ERCs, or (ii) the “Maturity Date” of the Secured Promissory Note (such earlier date, the “Settlement Date”), upon the terms set forth in Sections 5 and 6 below. On the Initial Escrow Release Date, Parent agrees to prepare and execute a Joint Written Direction (to be signed by the Stockholders’ Representative) directing the Escrow Agent to release the Indemnity Escrow Fund and the entire NWC Escrow Fund to the Exchange Agent for distribution to Stockholders.
  4. **Accounts Receivable.** The parties acknowledge that the Claim Amount includes a reduction in the Actual Working Capital based upon the inclusion of those accounts receivable set forth on Exhibit C having an aggregate value of \$26,670.18 that were included by the Company in the Estimated Working Capital but remain uncollected as of the date hereof (the “Uncollected A/R”). The Claim Amount will be reduced to the extent that the Parent or Surviving Corporation actually receives payment for any Uncollected A/R prior to the Settlement Date (as defined below). Upon request of Stockholders’ Representative, Parent and the Surviving Corporation shall use their use their good faith, commercially reasonable efforts to assign to Stockholders’ Representative the Company’s rights to collect the Uncollected A/R that are indicated as “Eligible for Assignment” on Exhibit C.
  5. **Employer Retention Credits.** The parties acknowledge that prior to Closing, the Company’s payroll provider submitted to the IRS documentation seeking \$241,817.43 for employer retention tax credits based on operations of the Company prior to Closing (the “ERCs”). Any payments of the ERCs actually received by Parent or the Surviving Corporation, (i) prior to or on the Settlement Date will be retained by Parent and Surviving Corporation and credited against the Claim Amount on a dollar-for-dollar basis, and (ii) after the Settlement Date will be paid by Parent or the Surviving Corporation to the Stockholders within five (5) Business Days of receipt of the later of (A) receipt of such ERCs by the Parent or the Surviving Corporation and (B) a true and correct list, certified by the Stockholders’ Representative to the Parent and Surviving Corporation, of the percentage of the amount of the ERCs that each of the Stockholders are entitled to, together with the mailing address to which such amounts (when received and determined) should be sent.
  6. **Offset to Secured Promissory Note.** If on any scheduled payment date under the Secured Promissory Note, the Claim Amount exceeds the outstanding amount of the principal and accrued and unpaid interest owing on the Secured Promissory Note, Parent may offset, on a dollar-for-dollar basis, such scheduled payment from the Claim Amount (with such offset reducing first any fees owed, second accrued and unpaid interest, and third the outstanding principal balance thereunder) and, in such case, the Claim Amount shall be reduced on a dollar-for-dollar basis.
  7. **Update Meetings.** Parent’s Chief Executive Officer and Chief Financial Officer will provide an update to the Stockholders’ Representative, or meet with Stockholders’ Representative to update the Stockholders’ Representative, at least quarterly, regarding collection efforts to obtain the ERCs, the status of any pending escrow activities and other pertinent items requested by the Stockholders’ Representative.
  8. **Retention Bonus Play Payments.** On or about February 17, 2023, Stockholders’ Representative and Parent agree to provide to Escrow Agent a joint written direction directing that all of the cash “Awards” payable on such “Vesting Date” to “Participants” in the Retention Plan (as such terms are defined therein) will be paid directly to Parent for subsequent payments to the Participants, and Parent shall coordinate with each Participant to ensure that the proper amount of the Awards (cash and Parent common stock) are properly paid to the Participants, net of withholdings under applicable law (through Parent’s payroll provider).
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9. **Representations and Warranties.** Each of the parties represents and warrants that (a) it has all requisite power and authority to execute and deliver this Amendment, (b) the execution and delivery by such party of this Amendment has been duly and properly authorized, and (c) this Amendment constitutes the legal, valid and binding obligations of such party, Enforceable against such party in accordance with its terms, except as limited by the Enforceability Exceptions.

10. **No Other Modification.** Except as expressly set forth herein, the Agreement and Note shall remain in full force and effect and shall not be modified except as set forth in this Amendment.

11. **Governing Law.** This Amendment, the rights of the parties and all Actions arising in whole or in part under or in connection herewith, will be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule of the State of Delaware or of any other jurisdiction that would cause the application of the laws of any other jurisdiction other than Delaware.

12. **Counterparts; Execution.** This Amendment may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute but one and the same instrument. This Amendment will become effective when duly executed by each party hereto. Facsimile or other electronically scanned and transmitted signatures, including by email attachment, shall be deemed originals and shall constitute valid execution and acceptance of this Agreement by the signing/transmitting party.

*Signature Page follows*

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**IN WITNESS WHEREOF**, each of the undersigned has executed and delivered this Amendment to Agreement and Plan of Merger as of the date first set forth above.

