Lite Access Technologies Reports Q3 2021 Financial Results; Revenues up 57% Over Q3 2020

VANCOUVER, BC, Aug. 30, 2021 /CNW/ - **LITE ACCESS TECHNOLOGIES INC.** (the "**Company**") (TSX VENTURE: LTE) (PINK: LTCCF), a world leader in the use of innovative and proven micro/narrow trenching technologies, alternate methods of deployment and specialist products which transform the cost of fibre optic network deployment for telecommunications operators, today reported its financial results for the third quarter ended June 30, 2021. The financial statements and related management's discussion and analysis ("MD&A") can be viewed on SEDAR at www.sedar.com.

FINANCIAL HIGHLIGHTS FOR Q3 2021(1):

- Total Q3 2021 revenue of $1,621,794, representing an increase of 57%, versus $699,896 for Q3 2020. Total revenue also increased 252% to $5,647,081 for the nine months ended June 30, 2021 from $1,605,226 for the nine months ended June 30, 2020;
- Gross margin for Q3 2021 was $178,942, or 11%, compared to $(25,978), or -4%, in Q3 2020. Gross margin increased to $262,223, or 5%, for the nine months ended June 30, 2021 from $(372,124), or -23%, for the nine months ended June 30, 2020;
- EBITDA* improved to $(1,441,164) for the nine months ended June 30, 2021 from $(1,787,324) for the nine months ended June 30, 2020. Operating expenses went down to 49% of the revenue from 145% for the same period of last year resulted from the synergy saving and cost cutting initiatives executed this year.
- Exited the quarter with $1,037,580 in cash and cash equivalents, positive working capital of $168,585, and maintains one undrawn credit facility of $500,000.
- UK liquidation progressing smoothly with the initial dividend to be expected in the next few months.

Note:
(1) On January 26, 2021, the UK business officially appointed FRP Advisory Trading Limited as administrators. Accordingly, the Company no longer has control over the UK business as of the date of the appointment of the administrators. As a result, LAT UK financial results have been classified as a discontinued operation as at March 31, 2021. Certain prior year comparative figures have been reclassified to compare with the current year presentation.

"I'm pleased with the improved performance of Lite Access across most key metrics, both on comparable quarterly results and on a year-to-date basis," said Greg Smith, Chairman and Interim CEO of Lite Access. We continue to focus on ramping up our top-line growth and optimizing operational efficiency and consistency. Success of our strategy is evident given cost savings achieved through economies of scale via the recently completed acquisition of AMEC and we expect these savings along with a boost to top line revenue to become more significant in subsequent quarters. Our employees continue to work diligently to achieve our goals and I am highly encouraged by the progress that has taken place as we transition to a much more robust and resilient business."

Mr. Smith continued, "The Canadian market and business conditions continue to improve and provide a real, sustainable opportunity for our Company's growth. With increased execution capabilities and operational improvement, Lite Access is well-positioned to seize growth opportunities to deliver more infrastructure projects, diversify our client base and expand our presence in Western Canada and other regions. I believe we are on the cusp of a significant and sustainable growth period for Lite Access."

CANADIAN OPERATIONS

Brooks, Alberta

In August 2020, the City of Brooks issued an RFP and accepted proposals to provide broadband to the city. The purpose of the RFP was to solicit proposals from qualified construction contractors, for the design, build, operation and maintenance (DBOM) of a city-wide open access network using fixed wireless or fibre-to-the-home (FTTH) Next Generation Broadband Network (NGBN) capable of Gigabit + speed service to the end user within the City of Brooks.

In January 2021, Brooks Alberta City council unanimously agreed to accept a proposal from Lite Access to construct a city-wide broadband network. The proposal was initially valued at approximately $14.4 million and increased to approximately $21 million, pending a successful negotiation of a contract, which is currently in progress.

Clearwater County, Alberta

Further to the Company's press release dated May 28, 2020, Lite Access has substantially completed the majority of the design/build fibre project for Clearwater County, Alberta. The project has a total contract value worth approximately $1.2 million. Additionally, in February 2021, the Company announced the receipt of a purchase order from Clearwater County, Alberta totaling $1,183,000 for the supply of microduct and fibre optic components, which was fulfilled in March 2021.

