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Zacks Small-Cap Research

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POET Technologies Inc. (V.PTK – TSX-V)

POET Demos Product at the Virtual OFC Conference

Given its unique product offering and large TAM we believe POET shares are worth CN$2.38 based on peer multiples given no further equity dilution than forecast.

Current Price (06/07/21)	CN$1.09
Valuation	**CN$2.38**

OUTLOOK

POET Technologies is a startup seeking to disrupt the photonics industry with a new design that eliminates parts of an optical transceiver and replaces them with a single integrated device which is smaller, cheaper and faster than the current solutions. It has a $50M joint venture with Sanan IC to make and sell optical engines to data centers and telecom. Its solution can be produced in a fab, eliminating costly manual steps, and allowing it to be easily produced in large quantities. We believe POET's platform can be applied to many other large photonics markets including high speed computing, co-packaged optics, augmented reality, LIDAR, and the Internet of Things.

SUMMARY DATA

52-Week High	**CN$1.49**
52-Week Low	**CN$0.46**
One-Year Return (%)	**107**
Beta	**0.7**
Average Daily Volume (sh)	**307,048**
Shares Outstanding (mil)	**344.2**
Market Capitalization ($mil)	**CN$375**
Short Interest Ratio (days)	**0.4**
Institutional Ownership (%)	**0**
Insider Ownership (%)	**0**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/M**
P/E using 2020 Estimate	**N/M**
P/E using 2021 Estimate	**N/M**

Risk Level	**Above Average**
Type of Stock	**Small-Growth**
Industry	**Elec Comp-Semis**

ZACKS ESTIMATES

Revenue
(in millions of US$)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2019	$0.0 A	$0.0 A	$0.0 A	$0.0 A	$0.0 A
2020	$0.0 A	$0.0 A	$0.0 A	$0.0 A	$0.0 A
2021	$0.0 A	$0.0 E	$0.5 E	$1.0 E	$1.5 E
2022					$15.0 E

Earnings Per Share

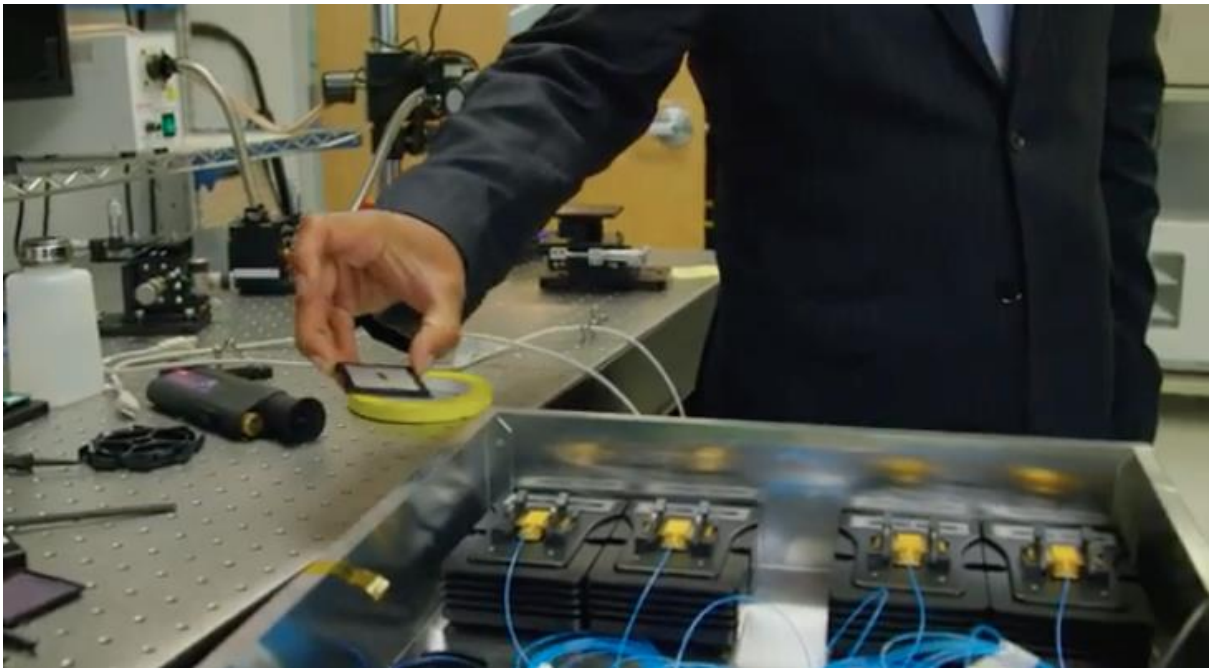
	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2019	-$0.01 A	-$0.01 A	-$0.01 A	$0.01 A	$0.00 A
2020	-$0.01 A	-$0.02 A	-$0.01 A	-$0.02 A	-$0.06 A
2021	-$0.01 A	-$0.01 E	-$0.01 E	-$0.02 E	-$0.06 E
2022					-$0.05 E

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WHAT'S NEW

POET is exhibiting at the virtual OFC convention and investors are encouraged to sign up to visit the exhibits and see POETs products and its newly produced introduction video (https://youtu.be/9bdx5XdEbYo) where the new interposer is shown and the company's strategy is described.

