

## Meta Materials Announces Q4 and FY 2022 Results

HALIFAX, NS / ACCESSWIRE / March 23, 2023 / Meta Materials Inc. (the "Company" or "META<sup>®</sup>") (NASDAQ: MMAT, FSE: MMAT), a developer of high-performance functional materials and nanocomposites, today announced fourth quarter and FY 2022 results.

The complete Q4 and FY 2022 financial statements, updated risk factors, going concern discussion, summary of progress made on identifying and addressing remaining material weaknesses in META's internal controls and associated management discussion and analysis for the quarter and year ended December 31, 2022, are available on the Investors section of our website as well as on Nasdaq.com, or on the SEC EDGAR website at www.sec.gov.

In Q4:22, total revenue was \$1.4MM, compared to \$2.3MM in Q4:21. FY 2022 revenue grew 150%, to \$10.2MM, compared to \$4.1MM in FY 2021. Total operating expenses were \$24.8MM, vs. \$18.9MM in Q4:21. FY 2022 operating expenses totaled \$90.4MM, vs. \$41.5MM in FY 2021. The Q4:22 net loss was \$15.2MM, or 4c per share on 362.5 million weighted average shares and including a one-time gain of \$4.0MM resulting from the deconsolidation of the Next Bridge Hydrocarbons, Inc. assets and liabilities and the recording of the net estimated collectible value of notes receivable of \$2.2MM due from Next Bridge Hydrocarbons, Inc., compared to the Q4:21 net loss of \$29.5MM, or 13c per share on 232.9 million weighted average shares. The FY 2022 net loss was \$79.1MM or \$0.24 per share on 328.3 million weighted average shares and including a one-time gain of \$4.0MM resulting from the deconsolidation of the Next Bridge Hydrocarbons, Inc. assets and liabilities and the recording of the net estimated or \$0.24 per share on 328.3 million weighted average shares and including a one-time gain of \$4.0MM resulting from the deconsolidation of the Next Bridge Hydrocarbons, Inc. assets and liabilities and the recording of the net estimated collectible value of notes receivable of \$2.2MM due from Next Bridge Hydrocarbons, Inc. compared to a \$70.24 per share on 328.3 million weighted average shares and including a one-time gain of \$4.0MM resulting from the deconsolidation of the Next Bridge Hydrocarbons, Inc. assets and liabilities and the recording of the net estimated collectible value of notes receivable of \$2.2MM due from Next Bridge Hydrocarbons, Inc. compared to a FY 2021 net loss of \$91.0MM, or \$0.39 per share on 232.9 million weighted average shares.

On December 31, 2022, cash and cash equivalents totaled \$11.8MM, including \$1.7MM in restricted cash. In Q4:22, net cash used in operations totaled \$13.7MM, and non-cash expenses were \$7.8MM, including \$3.9MM in depreciation and amortization and \$3.4MM in stock-based compensation. In Q4:22, changes in working capital contributed \$4.4MM and capital expenditures were \$7.6MM. In FY 2022, net cash used in operations totaled \$62.2MM.

META has identified factors that raise substantial doubt about the Company's ability to continue to operate as a going concern and to achieve compliance with NASDAQ continued listing requirements. META anticipates that it needs to implement expense reduction measures under its control and immediately raise additional capital to expand the commercialization of its products, fund its operations, further its research and development activities and ensure that it can continue to operate as a going concern. META may pursue sources of additional capital through various financing transactions or arrangements, including the sale/leaseback of certain properties, joint venturing of projects, debt financing, equity financing, or other means. Meta may not be successful in identifying suitable financing transactions in the time period required or at all, and it may not obtain the capital it requires by other means.

Future capital requirements may vary materially from period to period and will depend on many factors, including the timing and extent of spending on research and development efforts, and capital expenditures. On November 9, 2022, META filed a registration statement (the "Prospectus") no. 333-268282 on form S-3 allowing it to issue securities with aggregate offering price not to exceed \$250 million. The Prospectus was declared effective by the SEC on November 18, 2022.

On February 10, 2023, META entered into a sales agreement (the "ATM Agreement") with an investment bank with the establishment of an "at-the-market" offering program under which the Company may sell up to an aggregate of \$100 million of shares of common stock (the "ATM Shares") from time to time. The sales agents are entitled to compensation at a fixed commission rate of 3.0% of the gross proceeds of each sale of shares of our common stock.

## About Meta Materials Inc.

META<sup>®</sup> delivers previously unachievable performance, across a range of applications, by inventing, designing, developing, and manufacturing sustainable, high-performance, functional materials, components and systems. Our extensive technology platform enables leading global brands to deliver breakthrough products to their customers in consumer electronics, 5G communications, health and wellness, aerospace, automotive, and clean energy. Our nano-optic metamaterial technology provides anti-counterfeiting security features for government documents and currencies and authentication for brands. Our achievements have been widely recognized, including being named a Lux Research Innovator of the Year in 2021. Learn more at <u>www.metamaterial.com.</u>

#### **Media Inquiries**

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# META MATERIALS INC. CONDENSED CONSOLIDATED BALANCE SHEETS

|  | As of             | As of<br>December 31, 2021 |  |
|--|-------------------|----------------------------|--|
|  | December 31, 2022 |                            |  |
| Assets   |                   |                            |  |
| Current assets   |                   |                            |  |
| Cash and cash equivalents  | \$ 10,090,858     | \$ 46,645,704              |  |
| Restricted cash  | 1,720,613         | 788,768                    |  |
| Short-term investments   | -                 | 2,875,638                  |  |
| Grants receivable  | -                 | 175,780                    |  |
| Accounts and other receivables   | 902,718           | 1,665,700                  |  |
| Notes receivable   | 2,211,900         |                            |  |
| Inventory  | 468,027           |                            |  |
| Prepaid expenses and other current assets                                    | 7,202,099         |                            |  |
| Assets held for sale   | -                 | 75,500,000                 |  |
| Due from related parties   | 8,461             |                            |  |
| Total current assets   | 22,604,676        |                            |  |
| Intangible assets, net   | 56,313,317        | • •                        |  |
| Property, plant and equipment, net   | 42,674,699        | • •                        |  |
| Operating lease right-of-use assets  | 5,576,824         |                            |  |
| Goodwill   | 281,748,466       |                            |  |
| Total assets   | \$ 408,917,982    |                            |  |
| Liabilities and stockholders' equity   |                   |                            |  |
| Current liabilities  |                   |                            |  |
| Trade and other payables   | 16,694,211        | 13,335,470                 |  |
| Current portion of long-term debt  | 483,226           |                            |  |
| Current portion of deferred revenues   | 730,501           |                            |  |
| Current portion of deferred government assistance                            | 799,490           |                            |  |
| Preferred stock liability  |                   | 75,500,000                 |  |
| Current portion of operating lease liabilities                               | 967,126           |                            |  |
| Asset retirement obligations   |                   | 21,937                     |  |
| Total current liabilities  | 19,674,554        |                            |  |
| Deferred revenues  | 479,808           |                            |  |
| Deferred government assistance   | 319,017           |                            |  |
| Deferred tax liability   | 3,253,985         |                            |  |
| Long-term operating lease liabilities  | 3,375,031         |                            |  |
| Funding obligation   | 180,705           |                            |  |
| Long-term debt   | 3,070,729         |                            |  |
| Total liabilities  | 30,353,829        |                            |  |
| Stockholders' equity   |                   |                            |  |
| Common stock - \$0.001 par value; 1,000,000,000 shares authorized,           |                   |                            |  |
| 362,247,867 shares issued and outstanding at December 31, 2022, and          |                   |                            |  |
| \$.001 par value; unlimited shares authorized, 284,573,316 shares issued and |                   |                            |  |
| outstanding at December 31, 2021   | 340,425           | 262,751                    |  |
| Additional paid-in capital   | 590,962,866       |                            |  |
| Accumulated other comprehensive income (loss)                                | (5,242,810        |                            |  |
| Accumulated deficit  | (207,496,328      | , , , ,                    |  |
| Total stockholders' equity   | 378,564,153       |                            |  |
| Total liabilities and stockholders' equity                                   | \$ 408,917,982    |                            |  |
|  | , , ,             | <u> </u>                   |  |

