



## **ATMOFIZER TECHNOLOGIES INC. ANNOUNCES FIRST QUARTER 2022 FINANCIAL RESULTS**

**May 30, 2022, Vancouver, British Columbia** – Atmofizer Technologies Inc. (the “**Company**” or “**Atmofizer**”) (CSE: ATMO) (Frankfurt: J3K) (OTCQB: ATMFF) is pleased to announce its financial results for the quarter ended March 31, 2022. All amounts are expressed in United States dollars unless otherwise noted. Certain metrics, including those expressed on an adjusted basis, are non-IFRS measures, see "Non-IFRS Measures" below.

### **CORORATE DEVELOPMENTS**

On January 25, 2022, the Company and Steinbrenner Racing amended the terms of the Sponsorship Agreement to provide for additional sponsorship rights including Atmofizer becoming the official supplier sponsor of a Steinbrenner Racing team car for the “24 Hours of Daytona” race to be held in each of 2022 and 2023. In addition, Steinbrenner Racing will facilitate commercial introductions to stadium and arena owners and operators and aid with product testing and development. In consideration for these amendments, the Company issued 4,500,000 common shares in the capital of the Company at a deemed price of C\$0.26 per share to Steinbrenner Racing.

On January 27, 2022, the Company entered into a debt-settlement agreement with an arm’s length business development and media consultant of the Company, for debt in the aggregate amount of US\$396,730, equal to a deemed value of C\$500,000. To satisfy the debt, the Company issued an aggregate of 2,000,000 common shares in the capital of the Company at a deemed price of C\$0.25 per share.

On February 23, 2022, the Company filed a prospectus supplement to the Base Shelf Prospectus establishing an at-the-market equity program (the “**ATM Program**”) that allows the Company to issue and sell up to C\$5,000,000 of common shares from treasury to the public, from time to time, at the Company’s discretion. All common shares sold under the ATM Program will be made through sales that are deemed to be “at-the-market distributions” as defined in NI 44-102 through the CSE or any other “marketplace” in Canada as defined under applicable securities laws.

As of the date hereof, the Company has issued 19,677,500 common shares with gross proceeds of C\$1,549,163 under the ATM Program.

Distributions of the common shares under the ATM Program will be made pursuant to the terms of an equity distribution agreement dated February 23, 2022 (the “**Equity Distribution Agreement**”) entered into between the Company and Clarus Securities Inc. (“**Clarus**”). The volume and timing of distributions under the ATM Program, if any, will be determined in the Company’s sole discretion. The common shares will be distributed at the market prices prevailing at the time of each sale and, as a result, prices may vary as between purchasers and during the period of the ATM Program. The ATM Program is effective until the earlier of the issuance and sale of all of the common shares issuable pursuant to the ATM Program and February 14, 2024, unless terminated prior to such date by the Company or Clarus in accordance with the terms of the Equity Distribution Agreement.

On March 10, 2022, the Company announced the appointment of Whit Pepper as President and Chief Commercial Officer.

On March 21, 2022, the Company announced that its common shares commenced trading in the United States on the OTCQB Venture Market under the trading symbol “ATMFF”. The common shares continue to trade in Canada on the CSE under the trading symbol “ATMO”.

On March 30 2022, the Company entered into a debt-settlement agreement with an arm’s length business development and media consultant of the Company, for debt in the aggregate amount of C\$225,000. To satisfy the debt, the Company issued an aggregate of 2,500,000 common shares in the capital of the Company at a deemed price of C\$0.09 per share.

On April 5, 2022, the US Patent and Trademark Office issued U.S. Patent No. 11,291,939 relating to the Company’s air and water purification technology. The patent provides protection for the application of the Company’s air and water purification technology in the United States.

On April 28, 2022, the Company amended its December 13, 2021 agreement with Emerging Markets Consulting, LLC (“**EMC**”). EMC provides investor and public relations services including content creation, web development, and webcasting for the Company in North America. Pursuant to the terms and conditions of the amended agreement, EMC will continue to provide these services for an additional two months for a cash fee of US\$225,000. Certain functions of EMC may include “investor relations activities” under the policies of the CSE and applicable securities laws.

