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Zacks Small-Cap Research

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POET Technologies Inc. (NASDAQ: POET)

POET: With $60 Million in Backlog, POET Focuses On Production

We believe POET stock is worth $14.75 per share based on 2029 revenues of $450 million at 15 times EV to Sales, discounted to today at 20% per year. It currently has $796 million, or $4.90 per share, in cash.

Current Price (8/25/26)	$8.08
Valuation	**$14.75**

OUTLOOK

POET Technologies is disrupting the photonics industry with a new technology that integrates optical and electronic devices into a single chip, which is smaller, cheaper, faster, more scalable and consumes less power than the current solutions. The POET Optical Interposer™, and optical engines and light source products based on it, are produced at wafer scale, in large quantities and at a low cost using conventional semiconductor fabrication techniques. POET is now receiving orders and has $796 million in cash to ramp production and support working capital as it scales. It currently has a one million engine per year assembly capacity with two contract manufacturers in Malaysia. POET's integrated solutions include light-based chip-to-chip data communications ("scale-up"), ultra high-speed transceivers ("scale-out") and long-distance telecom ("scale-away") products, all targeted at hyperscale data centers and networks supporting connectivity for Artificial Intelligence applications.

SUMMARY DATA

52-Week High	**$20.57**
52-Week Low	**$4.17**
One-Year Return (%)	**49.1**
Beta	**0.8**
Average Daily Volume (sh)	**11,997,982**
Shares Outstanding (mil)	**173.1**
Market Capitalization ($mil)	**$1,400**
Short Interest Ratio (days)	**0.8**
Institutional Ownership (%)	**20.0**
Insider Ownership (%)	**12.1**
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 2025 Estimate	**N/M**
P/E using 2026 Estimate	**N/M**

Risk Level	**High**
Type of Stock	**Mid-Value**
Industry	**Elec Comp-Semis**

ZACKS ESTIMATES

Revenue
(in millions of US$)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	$0.0 A	$0.0 A	$0.0 A	$0.0 A	$0.0 A
2025	$0.2 A	$0.3 A	$0.3 A	$0.3 A	$1.1 A
2026	$0.5 A	$0.6 A	$0.7 E	$1.6 E	$3.4 E
2027					$100 E

Earnings Per Share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	-$0.12 A	-$0.14 A	-$0.20 A	-$0.43 A	-$0.94 A
2025	$0.08 A	-$0.21 A	-$0.10 A	-$0.32 A	-$0.68 A
2026	-$0.08 A	-$0.07 A	-$0.07 E	-$0.07 E	-$0.29 E
2027					-$0.20 E

POET Ramps Production as the Backlog Builds

It was a busy Q2 at POET. With fundraising behind it and a war chest of almost $800 million, POET is buying equipment and tools and hiring people to get its orders out the door. Its customers are in the qualification stage, so order size is increasing as they get their products to their customers for evaluation. Once their customers accept the products, the big orders will begin. Most of POET's customers are staying anonymous at least until the qualification stage ends, which may not even be this year. In the meantime, we expect the company to continue announcing orders without names attached. When POET announced earnings, it also mentioned a new $2.4 million order. This is for 1.6T optical engines, from a current customer for delivery next year. POET now has a $60 million backlog, but it is difficult to forecast revenues for the next two to three quarters as it depends entirely on how much POET can get out the door and book.

News During Q2 2026

On April 27, 2026, POET Celestial AI cancelled its purchase orders for initial production units first disclosed in a press release on April 25, 2023. As the basis for the cancellation, Marvell indicated that POET had made disclosures of information related to the purchase order and shipping information in contravention of its confidentiality obligations.

On May 11, 2026, Sandeep Kumar was appointed Chief Operating Officer. Dr. Kumar is an experienced executive in the semiconductor industry. His last position was at Silicon Labs in Austin, TX, where he worked for over 18 years and was SVP of Worldwide Operations. He has managed manufacturing teams, supply chain, planning, CAD, process engineering, package engineering, product and test engineering, quality assurance, failure analysis, as well as prototype production and reliability test labs.