Figure 1: The POET Interposer Shown Next to the Components it Replaces

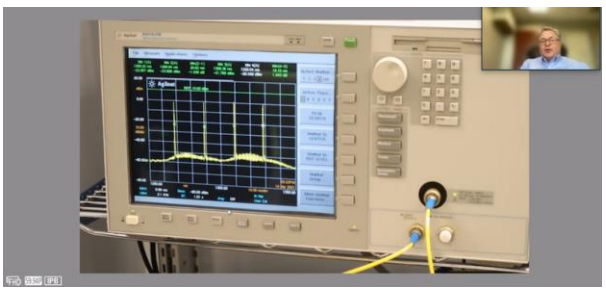


Source: POET Technologies video

At the show the company announced that samples of its 100G and 200G CWDM4 Optical Engines will be available beginning in early July. POET also announced it would soon be offering 400G DR4 and FR4 transmit and receive optical engines and that samples of its receive optical engine will be available in September. Samples of the transmit engine, based upon high power CW (continuous wave) lasers and silicon photonic modulators, will be available beginning in Q4 2021.

We saw the company's live demo at the virtual Exhibition at the Optical Fiber Conference (OFC) and the company shows its product working and meeting and exceeding the standards required for multisource agreements. It also shows it registers a dynamically generated eye margin of 45%, proving few errors are generated. POET's advantage is its lower cost as well as its smaller size---four of its interposers can fit in the same space as competitive solutions.





Source: Zacks Investment Research

Q1 2021 Earnings Report

POET spent less than we expected in Q1 2021 in R&D. In Q1 2021, POET operating expenses increased to $3.9 million this year from $$3.3 million in Q1 2020, and decreased $895,680 sequentially with all of it being in R&D. In its filing POET stated it will invest approximately $6 million in development and engineering programs in the next three quarters to produce prototype samples of 100G and 200G optical engines in several configurations, including customized designs for specific customers or applications. Plus it will invest approximately $7 million in development and engineering programs over the next four to six quarters related to its 400G optical engine designs and fabrication. Most of this spending will be for salaries.

In Q1 2021, the company paid $235,000 in interest expense, slightly less than Q4 2020 last quarter and since it has fewer convertible debentures outstanding, we expect that to continue to decline.

The net loss was $4.5 million up from a profit of $5.0 million from continuing operations in Q4 2019. The profit was from the sale of DenseLight in last year's quarter. This resulted in an IFRS loss per share of $0.02 per share and a non-IFRS loss of $0.01 per share, compared to a profit of $0.02 and non-IFRS breakeven quarter last year. Shares outstanding increased 1.9% to 293.9 million. As of March 25, 2021 there were 339.8 million shares outstanding, or 404 million shares fully diluted.

Balance Sheet

POET Technologies ended the March quarter with $23.5 million in cash and $1.2 million in convertible debentures. Working capital was $20.4 million.

On February 11, 2021 POET sold 17.6 million units at CN$0.85 per unit, to raise gross proceeds of up to $15 million. In addition POET received $8,477,826 from the exercise of stock options and warrants during the quarter and $2.3 million worth of POET's convertible debentures were converted into common stock.

If the company burns $3.5 million per quarter, that should get it six or seven quarters of runway even without any revenues. That would be to the end of 2022 by which time we expect it to be generating meaningful revenues. Any revenue between now and then will get it even further. There are now 344 million primary shares outstanding and 399 million fully diluted, as well as 73.1 million warrants and options outstanding that are in the money, which could raise an additional $25.5 million dollars. The company expects that at the least the $0.52 warrants which expire November 2nd will bring in an additional $6.3 million. It believes that it needs approximately $30 million in cash to get through the next two years.

During the Quarter

On Jan. 06, 2021 POET announced that it has entered into development and supply agreements with a technology leader in photonic neural network systems for Artificial Intelligence (AI) applications.

On February 23, POET announced that it has extended its optical interposer into new applications and markets with a fully integrated, multiplexed light-source for optical computing chipsets and sensing applications, named "LightBar-C."