On May 11, 2022, the Company announced test results of its airborne nanoparticle agglomeration engine. The test results at Atmofizer’s Toronto lab showed that the Company’s technology, before the use of an air filter, reduced the number of airborne ultra-fine particles smaller than one micron by 81.7%, while doubling the removal of larger particles sized above 2.5 microns. The Company believes this was significant scientifically and medically, as it demonstrated the ability to remove ultra-fine nanoscopic particles from the air (including toxic industrial pollution, smoke, and infectious disease). The ability to filter particles smaller than 2.5 microns is commonly regarded as an indicator of good air quality. Doubling the amount of particles larger than 2.5 microns demonstrated that the smaller particles were effectively being agglomerated together into larger clusters by the Company’s technology. These larger clusters are typically more easily filtered by the body and common air filters. The results were achieved without the use of a common air filter. The Company has also added additional staff to its Toronto testing facility to focus on applying its agglomeration technology into mobile (transport vehicles) and HVAC aftermarket applications. The

additional staff will enable the Company to test and evaluate new Atmofizer airflow configurations and prototypes more quickly.

On May 24, 2022, the Company announced the launch of a new customer lease-finance program through its majority-owned leasing subsidiary. The program will enable Atmofizer customers to acquire Atmofizer nanoparticle reduction air purifiers for less than one dollar per day. Customers may be required to make a down payment (ranging from \$0- \$99) and then pay \$29.99/month to participate in the program. The down payment is less than 10% of the MSRP. Customers utilizing the lease-finance program will receive a standard limited warranty for the Atmofizer for the duration of a 36 month term lease. This credit facility will make the Company's air purification technology more accessible to a wider range of consumers. For higher volume customers, such as hotels, cruise ships and schools, the Company intends to extend the "clean air for less than a dollar a day" financing with no down payment required, subject to certain terms and conditions.

On May 26, 2022, the Company announced a non-exclusive U.S. distribution agreement with Safeware Inc. ("**Safeware**"). Safeware is an industry leader in safety equipment that supplies U.S. state and local governments and education organizations. For more than 40 years, Safeware has provided public safety equipment nationally with expertise in personal protective equipment, environmental detection and monitoring, and tactical and rescue gear. Safeware services and supports all aspects of safety for law enforcement and fire services, schools, public works and facilities. Beginning in third quarter 2022, the Company's products will be in Safeware's inventory catalog and will be marketed by its sales and key account teams across the United States. The Company expects initial orders to begin by the third quarter of 2022, with revenue to be generated by the fourth quarter of 2022.

## **FINANCIAL HIGHLIGHTS FOR QUARTER ENDED MARCH 31, 2022**

For the three months ended March 31, 2022, the Company generated revenue of \$210,000 with a gross profit of \$60,293 (29%) compared to \$nil during the three months ended March 31, 2021.

The Company incurred \$6.5 million in expenses during the three months ended March 31, 2022 compared to \$2.3 million during the three months ended March 31, 2021. The increase of \$4.2 million increase in expenses was driven primarily by share based payments of \$4.6 million of which \$4.1 million was related to stock-based compensation. There were significant decreases over the previous year in consulting fees (decrease of \$0.8 million), management fees (decrease of \$0.3 million) and sales and marketing expenses (decrease of \$0.1 million). Professional fees and salaries and wages increased by \$0.2 million and \$0.4 million, respectively.

### *Earnings before Interest, Taxes, Depreciation, and Amortization ("EBITDA") and Adjusted EBITDA*

Adjusted EBITDA loss for the three months ended March 31, 2022, was \$1.6 million compared to an adjusted EBITDA loss of \$0.7 million for comparable period. The major factors contributing to the \$0.9 million increase in adjusted EBITDA loss was driven by an increase in management and consulting cash expenses of \$0.7 million, an increase in professional fees of \$0.2 million and an increase in salaries and wages of \$0.3 million which were offset by a decrease in sales and marketing expenses of \$0.1 million and a decrease of \$0.2 million in research and development and other expenses.