On May 14, 2026, POET and Lumilens announced they had entered into a supply agreement and partnership to target AI infrastructure. Lumilens has placed an initial $50 million purchase order with POET for OI-based engines. This order is the first phase of a broader supplier relationship that could scale to over $500 million in cumulative purchases from POET over five years. Engineering samples from this joint development program are expected in late 2026, with production ramp aligned to hyperscaler customer deployments in 2027. Their roadmap goes from 800G and 1.6T pluggable transceivers to next-gen high-density Near-Package Optics (NPO) and light sources. In connection with the supply agreement, POET has granted Lumilens a warrant to purchase up to 22.9 million common shares at $8.25 per share, of which 2.3 million shares are immediately exercisable. The remaining shares vest and become exercisable in tranches based on cumulative payments by Lumilens toward future purchase orders totaling up to $500 million.

On June 26th, POET held its annual meeting and reiterated that its production ramp is currently on schedule and expected to begin in the second half of 2026 with high-volume shipments of optical engines to customers beginning next year. It anticipates expanding capacity to meet demand of up to one million units per month by the end of 2027. This represents a more than 10x increase from current production capacity. The company has raised $830 million in the past 12 months and has the potential to raise another $661 million through warrants. The strength of the balance sheet facilitates POET's efforts to secure supplies of critical components through long-term strategic partnerships with key suppliers, potentially increasing its ability to fulfill orders and neutralizing the threat posed by critical shortages of some materials. POET Blazar is currently on schedule for expected deployment at scale in 2028. The company now has more than ten active customer engagements that combined are expected to generate more than $100 million in future annual revenue. This includes the recently announced agreement with Lumilens, a previously announced production order for 800G optical engines, and a significant NRE agreement for External Light Source (ELS) applications from a new customer. Management is in the process of hiring approximately more people to its global workforce. Since January, it has hired 60 people and still has more than 25 open positions.

After the Quarter Ended

On August 1, 2026, POET appointed Dr. Bardia Pezeshki and Jean F. Rankin to its Board of Directors, and Jean-Louis Malinge, who had served on the board of POET Technologies since 2017, resigned.

Dr. Pezeshki is a technology executive, entrepreneur and innovator in optical communications, semiconductor devices and advanced interconnect technologies. Most recently, he served as Founder, CEO and CTO of Avicena Tech, where he pioneered micro-LED-based optical interconnect solutions for AI and high-performance computing systems. He previously founded and led Kaiam Corporation and Santur Corporation, commercializing advanced optical transceivers and tunable laser technologies. Earlier in his career, Dr. Pezeshki held senior R&D positions at SDL Inc. and IBM's T.J. Watson Research Center. He holds a Ph.D. in Electrical Engineering from Stanford University and a BS in Physics from Harvey Mudd College.

Ms. Rankin is an experienced public company director with expertise in corporate governance, intellectual property, mergers and acquisitions, securities regulation and executive compensation. She serves on the Board of Directors of InterDigital, Inc. and previously was a director of Resonant, Inc. Ms. Rankin was EVP, Secretary and General Counsel of LSI Corporation and Agere Systems Inc., following senior legal roles at Lucent Technologies and AT&T. She holds a JD from the University of Pennsylvania Law School and a BA from the University of Virginia.

Q2 2026 Results

In Q2 2026, POET had revenues of $570,000, up from $268,000 in Q2 2026, with over half from product revenue and the rest from NREs. Despite shipping product, we do not expect to see cost of goods in the income statement until companies are out of the qualification stage and it is no longer classified as R&D. We expect that will not happen until the second half of next year. Total operating expenses were $20.8 million compared to $9.0 million last year.

Sales, Marketing, and Administration increased by $8.5 million. Of that increase, $4.9 million was an increase in finance advisory fees due to the capital raises, which should decline significantly going forward. R&D rose $3.2 million. We expect total expenses to continue to remain steady for the next two quarters because of increased hiring despite the savings on advisory fees. Interest income increased to $4.3 million in Q2 2026 from $533,000 in Q2 2025 due to a huge increase in cash balances.

In Q2, there was no non-cash fair value adjustment to derivative warrant liability versus $7.6 million in the same period in 2025. This non-cash item relates to warrants issued in a foreign currency and is periodically remeasured. However, there was a derivative liability adjustment of $5.5 million this quarter and none last year.

The net loss for the quarter was $11.3 million compared to $17.6 million in Q2 2025. This resulted in an IFRS loss per share of $0.07 versus a loss of $0.21 per share last year. On a non-IFRS basis, taking out stock-based compensation and non-cash accounting, the loss was $12.1 million versus $5.8 million. The non-IFRS per share loss was $0.07 this year versus $0.07 last year due to an increase in shares. The average shares outstanding for the quarter were 162.4 million, up 100%.