## META MATERIALS INC. CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

|  | Three months ended<br>December 31, |                        | Year Ended<br>December 31, |                           |
|--|------------------------------------|------------------------|----------------------------|---------------------------|
|  | 2022                               | 2021                   | 2022                       | 2021                      |
| Revenue  |                                    |                        |                            |                           |
| Product sales  | 277,447                            | 86,484                 | 1,211,746                  | 407,915                   |
| Development revenue  | 1,168,286                          | 2,202,798              | 8,988,421                  | 3,674,602                 |
| Total Revenue  | 1,445,733                          | 2,289,282              | 10,200,167                 | 4,082,517                 |
| Cost of goods sold   | 682,797                            | 529,7 <mark>6</mark> 4 | 3,036,190                  | 675,973                   |
| Gross Profit   | 762,936                            | 1,759,518              | 7,163,977                  | 3,406,544                 |
| Operating Expenses   |                                    |                        |                            |                           |
| Selling & Marketing  | 3,053,932                          | 1,144,885              | 6,244,883                  | 2,267,354                 |
| General & Administrative   | 15,801,181                         | 13,483,954             | 61,543,282                 | 29,699,602                |
| Research & Development   | 5,944,871                          | 4,266,606              | 22,640,495                 | 9,497,427                 |
| Total operating expenses   | 24,799,984                         | 18,895,445             | 90,428,660                 | 41,464,383                |
| Loss from operations   | (24,037,048)                       | (17,135,927)           | (83,264,683)               | (38,057,839)              |
| Other income (expense)   |                                    |                        |                            |                           |
| Interest expense, net  | 266,460                            | (12,612)               | (174,234)                  | (1,106,445)               |
| Loss on foreign exchange, net  | 992,508                            | 564,660                | (2,054,447)                | (205,882)                 |
| Gain on deconsolidation of wholly-owned subsidiary                   | 3,990,737                          | -                      | 3,990,737                  |                           |
| Loss on financial instruments, net                                   | -                                  |                        | -                          | (40,540,091)              |
| Other (loss) income, net   | (2,109,229)                        | (13,612,192)           | (3,433,757)                | (11,939,067)              |
| Total other expense, net   | 3,140,476                          | (13,060,144)           | (1,671,701)                | (53,791,485)              |
| Loss before income taxes   | (20,896,572)                       | (30,196,071)           | (84,936,384)               | (91,849,324)              |
| Income tax recovery  | 5,686,967                          | 665,880                | 5,834,160                  | 852,063                   |
| Net loss   | (15,209,605)                       | (29,530,191)           | (79,102,224)               | <mark>(90,997,261)</mark> |
| Other Comprehensive Income net of tax                                |                                    |                        |                            |                           |
| Foreign currency translation (loss) gain                             | 1,619,280                          | (303,902)              | (4,945,874)                | (321,663)                 |
| Fair value gain on changes of own credit risk                        | -                                  | -                      | -                          | 680,611                   |
| Total Other Comprehensive (Loss) Income                              | 1,619,280                          | (303,902)              | (4,945,874)                | 358,948                   |
| Comprehensive loss   | (13,590,325)                       | (29,834,093)           | (84,048,098)               | (90,638,313)              |
| Basic and diluted loss per share                                     | (0.04)                             | <b>(</b> 0.13 <b>)</b> | (0.24)                     | (0.39)                    |
| Weighted average number of shares outstanding -<br>basic and diluted | 362,531,231                        | 232,898,398            | 328,350,452                | 232,898,398               |

