

## Inpixon Reports Third Quarter 2022 Financial Results and Provides Business Update

Planned Strategic Transaction for Enterprise Apps Business Line Valued at \$69 Million Progressing

Conference Call to be Held Today at 4:30 p.m. Eastern Time

PALO ALTO, Calif., Nov. 14, 2022 /PRNewswire/ -- Inpixon® (Nasdaq: INPX), the Indoor Intelligence® company, today provided a business update and reported its financial results for the third quarter ended September 30, 2022.



"We took a number of actions in the third quarter in furtherance of our objective to unlock value for our shareholders," commented Nadir Ali, CEO of Inpixon. "We implemented initiatives to streamline our operations and reduce our operating costs. We also signed a definitive agreement for the spinoff and sale of our enterprise apps business segment with KINS Technology Group Inc. in a transaction valued at approximately \$69 million, which we believe is a significant win for our shareholders. We continue to see strong demand for expansions within our existing customer base across both business lines within our Indoor Intelligence segment. Although overall macroeconomic market conditions have resulted in some challenges, we still achieved revenue growth of approximately 30% for the nine months ended September 30, 2022 compared to the same period last year. We believe the activities we are undertaking will have a meaningful impact in accelerating the path to profitability and positioning our Indoor Intelligence business lines for continued growth and long-term success."

#### **Financial Results**

Revenues for the three and nine months ended September 30, 2022 were \$4.2 million and \$14.1 million, respectively, compared to \$4.5 million and \$10.9 million for the comparable periods in the prior year for a decrease of approximately 6% and an increase of approximately 30%, respectively. This decrease during the third quarter of 2022 is primarily attributable to delayed shipments in the IIoT product line of our Indoor Intelligence segment and lower sales for the SAVES product line. The increase in sales for the nine-month period,

is primarily attributable to the addition of the CXApp product line in our Indoor Intelligence segment during the second quarter of 2021 and the addition of the Intranav product line in the fourth quarter of 2021. Gross profit for the three and nine months ended September 30, 2022 was \$2.9 million and \$10.1 million, respectively, compared to \$3.3 million and \$7.9 million for the 2021 respective periods, representing a decrease of approximately 10% and an increase of 28%, respectively. The gross profit margin for the three and nine months ended September 30, 2022, was 70% and 71%, compared to 73% and 73% for the three and nine months ended September 30, 2021, respectively. This decrease in margin is primarily due to the sales mix during the periods.

Net loss attributable to stockholders of Inpixon for the three and nine months ended September 30, 2022 was \$17.6 million and \$48.7 million, respectively, compared to \$33.6 million and \$31.4 million, respectively, for the comparable periods in the prior year. This increase in loss was primarily attributable lower gross profit, a \$7.6 million goodwill impairment and other non-cash items including an unrealized net loss on equity securities, offset by decreased operating expenses in the nine months ended September 30, 2022.

Non-GAAP Adjusted EBITDA for the three and nine months ended September 30, 2022, was a loss of \$8.2 million and \$26.9 million, respectively, compared to a loss of \$6.7 million and \$18.5 million for the prior year periods, respectively. Non-GAAP Adjusted EBITDA is defined as net income or loss before interest, provision for income taxes, depreciation and amortization plus adjustments for other income or expense items, non-recurring items and non-cash items including stock-based compensation.

Proforma non-GAAP net loss per basic and diluted common share for the three and nine months ended September 30, 2022 was a loss of \$3.96 and \$13.44, respectively, compared to a loss of \$3.77 and \$13.68 for the prior year periods. Non-GAAP net loss per share is defined as net loss per basic and diluted share adjusted for non-cash items including stock-based compensation, amortization of intangibles and one-time charges and other adjustments including impairment of goodwill, provision for valuation allowance on notes, and acquisition costs.

### **Conference Call**

Inpixon management will host a conference call today at 4:30 PM Eastern Time to discuss the company's financial results for the 2022 third quarter ended September 30, 2022, as well as review the company's corporate progress and other developments.

The conference call will be available via telephone by dialing toll-free 844-407-9500 for U.S. callers or +1 862-298-0850 for international callers and entering access code Inpixon. A webcast of the call may be accessed at

<u>https://www.webcaster4.com/Webcast/Page/2235/47060</u> or on the company's Investor Relations section of the website, <u>ir.inpixon.com</u>.

Investors and other interested parties are invited to submit questions to management prior to the call's start via email to <u>inpx@crescendo-ir.com</u>.

A webcast replay will be available on the company's Investor Relations section of the website (<u>ir.inpixon.com</u>) through November 10, 2023. A telephone replay of the call will be available approximately one hour following the call, through November 17, 2022, and can be

accessed by dialing 877-481-4010 for U.S. callers or +1 919-882-2331 for international callers and entering access code 47060.

## About Inpixon

Inpixon® (Nasdaq: INPX) is the innovator of Indoor Intelligence®, delivering actionable insights for people, places and things. Combining the power of mapping, positioning and analytics, Inpixon helps to create smarter, safer, and more secure environments. The company's Indoor Intelligence and mobile app solutions are leveraged by a multitude of industries to optimize operations, increase productivity, and enhance safety. Inpixon customers can take advantage of industry leading location awareness, RTLS, workplace and hybrid event solutions, analytics, sensor fusion, IIoT and the IoT to create exceptional experiences and to do good with indoor data. For the latest insights, follow Inpixon on LinkedIn, Twitter, and visit inpixon.com.

