

CORRECTION from Source – Cliffside Capital Ltd.

In the news release, CLIFFSIDE CAPITAL LTD. REPORTS INCREASED NET INCOME IN 2020, issued 21-Apr-2021 by Cliffside Capital Ltd. over CNW, we are advised by the company to clarify that “Net financial revenue before credit losses grew in excess of 10% to \$7.4 million excluding one-time gain of \$0.8 million included in 2019.” The complete, corrected release follows:

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CLIFFSIDE CAPITAL LTD. REPORTS INCREASED NET INCOME IN 2020

TORONTO, April 21, 2021 - Cliffside Capital Ltd. (“**Cliffside**” or the “**Company**”) (TSXV:CEP) presents its results for the year ended December 31, 2020.

Cliffside is very pleased to announce strong financial results, despite the ongoing market challenges from COVID-19:

- Net income for the year ended December 31, 2020 of \$2 million.
- A positive movement in net income year over year of \$4.6 million when compared to a net loss of \$2.6 million in 2019.
- Net financial revenue before credit losses grew in excess of 10% to \$7.4 million excluding one-time gain of \$0.8 million included in 2019.
- Delinquency rate (those greater than 30 days past due) decreased 192 basis points to 3.42% as at December 31, 2020 compared to 5.34% in 2019.
- Provision for credit losses reduced year over year to \$5.4 million compared to \$9.3 million in 2019 through a combination of slower acquisition of new finance receivables, government’s economic support for individuals and closely managing borrower performance.

Cliffside responded strongly to COVID-19. Management slowed acquisition of new finance receivables early in the year, then worked closely with its existing funders to introduce measures that assisted borrowers and managed COVID-19 uncertainty effectively. Cliffside’s primary business of acquiring non-prime auto finance receivables remains well positioned as it moves into 2021. Cliffside foresees a strong pace of new acquisitions of finance receivables while it appropriately governs credit risk and any ongoing economic uncertainty.

"I am very pleased with our 2020 results despite the COVID-19 related challenges. Net income improved significantly, and we are very pleased with the continued strength of our limited partnerships’ performances. We are well positioned for 2021 and remain focused on acquiring assets with strong risk-adjusted returns to drive long-term value for our shareholders” said CEO Steve Malone.

To date, Cliffside has invested \$6.7 million in two limited partnerships, each of which invests in fully serviced non-prime automobile loans and are funded through facilities with institutional lenders. Cliffside

looks to grow its asset base and net interest margin by closely managing its credit exposure, costs, and net interest expense.

Further information on Cliffside's financial results can be found at www.cliffsidecapital.ca.

About Cliffside

Cliffside is focused on investing in strategic partnerships with parties who have specialized expertise and a proven track record in originating and servicing loans and similar types of financial assets. Cliffside's strategy is to generate revenue as an investor, affording its shareholders an opportunity to invest in the growing alternative lending sector with the potential for attractive yields and minimal operational risk while earning a reliable total return. For more information, see Cliffside's filings on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the business and operations of Cliffside. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; the results of operations; potential for conflicts of interests; as well as volatility of Cliffside's common share price and volume. There can be no assurance that such statements will prove to be accurate or complete, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Cliffside disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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For further information, contact:

Praveen Gupta, CFO

(647) 776-5810

pgupta@cliffsidecapital.ca