Balance Sheet

POET Technologies ended the June quarter with $796 million in cash and marketable securities and $5.8 million in convertible debentures, which will be reduced by $1 million after the October payment. Working capital at the end of the quarter was $767 million. The company had a negative cash flow (excluding changes in working capital) of $11.9 million for Q2 2026. It spent $3.0 million on capex for the quarter, making free cash flow negative $15 million. It will book approximately $30 million for capital equipment in the second half of 2026 and about half as much for inventory.

On May 18, 2026, POET sold units consisting of 19.0 million shares and a warrant exercisable for 19.0 million shares to MMCAP International at $21.00 per unit, raising $400 million. The warrant is exercisable at $26.15 for three years from the date of issuance.

During the quarter, POET acquired 4,500 redeemable convertible preferred shares (4.99%) of privately held Lessengers Inc. for $2,955,150. The investment is held for long-term strategic purposes.

On May 13, 2026, POET granted 22,921,408 share purchase warrants at an exercise price of $8.25 to Lumilens in connection with a supply agreement in which it is expected to purchase up to $500 million of products. The warrants vest in specified tranches if and when certain milestones are met. On May 13, 2026, 2,292,140 warrants vested and are exercisable. The remaining 20,629,268 share purchase warrants will become exercisable in tranches as certain payment milestones are met. The estimated fair value assigned to the warrants was $30,142,069. The deferred customer consideration will be amortized as POET begins to recognize product revenue from the customer.

Total common shares on August 13, 2026 were 173,058,088.

- Total warrants were 78,734,968 priced between US$1.09 and US$26.25. All of the warrants are in the money except for the 19 million at $26.25. Another 20 million are not yet vested.
- Stock options were 5,369,393 priced between $1.27 and $6.33 per share.
- Restricted stock units outstanding were 4,252,504.

This totals 261,414,953 of all-in shares.

KEY POINTS

- AI has created an accelerated need for faster speeds for hardware and data center communications. As a de facto pure-play in optical engines and transceivers targeting AI hardware and data centers, POET offers a way to invest in the entire AI industry. As a start-up on the cusp of ramping production, we expect the company to grow much faster than the market and the large incumbent players such as Nvidia.

- 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 enables multiple components to be integrated into a single package entirely at wafer scale. This means it can eliminate steps in the labor-intensive assembly process currently used to manufacture 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.

- Using $796 million in cash, $5.8 million in debt, and 173 million shares outstanding, the stock trades at an enterprise value of approximately $609 million. According to Fortune Business Insights, the global optical transceiver market size was valued at $14.7 billion in 2025 and is projected to grow from $17.2 billion in 2026 to $46.1 billion by 2034, exhibiting a CAGR of 17.0% during the forecast period. POET’s product is a component of an optical transceiver, and that market is about a third of the transceiver market. If POET can secure even a small portion of that market with its unique offerings, its valuation should far exceed its current price. We believe the stock could be worth $17.50 per share based on 2029 revenues of $450 million at 15 times EV to Sales, discounted to present value.

VALUATION

When valuing POET stock, we need to look at both the public and private comps. As we can see below, the average fabless semiconductor manufacturer is trading at 10.6 times 2027 estimated revenues, with Monolithic Power Systems and Marvell being the highest. POET, with its higher relative growth, should be valued even higher than them. If we use 15x on 2029 revenues of $450 million and discount that back using 20% per year, to get an enterprise value of $4.4 billion, we reach a current stock price of $17.50 per share using 173.1 million shares outstanding.

