

ACQUISITION OPPORTUNITY

Left Technologies Inc.



Business Overview

- Left Technologies Inc. (“**Left**” or the “**Company**”) is an established travel technology firm based in Maple Ridge, British Columbia.
- The Company is the sole shareholder of Left Travel Inc. (“**LTI**”) which is the operating subsidiary for the online travel business. LTI earns commissions on bookings made with its long-term travel partners: Booking.com and the Expedia Group (“**Travel Sellers**”). LTI uses a cutting-edge cloud-based platform to optimize travel bookings. The software allows LTI to strategically determine the best rental properties to show travellers based on their unique attributes to increase bookings and maximize commissions.
- Prior to COVID-19, the year-over-year transactional growth for LTI was up by 93% in February 2020. However, by March 2020, COVID-19 travel restrictions and ensuing lockdowns led to LTI losing \$2.8 million in commission revenue from cancelled bookings. Prior to the COVID-19 pandemic, LTI increased spending with Google on advertising resulting in an amount due to Google of \$7.5 million by the end of March 2020. Left was contractually liable for the \$7.5 million debt owed to Google, and as a result commenced insolvency proceedings.
- Due to the loss of revenue and deterioration in working capital brought on by the COVID-19 pandemic, the Company sought to restructure its affairs and filed a Notice of Intention to Make a Proposal (“**NOI**”) on June 11, 2020. However, the Company was unable to reach an agreement with its largest creditor, and as a result the Company did not file for an extension or file a proposal to its creditors by the NOI deadline. On August 26, 2020, the Company was deemed to make an assignment into bankruptcy, and The Bowra Group Inc. was appointed as the Trustee of the bankruptcy estate of Left (and in such capacity, the “**Trustee**”, and not in its personal capacity).
- The Trustee is conducting a sales process for the assets of Left (“**Sales Process**”).



Financial Highlights

Left Travel Inc. Financial Results	Forecast for the Year Ending September 30, 2021	For the Period March 1, 2020 to September 30, 2020	For the Period October 1, 2019 to February 29, 2020	For the Year then Ended September 30, 2019	For the Year then Ended September 30, 2018
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Revenue	2,543	4,002	10,822	15,954	15,838
Expenses	1,435	5,271	13,419	15,660	15,408
Net Income (Loss)	1,108	(1,269)	(2,597)	294	430

- Management estimates commission revenue for LTI to be \$2.5 million for the period October 1, 2020 to September 30, 2021 (FY 2021). LTI currently generates all booking commissions from organic search traffic. LTI stopped using Google advertising services in March 2020.



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- Future commissions based on the bookings made between September 1, 2020 and September 30, 2020 were on average \$4,464 USD per day.
- LTI generated \$14.8 million and \$16.0 million in revenue during fiscal 2020 and fiscal 2019, respectively.
- Management estimates that LTI can generate positive cash flows from operations during FY 2021.
- Historic use of Google advertising resulted in a rate of return of 1.40x the amount spent. A purchaser could potentially recommence Google advertising to accelerate search traffic and grow commission revenue.
- LTI has taken proactive steps to operate on a scale that is commensurate with the decrease in booking revenue attributable to COVID-19.



Intellectual Property

- Over 100 domain names are owned by LTI. Several key domain names have generated significant organic traffic for individual property names, resulting in longtail traffic appearing close to the top of Google searches.
- Left is the developer of the RightMesh technology, a proof-of-concept blockchain platform that can be used to facilitate peer-to-peer mobile data sharing without the need for internet access. The RightMesh technology developed by the Company is trademarked and there are three patents in progress, with one patent already granted in three foreign jurisdictions.

Purchase Opportunity

- The Trustee is inviting qualified parties to purchase the assets of Left. The bid deadline is 4:00PM local time in Vancouver, B.C. on January 8, 2021. The Trustee may, without notice, extend or terminate the Sales Process at its discretion.
- To participate in the Sales Process, parties must deliver the following to the Trustee:
 - An executed non-disclosure agreement (“**NDA**”); and,
 - Identification of the participant and any principals, and the representatives thereof who are authorized to appear and act on their behalf for all purposes regarding the contemplated transaction.

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For further information, please visit our website <https://www.bowragroup.com/lefttechnologiesinc>

Disclaimer: All information in this document is based on discussions with and information provided by Left Technologies Inc. without independent verification by the Trustee. The Trustee does not make any representations or warranties (be they expressed or implied) as to the accuracy or completeness of the information and shall have no liability for any representations or omissions contained herein. The prospective purchasers will be solely relying on, and will conduct, their own investigation, analysis and due diligence relating to Left Technologies Inc.'s assets and any of the information contained in this document.