**COMPANY:**

**Reflect Systems, Inc.**

By: /s/ Rick Mills  
Name: Rick Mills  
Title: Chief Executive Officer

**PARENT:**

**Creative Realities, Inc.**

By: /s/ Rick Mills  
Name: Rick Mills  
Title: Chief Executive Officer

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**STOCKHOLDERS' REPRESENTATIVE:**

**RSI Exit Corporation**

By: /s/William Warren

Name: William Warren

Title: President

## FIRST AMENDMENT TO NOTE AND SECURITY AGREEMENT

THIS FIRST AMENDMENT TO NOTE AND SECURITY AGREEMENT (the “**Amendment**”), dated effective as of February 11, 2023, is made by and among **Creative Realities, Inc.**, a Minnesota corporation (“**CRI**”), and **Reflect Systems, Inc.**, a Delaware corporation (“**RSI**” and together with CRI, each a “**Borrower**” and collectively, the “**Borrowers**”), and **RSI Exit Corporation**, a Texas corporation (the “**Stockholders’ Representative**”).

## RECITALS

A. Stockholders’ Representative is the holder of that certain Note and Security Agreement dated February 17, 2022 (as amended from time to time, the “**Note**”) made payable by the Borrowers to the order of the Stockholders’ Representative in the original principal amount of \$2,500,000.00 and issued pursuant to that certain Amendment to Agreement and Plan of Merger dated February 7, 2022, which amended the Agreement and Plan of Merger dated November 12, 2021 (as amended from time to time, the “**Merger Agreement**”) by and among the Borrowers, the Stockholders’ Representative and the other parties thereto.

B. The Borrowers have requested that the Stockholders’ Representative extend the Maturity Date of the Note and the Stockholders’ Representative is willing to do so upon the terms and conditions set forth herein.

## AGREEMENT

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, it is agreed as follows:

1. **Acknowledgment.** On or prior to February 15, 2023, Borrowers shall have paid into escrow (a) twelve (12) principal payments of \$104,167.67 (an aggregate of \$1,250,012.04 or the “**Prior Principal Payments**”) on the Note and (b) accrued and unpaid interest due under the Note of \$11,842.67 (the “**Accrued Interest**”). Borrowers and Stockholders’ Representative acknowledge and agree that as of February 15, 2023 and the release of the Prior Principal Payments and Accrued Interest from escrow the outstanding principal amount of the Note is \$1,249,987.96 (the “**Existing Principal Balance**”).

2. **Defined Terms.** Capitalized terms used in this Amendment which are defined in the Note shall have the same meanings as defined therein, unless otherwise defined herein. In addition, the following terms are hereby added to, or amended in, the Note, as follows:

“**Maturity Date**” means February 17, 2024.

3. **Interest Rate.** Effective as of the date of this Amendment, the interest rate set forth in Section 1 of the Note is hereby modified to be a fixed rate equal to four and six tenths of one percent (4.60%). Interest shall accrue on the Existing Principal Balance and is payable on the Maturity Date.

4. **No Other Changes.** Except as explicitly amended by this Amendment, all of the terms and conditions of the Note remain in full force and effect.

5. **Counterparts.** This Amendment may be signed in any number of counterparts, each of which shall be considered as an original, but when taken together shall constitute one document.

6. **Integration.** This Amendment and the Note constitute the entire agreement between the parties hereto with respect to the subject matter hereof. Upon execution hereof, Lender will permanently attach this Amendment to the Note, making it a part thereof.

*[Signature Page Follows]*

IN WITNESS WHEREOF, each of the Borrowers has caused this Amendment to be executed and delivered by its duly authorized representative as of the date indicated above.

**BORROWERS:**

**CREATIVE REALITIES, INC.**

By: /s/ Will Logan  
Name: Will Logan  
Title: Chief Financial Officer

**REFLECT SYSTEMS, INC.**

By: /s/ Will Logan  
Name: Will Logan  
Title: Chief Financial Officer

**Acknowledged and Agreed:**

**STOCKHOLDERS' REPRESENTATIVE:**

**RSI EXIT CORPORATION**

By: /s/ William E. Warren  
Name: William E. Warren  
Title: President

*Signature Page to First Amendment to Note and Security Agreement*

## FIRST AMENDMENT TO ESCROW AGREEMENT

**THIS FIRST AMENDMENT TO ESCROW AGREEMENT**, dated as of February 10, 2023, is entered into by and among RSI Exit Corporation, a Texas corporation ("Stockholders' Representative"), Creative Realities, Inc., a Minnesota corporation ("Parent"), and together with Stockholders' Representative, sometimes referred to individually as "Party" or collectively as the "Parties"), and Computershare Trust Company, N.A. (the "Escrow Agent"). Terms defined in the Escrow Agreement and used herein shall have the meanings set forth in the Escrow Agreement.

**WHEREAS**, the Parties and the Escrow Agent entered into that certain Escrow Agreement ("Agreement") dated as of February 17, 2022 to govern the deposit of escrow funds;

**WHEREAS**, the Parties now desire to amend the Agreement to reflect certain changes to the Note and Security Agreement, dated as of February 17, 2022, by and among the Parties and Reflect Systems, Inc., a Delaware corporation.