		Calendar				EBIDTA	Enterprise Value / Sales			EV/EBITDA	Included	
Company	Ticker	2027E	2026E	LTM	EBITDA	Margin	2027E	2026E	LTM		in Average?	Ent. Value
AMD	AMD	$87,390	$50,820	$41,310	9,560	23%	8.7x	15.0x	18.5x	79.9x	y	763,730
Broadcom	AVGO	NA	$127,690	$75,460	42,080	56%	NA	13.7x	23.2x	41.6x	y	1,750,000
Cirrus Logic	CRUS	NA	$2,100	$2,050	525	26%	NA	2.4x	2.4x	9.6x	y	5,020
Lightwave Logic	LWLG	NA	NA	$0	(0)	-9%	NA	NA	NA	-40994.8x	n	861
Marvell	MRVL	$16,730	$11,530	$8,720	2,710	31%	12.4x	18.0x	23.8x	76.6x	y	207,500
Monolithic Power Sys	MPWR	$5,180	$4,120	$3,270	1,000	31%	12.4x	15.6x	19.7x	64.3x	y	64,290
NVIDIA	NVDA	$561,510	$393,850	$253,490	165,410	65%	8.9x	12.6x	19.6x	30.1x	y	4,980,000
Qualcomm	QCOM	NA	$42,450	$44,070	12,000	27%	NA	4.1x	4.0x	14.6x	y	175,750
Average						**21%**	**10.6x**	**11.6x**	**15.3x**	**47.8x**		**1,135,184**

We also have to look to the private markets where most of this industry lives. All of the following three companies are pre-revenue at the moment.

Celestial AI was bought by Marvell Technology for $3.25 billion in February. The purchase price could increase to $5.5 billion if Celestial hits revenue milestones. The company currently has no revenues, but Marvell expects Celestial to begin generating meaningful revenue in the first half of 2028, reaching a $500 million exit run-rate in 2028 and $1 billion by 2029. This valuation is 6.5 times the 2028 ending run rate and approximately 4.3 times calendar 2028 revenues. Using this enterprise valuation ratio and a forecast of $220 million in 2028 calendar revenues, POET would be worth $1.3 billion in market value or $8.31 per share.

In August 2024, Lightmatter, a leader in photonic supercomputing, raised a $400 million in a Series D, valuing the company at $4.4 billion and bringing the total capital raised to date to $850 million. Lightmatter has raised a total of $850M over 9 funding rounds. We believe it has no revenues.

On March 3, 2026, Ayar Labs, the leader in co-packaged optics (CPO) solutions for AI scale-up, closed a $500 million Series E funding round led by Neuberger Berman. The company is using the funds to scale high-volume production and test capacity to accelerate the deployment of its CPO solution. This brings the company's total funding to $870 million and raises the company's valuation to $3.75 billion. Ayar Labs will use the new funds to scale high-volume production and test capacity, expand global operations, including at its new Hsinchu, Taiwan, office. We believe it has no revenue.

As of August 3, 2026

Fully Diluted Shares Using Treasury Stock Method

Share Outstanding	173,058,088
Warrants	57,910,302
Options	5,369,393
RSU	4,252,504
All in shares	240,590,287
Fully diluted shares	240,590,287
Cash raised by warrants and options	220,489,355
Share purchased by cash raised	30,412,325
Current share price	$7.25
Fully diluted shares, TS Method	210,177,962

RISKS

- POET is a startup with virtually no revenues. It may not be able to close customers if its technology does not work or does not work within the needed parameters.

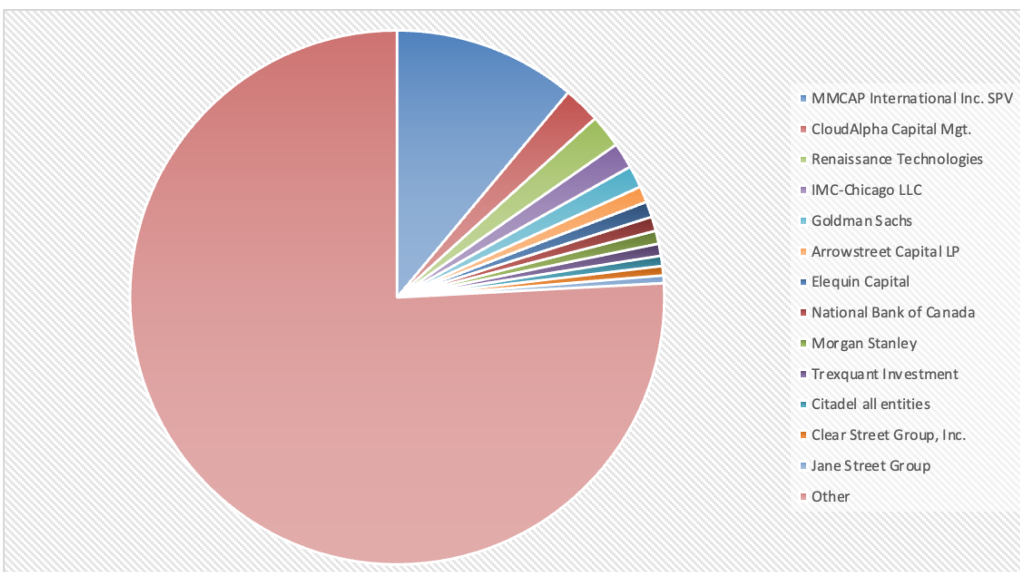
- Many potential customers may hesitate to do business with a small, money-losing start-up, making market penetration even more difficult.

