

PowerBand Releases Q4 and 2021 Annual Financial Results

The Company has included amended disclosures in its management discussion and analysis ("MD&A") for the year ended December 31, 2021, to address comments received from the Ontario Securities Commission following a review of the Company's continuous disclosure, including its MD&A for the Interim period ended September 30, 2021 ("Q3 MD&A"). See "Continuous Disclosure" below.

- Reports Q4 2021 revenues of \$7,097,821 compared to \$1,426,851 for Q4 2020

TORONTO, ON / ACCESSWIRE / May 3, 2022 / PowerBand Solutions (TSXV:PBX)(OTCQB:PWWBF)(FRA:1ZVA) ("PowerBand" "PBX" or the "Company"), a comprehensive e-commerce solution transforming the online experience to sell, trade, lease, and finance vehicles, is announcing that it has filed its Consolidated Financial Statements and Management's Discussion and Analysis report for the years ended December 31, 2021 and 2020. These documents may be viewed under the Company's profile at www.sedar.com.

The Company has reported an increase in revenue of 397% in the fourth quarter of 2021 as compared to the fourth quarter of 2020. The revenue for Q4 2021 was adjusted for claw back provision to accommodate any customer being in a payment default. Adjusted EBITDA loss for the fourth quarter of 2021 decreased by \$1,501,672 or 46% as compared to the fourth quarter of 2020.

The revenues for the fiscal year 2021 increased by \$20,908,866 or 690% as compared to fiscal year 2020. The revenue for the fiscal year 2021 was adjusted for claw back provision and capitalization of software development charges that was previously recorded as revenue. Adjusted EBITDA that is determined after adjusting for non-cash and one-time costs has improved from loss of \$8,792,118 for fiscal year 2020 to \$5,838,780 for fiscal year 2021.

Cash on hand at December 31, 2021 was \$6,367,533 compared to \$1,403,213 as at December 31, 2020.

	Three months ended		Twelve months ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	\$	\$	\$	\$
Revenue	7,097,821	1,426,851	23,936,988	3,028,122
Gross Profit (loss)	3,754,206	117,582	11,640,148	1,266,334
Net (loss) income	(9,312,157)	(4,821,125)	(16,190,628)	(12,842,613)
EBITDA	(8,390,857)	(4,398,515)	(13,730,985)	(10,872,014)
Adjusted EBITDA	(1,774,212)	(3,275,884)	(5,838,780)	(8,792,118)

Subsequent to the year end, the Company has introduced to the US market the DrivrLane marketplace and DrivrXchange auction platform which is expected to generate revenue from Q2 2022.

Continuous Disclosure

Further to a review by the Ontario Securities Commission's Corporate Finance branch (the "OSC" or "Staff") of the Company's continuous disclosure records, the Annual MD&A includes amended disclosure compared to the Company's Q3 MD&A. Such amended disclosure is being included in the Annual MD&A to address comments received from the OSC on the Q3 MD&A and to improve the Company's disclosure. In particular, the Company has included additional disclosure in the Annual MD&A regarding:

- Description of the Company's current and anticipated business operations;
- Discussion of variances in each revenue streams;
- Clarification of the Company's ownership percentage in Drivrz Financial Holdings LLC;
- Clarification of certain disclosures on the Investor Deck presented on the Company's website;
- COVID-19 disclosure as it relates to the impact on the Company's business and on the automotive industry.

Kelly Jennings, CEO and Founder of PowerBand Solutions states "We are continuing to dynamically manage our business while remaining focused on executing against our business strategy to drive long term growth. While we have delivered outstanding performance this past year, our new targets indicate we have many more opportunities to increase revenue and reduce costs."

About PowerBand Solutions, Inc.

PowerBand Solutions Inc., listed on the TSX Venture Exchange and the OTCQB markets, is a fintech provider disrupting the automotive industry. PowerBand's integrated, cloud-based transaction platform facilitates transactions amongst consumers, dealers, funders, and manufacturers (OEMs). It enables them to buy, sell, trade, finance, and lease new and used, electric and non-electric vehicles, on any phone, tablet or PC connected to the internet. PowerBand's transaction platform - being trademarked under *DRIVRZ*TM - is being made available across North American and global markets.

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Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release.

Non-IFRS Measures:

This news release contains non-IFRS financial measures; the Company believes that these measures provide investors with useful supplemental information about the financial

performance of its business, enable comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating its business. Although management believes these financial measures are important in evaluating the Company's performance, they are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with IFRS. These non-IFRS financial measures do not have any standardized meaning and may not be comparable with similar measures used by other companies. For certain non-IFRS financial measures, there are no directly comparable amounts under IFRS. These non-IFRS financial measures should not be viewed as alternatives to measures of financial performance determined in accordance with IFRS. Moreover, presentation of certain of these measures is provided for year-over-year comparison purposes, and investors should be cautioned that the effect of the adjustments thereto provided herein have an actual effect on the Company's operating results.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements relating to the Company and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding future plans and objectives of the Company, are forward looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. As a result, we cannot guarantee that any forward-looking statement will materialize, and the reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as at the date of this news release, and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by Canadian securities law.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States unless registered under

the U.S. Securities Act and applicable state securities laws, unless an exemption from such registration is available.

SOURCE: PowerBand Solutions Inc.