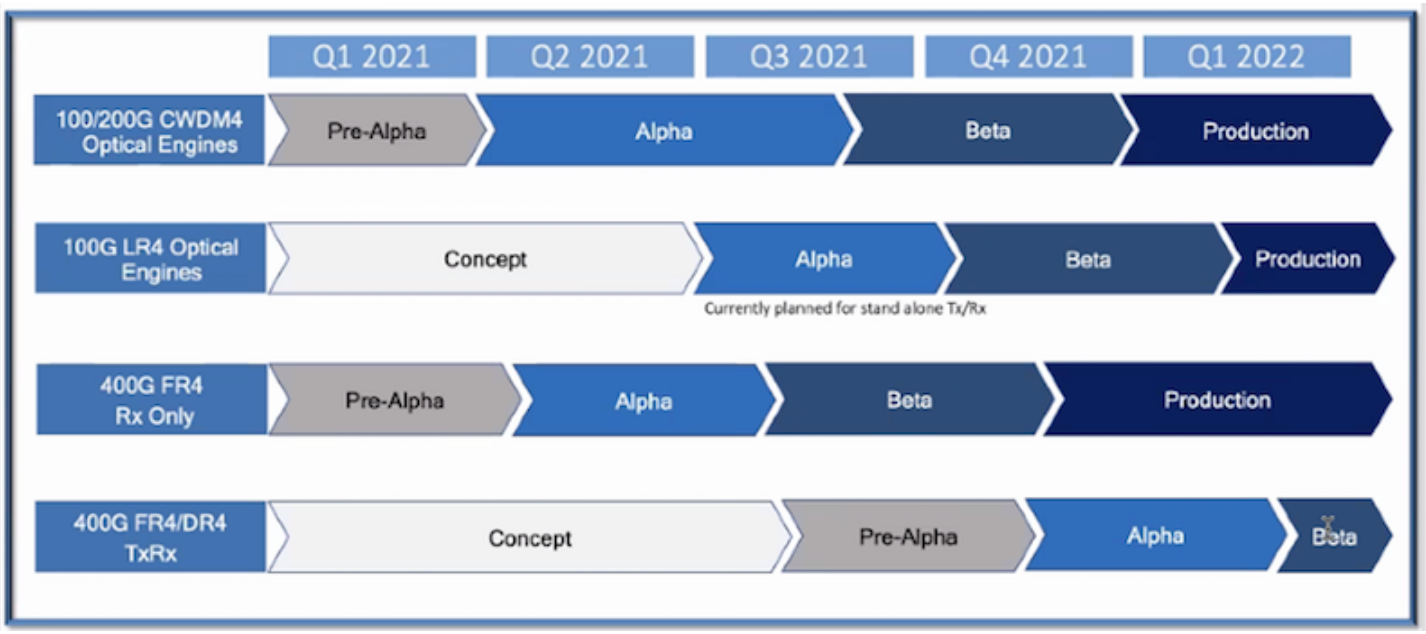
In January it opened a product design and development center in Shenzhen, China.

Since the Quarter Ended

On April 22, the company announced it had completed the design of a 100G LR4 (4 channel Long Reach) optical engine with a reach of 10 kilometers for client-side interconnects to data centers, enterprises, and edge computing networks. POET's focus on CWDM4 and LR4 designs is based on its ability to integrate fully monolithic 4-channel multiplexing and demultiplexing functionality directly into its waveguides, avoiding the costly requirement to align and couple additional devices into a transceiver module. A 100G LR4 transceiver

sells for about 2X to 3X the price of a 100G CWDM4 module, due to its higher complexity and performance requirements. POET's design reduces the cost of the optical engine in the range of 25%, uses 10% to 15% less power, and is smaller. It expects to deliver alpha samples to customers in the third quarter of 2021; POET and SPX are now working with two alpha customers.

Chart 1: Company Roadmap



Source: POET Technologies

KEY POINTS

- The Holy Grail in photonics is cost reduction (through efficiencies in process and materials) combined with lower power consumption. Throw in a smaller size, and higher performance, and customers should beat a path to your door. POET believes it can provide all four with its proprietary "optical interposer" based on a novel low-loss material that can allow multiple components to be integrated into a single package entirely at wafer-scale. What this means is that it can eliminate steps in the labor-intensive assembly process currently used when manufacturing optical transceivers. Manual assembly results in higher scrap rates, longer production times, and higher equipment costs. Also, its base material is far better suited to use in the management of light than silicon due to its lower loss and planar architecture, thus allowing lower powered lasers, resulting in lower power consumption and the ability to use less expensive lasers. POET hopes to disrupt the current market for photonics devices and have its Optical Engine platform become the standard in the industry.