- The company may take longer to book sales, ramp more slowly, or produce less than expected sales and profits. Ramping production could prove more difficult than expected, and orders may not be received when expected.

- POET's solution is significantly different from that currently used in the industry. For customers to switch, it may take more time than expected to persuade them to leave their legacy methodology.

- A potential worldwide recession, tariffs, or supply constraints could impact POET and its customers and suppliers.

OWNERSHIP



INCOME STATEMENT

	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26	Q3 26E	Q4 26E	2025	2026E	2027E	2028E	2029E
Revenue	**$ 166,760**	**$ 268,469**	**$ 298,434**	**$ 341,202**	**$ 503,389**	**$ 569,925**	**$ 700,000**	**$ 1,600,000**	**$ 1,074,865**	**$ 3,373,314**	**$ 100,000,000**	**$ 220,000,000**	**$ 450,000,000**
Cost of revenue	0	0	0	0	0	0	0	0	0	0	65,000,000	143,000,000	292,500,000
Gross margin	166,760	268,469	298,434	341,202	503,389	569,925	700,000	1,600,000	1,074,865	3,373,314	35,000,000	77,000,000	157,500,000
Gross margin %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	35.0%	35.0%	35.0%
Operating expenses													
Selling, marketing and administration	5,189,062	5,273,193	5,380,610	9,239,092	13,873,991	13,767,138	11,845,000	12,000,000	25,081,957	51,486,129	63,000,000	63,000,000	63,000,000
R&D	4,514,107	3,752,352	4,472,495	5,345,349	4,499,556	6,993,258	8,000,000	8,000,000	18,084,303	27,492,814	17,000,000	17,000,000	17,000,000
Operating expenses	9,703,169	9,025,545	9,853,105	14,584,441	18,373,547	20,760,396	19,845,000	20,000,000	43,166,260	78,978,943	80,000,000	80,000,000	80,000,000
Operating income	(9,536,409)	(8,757,076)	(9,554,671)	(14,243,239)	(17,870,158)	(20,190,471)	(19,145,000)	(18,400,000)	(42,091,395)	(75,605,629)	(45,000,000)	(3,000,000)	77,500,000
Derivative liability adjustment	15,382,971	0	(2,414,223)	(12,968,748)	1,602,298	5,531,784	0	0	0	7,134,082	0	0	0
Interest expense	(32,786)	(30,925)	(31,429)	(48,906)	(46,517)	(67,894)	0	0	(144,046)	(114,411)	0	0	0
Unrealized foreign exchange	0	(1,448,691)	1,641,602	(192,911)	0	(910,975)	0	0	0	(910,975)	0	0	0
Interest income	527,782	533,308	989,007	2,502,964	3,970,291	4,299,496	7,000,000	7,000,000	4,553,061	22,269,787	10,000,000	5,000	5,000
FV adjustment to derivative warrant	0	(7,559,991)	0	(17,720,842)	0	0	0	0	(25,280,833)	0	0	0	0
Pretax income	**6,341,558**	**(17,263,375)**	**(9,369,714)**	**(42,671,682)**	**(12,344,086)**	**(11,338,060)**	**(12,145,000)**	**(11,400,000)**	**(62,963,213)**	**(47,227,146)**	**(35,000,000)**	**(2,995,000)**	**77,505,000**
Income tax	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income	6,341,558	(17,263,375)	(9,369,714)	(42,671,682)	(12,344,086)	(11,338,060)	(12,145,000)	(11,400,000)	(62,963,213)	(47,227,146)	(35,000,000)	(2,995,000)	77,505,000
Non-IFRS net loss	(8,199,620)	(5,786,747)	(6,732,504)	(9,553,993)	(10,459,618)	(12,141,963)	(8,328,094)	(7,583,094)	(30,272,864)	(38,512,769)	(30,500,000)	1,505,000	82,005,000
Net income per share	$ 0.08	$ (0.21)	$ (0.10)	$ (0.32)	$ (0.08)	$ (0.07)	$ (0.07)	$ (0.07)	$ (0.68)	$ (0.29)	$ (0.20)	$ (0.02)	$ 0.43
Yr-to-yr growth	-166.0%	50.5%	-46.6%	-24.2%	-203.2%	-67.2%	-32.7%	-79.7%	18.0%	-57.4%	-30.5%	-94.2%	-315.3%
Non-IFRS income per share	(0.10)	(0.07)	(0.07)	(0.07)	(0.07)	(0.07)	(0.05)	(0.04)	(0.32)	(0.23)	(0.17)	0.01	0.46
Share outstanding (millions)	78.2	81.1	89.8	131.8	147.5	162.4	173.1	173.1	93.2	164.0	175.0	180.0	180.0
Yr-to-yr growth	68.1%	43.7%	37.8%	85.9%	88.6%	100.3%	92.7%	31.3%	153.6%	76.1%	6.7%	9.8%	2.9%