West Vancouver, British Columbia

Lite Access was awarded a fibre build contract valued at over $400,000 from a major Canadian carrier. Lite Access provided civils and construction services to install fibre through West Vancouver, British Columbia using its advanced deployment and excavation methods. The project commenced in December 2020 and was completed in May 2021.

Southeastern, British Columbia

In the Fall of 2020, a region in southeastern British Columbia issued an RFP for the provision of project management and construction services, utilizing both aerial and underground fibre construction methodologies, to deploy fibre optic cable. Lite Access was successful in the RFP process with its proposal of approximately $800,000 for the services, the terms of which have been finalized in a signed contract. Construction for the project has started in August and expected to be completed by the end of fiscal 2021.

Prince George, British Columbia

Lite Access was awarded a project to supply and install fiber optic cable in the City of Prince George. The three-phase project has a total contract value of approximately $1.5 million. During the first three quarters, the Company completed phase 1 and phase 2 of the project with a total value of approximately $1.4 million. Phase 3 is expected to finish fiscal 2022.

Vancouver Island, British Columbia

In April 2021, the Company signed a contract with a city on Vancouver Island as the sole source for fiber optic construction and installation work for a period of 5 years.

About Lite Access

Lite Access Technologies Inc. is a world leader in the use of innovative and proven micro/narrow trenching technologies, alternate methods of deployment and specialist products which transform the cost the network deployment for telecommunications operators.

As part of its suite of services Lite Access provides clients with integrated solutions or select components for the design and implementation of fibre optic networks. Lite Access' products have been deployed in many high-profile communication networks including Olympic facilities, military and government, numerous communities throughout the United Kingdom, the USA and Canada as well as global telecommunications companies that have adopted Lite Access as the "solution of choice" for the least invasive, most cost effective and future-proof fibre optic connectivity available.

Lite Access' installation technology and proprietary products extend a network provider's ability to deliver true broadband connectivity directly to end-users, such as homes, businesses, government and educational institutions, and emergency response facilities. Lite Access remains flexible and innovative in its commitment to provide global clients and partners with the most cost effective and proven fibre connectivity solutions available.

*Non-IFRS Measures

EBITDA is a measure not recognized under IFRS. However, management of Lite Access believes that most shareholders, creditors, other stakeholders and investment analysts prefer to have these measures included as reported measures of operating performance, a proxy for cash flow, and to facilitate valuation analysis. EBITDA is defined as earnings before interest income, taxes, depreciation and amortization, stock- based compensation, restructuring costs, impairment charges, other non-recurring gains or losses, onerous contract provision, and discontinued operations. Management believes EBITDA is a useful measure that facilitates period-to-period operating comparisons.

EBITDA does not have any standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. Readers are cautioned that EBITDA is not an alternative to measures determined in accordance with IFRS and should not, on its own, be construed as indicators of performance, cash flow or profitability. References to the Lite Access' EBITDA should be read in conjunction with the financial statements and management's discussion and analysis of Lite Access posted on SEDAR (www.sedar.com).

Forward Looking Information

This news release contains statements that, to the extent they are not recitations of historical fact, may constitute "forward-looking statements" within the meaning of applicable Canadian securities laws. Lite Access uses words such as "may", "would", "could", "will", "likely", "expect", "believe", "intend" and similar expressions to identify forward-looking statements. Any such forward-looking statements are based on assumptions and analyses made by Lite Access in light of its experience and its perception of historical trends, current conditions and expected future developments. However, whether actual results and developments will conform to Lite Access' expectations and predictions is subject to any number of risks, assumptions and uncertainties. Many factors could cause Lite Access' actual results to differ materially from those expressed or implied by the forward-looking statements contained in this news release. Such factors include, among other things: risks and uncertainties described in Lite Access's most recent Management Discussion & Analysis (MD&A) for the financial year ended September 30, 2020 which can be accessed at www.sedar.com. The "forward-looking statements" contained herein speak only as of the date of this press release and, unless required by applicable law, Lite Access undertakes no obligation to publicly update or revise such information, whether as a result of new information, future events or otherwise.

or accuracy of this release.

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