

## CLIFFSIDE CAPITAL LTD. ANNOUNCES FISCAL 2022 RESULTS

TORONTO, April 25, 2023 - Cliffside Capital Ltd. (“**Cliffside**” or the “**Company**”) (TSXV: CEP) is pleased to announce financial results for the year ended December 31, 2022. The Company reported the following for 2022 compared to the prior year:

- Growth in net finance receivables by 23.5% to \$185.0 million;
- Growth in interest income by 45.3% to \$19.0 million;
- Net financial revenue before credit losses, excluding mark to market gain on derivative financial instruments, increased by 34.9% to \$9.8 million;
- Provision for credit losses increased by \$8.1 million to \$12.1 million, including \$2.1 million on stage 1 receivables; and
- Net loss before taxes of \$2 million was recorded for the current 2022, primarily driven by higher provision for credit losses.

On December 6, 2022, the Company announced the formation of an independent committee (the “**Independent Committee**”) to explore and evaluate potential strategic alternatives that may be available to the Company with the goal of maximizing value for Cliffside shareholders and other stakeholders of the Company. These alternatives may include, but are not limited to, a sale of all or a portion of the common shares in the capital of the Company, a sale of all or a portion of the assets of the Company, new debt or equity financings, a strategic investment in the Company or other strategic transaction structures (collectively, “**Potential Strategic Transactions**”). The Independent Committee has been empowered with a broad mandate to lead the process in connection with the review of Potential Strategic Transactions, including engaging necessary professional advisors. The Independent Committee will manage any expressions of interest relating to any proposed Potential Strategic Transactions that may be forthcoming and will work with professional advisors to assess the fairness of Potential Strategic Transactions to shareholders and other stakeholders and make recommendations to the Company’s board of directors in respect of all such matters.

No decisions relating to any specific Potential Strategic Transaction has been made and there are no assurances that any Potential Strategic Transaction, or transactions, will result from the formation of the Independent Committee and the strategic review process, generally.

The Company paused acquisition of new finance receivables in Q1 2023 and also announced on February 7, 2023, that it will temporarily suspend the payment of quarterly dividends to its shareholders. This decision was made by the Board in light of the strategic review being conducted by the Independent Committee.

Further information on Cliffside’s financial results can be found at [www.cliffsidecapital.ca](http://www.cliffsidecapital.ca), and a copy of the audited consolidated financial statements for the year-ended December 31, 2022, prepared in accordance with International Financial Reporting Standards, and the corresponding management’s discussion and analysis will be available under the Company’s profile on [www.sedar.com](http://www.sedar.com).

### 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](http://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 and the ability of the Independent Committee to successfully complete a Potential Strategic Transaction. 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](mailto:pgupta@cliffsidecapital.ca)