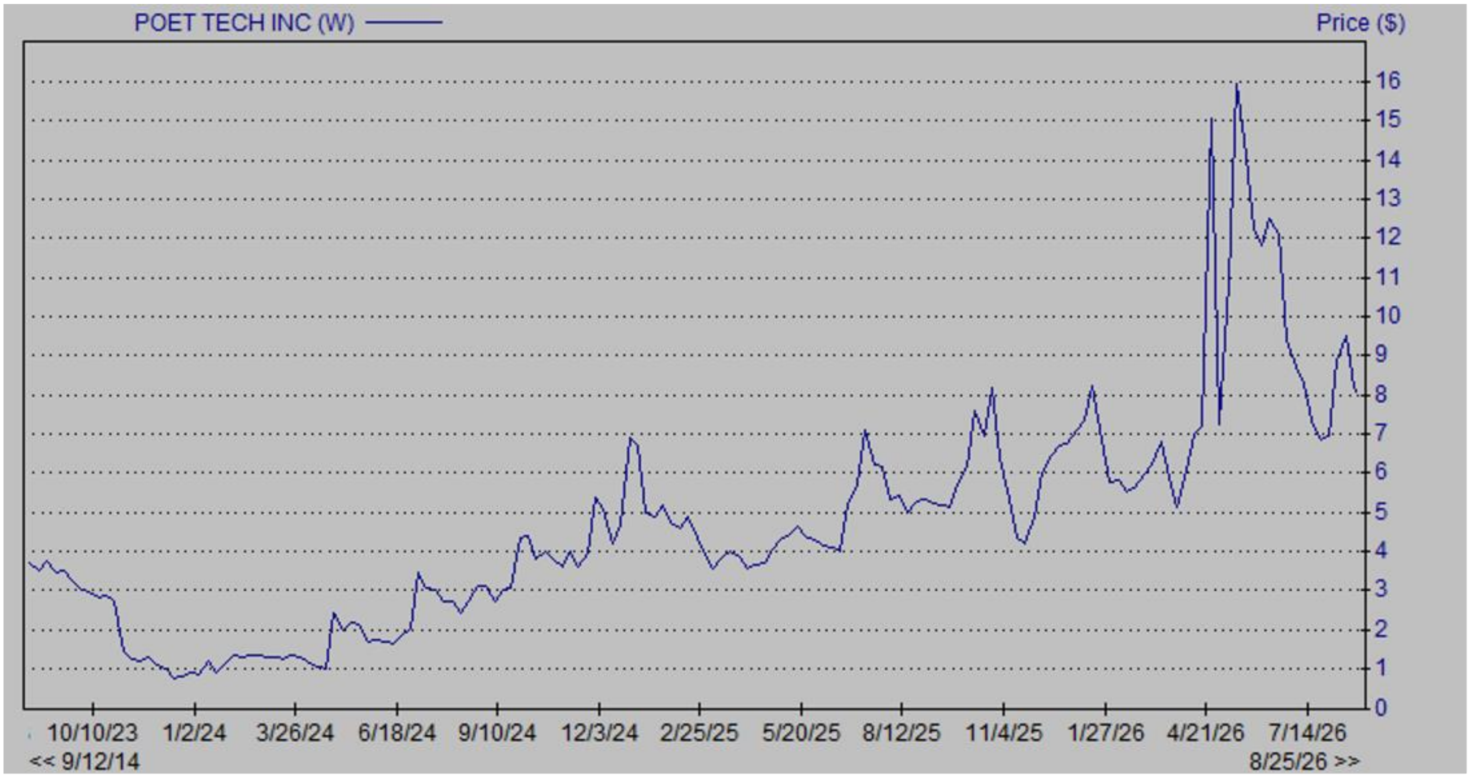
CASH FLOWS

US Dollars	2024	Mar. 31, 2025	Jun. 30, 2025	Sep. 30, 2025	Dec. 31, 2025	2025	Mar. 31, 2026	Jun. 30, 2026
OPERATING ACTIVITIES								
Net loss	$ (56,695,823)	$ 6,341,558	$ (17,263,375)	(9,369,714)	(42,671,682)	$ (62,963,213)	$ (12,344,086)	$ (11,338,060)
Adjustments for:								
Depreciation of property and equipment	1,713,686	634,080	722,928	822,488	805,644	2,985,140	860,729	892,832
Amortization of patents and licenses	92,344	69,116	(20,917)	112,157	(63,486)	96,870	21,945	22,390
Amortization of right of use assets	214,165	23,672	90,803	(41,941)	161,355	233,889	75,026	111,731
FV adjustment to der. warrant liability	20,631,082	(15,382,971)	7,559,991	2,414,223	30,689,590	25,280,833	(1,602,298)	(5,531,784)
Non-cash interest	90,041	19,120	44,591	31,429	48,906	144,046	46,538	67,873
Stock-based compensation	5,469,369	841,793	1,165,482	1,864,589	2,235,188	6,107,052	3,486,766	3,816,906
Other non-cash items	0	0	189,560	0	400,563	399,182	0	0
Unrealized exchange gains	0	0	(350,497)	0	195,059	0	0	37,061
Non-cash settled operating costs	(18,766)	0	0	0	0	0	0	0
Gain on lease modification	0	(10,978)	10,978	0	0	0	0	0
Loss on acquisition of 24.8% of SPX	6,852,687	0	0	0	0	0	0	0
Forgiveness of COVID loans	(7,298)	0	0	0	0	0	0	0
Net change in non-cash working capital accounts:								
Accounts receivable	(7,257)	0	0	(125,079)	132,336	7,257	(292,571)	(102,096)
Prepaid and other current assets	(1,659,615)	(217,086)	(96,155)	1,289,627	(346,178)	630,208	(492,934)	(1,216,670)
Accounts payable and accrued liabilities	34,074	(1,572,732)	482,503	(344,824)	(3,011,741)	(4,446,794)	1,631,210	1,172,136
Contract liabilities	0	274,926	(274,926)	609,498	(170,598)	438,900	(199,898)	(202,712)
Cash flows from operating activities	(23,291,311)	(8,979,502)	(7,739,034)	(2,737,547)	(11,595,044)	(31,086,630)	(8,809,573)	(12,270,393)
INVESTING ACTIVITIES								