- On October 22nd, POET established a $50 million joint venture with Xiamen Sanan Integrated Circuit Co. Ltd. of Xiamen, China. POET is contributing know how and a license to some of its technology, and Xiamen is contributing intellectual property, capital and production facilities. It will ultimately be 53% owned by Sanan IC and 47% by POET. Its first products will be optical engines to be sold to manufacturers of 100G, 200G, and 400G devices for use in data centers and telecommunications. This joint venture could generate as much as $200-$300 million in revenues per year by 2025 by taking modest market share.

- In 2021 will start booking revenues again with the first being from NRE contracts, followed by volume production of product starting at the end of 2021 or the beginning of 2022.

- The stock currently trades at a fully diluted enterprise value of US$343 million. The global market for optical transceivers is estimated to be $5.7 billion in 2020 and projected to reach a value of $9.2 billion by 2025, representing a CAGR of 10.0%, according to MarketsandMarkets Research Private Ltd. POET's product is a component of an optical transceiver and market is about a third of the transceiver market. If POET can secure even a small portion of that market with its unique offering, its valuation should far exceed its current price. We believe the stock could be worth US$1.97 based on $200 million in revenues in 2025 at 11.3xs EV to Sales, discounted at 30% back to present value.

VALUATION

POET's business model would make it similar to fabless semiconductor companies. Third parties would provide the production of its devices and we expect it would have margins similar to those companies below. They trade at an average of 11.3xs enterprise value to estimated 2021 revenues. Currently POET trades at an enterprise value of $309 million using a fully diluted share count. We need to look further out to where we think revenues would be by 2025. If we say the joint venture is able to reach $200 million in revenues by then and the rest of the business can ramp to $100 million that would be $200 million in revenues for POET in 2025. Using 11.3xs gives us an enterprise valuation of $2.26 billion, a market value of $2.28 billion or $5.61 per share by 2024 using today's fully diluted share count of 406 million shares. This would be a present value of US$1.97 or CN$2.38 per share discounted by 30% per year.

						EBIDTA		Enterprise Value / Sales		EV/EBITDA	Included	
Company	Ticker	2022E	2021E	LTM	EBITDA	Margin	2022E	2021E	LTM		in Average?	Ent. Value
AMD	AMD	$17,020	$14,730	$11,420	2,210	19%	5.7x	6.5x	8.4x	43.6x	y	96,282
Broadcom	AVGO	NA	$27,200	$24,690	12,100	49%	NA	8.1x	8.9x	18.2x	y	220,312
Cirrus Logic	CRUS	NA	$1,433	$1,370	285	21%	NA	2.9x	3.0x	14.4x	y	4,110
Lightwave Logic	LWLG	NA	NA	$0	(6)	NM	NA	NA	NA	-54.8x	n	330
Marvell	MRVL	$5,000	$4,150	$2,970	617	21%	8.2x	9.9x	13.8x	66.3x	y	40,880
Monolithic Power Sys	MPWR	$1,300	$1,120	$933	206	22%	11.9x	13.8x	16.6x	74.9x	y	15,450
NVIDIA	NVDA	$27,190	$24,760	$19,260	6,970	36%	16.0x	17.5x	22.5x	62.3x	y	434,000
Rockley Photonics	SCPE	$79	$40	$21	(55)	-261%	15.2x	30.0x	57.1x	-21.9x	y	1,200
Qualcomm	QCOM	NA	$33,100	$29,410	10,370.0	35%	NA	4.7x	5.2x	14.9x	y	154,400
Xilinx	XLNX	NA	$3,481	$3,150	939.7	30%	NA	8.7x	9.6x	32.2x	y	30,250
Average						**-2%**	**11.4x**	**11.3x**	**16.1x**	**20.8x**		**83,101**

For the valuation we calculated the company's fully diluted share count using the treasury stock method at **406.1 million fully diluted shares** outstanding.

