



IPLAYCO Announces Financial Results for Fourth Quarter and Year Ended September 30, 2017

Langley, BC / TheNewswire / December 5, 2017/ Iplayco Corporation Limited (TSX VENTURE: IPC) ("Iplayco" or the "Corporation") announces financial results for its fourth quarter and year ended September 30, 2017. All amounts are in Canadian dollars unless otherwise noted.

This news release contains financial information derived from Iplayco's annual audited consolidated financial statements for the years ended September 30, 2017 and 2016. More detailed information can be found in the Corporation's annual audited consolidated financial statements and Management's Discussion and Analysis for the years ended September 30, 2017 and 2016, which are being filed with the applicable Canadian regulatory authorities.

Highlights:

- Record sales of \$19,963,299, up 17.27% compared to 2016;
- Net income of \$917,286, compared to a net loss of \$955,151 in 2016;
- Earnings per share of \$0.04;
- Earnings were lower than anticipated in Q4-17 owing to delays in recognizing sales totaling approximately \$1 million, non-recurring professional fees of approximately \$100,000 relevant to legal and due diligence expenses for the acquisition of the European operations completed in October 2017, as well as to an unrealized foreign exchange loss of \$383,650 caused by strength in the Canadian dollar;
- The Company expects the entirety of the \$1 million in delayed sales to be realized in Q1-18. Similarly, a partial reversal of the unrealized foreign exchange loss can be expected, as the Canadian dollar has weakened significantly in the first quarter;
- In the business year through September 30, 2018, the Company foresees a substantial increase in sales being partially offset by a modest rise in overhead costs, the latter reflecting investment in the European operations acquired in October 2017. Net income is expected to increase.

"We were pleased to return to profitability in 2017, and results would have been even stronger had we not faced Canadian dollar appreciation and certain key sales falling behind schedule in the fourth quarter," said Scott Forbes, President & Chief Executive Officer of Iplayco. "The first quarter is off to a good start, as is the amalgamation of our recently acquired European operations, and we are positive on the outlook for fiscal 2018."

Results for the three months ended September 30, 2017 ("Q4-17") as compared to the three months ended September 30, 2016 ("Q4-16")

Sales decreased by 35.3% to \$3,550,302 in Q4-17 from \$5,488,474 in Q4-16. Gross profit percentage increased to 44.7% of sales in Q4-17 from 19.3% in Q4-16. Operating expenses, including foreign exchange gains and losses and finance costs, increased to \$2,233,966, or 62.9% of sales, in Q4-17 from \$1,589,871, or 29.0% of sales, in Q4-16. The net loss in Q4-17 amounted to \$539,655, or net loss per share of \$0.03, as compared to a net loss of \$345,782, or loss per share of \$0.02, in Q4-16.

Results for the three months ended September 30, 2017 ("Q4-17") as compared to the three months ended June 30, 2017 ("Q3-17")

Sales decreased by 35.6% to \$3,550,302 in Q4-17 from \$5,513,365 in Q3-17. Gross profit percentage decreased to 44.7% of sales in Q4-17 from 45.0% in Q3-17. Operating expenses, including foreign exchange gains and losses and finance costs, increased to \$2,233,966, or 62.9% of sales, in Q4-17 from \$1,876,445, or 34.0% of sales, in Q3-17. The net loss in Q4-17 amounted to \$539,655, or net loss per share of \$0.03, as compared to net income of \$438,936, or diluted net income per share of \$0.02, in Q3-17.



Results for the year ended September 30, 2017 (“2017”) as compared to the year ended September 30, 2016 (“2016”)

Sales increased by 17.3% to \$19,963,299 in 2017 from \$17,023,914 in 2016. Gross profit percentage increased to 44.0% of sales in 2017 from 28.8% in 2016. Operating expenses, including foreign exchange gains and losses and finance costs, increased to \$7,424,689, or 37.2% of sales, in 2017 from \$6,220,777, or 36.5% of sales, in 2016. Net income in 2017 amounted to \$917,286, or diluted net income per share of \$0.04, as compared to a net loss of \$955,151, or net loss per share of \$0.05, in 2016.

About Iplayco Corporation Limited

Iplayco is a global leader in the design and supply of premium-quality, fun, safe and durable indoor playgrounds for children. In its 18-year history, Iplayco has sold over 3,000 playgrounds to over 60 countries worldwide. For more information, please visit www.iplaycoltd.com.

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Cautionary Note Regarding Forward-looking Statements

This news release contains “forward-looking statements” and certain “forward-looking information”, within the meaning of applicable Canadian securities legislation, concerning the business, operations, financial performance and condition of the Corporation. Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as “may”, “will”, “should”, “expected to”, “intend”, “continue”, “plans”, or similar terminology.

Forward-looking statements and information are based upon certain assumptions and other important factors that, if untrue, could cause the actual results, performances or achievements of the Corporation to be materially different from future results, performances or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which Iplayco will operate in the future including but not limited to: unanticipated costs and expenses and uncertainties relating to the availability and costs of financing needs in the future.

Forward-looking statements and information are subject to known and unknown risks, uncertainties and other important factors that may cause the actual results, level of activity, performance or achievements of Iplayco to be materially different from those expressed or implied by such forward-looking statements and information, including but not limited to: fluctuation in foreign exchange rates and interest rates; stock market volatility; the requirement for regulatory approvals and third party consents; the impact of general business and economic conditions; risks related to international operations and government relations; liability, competition, loss of key employees and other related risks and uncertainties. Although the Corporation has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements and information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, 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 or information. Iplayco does not undertake to update any forward-looking information that are contained or are incorporated by reference, except in accordance with applicable securities laws.

Important factors that could cause actual results to differ materially from the Corporation's expectations are disclosed elsewhere in documents that are available to the public.



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