## **Non-GAAP Financial Measures**

Management believes that certain financial measures not in accordance with generally accepted accounting principles in the United States ("GAAP") are useful measures of operations. EBIDTA, Adjusted EBITDA and pro forma net loss per share are non-GAAP measures. Inpixon defines "EBITDA" as net income (loss) before interest, provision for (benefit from) income taxes, and depreciation and amortization. Management uses Adjusted EBITDA as a metric for which it manages the business, and Inpixon defines "Adjusted EBITDA" as EBITDA" as EBITDA plus adjustments for other income or expense items, non-recurring items and non-cash items. Inpixon defines "pro forma net loss per share" as GAAP net loss per share adjusted for stock-based compensation, amortization of intangibles and one-time charges including impairment of goodwill and provision for valuation allowances.

Management provides Adjusted EBITDA and pro forma net loss per share measures so that investors will have the same financial information that management uses, which may assist investors in assessing Inpixon's performance on a period-over-period basis. Adjusted EBITDA or pro forma net loss per share is not a measure of financial performance under GAAP, and should not be considered an alternative to net income (loss) or any other measure of performance under GAAP, or to cash flows from operating, investing or financing activities as an indicator of cash flows or as a measure of liquidity. Adjusted EBITDA and pro forma net loss per share have limitations as analytical tools and should not be considered either in isolation or as a substitute for analysis of Inpixon's results as reported under GAAP.

For more information on our non-GAAP financial measures and a reconciliation of GAAP to non-GAAP measures, please see the "Reconciliation of Non-GAAP Financial Measures" table accompanying this press release.

### Important Information and Where to Find It

In connection with the proposed business combination of Inpixon's enterprise apps business segment, which will be held by CXApp Holding Corp. ("CXApp"), with KINS (the "Business Combination") and the distribution of CXApp common stock to Inpixon securityholders, CXApp has filed with the SEC a registration statement on Form S-1 (the "Form S-1"), which includes a preliminary prospectus registering shares of CXApp common stock and KINS has filed with the SEC a registration statement on Form S-4 (the "Form S-4"), which includes a

preliminary proxy statement/prospectus in connection with the KINS stockholder vote required in connection with the Business Combination and the registration of shares of KINS common stock, warrants and certain equity awards. This communication does not contain all the information that should be considered concerning the Business Combination. The final prospectus filed by CXApp will include the final proxy statement/prospectus filed by KINS, which will serve as an information statement/prospectus in connection with the spin-off of CXApp. This communication is not a substitute for the registration statements that CXApp and KINS will file with the SEC or any other documents that KINS or CXApp may file with the SEC, or that KINS, Inpixon or CXApp may send to stockholders in connection with the Business Combination. It is not intended to form the basis of any investment decision or any other decision in respect to the Business Combination. KINS's stockholders and Inpixon's stockholders and other interested persons are advised to read, when available, the preliminary and definitive registration statements, and documents incorporated by reference therein, as these materials will contain important information about KINS, CXApp and the Business Combination. The final proxy statement/prospectus contained in KINS's registration statement will be mailed to KINS's stockholders as of a record date to be established for voting on the Business Combination.

The registration statements, proxy statement/prospectus and other documents (when they are available) will also be available free of charge, at the SEC's website at <u>www.sec.gov</u>, or by directing a request to: KINS Technology Group, Inc., Four Palo Alto Square, Suite 200, 3000 El Camino Real, Palo Alto, CA 94306.

### Participants in the Solicitation

Inpixon, KINS and CXApp, and each of their respective directors, executive officers and other members of their management and employees may be deemed to be participants in the solicitation of proxies from KINS's stockholders in connection with the Business Combination. Stockholders are urged to carefully read the proxy statement/prospectus regarding the Business Combination when it becomes available, because it will contain important information. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of KINS's stockholders in connection with the Business Combination will be set forth in the registration statement when it is filed with the SEC. Information about KINS's executive officers and directors and CXApp's management and directors also will be set forth in the registration statement relating to the Business Combination when it becomes available.

#### No Solicitation or Offer

This communication shall neither constitute an offer to sell nor the solicitation of an offer to buy any securities, or the solicitation of any proxy, vote, consent or approval in any jurisdiction in connection with the Business Combination, nor shall there be any sale of securities in any jurisdiction in which the offer, solicitation or sale would be unlawful prior to any registration or qualification under the securities laws of any such jurisdictions. This communication is restricted by law; it is not intended for distribution to, or use by any person in, any jurisdiction where such distribution or use would be contrary to local law or regulation.

#### **Forward-Looking Statements**

This communication contains forward-looking statements. The words "anticipate," "believe,"

"continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. All statements other than statements of historical facts contained in this communication, including statements regarding the expected timing and structure of the Business Combination, the ability of the parties to complete the Business Combination, the expected benefits of the Business Combination, CXApp's future results of operations and financial position, business strategy and its expectations regarding the application of, and the rate and degree of market acceptance of, the CXApp technology platform and other technologies, and Inpixon's expectations regarding the remainder of its industrial IoT business are forward-looking statements. These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside the control of Inpixon, CXApp and KINS, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. Important factors, among others, that may affect actual results or outcomes include, but are not limited to: the risk that the transactions may not be completed in a timely manner or at all, which may adversely affect the price of Inpixon's or KINS's securities: the risk that KINS stockholder approval of the Business Combination is not obtained; the inability to recognize the anticipated benefits of the Business Combination, which may be affected by, among other things, the amount of funds available in KINS's trust account following any redemptions by KINS's stockholders; the failure to receive certain governmental and regulatory approvals; the occurrence of any event, change or other circumstance that could give rise to the termination of the merger agreement; changes in general economic conditions, including as a result of the COVID 19 pandemic or the conflict between Russia and Ukraine; the outcome of litigation related to or arising out of the Business Combination, or any adverse developments therein or delays or costs resulting therefrom; the effect of the announcement or pendency of the transactions on Inpixon's, CXApp's or KINS's business relationships, operating results, and businesses generally; the fluctuation of economic conditions; the impact of COVID-19, global conflicts, inflation and other global events on Inpixon's results of operations and global supply chain constraints; Inpixon's ability to integrate the products and business from acquisitions into its existing business; the performance of management and employees; the regulatory landscape as it relates to privacy regulations and their applicability to Inpixon's technology; Inpixon's ability to maintain compliance with Nasdag's continued listing requirements; the ability to obtain financing if needed; competition; general economic conditions; the ability to continue to meet Nasdag's listing standards following the consummation of the Business Combination; costs related to the Business Combination; that the price of KINS's or Inpixon's securities may be volatile due to a variety of factors, including Inpixon's, KINS's or CXApp's inability to implement their business plans or meet or exceed their financial projections and changes in the combined capital structure; the ability to implement business plans, forecasts, and other expectations after the completion of the Business Combination, and identify and realize additional opportunities; and the ability of CXApp to implement its strategic initiatives.

The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the "Risk Factors" section of Inpixon's most recent annual report on Form 10-K, KINS's registration statement on Form S-1 (File No. 333-249177) and the Form S-4, the Form S-1, the proxy statement/prospectus and certain other documents filed or that may be filed by Inpixon, KINS or CXApp from time

to time with the SEC following the date hereof. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and Inpixon, CXApp and KINS assume no obligation and do not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise.

None of Inpixon, CXApp or KINS gives any assurance that Inpixon, CXApp or KINS will achieve their expectations.

#### **Inpixon Contacts**

**General inquiries:** Inpixon Email: <u>marketing@inpixon.com</u> Web: <u>inpixon.com/contact-us</u>

Investor relations: Crescendo Communications, LLC Tel: +1 212-671-1020 Email: INPX@crescendo-ir.com

#### INPIXON AND SUBSIDIARIES CONDENSED CONSOLIDATED BALANCE SHEETS (In thousands, except number of shares and par value data)

	As o		s of	of	
	Se	ptember		December	
		30,		31,	
		2022		2021	
	(Un	audited)	(.	Audited)	
ASSETS					
Current Assets					
Cash and cash equivalents	\$	63,153	\$	52,480	
Accounts receivable, net of allowances of \$268 and \$272, respectively		2,879		3,218	
Other receivables		137		321	
Inventory		2,702		1,976	
Short-term investments Note receivable		- 150		43,125	
Prepaid assets and other current assets		3,258		4,842	
Total Current Assets		72,279		105,962	
Property and equipment, net		1,307		1,442	
Operating lease right-of-use asset, net		1,323		1.736	
Software development costs, net		1.684		1,792	
Investment in equity securities		1,124		1,838	
Long-term investments		2,500		2,500	
Intangible assets, net		2,500		33,478	
Intaliguide assets, net Goodwill		20,174		7,672	
Other assets		204		253	
Total Assets	\$	108,595	\$	156,673	
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LIABILITIES AND STOCKHOLDERS' EQUITY					
Current Liabilities	\$	2.559	\$	2.414	
Accounts payable Accrued liabilities	Þ	2,559	Φ	2,414	
Operating lease obligation, current		4,370		643	
Deferring revenue		3,730		4,805	
Short-term debt		6,179		3,490	
Acquisition liability		3,376		5,114	
Total Current Liabilities		20,728		27,131	
Long Term Liabilities		-, -		, -	
Operating lease obligations, noncurrent		852		1,108	
Other liabilities, noncurrent		28		28	
Acquisition liability, noncurrent			-	220	
Total Liabilities		21,608		28,487	
Commitments and Contingencies					
Mezzanine Equity					
Series 7 Convertible Preferred Stock - 58,750 shares authorized; zero and 49,250 issued and outstanding as of September 30, 2022					
and December 31, 2021, respectively.				44,695	
Series 8 Convertible Preferred Stock - 53,197.7234 shares authorized; 53,197.7234 and zero issued and outstanding as of		F0 400			
September 30, 2022 and December 31, 2021, respectively. (Liquidation preference of \$53,198) Stockholders' Equity		53,198			
Preferred Stock - \$0.001 par value: 5,000,000 shares authorized;					
Series 4 Convertible Prefered Stock - 10.415 shares autorized; 1 issued and 1 outstanding as of September 30, 2022 and					
December 31, 2021, respectively;					
Series 5 Convertible Preferred Stock - 12,000 shares authorized; 126 issued and 126 outstanding as of September 30, 2022 and					
December 31, 2021, respectively.					
Common Stock - \$0.001 par value: 26.666.667 shares authorized: 2.250.597 and 1.730.141 issued and 2.250.596 and 1.730.140		2		2	
Common Stock - \$0.001 par value; 26,666,667 shares authorized; 2,250,597 and 1,730,141 issued and 2,250,596 and 1,730,140 outstanding as of September 30, 2022 and December 31, 2021, respectively.		331,487		332,761	
		(005)		(695)	
outstanding as of September 30, 2022 and December 31, 2021, respectively.		(695)			
outstanding as of September 30, 2022 and December 31, 2021, respectively. Additional paid-in capital		(695) 1,496		44	
outstanding as of September 30, 2022 and December 31, 2021, respectively. Additional paid-in capital Treasury stock, at cost, 1 share Accumulated other comprehensive income Accumulated deficit		1,496 299,123)		(250,309)	
outstanding as of September 30, 2022 and December 31, 2021, respectively. Additional paid-in capital Treasury stock, at cost, 1 share Accumulated other comprehensive income Accumulated deficit Stockholders' Equity Attributable to Inpixon		1,496 <u>299,123)</u> 33,167		(250,309) 81,803	
outstanding as of September 30, 2022 and December 31, 2021, respectively. Additional paid-in capital Treasury stock, at cost, 1 share Accumulated other comprehensive income Accumulated deficit Stockholders' Equity Attributable to Inpixon Non-controlling interest		1,496 <u>299,123)</u> 33,167 <u>622</u>		(250,309) 81,803 1,688	
outstanding as of September 30, 2022 and December 31, 2021, respectively. Additional paid-in capital Treasury stock, at cost, 1 share Accumulated other comprehensive income Accumulated deficit Stockholders' Equity Attributable to Inpixon	(	1,496 <u>299,123)</u> 33,167	\$	(250,309) 81,803	