Warrant and Option Stack
28-May-21

Expiration	Type	Holder	Ave. Strike Price CAD	Ave. Strike Price USD	Number	Value CAD	Value USD
2021	Options	Employee	$ 0.51	$ 0.38	25,000	$ 12,750	$ 9,563
2022	Options	Employee	$ 0.23	$ 0.17	25,000	$ 5,750	$ 4,313
2024	Options	Employee	$ 0.32	$ 0.24	300,000	$ 96,000	$ 72,000
2026	Options	Employee	$ 0.76	$ 0.57	2,075,000	$ 1,577,000	$ 1,182,750
2027	Options	Employee	$ 0.32	$ 0.24	7,043,625	$ 2,253,960	$ 1,690,470
2028	Options	Employee	$ 0.44	$ 0.33	8,165,646	$ 3,592,884	$ 2,694,663
2029	Options	Employee	$ 0.36	$ 0.27	15,694,189	$ 5,649,908	$ 4,237,431
2030	Options	Employee	$ 0.47	$ 0.35	9,057,209	$ 4,256,888	$ 3,192,666
2031	Options	Employee	$ 0.81	$ 0.61	1,450,000	$ 1,174,500	$ 880,875
2031	Options	Employee	$ 1.19	$ 0.89	4,831,250	$ 5,749,188	$ 4,311,891
2023	Warrants	Debenture	$ 0.50	$ 0.38	12,082,500	$ 6,041,250	$ 4,530,938
11/2/21	Warrants	Public Offering	$ 0.52	$ 0.39	16,146,927	$ 8,396,402	$ 6,297,302
2/11/23	Warrants	Private placement	$ 1.15	$ 0.86	17,647,200	$ 20,294,280	$ 15,220,710
2/11/23	Broker warrants	Private placement	$ 0.85	$ 0.64	1,058,832	$ 900,007	$ 675,005
					95,602,378	$ 60,000,767	**$ 45,000,575**

Fully Diluted Shares Using Treasury Stock Method

Share Outstanding	344,280,101
In money Warrants	29,288,259
In money Options	43,835,669
Debentures	12,082,500
Total in money	429,486,529
Fully diluted shares	429,486,529
Cash raised by warrants and options	25,467,975
Share purchased by cash raised	23,365,115
Current share price $	$1.09
Fully diluted shares, TS Method	406,121,414

Since POET already qualifies (other than stock price) to uplist to NASDAQ, we believe it may uplist and reverse split sometime in the future when it has hit more milestones and certainly should it need to raise any capital. We do not believe this would happen before products are ready to go into large-scale production.

RISKS

- POET is a startup and has no revenues. It may not be able to close customers if its technology does not work or work within needed parameters. If it were it to use up its current cash without generating revenues and reaching cash breakeven, to would need to raise new capital from investors, which could dilute current shareholders. We expect it may have to do a small capital raise to reach profitability.

- Many potential customers may be hesitant to so business with a small, money losing start up, making market penetration even more difficult.

- Many of the employees work in states that have shut down businesses and travel and have had to work from home. They have been unable to go to its lab to continue to research and much of marketing efforts have been hindered by the inability to travel. It is not known when California, Pennsylvania, or New Jersey will lift their restrictions.

- The joint venture may take longer to book sales, ramp slower or produce less than expected sales and profits. The current foundry capacity shortage has caused the timetable for the company producing and shipping samples to customers and we believe industry conditions beyond its control could lead to further delays.

