



Luokung Announces Interim Results for the Three and Nine Months Ended September 30, 2021, Reports Record Revenue of \$74.9 Million for the Nine-Month Period

BEIJING, December 2, 2021 /PRNewswire/ -- Luokung Technology Corp. (NASDAQ: LKCO) (“Luokung” or the “Company”), a leading spatial-temporal intelligent big data services company and provider of interactive location-based services (“LBS”) and high-definition maps (“HD Maps”) in China, today announced interim revenue results for the three and nine months ended September 30, 2021. The numbers presented herein have not been reviewed by the Company’s auditors.

Luokung achieved record total revenue for the nine months ended September 30, 2021, of approximately \$74.9 million, compared to \$13.1 million in the prior-year period. Revenue for the three months ended September 30, 2021 was \$37.0 million, compared to \$5.8 million in the prior-year period.

- ***LBS Business***

For the nine months ended September 30, 2021, revenue from the LBS business was \$65.4 million, an increase of \$52.5 million, or 409%, from \$12.8 million for the prior-year period. Revenue for the third quarter of 2021 was \$33.7 million, an increase of \$28.0 million, or 485.3%, from \$5.8 million in the prior-year period.

- ***Sales of Remote Sensing and GIS Data Management Service Platform Software and Services***

For the nine months ended September 30, 2021, revenue from sales of remote sensing and GIS data management service platform software and services increased to \$5.4 million, compared to \$0.3 million for the prior-year period. Revenue for the three months ended September 30, 2021 was \$0.97 million, compared to \$0.01 million in the prior-year period.

- ***Smart Transportation***

Smart Transportation contributed revenue of approximately \$2.3 million and \$4.1 million during the three and nine months ended September 30, 2021, respectively. This revenue was mainly driven by HD Map data services provided to auto makers in connection with autonomous driving.

Management Commentary

Mr. Xuesong Song, Chairman and CEO of Luokung, stated, “We continued to build upon the positive momentum generated during the first half of 2021 and are pleased to have achieved record revenues of \$74.9 million in the nine months ended September 30, 2021, primarily driven by the growth of our LBS business as a result of an expanding customer base. The accelerated growth in our top line results was also supported by increased sales of remote sensing and GIS data management services platform software and services and increased revenue contributions from our smart transportation business. We expect that our competitive advantages and differentiated portfolio of products and services for various applications will enable us to continue strengthening our existing and potential partnership base. We remain well positioned to execute on our growth strategies and anticipate closing 2021 on a strong note, meeting our goal of \$100 million in revenues for the year as we continue to see growth across all of our major lines of business.”

Update on Financial Reporting for the Remainder of 2021

As a foreign private issuer, Luokung is required to report its results for the year ending December 31, 2021, by April 30, 2022, according to Nasdaq Listing Rules and the rules of the U.S. Securities and Exchange Commission (the “SEC”). The Company intends to provide quarterly financial updates based on management’s estimates for the interim periods, in addition to financial results filed or furnished with the SEC.

ABOUT LUOKUNG TECHNOLOGY CORP.

Luokung Technology Corp. is a leading spatial-temporal intelligent big data services company, as well as a leading provider of LBS and HD Maps for various industries in China. Backed by its proprietary technologies and expertise in HD Maps and multi-sourced intelligent spatial-temporal big data, Luokung established city-level and industry-level holographic spatial-temporal digital twin systems and actively serves industries including smart transportation (autonomous driving, smart highway and vehicle-road collaboration), natural resource asset management (carbon neutral and environmental protection remote sensing data service), and LBS smart industry applications (mobile Internet LBS, smart travel, smart logistics, new infrastructure, smart cities, emergency rescue ,among others).

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Information regarding the Company's future growth prospect and the unaudited revenue results contained in this press release may constitute forward-looking-information within the meaning of securities laws. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. **The revenue estimates in this press release is provided by the management and have not been reviewed by the auditors. Readers are cautioned that this information may not be appropriate for any other purpose.** When relying on the Company's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events including that the Company has not finished its review of the full financial positions and the Company may continue to incur net losses. The Company has assumed that the material factors referred to herein will not cause such forward-looking statements and information to differ materially from actual results or events. However, there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

Other than as required under securities laws, the Company does not undertake to update this information at any particular time.

Forward-looking information contained in this press release, including with respect to any future growth, is based on the Company's current estimates, expectations and projections, which it believes are reasonable as of the current date. The reader should not place undue importance on forward-looking information and should not rely upon this information as of any other date. All forward-looking information contained in this press release is expressly qualified in its entirety by this cautionary statement.

CAUTION REGARDING FINANCIAL ESTIMATES

The financial estimates set forth above are based on an initial review of the Company's operations for the three and nine months ended September 30, 2021, and are subject to change. The Company's independent registered public accounting firm has not audited, reviewed or performed any procedures with respect to the accompanying financial estimates and other data, and accordingly does not express an opinion or any other form of assurance with respect thereto. They should not be viewed as a substitute for audited financial statements prepared in accordance with generally accepted accounting principles and are not necessarily indicative of the Company's results for any future period.