# INPIXON AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (In thousands, except per share data)

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September 30, 2022         September 30, 2022         September 30, 2022         2021         2022         2021           (Unaudited)         (Unaudited)         (Unaudited)         (Unaudited)         (Unaudited)           Revenues         1,255         1,186         4,037         2,966           Gross Profit         2,922         3,264         10,096         7,891           Operating Expenses         4,644         3,254         13,642         9,185           Sales and marketing         2,157         2,407         6,757         6,119           General and administrative         2,157         2,407         6,757         6,119           Impairment of goodwill         -         -         7,570         -           Acquisition related costs         2         93         270         1,098           Impairment of goodwill         -         -         7,570         -           Amorization of intangibles         13,315         15,720         50,443         46,060           Loss form Operating Expense)         (10,393)         (12,456)         (40,347)         (38,169)           Other Income (Expense)         -         -         -         7,345           Gain on related party loan - held for sale
Revenues $2022$ $2021$ $2022$ $2021$ (Unaudited)(Unaudited)(Unaudited)Cost of Revenues $1,255$ $1,186$ $4,037$ $2,966$ Gross Profit $2,922$ $3,264$ $10,096$ $7,891$ Operating Expenses $2,922$ $3,264$ $10,096$ $7,891$ Research and development $2,157$ $2,407$ $6,757$ $6,119$ General and administrative $2,157$ $2,407$ $6,757$ $6,119$ General and administrative $2,157$ $2,407$ $6,757$ $6,119$ Acquisition related costs $2$ $93$ $270$ $1,098$ Impairment of goodwill $  7,570$ $-$ Amortization of intangibles $1,366$ $1,395$ $4,056$ $3,088$ Total Operating Expenses $13,315$ $15,720$ $50,443$ $46,060$ Loss from Operations $(10,393)$ $(12,456)$ $(40,347)$ $(38,169)$ Interest income/(expense), net $(240)$ $(15)$ $(62)$ $1,191$ Loss on exchange of debt for equity $    7,345$ Other (expense)/income, net $(1,506)$ $(47)$ $(2,277)$ $464$ Gain on related party loan - held for sale $   -$ Urnealized gain/(loss) on equity securities $(5,854)$ $(22,285)$ $(7,10)$ $(51,250)$ Total Other Income (Expense) $(7,600)$ $(22,347)$ $(9,449)$ $7,537$ Net Loss, before tax $(17,993)$
Revenues $(Unaudited)$ $(Unaudited)$ Cost of Revenues\$ 4,177\$ 4,450\$ 14,133\$ 10,857Cost of Revenues1,2551,1864,0372,966Gross Profit2,9223,26410,0967,891Operating Expenses4,6443,25413,6429,185Sales and marketing2,1572,4076,7576,119General and administrative5,1468,57118,14826,570Acquisition related costs2932701,098Impairment of goodwill7,570-Amortization of intangibles1,3661,3954,0563,088Total Operating Expenses13,31515,72050,44346,060Other Income (Expense)(10,393)(12,456)(40,347)(38,169)Other (expense), net(240)(15)(62)1,191Loss on exchange of debt for equity7,345Other (expense), net(240)(15)(62)1,191Loss on exchange of debt for sale7,345Other (expense)/nome, net(1,506)(47)(2,277)464Gain on related party loan - held for sale49,817Unrealized gain/(loss) on equity securities(5,554)(22,285)(7,110)(51,250)Total Other Income (Expense)(7,600)(22,347)(9,449)7,5251Other (expense)/nome, net49,817<
Revenues         \$ 4,177         \$ 4,450         \$ 14,133         \$ 10,857           Cost of Revenues         1,255         1,186         4,037         2,966           Gross Profit         2,922         3,264         10,096         7,891           Operating Expenses         4,644         3,254         13,642         9,185           Sales and marketing         2,157         2,407         6,757         6,119           General and administrative         5,146         8,571         18,148         26,570           Acquisition related costs         2         93         270         1,098           Impairment of goodwill         -         -         7,570         -           Amortization of intangibles         1,366         1,395         4,056         3,088           Total Operating Expenses         13,315         15,720         50,443         46,060           Loss form Operations         (10,393)         (12,456)         (40,347)         (38,169)           Other income (Expense)         -         -         -         7,345           Interest income/(expense), net         (240)         (15)         (62)         1,191           Loss on exchange of debt for equity         -         -
Cost of Revenues         1,255         1,186         4,037         2,966           Gross Profit         2,922         3,264         10,096         7,891           Operating Expenses         4,644         3,254         13,642         9,185           Sales and marketing         2,157         2,407         6,757         6,119           General and administrative         5,146         8,571         18,148         26,570           Acquisition related costs         2         93         270         1,098           Impairment of goodwill         -         -         7,570         -           Amortization of intangibles         1,3315         15,720         50,443         46,060           Loss for Operations         (10,393)         (12,456)         (40,347)         (38,169)           Other Income (Expense)         (240)         (15)         (62)         1,191           Loss on exchange of debt for equity         -         -         -         7,345           Other (expense)/income, net         (1,506)         (47)         (2,277)         464           Gain on related party loan - held for sale         -         -         -         -         7,345           Other (expense)/income, net <t< td=""></t<>
