

# LOOKINGGLASSLABS

NEWS RELEASE

## Looking Glass Labs Reports Financial Results for the Second Fiscal Quarter of 2023

Vancouver, British Columbia – March 17, 2023 / Globe Newswire / – Looking Glass Labs Ltd. (“LGL” or the “Company”) (NEO: NFTX) (AQSE: NFTX) (OTC: LGS LF) (FRA: H1N), a leading Web3 platform specializing in immersive metaverse environments, play-to-earn tokenization and blockchain monetization strategies, announces that it has filed its unaudited financial results for the second quarterly period ending January 31, 2023 of the Company’s 2023 fiscal year, the highlights of which are included in this news release. The full set of Consolidated Financial Statements and Management Discussion and Analysis can be viewed by visiting the Company’s website at [www.lgl.io](http://www.lgl.io) or its profile page on SEDAR at [www.sedar.com](http://www.sedar.com).

Financial Highlights (all amounts expressed in Canadian Dollars unless otherwise noted)

- Total revenues for the six-month period ended January 31, 2023 was CAD 210,004, as compared to CAD 6,808,688 for the same period of the prior year, which was primarily due from the lack of revenue from NFT sales as well as a decrease in design services income and royalty income; total revenues for the three-month period ended January 31, 2023 was CAD 72,938, as compared to CAD 311,825 for the same period of the prior year, which was due to the aforementioned reasons;
- Gross profit for the six-month period ended January 31, 2022 was CAD 187 612, as compared to CAD 6,462,914 for the same period of the prior year; gross profit for the three-month period ended January 31, 2023 was CAD 52,065, as compared to CAD 287,124 for the same period of the prior year, due to the aforementioned reasons;
- Net comprehensive loss for the six-month period ended January 31, 2022 was CAD 8,443,726, as compared to net comprehensive income of CAD 2,270,315 for the same period of the prior year, primarily due to the impairment of goodwill, an increase in stock-based compensation and lower revenues; net comprehensive loss for the three-month period ended January 31, 2023 was CAD 6,093,869, as compared to a net comprehensive loss of CAD 3,500,385 reported for the same period of the prior year, due to the aforementioned reasons;
- Net loss per share for the six-month period ended January 31, 2023 was CAD 0.06 on both a basic and diluted basis, as compared to net income per share of CAD 0.03 and CAD 0.02 on a basic and diluted basis, respectively, for the same period of the prior year; net loss per share for the three-month period ended January 31, 2023 was CAD 0.04 on both a basic and diluted basis, as compared to net loss per share of CAD 0.03 for the same period of the prior year; and
- Total assets for the period ended January 31, 2023 were CAD 5,448,039 as compared to CAD 7,600,964 for the period ended July 31, 2022, which was mainly attributable to a change in the amount of goodwill.

Management Commentary

Dorian Banks, Chief Executive Officer of LGL said, “The Company navigated some challenging economic and industry conditions in the second quarter of 2023 and across the first half of its fiscal year. I am excited with what we've done to evolve our Pocket Dimension metaverse offering and am proud of our team for continuing to execute on Web 3.0 design work for and provide associated services to third parties.” Mr. Banks added, “My outlook for the Company is optimistic as we continue to seek accretive partnerships and revenue opportunities into the future.”

Subsequent Highlighted Events (all amounts expressed in Canadian Dollars unless otherwise noted)

- Set Launch Date for Beta Release of Pocket Dimension Metaverse Assets (February 17, 2023) – The Company announced that it had scheduled the launch date for the beta release (the “Beta Release”) of its Pocket Dimension (“PD”) (collectively, “PD Beta”) metaverse offering for February 21, 2023. PD Beta was developed in association with LGL’s partner, Starloop Studios.

