

Globalive Technology Reports Results for First Quarter of 2020

TORONTO, May 29, 2020 /CNW/ - Globalive Technology (TSX-V: LIVE) (the "**Company**"), a technology company based in Toronto, Ontario, today announced its financial and operational results for the first quarter of 2020 (the "**Reporting Period**").

For a summary of the financial results, see the Selected Q1 Financial Highlights set out below as well as more detailed information contained in the Company's interim financial statements and related management discussion and analysis quarterly highlights which are available on the Company's SEDAR page at www.sedar.com.

SELECTED Q1 OPERATIONAL HIGHLIGHTS

Key operational developments for the Company in the first quarter of 2020 included:

- ***Interest in the Flexiti Group:*** The Company continued to take steps during the Reporting Period to support its interest in Flexiti Financial Inc. and its affiliates (the "**Flexiti Group**"), a Canadian point-of-sale retail lender, and to position itself to potentially acquire control of, or a more significant equity position in, the Flexiti Group. These steps included: (i) working with the Flexiti Group and its key stakeholders to see if the conditions to the exercise of the Company's call right over 2629331 Ontario Inc. ("**262**"), the controlling shareholder of the Flexiti Group, could be satisfied; (ii) supporting the Flexiti Group in its efforts to raise financing to continue to support and grow its business; and (iii) participating in non-binding discussions around a possible business combination or other transaction between the Company and the Flexiti Group which was ultimately not pursued.

There can be no assurance at this time that the conditions necessary to complete the transactions associated with the exercise of the call right will be satisfied or on what terms those transactions may be completed. The risks associated with these transactions have been exacerbated, following the end of the Reporting Period, by developments relating to the COVID-19 pandemic, including the measures implemented by governments, regulators, businesses and customers to respond to the pandemic, the significant decline and heightened volatility in world markets, and the potential effect on the Flexiti Group's business and retail partners. The risks and uncertainties presented by the foregoing may impact the desirability, feasibility and economic terms of a transaction by the Company to acquire a more significant interest in the Flexiti Group. Consequently, the Company is in the process of re-evaluating any potential transaction involving the Flexiti Group while it waits for markets to stabilize and for the full effect of the pandemic to become clear.

- ***Investments:*** The Company has made and continues to make strategic investments in existing and potential future collaborators and other technology companies. During the Reporting Period the Company allocated some additional capital into Civic Resource Group International Inc. (d/b/a "**CivicConnect**"). The details of these investments and their valuations are described in the Financial Statements.
- ***Normal Course Issuer Bid:*** The Company has launched a normal course issuer bid program ("**NCIB**") to purchase for cancellation up to 5% of its issued and outstanding common shares by December 31, 2020. The program was first announced on January 16, 2020 and the Company began making purchases on February 3, 2020. The program is an automatic securities purchase plan, such that the specific timing of any share purchase under the program is determined by the Company's broker in accordance with applicable laws (including a restriction

preventing the Company from buying more than 2.0% of its then issued and outstanding common shares in any 30-day period) and standing instructions from management with respect to such matters as maximum price and total funds available for purchases. There can be no assurance as to the precise number of common shares that will be repurchased under the program, or the price at which they will be purchased, and the Company may discontinue purchasing at any time subject to compliance with applicable legal and regulatory requirements.

- **COVID-19 Operational Measures:** To comply with government regulations and social distancing best practices in light of the COVID-19 pandemic, the Company has temporarily moved to a work-from-home model for all employees. During the Reporting Period and through to the MD&A Date, the Company has continued to receive mail at its head office through a single employee, but has otherwise taken steps to move all physical meetings, including board meetings and the Company's upcoming annual general and special meeting of the shareholders, to online platforms and teleconferencing. These operational measures have not significantly impacted the Company's ability to conduct business on a day-to-day basis.

SELECTED Q1 FINANCIAL HIGHLIGHTS

Key financial characteristics of the Company for its four most recently completed quarters were:

	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019
Cash	8,138,162	8,860,276	9,432,854	7,080,097
Working capital*	7,080,861	8,764,497	9,399,539	6,817,234
Total Assets	20,267,756	24,205,551	25,925,144	24,857,659
Total Liabilities	(1,169,213)	(152,807)	(113,416)	(344,712)
Realized / unrealized gain (loss) from investments held at fair value through profit or loss	(3,477,390)	1,223,952	1,465,768	(8,768,873)
Net income (loss) before taxes for the period	(4,066,897)	(2,217,232)	891,916	(11,060,081)
Deferred tax recovery (expense)	-	-	-	-
Net income (loss) from continuing operations for the period	(4,066,897)	(2,217,232)	891,916	(11,060,081)
Net income (loss) from discontinued operations for the period (attributable to equity holders of the company)	-	-	-	4,855
Net income (loss) and comprehensive income (loss) for the period	(4,066,897)	(2,217,232)	891,916	(11,055,226)

* Note that "working capital" does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. Working capital consists of current assets minus current investments minus current liabilities plus promissory notes. Working capital excludes any digital assets and investments. Working capital should not be considered in isolation or as an alternative or substitute from measures prepared in accordance with IFRS (such as Net and Comprehensive Income).

The Company's losses for the most recently completed quarter were driven primarily by a one-time write-down of a promissory note held by the Company (\$2,750,000), as well as by write-downs of certain of the Company's investments in other technology companies. Please refer to the Company's interim financial statements and corresponding management discussion and analysis for further detail.

ABOUT GLOBALIVE TECHNOLOGY

Globalive Technology is a next generation software company and venture partner that is developing and investing in innovative solutions to disrupt traditional industries. The company forms partnerships with leading high growth companies to develop and commercialize software solutions using optimal technology stacks. It is controlled by Globalive Capital Inc., which has founded and co-founded 12 businesses over the past 20 years with six successful exits ranging from \$10M to \$1.3B USD, has made over 100 venture investments and has over 45 technology companies in its portfolio. For more information, visit www.globalivetech.com.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This news release contains forward-looking statements relating to the Company, its potential acquisition of a control position or significant equity stake in the Flexiti Group, its investments, its business ventures and its future business plans. Such forward-looking statements are identified by terms such as "for use in", "continued to", "potentially", "could be", "may be", "may", "potential", "continues to" and similar expressions. All statements, other than statements of historical fact

included in this release, including those noted above, 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. Important factors that could cause actual results to differ materially from the Company's expectations include changes to the Company's business focus or strategic plan; changes in market and industry conditions; unexpected operating gains or losses; management's assessment of the viability of different businesses and business partners; a breakdown in the Company's relationship with its existing or potential future business partners; changes in the Company's management and employees; the availability of future transactional opportunities; the satisfaction of the conditions precedent to completing any existing business or transactional opportunities, including the availability of adequate financing and regulatory, shareholder and third-party approvals; other parties seeking to acquire an interest in the Flexiti Group; difficulties or delays in the development of new technologies; technologies not functioning as expected; third parties not using technologies and services as expected; economic conditions making certain technologies or services less attractive than anticipated; competitors in the industry; the potential effect of the COVID-19 pandemic on existing and potential transactional opportunities, the availability of financing, the performance and viability of the Company's business ventures, business partners and investee technology companies; the COVID-19 pandemic impacting on the availability of financing, the COVID-19 pandemic introducing business interruptions due to illness, work-from home policies or supply chain disruptions and other risks as set out in the Company's Filing Statement available on its SEDAR page at www.sedar.com.

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. The Company cannot guarantee that any of the forward-looking statements contained in this press release will occur as disclosed herein or at all. 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 of the date of this news release and the Company will only update or revise publicly the included forward-looking statements as expressly required by Canadian securities law.

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