## META MATERIALS INC. CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

| Adjustments to reconcile net loss to net cash used in operating activities:<br>Non-cash finance income<br>Non-cash linese expense<br>1,600,8992<br>Deferred income tax<br>1,600,8992<br>Deferred income tax<br>1,600,8992<br>Deferred income tax<br>1,600,8992<br>1,600,8992<br>1,600,8004<br>2,72,074<br>1,0004<br>2,72,074<br>1,0004<br>1,0004<br>2,72,074<br>1,0004<br>2,72,074<br>1,0004<br>2,72,074<br>1,0004<br>2,7002<br>1,0004<br>1,0004<br>2,7002<br>1,0004<br>2,7002<br>1,0004<br>2,7002<br>1,0004<br>2,7002<br>1,0004<br>2,7002<br>1,0004<br>2,7002<br>1,0004<br>2,7002<br>1,0004<br>2,7002<br>1,0004<br>2,7002<br>1,0004<br>2,7002<br>1,0004<br>2,7002<br>1,0004<br>2,7002<br>1,0004<br>2,7002<br>1,0004<br>2,7002<br>1,0004<br>2,7002<br>1,0004<br>2,0004<br>2,0002<br>2,00029<br>4,07,35<br>2,050,029<br>4,07,35<br>2,050,029<br>4,07,35<br>2,050,029<br>4,07,35<br>2,050,029<br>4,07,35<br>2,050,029<br>4,07,35<br>1,0004<br>2,040,027<br>1,000,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04<br>2,040,04 |   | Year ended Dece | mber 31,      |
|---|---|-----------------|---------------|
| Cash flows from operating activities:     (79,102,224)     (90,97,26       Adjustments to reconcile net loss to net cash used in operating activities:     (135,524)     (471,68       Non-cash interest expense     (403,317     902,99       Non-cash interest expense     (58,84,160)     (852,00)       Depreciation and amortization     9,272,074     3,491,49       Unrealized foreign currency exchange loss     2,050,029     407,331       Loss on financial instruments, net     -40,540,00     -40,540,00       Gain on deconsolidation of wholly-owned subsidiary     (3,990,737)     Change in deferred revue     (128,579)     (579,54       Loss on financial instruments, net     -40,540,00     -30,543,00     -30,540,00     -30,737)       Change in deferred revue     (128,579)     (579,543     (513,37)     Change in deferred revue     (128,579)     (57,543     (513,37)       Loss on debt settlement     .31,184,396     .92,75,333     Change in deferred revue     (13,33,090)     (452,447,494)     (34,764,92)       Cash flows from investing activities     .62,244,794)     (34,764,92)     (24,764,93)     (24,764,93)     Cash flows from investing activities <td< th=""><th></th><th>2022</th><th>2021</th></td<>   |   | 2022            | 2021          |
| Net loss (79,102,224) (90,997,26   Adjustments to reconcile net loss to net cash used in operating activities: (135,524) (471,66   Non-cash interest expense 403,317 902,99   Depreciation and amortization 92,272,074 3,491,49   Impairment of assets 108,004 237,03   Unrealized foreign currency exchange loss 2,050,029 407,33   Loss on financial instruments, net -40,540,05 -40,540,05   Gain on deconsolidation of wholly-owned subsidiary (13,967) (679,54   Change in deferred reveue (12,977) (678,54   Loss on financial instruments, net -10,27,23 30,042   Change in deferred reveue (13,947) (674,54)   Loss on debt settlement - 19,25   Stock-based compensation 13,184,396 1,576,84   Non-cash loweriment assistance - (1,13,86   Durchases of property, plant and equipment 19,577,511 (11,655,41)   Proceeds from lowesting activities - (1,13,86   Purchases of indiguely assets - (1,13,86   Proceeds from lowesting activities - (1,13,86   Proceeds from lowesting activities - (1,23,99)   Proceeds from lowesting activities - <t< th=""><th></th><th>\$</th><th>\$</th></t<>   |   | \$              | \$            |
| Net loss (79,102,224) (90,997,26   Adjustments to reconcile net loss to net cash used in operating activities: (135,524) (471,66   Non-cash interest expense 403,317 902,99   Unrealizes expense 1,660,992 439,75   Depreciation and amortization 9,272,074 3,491,49   Impairment of assets 108,004 237,03   Loss on financial instruments, net -40,540,05 -40,540,05   Gain on deconsolidation of wholly-owned subsidiary (3,990,737) -67,543   Change in deferred revue (12,9,679) (675,54)   Loss on financial instruments, net -40,540,05 -40,540,05   Gain on ale of assets (783) -57,638 (5,13,27)   Change in deferred revue (12,9,679) (67,638 (5,13,27)   Changes in operating activities -67,638 (5,13,27)   Purchases of intangble assets - (1,13,869 - (1,13,869   Purchases of property, plant and equipment 1,95,7511 (11,655,41)   Proceeds from leuven market capital government loan 1,071,862 - (2,24,94)   Proceeds from Purchases of short-term investments 2,811,152 (2,889,86)   Proceeds from below-market capital government loan 1,071,862 - (2,23,89)   Proceeds from below-marke   | Cash flows from operating activities:                                       |                 |               |
| Adjustments to reconcile net loss to net cash used in operating activities:<br>Non-cash finance income<br>Non-cash finance income<br>Non-cash finance income<br>Non-cash finance income<br>Non-cash finance income<br>Non-cash finance income<br>Deferred income tax<br>1,608,992<br>2,72,074<br>Ag1,400<br>Unrealized foreign currency exchange loss<br>2,050,029<br>407,35<br>Loss on financial instruments, net<br>Gain on deconsolidation of wholly-owned subsidiary<br>Change in deferred revenue<br>Non-cash government assistance<br>(129,679)<br>Change in deferred revenue<br>Non-cash government assistance<br>(129,679)<br>Change in deferred revenue<br>Non-cash government assistance<br>(130,407)<br>Change in deferred revenue<br>Non-cash government assistance<br>(130,407)<br>Change in operating astistance<br>(133,4396<br>1,576,841<br>Loss on debt settlement<br>Change in operating activities<br>Cash flows from investing activities<br>Purchases of intangible assets<br>Purchases of intangible assets<br>Purchases of property, plant and equipment<br>Proceeds from (Purchases of) short-term investments<br>Proceeds from reverse takeover<br>Proceeds from reverse takeover<br>Proceeds from reverse takeover<br>Proceeds from the issuance of common stock and warrants<br>Stock issuance costs paid on the issuance of common stock and warrants<br>Stock issuance costs paid on the issuance of common stock and warrants<br>Stock issuance costs paid on the issuance of common stock and warrants<br>Stock issuance costs paid on the issuance of common stock and warrants<br>Stock issuance costs paid on the issuance of common stock and warrants<br>Stock issuance costs paid on the issuance of common stock and warrants<br>Stock issuance costs paid on the issuance of common stock and warrants<br>Stock issuance costs paid on the issuance of common stock and warrants<br>Stock issuance costs paid on the issuance of common stock and warrants<br>Stock issuance costs paid on the issuance of common stock and wa  |   | (79,102,224)    | (90,997,261)  |
| Non-cash interest sepense40,317902,34Non-cash lease expense1,608,992439,79Deferred income tax(5,534,160)(652,06Depreciation and amortization9,272,0743,491,49Impairment of assets108,004237,00Unrealized foreign currency exchange loss2,050,029407,35Loss on financial instruments, net-40,540,08Gain on deconsolidation of wholly-owned subsidiary(3,990,737)-Change in deferred revenue(129,679)(679,54Non-cash government assistance(3,047)(544,93Loss on debt settlement-19,25Stock-based compensation13,184,3961,576,83Non-cash government assistance(3,047)(43,746,194)Change in operating assets and liabilities(62,244,794)(34,756,194)Net cash used in operating assets and liabilities(53,090)4,652,41Net cash used in operating assets-(1,133,86Purchases of intangible assets-(1,133,86Purchases of intangible assets-(1,135,81Purchases of intangible assets-(1,135,82Proceeds from fuelow-market capital government loan1,071,862Acquisition of business, net of cash acquired(3,486,906)Loan advance government gate give government bass(19,987)Proceeds from insering activities-1,127,152Proceeds from insering activities-1,127,152Proceeds from insering activities-1,127,152Pro   | Adjustments to reconcile net loss to net cash used in operating activities: |                 | ( , , , ,     |
| Non-cash interest expense403.317902.34Non-cash lease expense1,608,992439,79Deferred income tax(5,834,160)(852.06Depreciation and amortization9,272,0743,491,40Impairment of assets108,004237,01Unrealized foreign currency exchange loss2,050,0294407,33Loss on financial instruments, net-40,540,08Gain on deconsolidation of wholly-owned subsidiary(3,990,737)(129,679)Change in deferred revenue(129,679)(679,54Non-cash government assistance(3,047)(544,93)Cass on debt settlement-19,25Stock-based compensation13,184,3961,576,84Non-cash government assistance(3,30,90)4,652,41Non-cash government assistance(13,53,030)4,652,41Vect cash used in operating assets and liabilities(62,244,794)(3,476,40)Changes in operating assets and liabilities-(1,13,85,41)Purchases of intangbile assets-(1,13,85,41)Purchases of intangbile assets-(1,13,85,41)Proceeds from flucture aptiel agenement toan1,071,862Acquisition of business, net of cash acquired(3,486,506)Cash flows from below-market capital government toan(1,071,862)Acquisition of business, net of cash acquired(3,680,666)Reparent sell on provided by (used in) investing activities-Proceeds from long-term debtProceeds from long-term debt<   | , , ,   | (135,524)       | (471,689)     |