Gross Profit         2,922         3,264         10,096         7,891           Operating Expenses         4,644         3,254         10,096         7,891           Sales and marketing         4,644         3,254         13,642         9,185           General and administrative         2,157         2,407         6,757         6,119           General and administrative         5,146         8,571         18,148         26,570           Acquisition related costs         2         93         270         1,098           Impairment of goodwill         -         -         7,570         -           Amortization of intangibles         13,315         15,720         50,443         46,060           Coss from Operations         (10,393)         (12,456)         (40,347)         (38,169)           Other Income (Expense)         -         -         -         7,345           Interest income/(expense), net         (240)         (15)         (62)         1,191           Loss on exchange of debt for equity         -         -         -         7,345           Other (expense)/income, net         (1,506)         (47)         (2,277)         464           Gain on related party loan - held for sale         -<
Operating Expenses         4,644         3,254         13,642         9,185           Sales and marketing         2,157         2,407         6,757         6,119           General and administrative         5,146         8,571         18,148         26,570           Acquisition related costs         2         93         270         1,098           Impairment of goodwill         -         -         7,570         -           Amortization of intangibles         1,366         1,395         4,056         3,088           Total Operating Expenses         13,315         15,720         50,443         46,060           Loss from Operations         (10,393)         (12,456)         (40,347)         (38,169)           Other Income (Expense)         -         -         -         7,345           Interest income/(expense), net         (240)         (15)         (62)         1,191           Loss on exchange of debt for equity         -         -         -         7,345           Other (expense)/income, net         (1,506)         (47)         (2,277)         464           Gain on related party loan - held for sale         -         -         -         -         4,917           Unrealized gain/(loss) on equ
Research and development       4,644       3,254       13,642       9,185         Sales and marketing       2,157       2,407       6,757       6,119         General and administrative       5,146       8,571       18,148       26,570         Acquisition related costs       2       93       270       1,098         Impairment of goodwill       -       -       -       7,570       -         Amortization of intangibles       13,315       15,720       50,443       46,060         Loss from Operations       (10,393)       (12,456)       (40,347)       (38,169)         Other Income (Expense)       -       -       -       -       (30)         Recovery of valuation allowance on related party loan - held for sale       -       -       -       7,345         Other (expense)/income, net       (1,506)       (47)       (2,277)       464         Gain on related party loan - held for sale       -       -       -       49,817         Unrealized gain/(loss) on equity securities       (5,854)       (22,285)       (7,110)       (51,250)         Total Other Income (Expense)       (7,600)       (22,347)       (9,449)       7,537         Net Loss, before tax       (17,993)
Sales and marketing         2,157         2,407         6,757         6,119           General and administrative         5,146         8,571         18,148         26,570           Acquisition related costs         2         93         270         1,098           Impairment of goodwill           7,570            Amortization of intangibles         1,366         1,395         4,056         3,088           Total Operating Expenses         13,315         15,720         50,443         46,060           Loss from Operations         (10,393)         (12,456)         (40,347)         (38,169)           Other Income (Expense)         Interest income/(expense), net         (240)         (15)         (62)         1,191           Loss on exchange of debt for equity         -         -         -         -         (30)           Recovery of valuation allowance on related party loan - held for sale         -         -         -         7,345           Other (expense)/income, net         (1,506)         (47)         (2,277)         464           Gain on related party loan - held for sale         -         -         -         49,817           Unrealized gain/(loss) on equity securities         (5,854)         (
General and administrative       2,107       2,407       0,107       0,107         Acquisition related costs       2       93       270       1,098         Impairment of goodwill       -       -       7,570       -         Amortization of intangibles       1,366       1,395       4,056       3,088         Total Operating Expenses       13,315       15,720       50,443       46,060         Loss from Operations       (10,393)       (12,456)       (40,347)       (38,169)         Other Income (Expense)       -       -       -       (30)         Recovery of valuation allowance on related party loan - held for sale       -       -       -       7,345         Other (expense)/income, net       (1,506)       (47)       (22,277)       464         Gain on related party loan - held for sale       -       -       -       -       49,817         Unrealized gain/(loss) on equity securities       (5,854)       (22,285)       (7,110)       (51,250)         Total Other Income (Expense)       (7,600)       (22,347)       (9,449)       7,537         Net Loss, before tax       (17,993)       (34,803)       (49,796)       (30,632)