## Non-IFRS Measures

This press release makes reference to EBITDA and Adjusted EBITDA, which are not recognized measures under International Financial Reporting Standards ("IFRS"), do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. These measures are provided as additional information to complement those IFRS measures included in the Company's financial statements by providing further understanding of the Company's results of operations from management's perspective. The Company defines EBITDA as net income (loss) before amortization and depreciation expenses, finance and interest costs, and provision for income taxes. Adjusted EBITDA means EBITDA adjusted for non-cash stock-based compensation expense, gains or losses arising from redemption of securities issued by the Company, asset impairment charges, gains or losses from disposals of property and equipment, foreign exchange gains or losses, impairment charges on property and equipment, business acquisition costs, and any restructuring charges. The most directly comparable measure to EBITDA and Adjusted EBITDA calculated in accordance with IFRS is net loss. Management believes that EBITDA and Adjusted EBITDA provide meaningful and useful financial information as these measures demonstrate the operating performance of the business excluding non-cash charges.

A reconciliation of EBITDA and Adjusted EBITDA to IFRS net income (loss) is presented below:

	For the three months ended	
	March 31, 2022	March 31, 2021
	\$	\$
Loss for the period	(6,454,315)	(2,326,268)
Add (less):		
Amortization	239,337	-
Depreciation	2,462	-
EBITDA	(6,212,516)	(2,326,268)
Add (less):		
Share-based payments	4,576,349	-
Management and consulting fees paid by common shares	-	1,578,750
Adjusted EBITDA	(1,636,167)	(747,518)



**For additional information on the Company, please contact:**

Olivier Centner  
Chief Executive Officer  
Telephone: 305-902-1858  
Email: [info@atmofizer.com](mailto:info@atmofizer.com)

**For Media Inquiries and Investor Relations, please contact:**

Email: [info@atmofizer.com](mailto:info@atmofizer.com)

## **About Atmofizer Technologies Inc.**

Atmofizer's consumer and industrial solutions are based on its patent-protected and patent pending technology for ultrafine particle agglomeration and neutralization. This capability creates a revolutionary and more efficient method for addressing the wide range of dangerous nano-scale particles, viruses and bacteria that are too small to be effectively managed by conventional HEPA filters and ultraviolet lights. Atmofizer plans to disrupt the air treatment industry by improving air safety and purification efficiency while lowering customers' operational costs.

Atmofizing air refers to the process of using ultrasonic acoustic waves to agglomerate (cluster together) small particles into a larger target that is then radiated by ultraviolet light to neutralize their harmful properties, making the air you breath less hazardous to your health. Using units that atmofize air in tandem with HEPA filters can make the HEPA filters work more efficiently, enable the use of a less-powerful filter and result in a cleaner and longer-lasting filter that reduces operating costs and is less of a health hazard to clean or replace.

Atmofizer is patent-pending and patent-protected sole source of technology to atmofize air and is applying its proprietary technology in consumer and industrial air purification products currently manufactured under the Atmofizer brand, as well as in retail and commercial devices produced by other companies that integrate Atmofizer technology into their own products under license. Atmofizer's owned and licensed product lines include wearable, portable and mobile use for personal air treatment, as well as larger systems to handle higher air volumes for commercial, industrial, institutional and residential applications.

## **Forward-Looking Information**

*This press release contains "forward-looking information" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking information. In some cases, forward-looking information can be identified by words or phrases such as "may", "will", "expect", "likely", "should", "would", "plan", "anticipate", "intend", "potential", "proposed", "estimate", "believe" or the negative of these terms, or other similar words, expressions and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. The forward-looking information contained herein includes, without limitation, statements pertaining to the continued sale and distribution of common shares under the ATM Program, the Company's new customer lease-finance program, the Company's sales and order expectations from its new distribution agreement with Safeware and the business and strategic plans of the Company.*

*By their nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, including known and unknown risks, many of which are beyond our control, could cause actual results to differ materially from the forward-looking information in this press release including, without limitation: the Company's ability to comply with all applicable laws and governmental regulations relating to its commercial products; the ability of the Company to protect its intellectual property; impacts to the business and operations of the Company due to the COVID-19 pandemic; the conflict in eastern Europe; having only a limited operating history, the ability of the Company to access capital to meet future financing needs; the Company's reliance on management and key personnel; competition; changes in consumer trends; foreign currency fluctuations; and general economic, market or business conditions.*

*Additional risk factors can also be found in the Company's continuous disclosure documents, which have been filed on SEDAR and can be accessed at [www.sedar.com](http://www.sedar.com). Readers are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information. The forward-looking information contained herein is made as of the date of this press release and is based on the beliefs, estimates, expectations and opinions of management on the date such forward-looking information is made. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.*