| Non-cash lease expense1,603,922439,77Deferred income tax(5,834,160)(852,06)Depreciation and amortization9,272,0743,491,48Impairment of asets108,004237,00Unrealized foreign currency exchange loss2,050,029407,33Loss on financial instruments, net-40,540,08Gain on deconsolidation of wholly-owned subsidiary(3,990,737)(679,54Change in deferred revenue(1229,679)(679,54Non-cash government assistance(3,047)(544,39Stock-based compensation13,184,3961,576,84Non-cash consulting expense677,5386,513,37Changes in operating assets and liabilities(353,030)4,652,41Net cash used in operating activities(11,33,881,071,862Purchases of property, plant and equipment(39,587,511)(11,655,41Proceeds from lowesting activities(3,486,906)(66,131,02Proceeds from lowesting activities(14,598,75(14,694,72,250)Proceeds from lowesting activities(14,694,72,250)65,144,59Proceeds from long-term debt(3,260,066)(56,131,02Proceeds from long-term debt(152,279)(14,090,04)Proceeds from long-term debt(12,027)13,263,38Proceeds from long-term debt(12,027)13,263,38Proceeds from long-term debt(13,027)13,653,666Proceeds from solok for income tax withheld upon settlement of<br>restricted stock units13,963,31Proceeds from solok dori on exercises  | Non-cash interest expense   |                 | 902,940       |
| Deferred income tax(5,834,160)(852,06)Depreciation and amortization9,272,0743,491,49Impairment of assets1,08,004237,01Unrealized foreign currency exchange loss2,050,029440,73Loss on financial instruments, net-40,540,08Gain on deconsolidation of wholly-owned subsidiary(3,990,737)(129,677)Change in deferred revenue(129,679)(679,54Non-cask poverment assistance(3,047)(544,93Loss on debt settlement-19,25Stock-based compensation13,184,3961,576,84Non-cask poperating assets and liabilities(6353,090)4,652,41Net cash used in operating astivities(62,244,794)(34,764,92Cash flows from investing activities-1,133,88Purchases of intengible assets-1,133,88Purchases of intengible assets-1,145,87,511Proceeds from below-market capital government loan1,071,862Proceeds from below-market capital government loan1,071,862Proceeds from the usinses, net of cash acquired(3,486,906)Cash flows from financing activities-1,127,157Proceeds from theis usance of common stock and warrants5,00,000,000Stock issuance costs paid on the issuance of common stock and warrants(3,680,666)Repayments of long-term debtProceeds from theis usance of common stock and warrants(18,027)Proceeds from theis usance of common stock and warrants(3,680,666)Repayments   |   |                 | 439,791       |
| Depreciation and amortization9,272,0743,491,48Impairment of assets108,004237,01Unrealized foreign currency exchange loss2,050,029407,33Loss on financial instruments, net-40,540,02Gain on deconsolidation of wholly-owned subsidiary(129,679)(679,54Non-cash government assistance(120,679)(679,54Gain on sele of assets(783)-19,25Loss on debt settlement-19,25(25,090)Stock-based compensation13,184,396(15,76,84Non-cash consulting expense677,63865,13,37Changes in operating assets and liabilities(253,090)4,652,41Purchases of property, plant and equipment(19,587,511)(11,655,41Purchases of property, plant and equipment(3,486,500)(66,131,02Proceeds from below-market capital government loan1,071,852Acquisition of business, net of cash acquiredAcquisition of business, net of cash acquired(3,486,500)(66,131,02Loan advance pursuant to deconsolidation(319,987)1,127,15Proceeds from treverse takeover-1,26,54,73Proceeds from the issuance of common stock and warrants5,000,0001,127,15Proceeds from the issuance of common stock and warrants13,680,666)Repayments of long-term debt-223,83Proceeds from toxick ont for income tax withheld upon settlement of-13,963,38Proceeds from toxick ont for income tax withheld upon settlement of-123,953Pr   |   |                 | (852,063)     |
| Impairment of assets108,004237,01Unrealized foreign currency exchange loss2,050,029407,33Loss on financial instruments, net-40,540,029Gain on deconsolidation of wholly-owned subsidiary(3,997,37)6Change in deferred revenue(122,677)(679,58)Non-cash government assistance(3,047)(544,93)Gain on sale of assets(783)-Loss on debt settlement-19,22Stock-based compensation13,184,3961,576,84Non-cash consulting expense667,133,73(353,090)Changes in operating assets and liabilities(333,090)4,652,41Non-cash consulting expense(-(1,133,89)Purchases of intangible assets-(1,133,89)Purchases of property, plant and equipment39,140-Proceeds from (Purchases of) short-term investments2,811,152(2,89,88)Proceeds from (Purchases of) short-term investments2,811,152(2,89,88)Proceeds from (Purchases of) short-term investments146,954,73-Proceeds from investing activities-146,954,73Proceeds from the issuance of common stock and warrants50,000,000-Stock issuance of common stock and warrants(3,680,666)-Repayments of long-term debt-1,23,38Proceeds from ing extricted cash at end of the period4,74,34,711,293,26Repurchases of common stock and warrants50,000,000-Stock issuance of common stock and warrants(3,580,06   | Depreciation and amortization   |                 | 3,491,493     |
| Unrealized foreign currency exchange loss2,050,029407,35Loss on financial instruments, net-40,540,05Gain on deconsolidation of wholly-owned subsidiary(3,990,737)Change in deferred revenue(129,673)(679,54)(579,54)Non-cash government assistance(3,047)Gain on sile of assets(783)Loss on debt settlement-19,25Stock-based compensation13,184,396(57,638)Kon-cash consulting expense677,638Gash Ghows from investing activities(62,244,794)Cash flows from investing activities(1,133,89)Purchases of property, plant and equipment(19,587,511)Proceeds from sale of property, plant and equipment(19,587,511)Proceeds from blow-market capital government loan1,071,862Proceeds from reverse takeover-146,954,73Net cash provided by (used in ) investing activitiesCash flows from inganizativities(19,472,250)Proceeds from long-term debt-Proceeds from ing or term debt-Proceeds from ing-term debt  | Impairment of assets  |                 | 237,013       |
| Loss on financial instruments, net - 40,540,05<br>Gain on deconsolidation of wholly-owned subsidiary (3,990,737)<br>Change in deferred revenue (122,679) (679,54<br>Non-cash government assistance (3,047) (544,93<br>Cash on det settlement - 19,25<br>Stock-based compensation - 13,184,396 1,576,84<br>Non-cash consulting expense - 677,638 (513,37)<br>Changes in operating assets and liabilities (353,090) 4,652,41<br>Net cash used in operating activities - (1,133,88<br>Purchases of intangible assets (1,134,88<br>Purchases of intangible assets (1,134,88<br>Purchases of intangible assets (1,134,88<br>Purchases of intangible assets (1,127,157<br>Net cash provided by (used in) investing activities 1,127,157<br>Proceeds from long-term debt 1,127,157<br>Proceeds from long-term debt 1,127,157<br>Proceeds from unsecured promisory notes 1,223,38<br>Proceeds from unsecured promisory notes 1,39,63,38<br>Proceeds from unsecured promisory notes 1,39,63,38<br>Proceeds from unsecured promisory notes 1,39,63, 46<br>Cash, cash equivalents and restricted cash at extincted cash (25,2579) (1,000,04<br>Proceeds from unsecured promisory notes 1,39,63, 46<br>Cash, cash equivalents and restricted cash at extincted cash (25,350,031) 46,035,493<br>Cash, cash equivalents and   | •   |                 | 407,352       |
| Gain on deconsolidation of wholly-owned subsidiary(3,990,737)Change in deferred revenue(129,679)Change in deferred revenue(129,679)(679,54)(574,54)Non-cask government assistance(783)Loss on debt settlement-13,184,396(783)Loss on debt settlement-Stock-based compensation13,184,396Non-cask potenting assets and liabilities(353,000)Changes in operating assets and liabilities(22,244,794)Purchases of property, plant and equipment(19,587,511)Purchases of property, plant and equipment39,40Proceeds from leven-market capital government loan1,071,862Proceeds from leven-market capital government loan1,071,862Loan advance pursuant to deconsolidation(319,987)Proceeds from investing activities-14,6954,73-Proceeds from long-term debt-Proceeds from inserie takeover-Proceeds from inserie activities-Proceeds from inserie activities-Proceeds from inserier gratistics-Proceeds from inserier gratistics-Pr  |   | -               | 40,540,091    |
