



SpotLite360 IOT Solutions, Inc. Announces Q3 2022 Financial Results

DENVER, COLORADO and VANCOUVER, BC CANADA November 28, 2022, SPOTLITE360 IOT SOLUTIONS, INC. (“SpotLite360” or the “Company”) (CSE: LITE) (OTC: SPLTF) (Frankfurt: 87A) is pleased to announce that it has released financial and operational results for the third quarter of 2022. A complete set of the September 30, 2022, Consolidated Financial Statements and Management’s Discussion & Analysis (MD&A) are filed on SEDAR (www.sedar.com). All results are express as Canadian dollars unless otherwise specified.

SpotLite360 is a startup technology company reporting Q3 2022 and first nine months of the Company’s first full year of operations. SpotLite360 was listed on the Canadian Security Exchange (CSE) in June of 2021 and has since focused on a strategy of growth through organic sales and strategic acquisitions. The company’s portfolio of solutions has continued to evolve in response to customer’s needs and through the addition of acquisitions’ expertise, supply chain technologies, engineering, and product offerings. Since its inception, the Company has successfully completed and integrated several acquisitions and has continually created significant revenue. SpotLite360 is pioneering new solutions and disrupting traditional outdated supply chain practices.

Q3 2022 to Q3 2021 Comparison

SpotLite360 posted a significant increase in revenue for the three months ended September 30, 2022 (Q3) with total revenue of \$4,198,988 as compared to Q3 2021 revenue of \$5,631. In Q3 2022, the Company recognized an Adjusted EBITDA (EBITDA plus non-cash Share-based compensation) of \$862,991 as compared to a Q3 2021 loss of \$(585,091). This signifies the Company’s second quarter in a row with positive adjusted EBITDA. SpotLite360 has continued to invest in infrastructure to support its ability to scale operations and deliver enterprise scalable solutions. As a result, the Company recognized a Q3 2022 loss of (\$1,285,789) or \$(0.00) per

share. The majority of this loss was a result of salaries, amortization, operating expenses and share based compensation.

Year-to-Date 2022 to Year-to-Date 2021 Comparison

For the first nine months of 2022 the company recognized total revenue of \$13,898,974 as compared to \$5,631 for the first nine months of 2021. Adjusted EBITDA for the first nine months of 2022 was a positive \$1,064,643, as compared to the first nine months of 2021's loss of \$(1,425,950). Overall, the company experienced a loss of \$2,356,623 or (0.01) per share for the nine months ended September 30, 2022.

James Greenwell, President, and CEO commented "SpotLite360 continues to drive record year to date results with almost \$14 million in top line revenue for our first nine months 2022 and an adjusted EBITDA of over \$1.0 million. We are very excited to share these results and prove our strategy of driving supply chain visibility, efficiency, and proof of ESG (Environmental, Social and Governance) claims to consumers across our target industries."

Mr. Greenwell further states, "Our Company is investing in infrastructure necessary to support current opportunities and deliver an automated, smart, connected supply chain ecosystem. We are grateful to our customers for their trust in us and our employees for continued results and execution. As reported in a November 23, 2022, press release, the expansion of a current customer has increased to a new total contract value exceeding \$26.5M (\$21M USD) in revenue. The Company anticipates that its pipeline of revenue opportunities for 2023 will continue to grow with new customer projects and further expansion within existing customers. Positive year-to-date adjusted EBITDA, multi-state expansions, new product innovations, expansion of product offerings, additional acquisitions, and a significant proposal pipeline will position SpotLite360's future growth."

Operational and Financial Highlights for 2022, include:

- + Q3 2022 revenue of \$4,198,988 versus Q3 2021 revenue of \$5,631. A very significant revenue increase year over year and second quarter in a row of positive adjusted EBITDA.
- + Revenue for the first nine months of fiscal year 2022 totaled \$13,898,974 versus \$5,631 for the first nine months of fiscal 2021.
- + Q3 2022 Adjusted EBITDA improved from a Q2 2022 positive \$211,137 to a Q3 2022 positive \$862,991
- + For the first nine months of 2022 Adjusted EBITDA was a positive \$1,064,643 as compared to a loss of \$(1,425,950) for first nine months of 2021.

+ Significantly expanded product portfolio with digital asset production, distribution, and big data structuring with the acquisition of Back to the Digital, and its very popular website “Imfromdenver.com.”

+ Leveraged the design-build and construction management expertise of our E3 Service Group to obtain an open backlog value of executed contracts in 2022 of over \$16.3 million with project implementations underway..

+ Internal marketing efforts have restarted social media at a subsidiary level. Outbound marketing efforts will begin by end of fiscal year. Several new project announcements are expected in coming months.

