

Innovotech Inc.  
Edmonton, Alberta  
T6N 1H1

## **NEWS RELEASE**

### **INNOVOTECH REPORTS A LOSS FOR THE FIRST 6 MONTHS TO JUNE 30<sup>th</sup>, 2022**

**Edmonton, August 16, 2022.** Innovotech Inc. (IOT – TSX-V), a pioneer in the field of biofilm product development, reports sharply reduced 2022 first half revenues of \$536,232 vs. \$788,792 in the first half of 2021 leading to a loss for the period of \$94,794. Lower revenues combined with general and administrative expenses that reflected a 2021 increase in staffing and laboratory footprint, drove the negative result together with R&D expenses of \$45,796 compared with \$9,117 in the prior period.

#### **Six Month Results to June 30<sup>th</sup> - (H1):**

<b>H1 2022 comparative financial results</b>	<b>June 30<sup>th</sup>, 2022</b>	<b>June 30<sup>th</sup>, 2021</b>
<b>Gross revenue</b>	<b>536,232</b>	<b>788,792</b>
<b>Gross profit</b>	<b>366,709</b>	<b>613,164</b>
Operating expenses	466,776	433,825
Interest expense	3,146	-
Interest income	(8,419)	<b>(6,586)</b>
<b>Net profit (loss)</b>	<b>(94,794)</b>	<b>185,925</b>

Innovotech's balance sheet remains strong. Working capital declined to \$739,345 from \$774,521 at December 31<sup>st</sup>, 2021. Cash increased to \$646,679 following a \$271,045 decline in accounts receivable.

#### **Three Month Results to June 30<sup>th</sup> - (Q2):**

<b>Q2 2022 comparative financial results</b>	<b>June 30<sup>th</sup>, 2022</b>	<b>June 30<sup>th</sup>, 2021</b>
<b>Revenue</b>	<b>259,584</b>	<b>480,217</b>
<b>Gross profit</b>	<b>181,329</b>	<b>385,263</b>
Operating expenses	247,123	226,078
Interest expense	1,416	-
Interest income	(4,703)	<b>(4,505)</b>
<b>Net profit (loss)</b>	<b>(62,507)</b>	<b>163,690</b>

Innovotech does not believe that the financial results for the first six-months of 2022 are indicative of the next six months of 2022 based on a considerable increase in the level of signed contract research protocols as of the date of this news release.

#### **About Innovotech**

Innovotech is a Canadian biotechnology company owning proprietary intellectual property, conducting contract research, and owning and providing proprietary devices for testing in multiple applications in microbiology. Innovotech can be found online at [www.innovotech.ca](http://www.innovotech.ca).

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