| Change in deferred revenue(129,679)(673,53Non-cash government assistance(3,047)(544,93Gain on sile of assets(783)Loss on debt settlement-19,25Stock-based compensation13,184,3961,576,84Non-cash consulting expense(67,638(6,513,37)Changes in operating assets and liabilities(62,244,794)(34,764,91)Net cash used in operating activities(19,587,511)(11,655,41)Purchases of intangible assets-(1,133,62)Purchases of property, plant and equipment39,140707,063Proceeds from Pervers and the expuried(3,486,906)(66,131,02)Loan advance pursuant to deconsolidation(319,987)116,655,41Proceeds from reverse takeover-146,954,73Net cash provided by (used in) investing activities(19,472,250)65,144,54Cash flows from financing activities-1,127,155Proceeds from the issuance of common stock and warrants50,000,000510ck issuance cost paid on the issuance of common stock and warrants(580,666)Repayments of long-term debt(552,579)(1,000,04)Proceeds from usexcrises448,7111,293,26Proceeds from solock for income tax withheld upon settlement of129,533Proceeds from solock for income tax withheld upon settlement of139,633,860,666Proceeds from solock option exercises448,7111,293,26Proceeds from solock option exercises146,567,01315,655,867Net cash provided by financing activities  |   | (3.990.737)     | , ,           |
| Non-cash government assistance(3,047)(544,93)Gain on sale of assets(783)Loss on debt settlement19,25Stock-based compensation13,184,3961,576,84Non-cash consulting expense677,6386,513,37Changes in operating assets and liabilities(62,244,794)(34,764,91Net cash used in operating activities(62,244,794)(34,764,91Purchases of intangible assets-(1,133,86Purchases of property, plant and equipment(19,587,511)(11,655,41Proceeds from sale of property, plant and equipment3,9,140Proceeds from Purchases of short-term investments2,811,152(2,889,85Proceeds from Purchases of short-term investments2,811,152(2,889,85)Proceeds from floating activities(346,5906)(66,131,02)Loan advance pursuant to deconsolidation(319,987)-Proceeds from financing activities(19,472,250)65,144,54Cash flows from financing activities-1,127,15Proceeds from financing activities-1,23,63Proceeds from ong term debt-1,227,15Proceeds from ong term debt-223,33Proceeds from succe of common stock and warrants(3,680,666)Repayments of long-term debt-123,63,38Proceeds from unsecured promissory notes-13,963,38Proceeds from unsecured promissory notes-13,963,38Proceeds from unsecured promissory notes-13,963,38Proceeds from unsecured promissory  |   |                 | (679,541)     |
| Gain on sale of assets(783)Loss on debt settlement-19,25Stock-based compensation13,184,3961,576,84Non-cash consulting expense677,6386,531,37Changes in operating assets and liabilities(62,244,794)(34,764,91Cash flows from investing activities(1,133,861,156,54Purchases of intangible assets-(1,133,86Purchases of property, plant and equipment39,14019,587,511)Proceeds from selor of proberty, plant and equipment39,1401,071,862Acquisition of business, net of cash acquired(3,486,906)(66,131,02Loan advance pursuant to deconsolidation(31,987)11,655,41Proceeds from reverse takeover-1,42,554,73Net cash provided by (used in) investing activities(19,472,250)65,144,54Cash flows from financing activities(19,472,250)65,144,54Proceeds from the suance of common stock and warrants50,000,00051,045,473Proceeds from the issuance of common stock and warrants(3,68,666)Repayments of long-term debt-Proceeds from sock option exercises-1,223,261,39,63,38Proceeds from sock option exercises-1,39,63,36Proceeds from sock option exercises-1,39,53,68Proceeds from sock option exercises-1,39,63,36Proceeds from sock option exercises-1,39,63,26Proceeds from sock option exercises-1,39,63,26Proceeds from sock option exercises-1,39,6   |   |                 | (544,932)     |
| Loss on debt settlement 1,255<br>Stock-based compensation 1,156,83<br>Non-cash consulting expense 677,638 6,513,37<br>Changes in operating assets and liabilities (353,090) 4,652,41<br>Net cash used in operating activities (62,244,794) (34,764,91<br>Cash flows from investing activities (19,587,511) (11,655,41<br>Proceeds from sale of property, plant and equipment 39,140<br>Proceeds from fluchases of phot-term investments 2,811,152 (2,889,85<br>Proceeds from business, net of cash acquired (3,486,906) (66,131,02<br>Loan advance pursuant to deconsolidation (319,987)<br>Proceeds from reverse takeover - 146,954,73<br>Net cash provided by (used in) investing activities (19,472,250) (55,144,54<br>Cash flows from financing activities - 1,127,155<br>Proceeds from log-term debt - 1,127,155<br>Proceeds from log-term debt - 1,127,155<br>Proceeds from sele of common stock and warrants (3,680,666)<br>Repayments of long-term debt - 1,127,155<br>Proceeds from stock option exercises - 1,39,338<br>Proceeds from stock option exercises - 2,23,38<br>Proceeds from unscure der promissory notes - 1,39,538<br>Proceeds from stock and the issuance of common stock and warrants - 2,23,38<br>Proceeds from stock option exercises - 2,23,38<br>Proceeds from unscure der promissory notes - 13,95,74 - 138,72<br>Net cash provided by financing activities - 2,270,887 - 1,692,96<br>Raphrohice assets on drestricted cash at beginning of the period - 4,74,34,472 - 1,395,66<br>Proceeds from warrant exercises - 169,574 - 138,72<br>Proceeds from stock do not metsion - 2,270,887 - 1,692,96<br>Right-of-use assets on tained in exchange for lease liabilities - 2,270,887 - 1,692,9   | -   |                 | ( ,           |
| Stock-based compensation13,184,3961,576,44Non-cash consulting expense677,6386,513,37Changes in operating astevities(353,090)4,652,41Net cash used in operating activities(62,244,794)(34,764,91Cash flows from investing activities(1,133,89-Purchases of property, plant and equipment39,140-Proceeds from Selow-market capital government loan1,071,862Acquisition of business, net of cash acquired(3,486,906)(66,131,02Loan advance pursuant to deconsolidation(319,987)Proceeds from reverse takeover-1,46,954,73Proceeds from fuer fuer kedover-1,127,15Proceeds from the issuance of common stock and warrants50,000,000Stock issuance costs paid on the issuance of common stock and warrants(3,680,666)Repayments of long-term debt-1,127,15Proceeds from stock option exercises448,7111,293,26Repurchases of common stock and varrants(3,680,666)Repayments of long-term debt-1,39,63,38Proceeds from stock option exercises448,7111,293,26Repurchases of common stock for income tax withheld upon settlement of<br>restricted stock units(18,027)Proceeds from warrant exercises(16,57,74138,72Net cash provided by financing activities(2,270,8871,692,96Repurchases of common stock for income tax withheld upon settlement of<br>restricted stock units(18,027)13,565,86Net cash provided by financing activities(   |   | (,,             | 19,253        |
| Non-cash consulting expense677,6386,513,37Changes in operating activities(52,244,794)(34,764,93)Cash flows from investing activities(62,244,794)(34,764,93)Purchases of intangible assets-(1,133,89)Purchases of poperty, plant and equipment(19,587,511)(11,655,41)Proceeds from (Purchases of) short-term investments2,811,152(2,889,85)Proceeds from (Purchases of) short-term investments2,811,152(2,889,85)Proceeds from below-market capital government loan(3,486,906)(66,131,02)Loan advance pursuant to deconsolidation(319,987)-Proceeds from neverse takeover-1,427,150Proceeds from long-term debt(19,472,250)65,144,54Proceeds from long-term debt-1,127,155Proceeds from long-term debt-1,127,155Proceeds from long-term debt-1,227,155Proceeds from long-term debt-1,23,38Proceeds from government grants50,000,000Stock issuance costs paid on the issuance of common stock and warrants(3,680,666)Repurchases of common stock k and warrants19,963,38Proceeds from stock option exercises448,7111,293,26Repurchases of common stock for income tax withheld upon settlement of<br>restricted stock units(18,027)Proceeds from warrant exercises(16,57,4113,875,936Net cash provided by financing activities(18,027)13,872Net cash quivalents and restricted cash(35,350,031)46,035,96<   |   | 13 184 396      |               |