+ Several merger and acquisition targets have been added to the pipeline. While negotiations are complex and ongoing, the strategy to add product capabilities with additional customers and cross selling products and services is anticipated.

The pipeline of proposals and acquisitions continues to grow and a vision of building an enterprise scalable SaaS based technology company targeting the supply chain remains a high priority for the company. Current customer implementations and future engineering designs are leveraging SpotLite360’s expertise and solutions to create visibility into mission critical supply chain data. Leveraging IOT, sensors, the cloud, software, and blockchain to make real time and near real time supply chain decisions is invaluable. Regulatory demands, marketplace disruptions, consumer demand for sustainability and Environmental, Social and Governance (ESG) compliance are all forcing the disruption of traditional supply chain practices. Spotlite360 is creating an automated, smart, connected digital supply chain environment from a product’s origin all the way to the consumer. Future emphasis will be focused on the consumer visibility to supply chain proof with historical data.

On behalf of the Board of Directors of the Company,

SpotLite360 IOT Solutions, Inc.

“James Greenwell”

James Greenwell, President and CEO

For more information about SpotLite360, please visit: <http://spotlite360.com>

Investor Relations and Media Inquiries

+1 (720) 830-6120

ir@spotlite360.com

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About SpotLite360 IOT Solutions, Inc.

SpotLite360 is a logistics technologies solutions provider unlocking value, opportunities, and efficiencies for all participants in a supply chain. Building upon existing applications of IoT technologies, distributed ledgers, and machine learning, SpotLite360 endeavours to set new standards of transparency, integrity, and sustainability in the pharmaceutical, healthcare, and agriculture industries. As regulators across the globe begin to impose new tracing and accountability requirements for the protection of consumers (e.g., DSCSA and FSMA from the U.S. Food and Drug Administration), the need for reliable, cost-effective, and versatile tracking technology is expected to grow considerably. SpotLite360’s flagship SaaS solution has been engineered to seamlessly track the movement of a product by integrating with systems of all major stakeholders in a supply chain ranging from the raw materials to the hands of the end consumer. With a primary objective of onboarding new clients in 2022, SpotLite360 plans to explore innovative use cases for its proprietary stack of technologies which could transform logistics workflows in some of the world’s largest industries.

Forward-Looking Statements

This news release contains “forward-looking information” within the meaning of applicable Canadian securities legislation, with respect to the Company. The forward-looking information included in this news release is not based on historical facts, but rather on the expectations of the Company’s management regarding the future growth of the Resulting Issuer, its results of operations, performance, business prospects, and opportunities. This news release uses words such as “will”, “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates”, or similar expressions to identify forward-looking information. Such forward-looking information reflects the current beliefs of the Company’s management, based on information currently available to them.

This forward-looking information includes, among other things, statements relating to: the intentions, plans and future actions of the Company; statements relating to the business and future activities of the Company; anticipated developments in operations of the Company; market position, ability to compete, and future financial or operating performance of the Company; the timing and amount of funding required to execute the business plans of the Company; capital expenditures of the Company; the effect on the Company, of any changes to existing or new legislation or policy or government regulation; the length of time required to obtain permits, certifications and approvals; the availability of labour; estimated budgets; currency fluctuations; requirements for additional capital; limitations on insurance coverage; the timing and possible outcome of regulatory and permitting matters; goals; strategies; future growth; the adequacy of financial resources; our expectations regarding revenues, expenses and anticipated cash needs.

In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Forward-looking statements are based on certain assumptions and analyses made by the Company in light of the experience and perception of historical trends, current conditions, and expected future developments and other factors it believes are appropriate and are subject to risks and uncertainties. Although the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and there can be no assurance that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties, and assumptions, prospective investors should not place undue reliance on these forward-looking statements. Whether actual results, performance, or achievements will conform to the expectations and predictions of the Company is subject to a number of known and unknown risks, uncertainties, assumptions, and other factors, including those listed in the Company's non-offering prospectus dated May 26, 2021.

If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in the forward-looking statements. Information contained in forward-looking statements in this news release is provided as of the date of this news release, and the Company disclaims any obligation to update any forward-looking statements, whether because of new information or future events or results, except to the extent required by applicable securities laws. Accordingly, potential investors should not place undue reliance on forward-looking statements, or the information contained in those statements.

All the forward-looking information contained in this news release is expressly qualified by the foregoing cautionary statements.

Statement Regarding Third-Party Investor Relations Firms

Disclosures relating to investor relations firms retained by SpotLite360 IOT Solutions, Inc. can be found under the Company's profile on <http://sedar.com>.