INCOME STATEMENT

	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21E	Q3 21E	Q4 21E	2020	2021E	2022E
Revenue	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 500,000**	**$ 1,000,000**	**$ 0**	**$ 1,500,000**	**$ 15,000,000**
Cost of revenue	0	0	0	0	0	0	250,000	500,000	0	750,000	7,500,000
Gross margin	0	0	0	0	0	0	250,000	500,000	0	750,000	7,500,000
Gross margin %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50.0%	50.0%	0.0%	50.0%	50.0%
Operating expenses											
R&D	1,419,744	1,250,475	1,217,849	2,229,672	1,339,784	1,500,000	1,700,000	1,900,000	6,117,740	6,439,784	9,120,000
Depreciation and amortization	174,317	189,582	206,819	242,385	252,731	265,000	265,000	270,000	813,103	1,052,731	1,100,000
Professional fees	125,001	177,149	123,664	374,737	284,105	300,000	400,000	500,000	800,551	1,484,105	800,000
Wages and benefits	543,571	475,114	442,605	720,877	816,012	1,200,000	1,600,000	2,000,000	2,182,167	5,616,012	9,000,000
Stock-based compensation	776,783	846,485	1,096,013	893,664	820,538	820,538	820,538	820,538	3,612,945	3,282,152	3,400,000
General expenses and rent	213,027	559,679	167,608	305,495	357,980	365,000	380,000	390,000	1,245,809	1,492,980	1,600,000
Operating expenses	3,252,443	3,498,484	3,254,558	4,766,830	3,871,150	4,450,538	5,165,538	5,880,538	14,772,315	19,367,764	25,020,000
Operating income	(3,252,443)	(3,498,484)	(3,254,558)	(4,766,830)	(3,871,150)	(4,450,538)	(4,915,538)	(5,380,538)	(14,772,315)	(18,617,764)	(17,520,000)
Debt-issuance cost	0	0	0	0	0	0	0	0	0	0	0
Impairment and other loss	0	(2,500,000)	0	0	0	0	0	0	(2,500,000)	0	0
Interest expense	(216,684)	(228,591)	(243,805)	(248,823)	(234,579)	(234,579)	(234,579)	(234,579)	(937,903)	(938,316)	(400,000)
Other income	1,362	18,543	13,910	7,333	7,309	1,300	1,300	1,300	41,148	11,209	32,000
Pretax loss from operations	**(3,467,765)**	**(3,708,532)**	**(3,484,453)**	**(5,008,320)**	**(4,098,420)**	**(4,683,817)**	**(5,148,817)**	**(5,613,817)**	**(18,169,070)**	**(19,544,871)**	**(17,888,000)**
Income tax recovery	0	0	0	0	0	0	0	0	0	0	0
Profit before joint venture	(3,467,765)	(3,708,532)	(3,484,453)	(5,008,320)	(4,098,420)	(4,683,817)	(5,148,817)	(5,613,817)	(18,169,070)	(19,544,871)	(17,888,000)
Income from joint venture	0	0	0	0	0	0	0	0	0	0	1,500,000
Net loss	(3,467,765)	(3,708,532)	(3,484,453)	(5,008,320)	(4,098,420)	(4,683,817)	(5,148,817)	(5,613,817)	(18,169,070)	(19,544,871)	(16,388,000)
Non-GAAP net loss	(2,690,982)	(362,047)	(2,388,440)	(4,114,656)	(3,277,882)	(3,863,279)	(4,328,279)	(4,793,279)	(12,056,125)	(16,262,719)	(12,988,000)
Basic and diluted net loss per share	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.06)	$ (0.06)	$ (0.05)
Yr-to-yr growth				42.3%	6.6%	6.8%	25.6%	-4.3%		-7.3%	-17.8%
Non-GAAP loss per share	(0.01)	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.03)	(0.05)	(0.04)
Share outstanding (millions)	289.4	291.2	292.6	293.9	320.8	344.3	344.3	344.3	291.8	338.4	345.0
Yr-to-yr growth	0.5%	1.1%	1.5%	1.9%	10.8%	18.2%	17.7%	17.1%	1.2%	16.0%	1.9%
EBITDA	(2,301,343)	(2,462,417)	(1,951,726)	(3,630,781)	(2,797,881)	(3,365,000)	(3,830,000)	(4,290,000)		(14,282,881)	(13,020,000)

