

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE U.S.

CLIFFSIDE CAPITAL LTD. REPORTS STRONG THIRD QUARTER, INCLUDING GROWTH IN ASSETS, RAISE \$4.5 MILLION AND PAYMENT OF A QUARTERLY CASH DIVIDEND

TORONTO, November 23, 2021 - Cliffside Capital Ltd. (“**Cliffside**” or the “**Company**”) (TSXV: CEP) is pleased to announce strong financial results for the third quarter ended September 30, 2021.

As the pandemic-induced restrictions begin to ease, Cliffside has begun to grow assets through acquisition of new finance receivables and is pleased to report:

- Acquisition of \$53.8 million of gross finance receivables during the quarter;
- \$0.8 million increase in net income to \$1.5 million for nine months ended September 30, 2021 compared to the same period prior year, driven by better performance and consistent with the expected profitability of the portfolio over its life;
- Q3 2021 net loss of \$159,039 was impacted by a pre-tax amount of \$1,449,937 resulting from the movement in Stage 1 provision for credit losses of \$845,397, arising from acquisition of \$53.8 million in new finance receivable, and amortization of \$605,540 of financing costs incurred on securing new funding facilities for CAR LP I; and
- Provision for credit losses declined to \$2.2 million for nine months ended September 30, 2021 compared to \$4.6 million in prior year, through a combination of slower acquisition of new finance receivables during first half of the year, governmental economic support for individuals and closely managing borrower performance.

As previously announced, the Company successfully raised \$4.5 million in gross proceeds through a private placement of its common shares, of which it invested \$3.75 million in a newly formed special purpose private limited partnership, CAR LP I, for a 60% of ownership and the remaining \$0.75 million is to be used for its general working capital requirements. The new private limited partnership was formed to acquire non-prime consumer auto loan receivables.

CAR LP I entered into a new securitization funding facility with a Schedule 1 Bank for up to \$140 million and a subordinated debt commitment for up to \$35.2 million from a private Canadian asset management firm. The new funding structure will result in better funding costs and improved cash flows for the Company. In addition, the company also renewed its securitization funding facilities with its existing third-party lenders for up to an additional \$85 million, bringing total funding availability to up to \$260.2 million pursuant to the applicable terms of the funding facilities.

Cliffside also paid a quarterly cash dividend on the outstanding Common Shares of \$0.0025 per Common Share (or \$0.01 on an annualized basis) on November 1, 2021, to holders of Common Shares of record at the close of business on Oct 1, 2021. The dividend was an "eligible dividend" for Canadian income tax purposes.

"The third quarter was highlighted by record quarterly acquisition of receivables of \$53.8 million, strong portfolio performance, improved funding facility terms and the announcement of a quarterly cash

dividend. I am very pleased with our results in the quarter and the momentum gained by all the positive activities. Our focus remains on acquiring new receivables with strong risk-adjusted returns to drive long-term value for our shareholders” said CEO Steve Malone.

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; the availability of appropriate finance receivables that may be purchased by the Company's limited partnerships under existing funding facilities; and volatility of 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.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For further information, contact:

Praveen Gupta, CFO

(647) 776-5810

pgupta@cliffsidecapital.ca