Purchase of short-term investments	0	(16,096,218)	(25,482,380)	(20,129,584)	(209,918,000)	(271,626,182)	(167,159,947)	25,789,050
Maturity of short-term investments	(16,672,811)	0	0	0	14,859,891	14,859,891	0	0
Purchase of property and equipment	(6,781,715)	(522,523)	(2,065,295)	(406,440)	739,151	(2,255,107)	(2,434,925)	(3,009,923)
Purchase of patents and licenses	(196,997)	0	(46,537)	1	(1)	(46,537)	0	(63,988)
Investment	0	0	0	0	0	0	0	(2,955,150)
Loan receivable	0	0	0	0	0	0	(15,194,384)	(15,450,000)
Long term deposit	(107,890)	0	0	(112,457)	18,915	(93,542)	0	(167,687)
Proceeds from the sale of short-term	0	0	0	0	0	0	28,000,000	23,000,000
Cash flows from investing activities	(23,661,580)	(16,618,741)	(27,594,212)	(20,648,480)	(194,300,044)	(259,161,477)	(156,789,256)	27,142,302
FINANCING ACTIVITIES								
Repayment of covid loan	(21,894)	0	0	0	0	0	0	0
Issue of common shares for cash, net	82,176,180	4,352,685	31,273,000	25,851,464	231,764,506	293,241,655	142,591,249	401,065,746
Payment of lease liability	(255,953)	(35,289)	(64,159)	(58,517)	(65,438)	(223,403)	(93,902)	(107,653)
Repayment of convertible debt		0	0	0	(700,000)	(700,000)	0	0
Cash flows from financing	81,898,333	4,317,396	31,208,841	25,792,947	230,999,068	292,318,252	142,497,347	400,958,093
EFFECT OF EX RATE ON CASH	(820,752)	37,513	588,940	(1,221,930)	1,340,774	745,297	(320,326)	164,509
NET CHANGE IN CASH	34,124,690	(21,243,334)	(3,535,465)	1,149,487	26,444,754	2,815,442	(23,421,808)	415,994,511
CASH AND CASH EQUIVALENTS, beg.	3,019,069	37,143,759	15,900,425	12,364,960	13,514,447	37,143,759	39,959,201	16,537,393
CASH AND CASH EQUIVALENTS, end	37,143,759	15,900,425	12,364,960	13,514,447	39,959,201	39,959,201	16,537,393	432,531,904
Cash flow	(21,658,513)	(7,464,610)	(7,850,456)	(4,166,769)	(8,198,863)	(27,716,201)	(9,455,380)	(11,921,051)
Free cash flow	(28,637,225)	(7,987,133)	(9,962,288)	(4,573,208)	(7,459,713)	(30,017,845)	(11,890,305)	(14,994,962)