| Changes in operating assets and liabilities(353,090)4,652,41Net cash used in operating activities(62,244,794)(34,764,91)Cash flows from investing activities(19,587,511)(11,655,41)Purchases of intangible assets-(1,133,85)Purchases of property, plant and equipment39,140(28,87,511)(11,655,41)Proceeds from Sale of property, plant and equipment39,140(28,89,85)(34,86,906)(66,131,02)Proceeds from Nelow-market capital government loan1,071,862(34,86,906)(66,131,02)Loan advance pursuant to deconsolidation(319,987)(31,987)(34,86,906)(55,144,58)Proceeds from neverse takeover-146,954,73(12,71,55)Proceeds from Inancing activities(19,472,250)65,144,58Cash flows from financing activities(36,80,666)(36,80,666)Repayments of long-term debt-1,127,15Proceeds from usecured promissory notes-223,38Proceeds from stock and warrants(36,80,666)Repayments of long-term debt-Proceeds from stock option exercises448,711Net cash provided by financing activities-Proceeds from stock option exercises46,367,013Proceeds from stock option exercises46,367,013Proceeds from usecured promissory notes-Proceeds from warrant exercises169,574Net cash equivalents and restricted cash(35,350,031)Ade (decrease) increase in cash, cash equivalents and restricted cash(27,270)<  | •   |                 |               |
| Net cash used in operating activities(62,244,794)(34,764,91)Cash flows from investing activities-(1,133,89)Purchases of property, plant and equipment(19,587,511)(11,655,41)Proceeds from sale of property, plant and equipment39,140-Proceeds from below-market capital government loan1,071,862-Acquisition of business, net of cash acquired(3,486,906)(66,131,02)Loan advance pursuant to deconsolidation(319,987)-Proceeds from neverse takeover-1,127,155Proceeds from financing activities(19,472,250)65,144,54Cash flows from financing activities-1,127,155Proceeds from the issuance of common stock and warrants(3,680,666)Repayments of long-term debt-1,263,38Proceeds from stock option exercises-13,963,38Proceeds from stock option exercises-13,963,38Proceeds from stock option exercises118,027)-Proceeds from stock option exercises118,027)-Proceeds from warrant exercises1169,574138,72Net cash provided by financing activities46,367,01315,655,866Effects of exchange rate changes on cash, cash equivalents and restricted cash(272,970)3,292Cash, cash equivalents and restricted cash(272,970)3,292Repurchases of property, equipment, and patents2,270,8871,692,96Cash, cash equivalents and restricted cash cash cash equivalents and prestriced cash cash cash equivalents and restriced cash <t< td=""><td></td><td></td><td></td></t<>   |   |                 |               |
| Cash flows from investing activities   - (1,133,89     Purchases of intangible assets   - (1,133,89     Purchases of property, plant and equipment   (19,587,511)     Proceeds from sale of property, plant and equipment   39,140     Proceeds from below-market capital government loan   1,071,862     Acquisition of business, net of cash acquired   (3486,906)   (66,131,02     Loan advance pursuant to deconsolidation   (319,987)   - 146,954,73     Proceeds from Inoacting activities   (19,472,250)   65,144,54     Proceeds from long-term debt   - 1,127,15   - 1,227,15     Proceeds from long-term debt   - 1,127,15   - 1,23,38     Proceeds from long-term debt   - 1,127,15   - 223,38     Proceeds from unsecured promissory notes   - 23,38   - 223,38     Proceeds from sole of proment grants   - 23,38   - 23,38     Proceeds from sole of proment grants   - 13,963,31   - 223,38     Proceeds from sole of proment grants   - 13,963,31   - 23,328     Proceeds from sole of proment grants   - 13,963,31   - 23,328     Proceeds from sole of proment grants   - 31,963,31   - 36,637,01     Proceeds from sole of proment grant exercises <td></td> <td></td> <td></td>   |   |                 |               |
| Purchases of intangible assets-(1,133,89Purchases of property, plant and equipment(19,587,511)(11,655,41)Proceeds from sale of property, plant and equipment39,140Proceeds from Purchases of) short-term investments2,811,152(2,889,85)Proceeds from below-market capital government loan1,071,862Acquisition of business, net of cash acquired(3,486,906)(66,131,02)Loan advance pursuant to deconsolidation(319,987)Proceeds from reverse takeover-146,954,73Net cash provided by (used in) investing activities(19,472,250)65,144,54Cash flows from financing activities(19,472,250)65,144,54Proceeds from the issuance of common stock and warrants50,000,0005tock issuance costs paid on the issuance of common stock and warrants(3,680,666)Repayments of long-term debt-12,23,38223,38Proceeds from stock option exercises-13,963,33Proceeds from stock option exercises448,7111,293,26Repurchases of common stock for income tax withheld upon settlement of<br>restricted stock units(18,027)Proceeds from warrant exercises169,574138,72Net cash provided by financing activities46,367,01315,655,86Net (decrease) increase in cash, cash equivalents and restricted cash<br>cash, cash equivalents and restricted cash at beginning of the period47,434,4721,395,68Cash, cash equivalents and restricted cash at end of the period22,270,8871,692,96Cash, cash equivalents and restricted cash at end o  |   | (02,244,734)    | (34)/ 84)311/ |
| Purchases of property, plant and equipment(19,587,511)(11,655,41Proceeds from sel of property, plant and equipment39,140Proceeds from (Purchases of) short-term investments2,811,152(2,889,85Proceeds from below-market capital government loan1,071,862Acquisition of business, net of cash acquired(3,486,906)(66,131,02Loan advance pursuant to deconsolidation(319,987)Proceeds from reverse takeover-146,954,73Net cash provided by (used in) investing activities(19,472,250)65,144,54Cash flows from financing activities-1,127,15Proceeds from hong-term debt-1,127,15Proceeds from ong-term debt-1,227,15Proceeds from system to glong-term debt-223,38Proceeds from sock and warrants(3,680,666)8epayments of long-term debt-Proceeds from stock option exercises-1,3,963,38Proceeds from stock option exercises-1,3,963,38Proceeds from stock option exercises-1,3,97,27Net cash provided by financing activities(18,027)-Proceeds from warrant exercises169,574138,72Net cash provided by financing activities46,367,01315,655,86Net cash provided by financing activities(18,027)-Proceeds from warrant exercises169,574138,72Net cash provided by financing activities46,367,01315,655,86Net cash provided by financing activities(272,970)3,29Cash, c  | -   |                 | (1 122 204)   |
| Proceeds from sale of property, plant and equipment39,140Proceeds from Veurchases of) short-term investments2,811,152(2,889,85)Proceeds from below-market capital government loan1,071,862Acquisition of business, net of cash acquired(3,486,906)(66,131,02)Loan advance pursuant to deconsolidation(319,987)Proceeds from reverse takeover-146,954,73Net cash provided by (used in) investing activities(19,472,250)65,144,54Cash flows from financing activities-1,127,15Proceeds from the issuance of common stock and warrants50,000,00050ck issuance costs paid on the issuance of common stock and warrants(3,680,666)Repayments of long-term debt-223,38-223,38Proceeds from usecured promissory notes-13,963,38-223,38Proceeds from stock option exercises448,7111,293,26-13,963,38Proceeds from warrant exercises169,574138,72138,72Net cash provided by financing activities(18,027)-1,365,36Proceeds from warrant exercises169,574138,721,395,68Cash, cash equivalents and restricted cash(35,350,031)46,035,497Cash, cash equivalents and restricted cash(272,970)3,22Cash, cash equivalents and restricted cash(272,970)3,22Cash, cash equivalents and restricted cash at end of the period47,434,4721,395,68Effects of exchange rate changes on cash, cash equivalents and restricted cash(272,970) <td< td=""><td>•</td><td>-</td><td></td></td<>   | •   | -               |               |
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| Proceeds from below-market capital government loan1,071,862Acquisition of business, net of cash acquired(3,486,906)(66,131,02Loan advance pursuant to deconsolidation(319,987)146,954,77Proceeds from reverse takeover-146,954,77Net cash provided by (used in) investing activities(19,472,250)65,144,54Cash flows from financing activities(19,472,250)65,144,54Proceeds from long-term debt-1,127,15Proceeds from the issuance of common stock and warrants(3,680,666)Repayments of long-term debt(552,579)(1,090,04Proceeds from government grants-223,38Proceeds from stock for income tax withheld upon settlement of<br>restricted stock units(18,027)Proceeds from warrant exercises(18,027)Proceeds from stock for income tax withheld upon settlement of<br>restricted stock units(18,027)Proceeds from stock for income tax withheld upon settlement of<br>restricted stock units(18,027)Proceeds from stock for income tax withheld upon settlement of<br>restricted stock units(18,027)Proceeds from stock for income tax withheld upon settlement of<br>restricted stock units(272,970)Act cash provided by financing activities46,367,013Net cash provided by financing activities(272,970)Act cash equivalents and restricted cash(272,970)Cash, cash equivalents and restricted cash at end of the period47,434,472Net cash provided by financing on cash, cash equivalents and restricted cash(2,270,887Cash, cash equiv  |   |                 | -             |