**NOW THEREFORE**, in consideration of the promises and agreements of the Parties and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties and the Escrow Agent agree as follows:

1. The defined term "Escrow Termination Date" set forth in Section 4(c) of the Agreement is hereby amended and restated to be "February 17, 2024."
2. Notwithstanding Section 7 of the Agreement, Parent shall (i) pay all reasonable compensation for the Escrow Agent's services as described in Schedule 2 of the Escrow Agreement or otherwise, and (ii) pay or reimburse to the Escrow Agent all of the expenses, disbursements and advances, including, without limitation, reasonable attorney fees and expenses incurred or made by the Escrow Agent in connection with the entry into, performance, modification and termination of the Agreement for as long as the Agreement continues.
3. Except as expressly set forth herein, the Agreement shall remain in full force and effect and shall not be modified except as set forth in this Amendment.
4. This Amendment may be executed in separate counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. Each party agrees that the Electronic Signatures, whether digital or encrypted, of the parties included in this Amendment are intended to authenticate this writing and to have the same force and effect as manual signatures.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement as of the date set forth above.

**STOCKHOLDERS' REPRESENTATIVE:**

RSI EXIT CORPORATION

By: /s/ William E. Warren

Name: William E. Warren

Title: President

Telephone: \_\_\_\_\_

**PARENT:**

CREATIVE REALITIES, INC.

By: /s/ Will Logan

Name: Will Logan

Title: Chief Financial Officer

Telephone: \_\_\_\_\_

**ESCROW AGENT:**

COMPUTERSHARE TRUST COMPANY, N.A.

By: /s/ Rose Stroud

Name: Rose Stroud

Title: Corporate Trust Officer

**FOR IMMEDIATE RELEASE****Creative Realities Announces 2<sup>nd</sup> Amendment to Merger Agreement;  
Extends Secured Promissory Note Maturity & Settles Working Capital**

**LOUISVILLE, KY – February 15, 2023** – Creative Realities, Inc. (“Creative Realities,” “CRI,” or the “Company”) (NASDAQ: CREX, CREXW), a leading provider of digital engagement solutions, announced the amendment of its agreements related to its previous acquisition of Reflect Systems, Inc. (“Reflect”) via merger on February 17, 2022 (the “Merger”), which, in part, extended the maturity date of the \$2.5 million Secured Promissory Note by one year, from February 17, 2023 to February 17, 2024.

*Extension of Secured Promissory Note*

On February 11, 2023, Creative Realities and RSI Exit Corporation (the “Stockholders’ Representative”) executed an amendment to the \$2.5 million Secured Promissory Note (the “Note Amendment”). The original terms of the note required the Company to pay to the Stockholders’ Representative a balloon payment of \$1.25 million, plus all accrued and unpaid interest, on its stated maturity date, February 17, 2023. The Note Amendment eliminated the balloon payment, extending the maturity date for a one-year period, to February 17, 2024. During the extended period, the Company will continue to make monthly principal payments of \$104,166.67, and the annual interest rate on the outstanding principal increased from 0.59% to 4.60%, which will accrue and is payable in full on the new maturity date.

*Second Amendment to Merger Agreement*

On February 11, 2023, Creative Realities and Stockholders’ Representative executed a Second Amendment to the Merger Agreement, which provided that, among other things, the cash merger consideration payable in the Merger should be reduced by \$0.2 million, or the “Claim Amount,” subject to a reduction in the Claim Amount to the extent that Reflect or Creative Realities receives payments of certain accounts receivable of Reflect. An employer retention credit of \$0.2 million (the “ERC”) based on the operations of Reflect pre-Merger remains outstanding and will be paid to the Stockholders’ Representative for the benefit of former Reflect stockholders upon receipt, subject to the offset rights of Creative Realities described below.

*Offset Rights; Payment of Claim Amount*

In light of the possible collection of the ERC and the Note Amendment, the parties agreed that the Claim Amount would be reduced by the amount of any ERC received by Creative Realities or Reflect prior to the maturity date of the Secured Promissory Note. If the Claim Amount exceeds the remaining amounts payable under the Secured Promissory Note on any payment date, Creative Realities may reduce the amount of the Secured Promissory Note, and the Claim Amount will be reduced on a dollar-for-dollar basis.

*Escrow Agreement*

In light of the resolution of the Claim Amount, the parties agreed to release \$250,000 of escrowed funds, plus interest, to the Stockholders’ Representative, which was placed in escrow at the closing of the Merger. The parties also amended an escrow agreement to extend the period for which the escrow agent would accept monthly payments of the Secured Promissory Note until the extended maturity date, February 17, 2024.

**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.

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**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

Investor Relations:  
ir@cri.com  
<https://investors.cri.com/>