

## **PowerBand Announces Significant Reduction to Cost Structure, Integration Plan for Enterprise Customers and Licenses for Direct-to-Consumer**

**TORONTO, Ontario** (June 29, 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, announces that the Company has already made significant progress in rationalizing its cost structure, thereby improving the long-term sustainability of the business model. PowerBand has reduced its recurring costs by CAD \$2M per quarter (\$8M annualized), which consists of \$1.2M per quarter of expense reduction and \$0.8M per quarter of capital cost avoidance. The Company has suspended spending for DrivrzLane as it conducts a comprehensive review of the business unit. PowerBand will incur an approximate charge of \$0.5M for severance and other one-time costs with Q2/22 financial results. The reduction in cost structure will be partially offset by expansion of the sales team at DrivrzFinancial in the second half of 2022.

PowerBand also announces that it is working expeditiously to integrate with CDK Global’s DMS, which is an integral deskings tool for enterprise dealers. DrivrzFinancial has signed some of the largest dealer groups in the U.S., however it has been precluded from generating originations until the systems are fully integrated. This will be a critical milestone to driving originations systematically with large, sophisticated organizations. The anticipated integration period is anticipated to be 45-90 days.

Finally, PowerBand announces that it is now licensed for direct-to-consumer lending in Texas, California and Florida. This will provide an origination growth funnel as the Company builds out its marketplace presence in its core markets. The Company will provide further updates on its overarching growth strategy by the end of Q3/22.

### **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*<sup>TM</sup> - is being made available across North American and global markets.

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### **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, the second tranche closing of the Financing, the use of proceeds of the Financing and matters relating to shareholder approval, 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.*

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