



Peak Files Q3 2019 Results, Records First Operating Profit and Doubles Revenue for Second Consecutive Quarter

MONTREAL, QUEBEC – (NEWSFILE – November 19, 2019) – Peak Positioning Technologies Inc. (CSE: PKK) (“Peak” or the “Company”), an innovative Fintech service provider to the Chinese commercial lending sector, today announced its financial results and operating highlights for the three-month and nine-month periods ended September 30, 2019. The Company generated positive cash flow from operations, recorded its first operating profit since launching its financial services in China and doubled its previous quarter revenue for the second consecutive quarter. All amounts expressed are in Canadian dollars.

Q3 Financial Highlights:

- Total revenue of \$4,499,953
- Cash flow from operations of \$1,479,141
- Adjusted EBITDA of \$718,727
- Operating profit of \$322,940
- Loss before taxes of \$498,414

Historical Revenue and adjusted EBITDA Summary

	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
Revenue	\$4,499,953	\$1,901,723	\$949,511	\$742,038	\$709,738
Expenses ¹	\$3,781,226	\$1,561,991	\$971,233	\$830,438	\$953,513
Adjusted EBITDA ²	\$718,727	\$339,732	(\$21,722)	(\$88,400)	(\$243,775)

¹ Expenses do not include interest, taxes, depreciation (including impairment of intangible asset in Q4 2018 and Q3 2019) and amortization

² Adjusted EBITDA equals net income (loss) before finance costs, taxes, depreciation, amortization and impairment of intangible assets

Q3 Operating Highlights:

- Xian Fenghui Automobile Service Company and Hua Xia Bank use ASDS’ Cubeler commercial lending platform for vehicle financing program.
- ASCS launches WeChat Mini Program to allow potential borrowers to quickly see if they qualify for loans.
- ASSC begins to provide credit analysis reports on behalf of prominent supply-chain leaders Jiangyin Longding Decoration Materials Company Ltd. and Jiangyin Golden Bridge Chemical Company Ltd.
- ICBC becomes second bank to join Xian Fenghui Automobile Service Company vehicle financing program using ASDS’ Cubeler platform.

Third Quarter Financial and Operating Results Summary

“When looking at today’s results, it’s easy to notice the quarter over quarter revenue growth,” commented Johnson Joseph, President and CEO of Peak. “But I think it’s important to point out that what’s behind this growth is the tangible impact that our services are having on both lenders and on the SMEs and micro businesses who benefit from them in Wuxi, Jiangyin and Xian. Our growing influence on commercial lending

at the grass-roots level in China is what we're most excited about at Peak as we now look to expand our service offering beyond those three cities," concluded Mr. Joseph.

Revenue generated from services provided to supply-chain participants by the Company's ASDS and ASSC subsidiaries represented the largest segment of the Company's revenue in Q3, combining to account for about 72% of its revenue during the quarter. The Company's ASFC subsidiary saw another slight increase in the average annual interest rate of its loan portfolio during the period, going from 17.1% to 17.5%, which helped boost its revenue by about 10% in Q3. ASFC and the Company's ASCS subsidiary collectively accounted for the remaining 28% of the Company's revenue for the quarter.

In summary, the Company generated revenue of \$4,499,953 for the three-month period and \$7,351,186 for the nine-month period ended September 30, 2019, compared to \$709,739 for the three-month period and \$939,496 for the nine-month period ended September 30, 2018.

Total expenses for the quarter, which included a one-time impairment of intangible asset of \$584,189, amounted to \$4,998,367, compared to \$1,276,619 for the same period in 2018. The net (after tax) loss for Q3 was \$777,316 compared to \$625,698 for the same period of 2018.

Full details of the Company's third quarter 2019 financial results can be found in the Unaudited Condensed Interim Consolidated Financial Statements and Management's Discussion and Analysis (MD&A) for the three-month and nine-month periods ended September 30, 2019 and 2018, which are available at www.sedar.com.

About Peak Positioning Technologies Inc.:

Peak Positioning Technologies Inc. is the parent company of a group of innovative financial technology (Fintech) subsidiaries operating in China's commercial lending industry. Peak's subsidiaries use technology, analytics and artificial intelligence to create an ecosystem of lenders, borrowers and other participants in China's commercial lending space where lending operations are conducted rapidly, safely, efficiently and with the utmost transparency. For more information: <http://www.peakpositioning.com>

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Forward-Looking Statements / Information:

This news release may include certain forward-looking information, including statements relating to business and operating strategies, plans and prospects for revenue growth, using words including "anticipate", "believe", "could", "expect", "intend", "may", "plan", "potential", "project", "seek", "should", "will", "would" and similar expressions, which are intended to identify a number of these forward-looking statements. Forward-looking information reflects current views with respect to current events and is not a guarantee of future performance and is subject to risks, uncertainties and assumptions. The Company undertakes no obligation to publicly update or review any forward-looking information contained in this news release, except as may be required by applicable laws, rules and regulations. Readers are urged to consider these factors carefully in evaluating any forward-looking information.