## ABOUT LOOKING GLASS LABS

Headquartered in Vancouver, British Columbia, Looking Glass Labs (“LGL”) is a leading Web3 innovation platform specializing in consumer engagement applications to leverage immersive metaverse environments, play-to-earn tokenization and blockchain monetization strategies. Its leading brand, House of Kibaa (“HoK”), designs and curates a next generation metaverse for 3D assets, which allows functional art and collectibles to exist simultaneously across different NFT blockchain environments. HoK has successfully released digital assets to include GenZeroes, which sold out in just 37 minutes for total proceeds to LGL of CAD 6.2 million, in addition to a perpetual 5% royalty stream on secondary market sales.

To view LGL’s current investor presentation, please visit <https://www.lgl.io/investors>.

To join LGL’s mailing list, please subscribe via the following link: <https://www.lgl.io/contact-us>.

On behalf of LOOKING GLASS LABS LTD.

“Dorian Banks”

Dorian Banks, Chief Executive Officer

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## Forward-Looking Information

This news release contains “forward-looking statements.” Statements in this news release that are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, expectations, or intentions regarding the future. Such forward-looking statements include, among other things: the continued development of Pocket Dimension, development of immersive metaverse environments, play-to-earn tokenization and blockchain monetization strategies; pursuing partnerships to monetize blockchain and Web3 opportunities; identifying new revenue opportunities; and the near-term projects and future projects.

The material assumptions supporting these forward-looking statements include, among others, that: the Company could mitigate the risks associated with the blockchain and NFT industry; the ability to compete

with other businesses in the NFT market; the availability of sufficient funding to carry out the Company's business development plans; favourable market conditions; the ability of HoK to sell all or substantially all of its product offerings; and the market acceptance for its products.

Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. These forward-looking statements are only predictions and involve known and unknown risks, uncertainties and other factors, including: the continued growth and adoption of NFT and metaverse offerings by the consumer market; the cost of developing and designing NFTs and metaverses is economically viable; the Company being able to attract and retain a sufficient workforce with desired skillsets to develop the Company's NFT and metaverse offerings; the availability of offerings provided by third-parties in the NFT, metaverse development and online gaming market to identify potential transactions; the increasing adoption of NFTs as a solution for various online gaming, entertainment and collectible uses; the Company having the ability to mitigate the risks associated with the blockchain and NFT industry; and the ability to compete with other businesses in the NFT, metaverse development, content creation and collectibles market.

Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. These forward-looking statements are only predictions and involve known and unknown risks, uncertainties and other factors, including: the risk that the Company's offerings are not accepted by the consumer, the risk that other competitors may offer similar digital offerings; the risk that there may be negative changes in general economic and business conditions; the risk that the Company may have negative operating cash flow and not enough capital to complete the development of any of its technologies; the risk that the Company may not be able to obtain additional financing as necessary; the risk that there may be increases in capital and operating costs; the risk that the NFT technology may be subject to fraud and other failures; the risk that there may be technological changes and developments in the blockchain that make the NFT solutions obsolete; risks relating to regulatory changes or actions which may impede the development or operation of the blockchain solutions; the risk that other competitors may release similar blockchain offerings; the potential future unviability of the NFT market in general; the volatile cost of the amount of computational effort required to execute specific operations on the blockchain, and other general risks involved in the blockchain solutions.

Risks and uncertainties about the Company's business are more fully discussed in the Company's disclosure materials, including its reports filed with the Canadian securities regulators and which can be obtained from [www.sedar.com](http://www.sedar.com).

Any of these risks may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Further, although the Company has attempted to identify factors that could cause actual results, levels of activity, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause results, levels of activity, performance or achievements not to be as anticipated, estimated or intended. These forward-looking statements are made as of the date of this news release, and the Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements, except as required by applicable law, including the securities laws of the United States and Canada. Although the Company believes that any beliefs, plans, expectations and intentions contained in this news release are reasonable, there can be no assurance that any such beliefs, plans, expectations or intentions will prove to be accurate. The Company does not assume any liability for disclosure relating to any other company mentioned herein.

SOURCE: LOOKING GLASS LABS LTD.