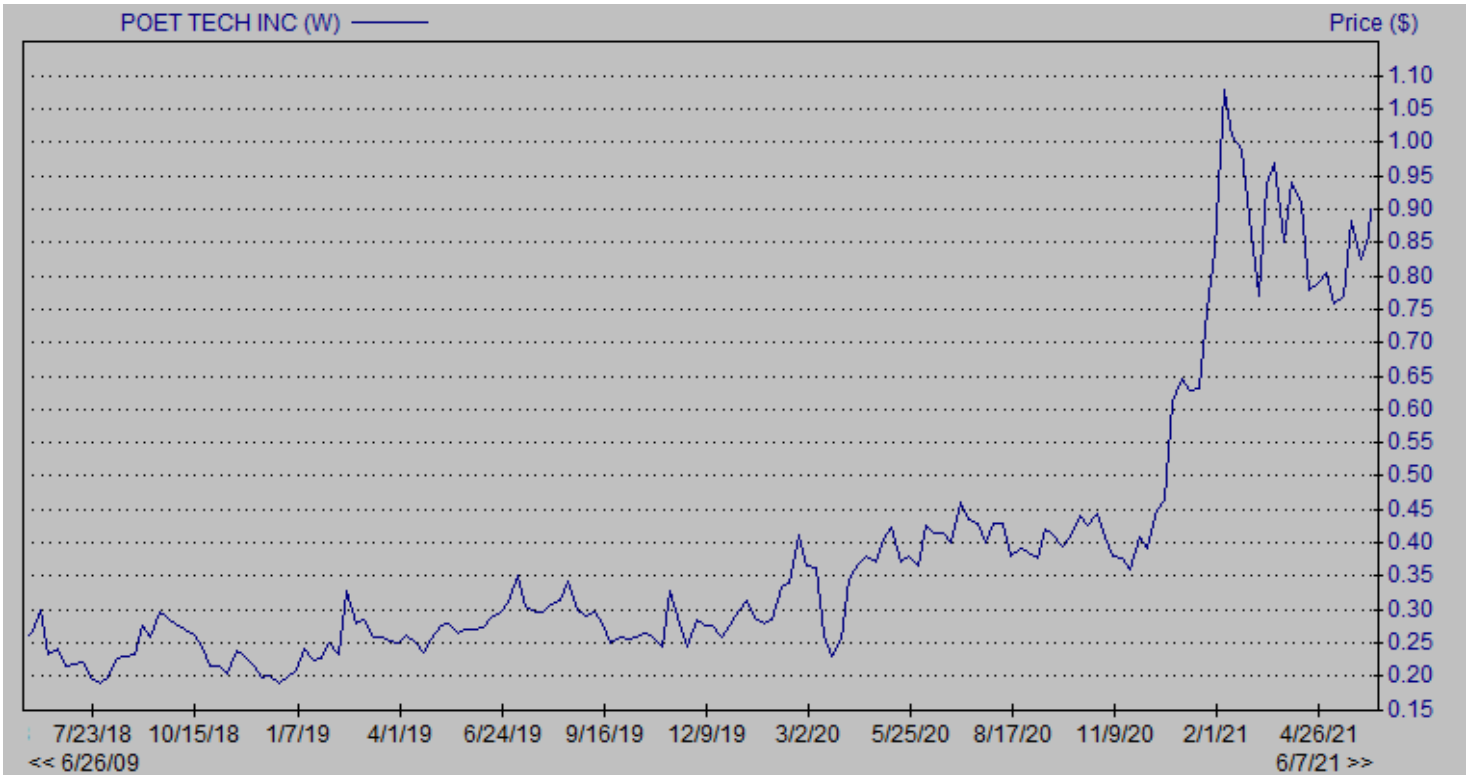
BALANCE SHEET

	Mar. 31, 2021	Dec. 31, 2020	Qtr-Qtr % Growth	Mar. 31, 2020	Yr-Yr % Growth
Current					
Cash and cash equivalents	**$ 23,472,255**	**$ 6,872,894**	242%	**$ 12,327,555**	90%
Accounts receivable	0	0	0%	5,000,000	-100%
Prepaids and other current assets	1,092,016	618,717	76%	228,433	378%
Current Assets	24,564,271	7,491,611	228%	17,555,988	40%
Property and equipment	3,070,871	3,185,754	-4%	3,027,727	1%
Patents and licenses	421,682	438,677	-4%	435,335	-3%
Right of use asset	472,396	520,686	-9%	187,763	152%
Total Assets	28,529,220	11,636,728	145%	21,206,813	35%
Liabilities					
Accounts payable and accrued liabilities	2,613,155	1,730,361	51%	1,439,060	82%
Covid-19 government support loans	171,185	147,841	16%	0	NA
Lease liability	189,723	172,949	10%	87,245	117%
Convertible debentures	**1,169,512**	**3,341,246**	-65%	**2,728,846**	-57%
Current Liabilities	4,143,575	5,392,397	-23%	4,255,151	-3%
Non-current covid-19 govt support loans	47,402	70,310	-33%	0	NA
Lease liability	300,952	359,048	-16%	103,450	191%
Total liabilities	4,491,929	5,821,755	-23%	4,358,601	3%
Shareholders' Equity					
Share capital	135,689,974	114,586,260	18%	112,649,918	20%
Equity component of loan payable	192,051	565,121	-66%	576,223	-67%
Warrants & comp options	7,819,345	5,557,002	41%	8,167,622	-4%
Contributed surplus	43,721,782	44,407,679	-2%	39,878,032	10%
Accumulated other comprehensive loss	(1,969,564)	(1,983,212)	-1%	(1,807,011)	9%
Deficit	(161,416,297)	(157,317,877)	3%	(142,616,572)	13%
Shareholder's Equity	24,037,291	5,814,973	313%	16,848,212	43%
Tot Liabilities and Share. Equity	$ 28,529,220	$ 11,636,728	145%	$ 21,206,813	35%
Cash	$ 23,472,255	$ 6,872,894	242%	$ 12,327,555	90%
Cash per share	0.08	0.02	248%	0.04	91%
Current ratio	5.9	1.4	327%	4.1	44%
Working capital	20,420,696	2,099,214	873%	13,300,837	54%
Debt	1,169,512	3,341,246	-65%	2,728,846	-57%
Debt/total assets	4.1%	28.7%	-86%	12.9%	-68%