BALANCE SHEET

	June 30, 2026	Mar 31, 2026	Qtr-Qtr % Growth	June 30, 2025	Yr-Yr % Growth
Current					
Cash and cash equivalents	**$ 432,531,904**	**$ 16,537,393**	2515%	**$ 12,364,960**	3398%
Short-term investments	**363,809,999**	**412,599,049**	-12%	**60,688,044**	499%
Accounts receivable	389,772	290,368	34%	0	NA
Prepaids and other current assets	2,754,532	1,556,327	77%	1,908,202	44%
Current Assets	799,486,207	430,983,137	86%	74,961,206	967%
Long term deposit	375,812	208,125	81%	115,681	225%
Deferred Lumilens consideration	30,142,069	0	NA	0	NA
Loan receivable	30,644,384	15,194,384	102%	0	NA
Investment in Lessengers	2,955,150	0		0	NA
Property and equipment	15,851,816	13,812,226	15%	13,266,167	19%
Patents and licenses	576,028	534,430	8%	605,046	-5%
Right of use asset	1,773,843	1,039,559	71%	727,370	144%
Total Assets	881,805,309	461,771,861	91%	89,675,470	883%
Liabilities					
Accounts payable and accrued liabilities	4,433,795	3,275,397	35%	3,654,699	21%
Lease liability	391,548	265,256	48%	147,877	165%
Derivative warrant liability	22,020,827	2,584,759	752%	29,328,610	-25%
Convertible debentures	**5,800,000**	**5,800,000**	0%	**6,500,000**	-11%
Contract liabilities	45,412	247,505	-82%	0	NA
Current Liabilities	32,691,582	12,172,917	169%	39,631,186	-18%
Lease liability	1,606,311	955,344	68%	678,878	137%
Total liabilities	34,297,893	13,128,261	161%	40,310,064	-15%
Shareholders' Equity					
Share capital	720,134,275	586,086,286	23%	243,889,697	195%
Warrants & comp options	435,942,629	162,044,130	169%	29,219,025	1392%
Contributed surplus	14,507,999	12,397,616	17%	58,513,941	-75%
Accumulated other comprehensive loss	(2,301,007)	(2,446,012)	-6%	(348,592)	560%
Deficit	(320,776,480)	(309,438,420)	4%	(281,908,665)	14%
Shareholder's Equity	847,507,416	448,643,600	89%	49,365,406	1617%
Tot Liabilities and Share. Equity	$ 881,805,309	$ 461,771,861	91%	$ 89,675,470	883%
Cash and short-term investments	$ 796,341,903	$ 429,136,442	86%	$ 73,053,004	990%
Cash per share	$ 4.90	$ 2.91	69%	$ 0.81	503%
Current ratio	24.5	35.4	-31%	1.9	1193%
Working capital	766,794,625	418,810,220	83%	35,330,020	2070%
Debt	5,800,000	5,800,000	0%	6,500,000	-11%

HISTORICAL STOCK PRICE



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