Acquisition related costs       2       93       270       1,098         Impairment of goodwill         7,570          Amortization of intangibles       1,366       1,395       4,056       3,088         Total Operating Expenses       13,315       15,720       50,443       46,060         Loss from Operations       (10,393)       (12,456)       (40,347)       (38,169)         Other Income (Expense)       Interest income/(expense), net       (240)       (15)       (62)       1,191         Loss on exchange of debt for equity          (30)         Recovery of valuation allowance on related party loan - held for sale         7,345         Other (expense)/income, net       (1,506)       (47)       (2,277)       464         Gain on related party loan - held for sale          49,817         Uhrealized gain/(loss) on equity securities       (5,854)       (22,285)       (7,110)       (51,250)         Total Other Income (Expense)       (7,600)       (22,347)       (9,449)       7,537         Net Loss, before tax       (17,993)       (34,803)       (49,796)       (30,632)
Impairment of goodwill           7,570            Amortization of intangibles         1,366         1,395         4,056         3,088           Total Operating Expenses         13,315         15,720         50,443         46,060           Loss from Operations         (10,393)         (12,456)         (40,347)         (38,169)           Other Income (Expense)         (10,393)         (12,456)         (40,347)         (38,169)           Interest income/(expense), net         (240)         (15)         (62)         1,191           Loss on exchange of debt for equity           -         (30)           Recovery of valuation allowance on related party loan - held for sale           7,345           Other (expense)/income, net         (1,506)         (47)         (22,277)         464           Gain on related party loan - held for sale            49,817           Unrealized gain/(loss) on equity securities         (5,854)         (22,285)         (7,110)         (51,250)           Total Other Income (Expense)         (7,600)         (22,347)         (9,449)         7,537           Net Loss, before tax         (17,993)         (34,803)         (49,796)
Amortization of intangibles         1,366         1,395         4,056         3,088           Total Operating Expenses         13,315         15,720         50,443         46,060           Loss from Operations         (10,393)         (12,456)         (40,347)         (38,169)           Other Income (Expense)         (10,393)         (12,456)         (40,347)         (38,169)           Interest income/(expense), net         (240)         (15)         (62)         1,191           Loss on exchange of debt for equity         -         -         -         (30)           Recovery of valuation allowance on related party loan - held for sale         -         -         7,345           Other (expense)/income, net         (1,506)         (47)         (22,277)         464           Gain on related party loan - held for sale         -         -         -         49,817           Unrealized gain/(loss) on equity securities         (5,854)         (22,285)         (7,110)         (51,250)           Total Other Income (Expense)         (7,600)         (22,347)         (9,449)         7,537           Net Loss, before tax         (17,993)         (34,803)         (49,796)         (30,632)
Total Operating Expenses         13,315         15,720         50,443         46,060           Loss from Operations         (10,393)         (12,456)         (40,347)         (38,169)           Other Income (Expense)          (10,393)         (12,456)         (40,347)         (38,169)           Interest income/(expense), net           -         -         (30)           Recovery of valuation allowance on related party loan - held for sale         -         -         7,345           Other (expense)/income, net         (1,506)         (47)         (2,277)         464           Gain on related party loan - held for sale         -         -         -         49,817           Unrealized gain/(loss) on equity securities         (5,854)         (22,285)         (7,110)         (51,250)           Total Other Income (Expense)         (17,903)         (34,803)         (49,796)         (30,632)
Loss from Operations         (10,393)         (12,456)         (40,347)         (38,169)           Other Income (Expense)         Interest income/(expense), net         (240)         (15)         (62)         1,191           Loss on exchange of debt for equity            (30)           Recovery of valuation allowance on related party loan - held for sale            (30)           Other (expense)/income, net         (1,506)         (47)         (2,277)         464           Gain on related party loan - held for sale           49,817           Unrealized gain/(loss) on equity securities         (5,854)         (22,285)         (7,110)         (51,250)           Total Other Income (Expense)         (7,600)         (22,347)         (9,449)         7,537           Net Loss, before tax         (17,993)         (34,803)         (49,796)         (30,632)
