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TraceSafe Delivers Fourth Quarter and Full Year 2021 Financials; Reports a Phenomenal Year in Growth and Strong Revenue

May 20, 2022: Vancouver, BC – Tracesafe Inc., (“TraceSafe”) (CSE: TSF) (the “Company”) a global leader in location-aware Internet of Things (IoT) platforms for large-scale industrial and enterprise operations, announced today it has recognized a record year with annual revenue of \$13.0M USD growing by 261% over last year.

“The fourth quarter sealed what was our most exciting year in performance and growth. We achieved various sales milestones, expanded globally and renewed contracts with prestigious customers with continuous product innovation,” said Wayne Lloyd, TraceSafe CEO. “Our consistent ability to deliver with speed and scale kept bringing some of our biggest customers back across governments and enterprises. Our teams have also shown a great capacity to innovate by pivoting and reimagining the applications of our technology across different industries. It is this combination of innovation and resilience that will drive our continued success in 2022.”

“With the opportunity that climate tech provides to our evolving software and hardware offerings, we are at the cusp of achieving greater milestones this year,” continued Wayne. “We already have a wider portfolio of solutions for newer customers and are developing new and different products that address the challenges in decarbonization- something every mid to large scale organization is expected to face. We are excited to help customers take their first steps towards a sustainable future powered by technology”

Fourth Quarter and Full Year 2021 highlights:

- Q4 revenue was \$2.3M USD, a 28% increase over the same period last year of \$1.8M USD.
- Annual revenue of \$13.0M USD, a 261% increase over last year of \$3.6M USD.
- Annual gross profit of \$5.5M USD, a 267% increase over last year of \$1.5M USD.
- Annual operating loss of \$4.0M USD, a 15% improvement over last year operating loss of \$4.7M USD
- Annual positive cash flow provided from operations of \$0.6M USD was a 113% improvement over last year's negative cash used in operations of \$4.5M.

Non-Cash and One-Time Events

Due to a more risk averse audit environment, the Company’s auditors required several non-cash and one-time entries to be recorded this fiscal year. These were not anticipated and are not a

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reflection of the business operations of the Company as the write-downs below are based on auditor and valuator opinion.

- \$0.7M USD write down of intangible assets
- \$3.7M USD impairment of goodwill

Fourth Quarter 2021 business highlights:

- Became the first IoT company to be certified as part of the Credence Data Trust Rating System (Credence DTRS) pilot program.
- Expanded its presence in the APAC region with the launch of operations in Tokyo, Japan
- Closed a non-brokered private placement for aggregate principal amount of up to C\$739,600 issuing non-transferable, unsecured convertible notes
- Addressed high investor demand in the US market by expanding access to common shares for international investors with settlement through the Depository Trust Company (“DTC”) in the United States.
- Introduced significant software updates to the platform, including advanced search and new enhanced dashboard.
- Strengthened privacy program with General Data Protection Regulation (GDPR) to serve customers across markets, especially Europe
- Became the exclusive safety technology partner for the 2022 International Ice Hockey Federation (IIHF) World Junior Hockey Championship for the second time

Notable 2021 Customers

- Hockey Canada
- Royal Caribbean Cruise Lines
- Oil Search
- Micron Technology
- Viking Cruises
- Fred Olsen Cruises

Significant Events Subsequent to Fourth Quarter 2021

On January 10, 2022, the Company secured bridge financing in the amount of \$3M USD in multiple convertible notes.

The Company filed the annual audited financials on SEDAR on May 16, 2022. The same report can be found on the Company’s website under tracesafe.io/investors. Further to the Company’s news release dated May 9, 2022, the Ontario Securities Commission issued a Revocation Order

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on May 17, 2022, ordering that the failure-to-file cease trade order issued to the Company on May 9, 2022, be revoked. The Common Shares of the Company resumed normal trading on May 20, 2022.

About TraceSafe

TraceSafe is a full suite of real-time location management services and contact tracing solutions enabled through advanced low-power Bluetooth beacons and enterprise cloud management. TraceSafe's leading cloud management solution ensures both user privacy and comprehensive administrative control. TraceSafe's patented contact tracing bracelet has already been deployed in mission-critical quarantine applications around the world in partnership with leading governments. In addition to their government work, TraceSafe is developing leading-edge solutions for Enterprise, Healthcare, Education, Government, and large-scale venue management.

For further information, please contact:

Wayne Lloyd, CEO

+1 (604) 629-9975

wayne@tracesafe.io

The Canadian Securities Exchange has in no way approved or disapproved the contents of this news release.

Except for statements of historical fact relating to TraceSafe Inc. ("TraceSafe", "TSF" or the "Company"), certain statements contained in this news release constitute forward-looking information, future oriented financial information, or financial outlooks (collectively "forward looking information") within the meaning of Canadian securities laws. Forward-looking information may relate to this document and other matters identified in the Company's public filings, TraceSafe's future outlook and anticipated events or results and in some cases, can be identified by terminology such as "may", "will", "could", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "projects", "predict", "potential", "targeted", "possible", "continue", "objective" or other similar expressions concerning matters that are not historical facts and include, access to sufficient capital resources, the timing and amount of future development projects, the timing of cash flows, capital and operating expenditures, the timing of receipt of permits, employee relations, availability of financing and any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions. Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited in any manner, those disclosed in any other of TraceSafe's public filings, availability and final receipt of required approvals, licenses and permits, ability to acquire sufficient working capital to complete technology development projects, access to adequate services and supplies, economic conditions, foreign currency exchange rates, interest rates, access to capital and debt markets and associated cost of funds, availability of a qualified

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skilled work force, positive employee relations, lack of social opposition and legal challenges, and the ability to settle disputes. While TraceSafe considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in other TraceSafe's filings. Forward-looking statements are based upon management's beliefs, estimate, and opinions on the date the statements are made and other than as required by law, TraceSafe does not intend and undertakes no obligation to update any forward-looking information to reflect, among other things, new information or future events.

The following news release ("NR") of TraceSafe Inc. (the "Company"), is prepared as of July 20, 2021, and should be read together with the audited consolidated annual financial statements and related annual MD&A for the year ended December 31, 2020.

For the purpose of preparing this NR, Management in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in or would reasonably be expected to result in a significant change in the market price or value of the Company's common shares; (ii) there is substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available on SEDAR at www.sedar.com. All amounts in this NR are expressed in United States dollars unless otherwise noted.