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| Proceeds from the issuance of common stock and warrants50,000,000Stock issuance costs paid on the issuance of common stock and warrants(3,680,666)Repayments of long-term debt(552,579)Proceeds from government grants-223,38-Proceeds from unsecured promissory notes-Proceeds from stock option exercises448,711Repurchases of common stock for income tax withheld upon settlement of<br>restricted stock units(18,027)Proceeds from warrant exercises169,574Net cash provided by financing activities46,367,013Net (decrease) increase in cash, cash equivalents and restricted cash<br>Effects of exchange rate changes on cash, cash equivalents and restricted cash<br>(272,970)3,29Cash, cash equivalents and restricted cash<br>Effects of exchange rate changes on cash, cash equivalents and restricted cash<br>(272,970)3,29Cash, cash equivalents and restricted cash<br>(272,970)1,811,471Supplemental cash flow information<br>Accrued purchases of property, equipment, and patents<br>Right-of-use assets obtained in exchange for lease liabilities<br>(28,499)28,499Settlement of liabilities in common stock-51,992,45  | -   |                 |               |
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| Repayments of long-term debt(1,090,04Proceeds from government grants-223,38Proceeds from unsecured promissory notes-13,963,38Proceeds from stock option exercises448,7111,293,26Repurchases of common stock for income tax withheld upon settlement of<br>restricted stock units(18,027)Proceeds from warrant exercises169,574138,72Net cash provided by financing activities46,367,01315,655,86Net (decrease) increase in cash, cash equivalents and restricted cash<br>Cash, cash equivalents and restricted cash at beginning of the period47,434,4721,395,68Effects of exchange rate changes on cash, cash equivalents and restricted cash<br>(272,970)3,293,29Cash, cash equivalents and restricted cash at end of the period11,811,47147,434,472Supplemental cash flow information2,270,8871,692,96Right-of-use assets obtained in exchange for lease liabilities288,4993,590,14Right-of-use assets and prepaid expenses recognized in exchange for common stock2,149,38Settlement of liabilities in common stock-51,992,45   |   |                 | -             |
| Proceeds from government grants-223,38Proceeds from unsecured promissory notes-13,963,38Proceeds from stock option exercises448,7111,293,26Repurchases of common stock for income tax withheld upon settlement of<br>restricted stock units(18,027)Proceeds from warrant exercises169,574138,72Net cash provided by financing activities46,367,01315,655,86Net (decrease) increase in cash, cash equivalents and restricted cash<br>(35,350,031)(35,350,031)46,035,49Cash, cash equivalents and restricted cash<br>Effects of exchange rate changes on cash, cash equivalents and restricted cash<br>(272,970)3,29Cash, cash equivalents and restricted cash at end of the period11,811,47147,434,472Supplemental cash flow information2,270,8871,692,966Accrued purchases of property, equipment, and patents2,270,8871,692,966Right-of-use assets obtained in exchange for lease liabilities288,4993,590,14Right-of-use assets and prepaid expenses recognized in exchange for common stock2,149,3882,149,388Settlement of liabilities in common stock-51,992,455   |   |                 | -             |
| Proceeds from unsecured promissory notes-13,963,38Proceeds from stock option exercises448,7111,293,26Repurchases of common stock for income tax withheld upon settlement of<br>restricted stock units(18,027)Proceeds from warrant exercises169,574138,72Net cash provided by financing activities46,367,01315,655,86Net (decrease) increase in cash, cash equivalents and restricted cash(35,350,031)46,035,49Cash, cash equivalents and restricted cash(272,970)3,29Cash, cash equivalents and restricted cash at beginning of the period11,811,47147,434,472Supplemental cash flow information2,270,8871,692,96Accrued purchases of property, equipment, and patents2,270,8871,692,96Right-of-use assets obtained in exchange for lease liabilities288,4993,590,14Right-of-use assets and prepaid expenses recognized in exchange for common stock2,149,382,149,38Settlement of liabilities in common stock-51,992,45  |   | (552,579)       | (1,090,047)   |
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| Proceeds from warrant exercises169,574138,72Net cash provided by financing activities46,367,01315,655,86Net (decrease) increase in cash, cash equivalents and restricted cash(35,350,031)46,035,49Cash, cash equivalents and restricted cash at beginning of the period47,434,4721,395,68Cash, cash equivalents and restricted cash at beginning of the period47,434,4721,395,68Cash, cash equivalents and restricted cash at beginning of the period47,434,4721,395,68Cash, cash equivalents and restricted cash at end of the period11,811,47147,434,472Supplemental cash flow information2,270,8871,692,96Accrued purchases of property, equipment, and patents2,270,8871,692,96Right-of-use assets obtained in exchange for lease liabilities288,4993,590,14Right-of-use assets and prepaid expenses recognized in exchange for common stock2,149,38Settlement of liabilities in common stock-51,992,45   | Repurchases of common stock for income tax withheld upon settlement of      |                 |               |
| Net cash provided by financing activities46,367,01315,655,86Net (decrease) increase in cash, cash equivalents and restricted cash(35,350,031)46,035,49Cash, cash equivalents and restricted cash at beginning of the period47,434,4721,395,68Cash, cash equivalents and restricted cash at beginning of the period47,434,4721,395,68Effects of exchange rate changes on cash, cash equivalents and restricted cash(272,970)3,29Cash, cash equivalents and restricted cash at end of the period11,811,47147,434,477Supplemental cash flow information2,270,8871,692,96Right-of-use assets obtained in exchange for lease liabilities288,4993,590,14Right-of-use assets and prepaid expenses recognized in exchange for common stock2,149,382,149,38Settlement of liabilities in common stock-51,992,45   |   | (18,027)        | -             |
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| Cash, cash equivalents and restricted cash at beginning of the period47,434,4721,395,68Effects of exchange rate changes on cash, cash equivalents and restricted cash(272,970)3,29Cash, cash equivalents and restricted cash at end of the period11,811,47147,434,472Supplemental cash flow information2,270,8871,692,96Accrued purchases of property, equipment, and patents2,270,8871,692,96Right-of-use assets obtained in exchange for lease liabilities288,4993,590,14Settlement of liabilities in common stock-51,992,45  | Net cash provided by financing activities                                   | 46,367,013      | 15,655,863    |
| Cash, cash equivalents and restricted cash at beginning of the period47,434,4721,395,68Effects of exchange rate changes on cash, cash equivalents and restricted cash(272,970)3,29Cash, cash equivalents and restricted cash at end of the period11,811,47147,434,472Supplemental cash flow information2,270,8871,692,96Accrued purchases of property, equipment, and patents2,270,8871,692,96Right-of-use assets obtained in exchange for lease liabilities288,4993,590,14Settlement of liabilities in common stock-51,992,45  | Net (decrease) increase in cash, cash equivalents and restricted cash       | (35,350,031)    | 46,035,497    |
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| Accrued purchases of property, equipment, and patents2,270,8871,692,96Right-of-use assets obtained in exchange for lease liabilities288,4993,590,14Right-of-use assets and prepaid expenses recognized in exchange for common stock2,149,38Settlement of liabilities in common stock-51,992,45  | Supplemental cash flow information  |                 |               |
| Right-of-use assets obtained in exchange for lease liabilities288,4993,590,14Right-of-use assets and prepaid expenses recognized in exchange for common stock2,149,38Settlement of liabilities in common stock51,992,45   |   | 2,270 887       | 1 692 969     |
| Right-of-use assets and prepaid expenses recognized in exchange for common stock2,149,38Settlement of liabilities in common stock-51,992,45   |   |                 |               |
| Settlement of liabilities in common stock - 51,992,45   | •   | 200,499         |               |
| , , ,   |   | _               |               |
| Beneficial conversion feature on convertible debt - 64,52   |   | -               | 64,528        |