CASH FLOWS

US Dollars	2019	Mar. 31, 2020	Jun. 30, 2020	Sep. 30, 2020	Dec. 31, 2020	2020	Mar. 31, 2021
OPERATING ACTIVITIES							
Net loss	$ (5,952,875)	$ (3,467,765)	$ (6,208,532)	$ (3,484,453)	$ (5,008,320)	$ (18,169,070)	$ (4,098,420)
Discontinued operations, net	(5,481,757)	0	0	0	0	0	0
Net loss, continuing operations	(11,434,632)	(3,467,765)	(6,208,532)	(3,484,453)	(5,008,320)	(18,169,070)	(4,098,420)
Adjustments for:							
Depreciation of property and equipment	166,342	134,088	141,677	158,230	197,268	631,263	188,220
Amortization of patents and licenses	61,671	17,049	17,447	17,585	13,701	65,782	16,995
Amortization of debt issuance costs	372,340	0	0	0	0	0	0
Amortization of right of use assets	15,683	23,180	30,456	31,006	31,415	116,057	47,516
Accretion of debt discount on converts & int.	0	108,831	129,378	141,332	0	524,095	128,229
Amortization of debt discount	280,829	0	0	0	0	0	0
Impairment loss	1,764,459	0	0	0	0	0	0
Stock-based compensation	2,888,141	776,783	846,485	1,096,013	893,664	3,612,945	820,538
Non-cash settled operating costs	0	0	0	0	0	910,738	0
Income tax recovery	(292,740)	0	0	0	0	0	0
Expected credit loss allowance	0	0	2,500,000	0	0	2,500,000	0
Gain on lease modification	0	0	0	0	0	(786)	0
Non-cash foreign exchange	0	0	0	0	161,000	161,000	0
Net change in non-cash working capital accounts:							
Prepaid and other current assets	(685,667)	586,983	(47,690)	147,664	(454,435)	232,522	(465,106)
Accounts payable and accrued liabilities	420,457	(194,610)	916,570	(997,963)	253,493	(22,510)	882,528
Cash flows from continuing operating activities	(6,443,117)	(2,015,461)	(1,674,209)	(2,890,586)	(2,856,922)	(9,437,964)	(2,479,500)
Cash flows from discontinued operating activities	(2,951,104)	0	0	0	0	0	0
INVESTING ACTIVITIES							
Proceeds from sale of discont. operations	0	13,000,000	1,500,000	1,000,000	0	15,500,000	0
Purchase of property and equipment	(445,678)	(188,082)	(618,093)	(638,367)	(77,246)	(1,521,788)	(123,564)
Purchase of patents and licenses	(65,806)	0	(25,770)	0	(26,305)	(52,075)	0
Cash flows from investing activities, continuing	(511,484)	12,811,918	856,137	361,633	(103,551)	13,926,137	(123,564)
Cash flows from investing activities, discontinued	5,908,623	0	0	0	0	0	0
FINANCING ACTIVITIES							
Proceed from convertible debentures, net	3,352,849	0	0	0	0	0	0
Proceeds from loan payable, net	4,000,000	0	0	0	0	0	0
Proceeds from COVID-19 loans	0	0	216,207	0	1,944	218,151	0
Repayment of loan payable	(4,000,000)	0	0	0	0	0	0
Issue of common shares for cash, net	60,028	0	361,612	(361,612)	1,088,450	1,088,450	19,150,387
Exercise of warrants and options	0	162,258	(162,258)	566,492	(566,492)	0	0
Payment of lease liability	(19,162)	(28,325)	(37,993)	(38,673)	(39,151)	(144,142)	(58,720)
Cash flows from financing, continuing activities	3,393,715	133,933	377,568	166,207	484,751	1,162,459	19,091,667
Cash flows from financing, discontinued activities	(258,460)	0	0	0	0	0	0
EFFECT OF EX RATE ON CASH, Continuing	(263,902)	(30,964)	9,642	(88,146)	(96,399)	(205,867)	110,758
EFFECT OF EX RATE ON CASH, Discontinued	(14,010)	0	0	0	0	0	0
NET CHANGE IN CASH, Continuing	(3,824,788)	10,899,426	(431,648)	(2,450,892)	(2,572,121)	5,444,765	16,599,361
NET CHANGE IN CASH, Discontinued	2,685,049	0	0	0	0	0	0
CASH AND CASH EQUIVALENTS, beginning	2,567,868	1,428,129	12,327,555	11,895,907	9,445,015	1,428,129	6,872,894
CASH AND CASH EQUIVALENTS, end	1,428,129	12,327,555	11,895,907	9,445,015	6,872,894	6,872,894	23,472,255
Cash flow continuing	(6,177,907)	(2,407,834)	(2,543,089)	(2,040,287)	(3,711,272)	(9,647,976)	(2,896,922)
Free cash flow continuing	(6,689,391)	10,404,084	(1,686,952)	(1,678,654)	(3,814,823)	4,278,161	(3,020,486)

HISTORICAL STOCK PRICE



Source: Zacks Investment Research

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