Other Income (Expense)         (240)         (15)         (62)         1,191           Loss on exchange of debt for equity            (30)           Recovery of valuation allowance on related party loan - held for sale            7,345           Other (expense)/income, net         (1,506)         (47)         (2,277)         464           Gain on related party loan - held for sale           49,817           Unrealized gain/(loss) on equity securities         (5,854)         (22,285)         (7,110)         (51,250)           Total Other Income (Expense)         (7,600)         (22,347)         (9,449)         7,537           Net Loss, before tax         (17,993)         (34,803)         (49,796)         (30,632)
Interest income/(expense), net         (240)         (15)         (62)         1,191           Loss on exchange of debt for equity            (30)           Recovery of valuation allowance on related party loan - held for sale            7,345           Other (expense)/income, net         (1,506)         (47)         (2,277)         464           Gain on related party loan - held for sale           49,817           Unrealized gain/(loss) on equity securities         (5,854)         (22,285)         (7,10)         (51,250)           Total Other Income (Expense)         (7,600)         (22,347)         (9,449)         7,537           Net Loss, before tax         (17,993)         (34,803)         (49,796)         (30,632)
Loss on exchange of debt for equity         -         -         -         -         (30)           Recovery of valuation allowance on related party loan - held for sale         -         -         -         7,345           Other (expense)/income, net         (1,506)         (47)         (2,277)         464           Gain on related party loan - held for sale         -         -         -         49,817           Unrealized gain/(loss) on equity securities         (5,854)         (22,285)         (7,110)         (51,250)           Total Other Income (Expense)         (7,600)         (22,347)         (9,449)         7,537           Net Loss, before tax         (17,993)         (34,803)         (49,796)         (30,632)
Recovery of valuation allowance on related party loan - held for sale         -         -         -         7,345           Other (expense)/income, net         (1,506)         (47)         (2,277)         464           Gain on related party loan - held for sale         -         -         -         49,817           Unrealized gain/(loss) on equity securities         (5,854)         (22,285)         (7,110)         (51,250)           Total Other Income (Expense)         (7,600)         (22,347)         (9,449)         7,537           Net Loss, before tax         (17,993)         (34,803)         (49,796)         (30,632)
Other (expense)/income, net         (1,506)         (47)         (2,277)         464           Gain on related party loan - held for sale           49,817           Unrealized gain/(loss) on equity securities         (5,854)         (22,285)         (7,110)         (51,250)           Total Other Income (Expense)         (7,600)         (22,347)         (9,449)         7,537           Net Loss, before tax         (17,993)         (34,803)         (49,796)         (30,632)
Gain on related party loan - held for sale         -         -         49,817           Unrealized gain/(loss) on equity securities         (5,854)         (22,285)         (7,110)         (51,250)           Total Other Income (Expense)         (7,600)         (22,347)         (9,449)         7,537           Net Loss, before tax         (17,993)         (34,803)         (49,796)         (30,632)
Unrealized gain/(loss) on equity securities         (5,854)         (22,285)         (7,110)         (51,250)           Total Other Income (Expense)         (7,600)         (22,347)         (9,449)         7,537           Net Loss, before tax         (17,993)         (34,803)         (49,796)         (30,632)
Total Other Income (Expense)         (7,600)         (22,347)         (9,449)         7,537           Net Loss, before tax         (17,993)         (34,803)         (49,796)         (30,632)
Net Loss, before tax (17,993) (34,803) (49,796) (30,632)
$954 \qquad (94) \qquad (1250)$
Income tax benefit/(provision)          854         (84)         (1,350)           Net Loss         (17,993)         (33,949)         (49,880)         (31,982)
Net Loss         (17,993)         (33,949)         (49,000)         (31,962)           Net Loss Attributable to Non-controlling Interest         (402)         (309)         (1,206)         (544)
Net Loss Attributable to Non-controlling interest $(402)$ $(305)$ $(1,200)$ $(344)$ Net Loss Attributable to Stockholders of Inpixon       \$ (17,591)       \$ (33,640)       \$ (34,674)       \$ (31,438)
Accretion of Series 7 preferred stock (4,555) (2,962) (2,962) (4,555) (2,962)
Accretion of Series 8 Preferred Stock (6.305) - (13.089) - (13.089)
Deemed dividend for the modification related to Series 8 Preferred Stock (2,627)
Deemed contribution for the modification related to Warrants issued in connection with Series 8 Preferred
Stock
Amortization premium- modification related to Series 8 Prefered Stock 1,265 2,626
Net Loss Attributable to Common Stockholders $(22,631)$ $(36,602)$ $(34,400)$
Net Loss Per Share - Basic and Diluted         (22.31)         (31.08)         (23.95)
Weighted Average Shares Outstanding
Basic and Diluted 2,216,544 1,640,971 2,086,633 1,436,093
Comprehensive Loss
Net Loss \$ (17,993) \$ (33,949) \$ (49,880) \$ (31,982)
Unrealized foreign exchange (loss) income from cumulative translation adjustments 898 (404) 1,452 (1,012)
Comprehensive Loss $\frac{5(17,095)}{2}$ $\frac{5(34,353)}{2}$ $\frac{5(48,428)}{2}$ $\frac{5(32,994)}{3}$