### **Forward Looking Information**

This press release includes forward-looking information or statements within the meaning of Canadian securities laws and within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, regarding the Company, which may include, but are not limited to, statements with respect to the reduction in expenses, the ability of the Company to meet its capital needs, the business strategies, product development, expansion plans and operational activities of the Company. Often, but not always, forward-looking information can be identified by the use of words such as "pursuing", "potential", "predicts", "projects", "seeks", "plans", "expect", "intends", "anticipated", "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "should", "would" or "will" be taken, occur or be achieved. Such statements are based on the current expectations and views of future events of the management of the Company and are based on assumptions and subject to risks and uncertainties. Although the management of the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect. The forward-looking events and circumstances discussed in this release may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting the Company, the capabilities of our facilities and the expansion thereof, research and development projects of the Company, the total available market and market potential of the products of the Company, the market position of the Company, the need to raise more capital and the ability to do so, the scalability of the Company's production ability, capacity for new customer engagements, material selection programs timeframes, the ability to reduce production costs, enhance metamaterials manufacturing capabilities and extend market reach into new applications and industries, the ability to accelerate commercialization plans, the possibility of new customer contracts, the continued engagement of our employees, the technology industry, market strategic and operational activities, and management's ability to manage and to operate the business. More details about these and other risks that may impact the Company's businesses are described under the heading "Forward-Looking Information" and under the heading "Risk Factors" in the Company's Form 10-K filed with the SEC on March 23, 2023, and in subsequent filings made by Meta Materials with the SEC, which are available on SEC's website at www.sec.gov. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on any forward-looking statements or information. No forward-looking statement can be guaranteed. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and the Company does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except to the extent required by law.