#### INPIXON AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)

For the Nine Months Ended, September 30, 2022         September 30, 2021           Cash Flows Used In Operating Activities:         Net loss         \$         \$49,8600         \$         \$         \$1,982           Adjustments to reconcile net loss to net cash used in operating activities:         1,008         970           Amortization of initragible assuis         4,058         5,277           Stock based compensation         2,862         8,813           Less on exchange of debt for equity         -         -         320           Amortization of original issued discount         -         -         320           Amortization of original issued discount         1,27         -         -           Amortization of original issued discount         1,27         -         -           Amortization of original issued discount         1,27         -         -         300           Recovery for valuation allowance held for sale loan         -         -         7,303         -         -         7,303           Deformed Inconcretize         1,57         -         -         -         -         -         -           Loss on exchange outling to runnisoon yonto and loan related party receivable         -         1,51         -         -         -         -	(In thousands)				
2022         2021           Cash Flows Used In Operating Activities         Unrustidies           Adjustments to reconcile net loss to net cash used in operating activities:         1,008         970           Adjustments to reconcile net loss to net cash used in operating activities:         1,008         970           Depreciation of intranglie assets         4,559         3,571           Anontzation of right of use asset         5,86         5,87           Stock based compensation         2,862         8,813           Earnout expense valuation benefit         (2,827)         6,813           Anontziation of cight discount         121         -           Accured interest income, related party         (2,78)         1,627           Provision for doubtid accounts         5         100           Unrealized gain on note         1,870         6,383           Provision for doubtid accounts         7         7         6,383           Casion ansottement of related party promissony note and usan related party receivable         -         (4,9817)           Deferred income tax         1         -         -         1,870           Loss on disposal of opporty and equipment         1         -         -           Unrelatized gain on sale of equity securities         7,85					
Cash Flows Used in Operating Activities         \$         (49.80)         \$         (41.98)           Adjustments to reconcile net loss to net cash used in operating activities:         1,008         970           Depreciation and amotization         1,008         970           Amotization of inght of use asset         5,56         5,277           Stock based compensation         2,962         8,813           Earnout taxpense valuation benefit         (2,827)         -           Loss on exchange of debt for equity         -         300           Amotization of debt discount         121         -           Accured interest income, related party         (2,828)         (1,628)           Provision for doubtul accounts         5         100           Unrealized gain on note         1,649,817)         (48,817)           Definered income tax         7,110         51,250           Impairment (2,928)         7,110         51,250           Impairment (2,928)         1,651         -           Gain on note receivables         (7345)         -           Gain on conversion of note receivables         1,673         -           Inventory         (1,02)         (4498)           Probadic spenses and litabilities:         3,821         -					
Net loss         \$         (49.800)         \$         (31.982)           Adjustments to reconcile net loss to net cash used in operating activities:         1.008         970           Amortization on dinangible assets         5.36         5.277           Amortization of right of use asset         5.36         5.277           Stock based compensation         2.962         8.813           Earnout expense valuation benefit         (2.827)         -           Loss on exchange of debt for equity         -         300           Amortization of original issued discount         121         -           Accurate interest income, related party         (278)         1(1627)           Provision for odubtful accounts         5         100           Unrealized gain on note         -         (30.00           Provision for ovaluation allowance held for sale loan         -         (49.817)           Deferred income tax         1         -         -           Loss on disposal of property and equipment         1         -           Charles in operating assets and liabilities:         -         137           Accounts receivables and other receivables         1,545         (200)           Inventory         1,045         (449.817)         -			(Unai	udite	d)
Adjustments to reconcile net loss to net cash used in operating activities:         1008         970           Depreciation and amortization         1,659         5,571           Amortization of right of use asset         5,58         5,527           Stock based compensation         2,962         8,813           Earnout expense valuation benefit         (2,827)         -           Loss on exchange of debt for equity         -         224           Amortization of debt discount         121         -           Accured interest income, related party         (2,827)         116,827           Provision for doubtful accounts         5         100           Unrealized gain on note         1,870         (638)           Provision for inventory obsolescense         -         (7,345)           Gain on settement of related party promissory note and loan related party receivable         -         (7,345)           Deferred finces on equity securities         15         -         -           Gain on conversion of not receivables         (7,315)         -         -           Gain on conversion of note receivables         (1,002)         (499)         107           Charer         1,056         (701)         -         -           Gain on operating assets and liabilities:		¢	(40 880)	¢	(31 082)
Depreciation and amortization         1.008         970           Amortization of inlangible assets         4.55         3.571           Amortization of inlangible assets         5.36         527           Stock based compensation         2.962         8.813           Earnout expense valuation benefit         (2.827)         -           Loss on exchange of debt for equity         -         -30           Amortization of original issued discount         121         -           Accurate interest income, related party         (278)         1(1627)           Provision for doubtiful accounts         5         100           Unrealized gain on note         -         -         300           Recovery for valuation allowance held for sale loan         -         -         (49.817)           Deferred income tax         1         -         -         -           Unsalized gain on note         7,110         151         -         -           Casion on Soposal of property and equipment         1         -         -         -           Unrealized gain on sale of equity securities         151         -         -         -           Casion on soposal of property and equipment         1.54         -         -         -      <		Ψ	(43,000)	Ψ	(31,302)
Amoritzation of right of use asset         536         527           Stock based compensation         2,962         8,813           Earnout expense valuation benefit         (2,827)         -           Loss on exchange of delk for equity         -         -         30           Amoritzation of delt discount         -         -         230           Amoritzation of delt discount         121         -         -           Accured interest income, related party         (276)         (162)           Provision for valuation allowance held for sale loan         -         -         300           Recovery for valuation allowance held for sale loan         -         (7,345)         -           Casion on solesol of property and equipment         1         -         -           Unsealized gain on sole of equity securities         151         -         -           Gain on conversion of note receivables         1001         -         -           Other         1000         -         1000         -         -           Other         1001         -         -         -         -           Changes in operating assets and labilities:         105         -         -         -           Accound liabilities <td< td=""><td></td><td></td><td>1,008</td><td></td><td>970</td></td<>			1,008		970
Stock based compensation2,9628,813Earnout expense valuation benefit(2,827)-Loss on exchange of debt for equityAmortization of debt discount121-Accrued interest income, related party(276)(1,627)Provision for doubtil accounts5Unrealized gain on note1,870Recovery for valuation allowance held for sale loanRecovery for valuation allowance held for sale loanOthered income tax7,1105Unrealized lass on equity securities7,510Chare discourts in of goodwill7,570Realized gain on sale of equity securities151Chare discourts in of port y and equipmentOther150Chare discourts in origin assets and liabilities:-157Accounts receivables338Other-1,059OtherOtherOtherCharge in operating assets and liabilities:Accounts receivable <t< td=""><td></td><td></td><td></td><td></td><td>3,571</td></t<>					3,571
Earout expense valuation benefit         (2.827)         -         30           Loss on exchange of delt for equity         -         230           Amortization of detin discount         -         224           Amortization of detin discounts         (278)         (162)           Provision for doubtful accounts         (278)         (100)           Unrealized gain on note         1.870         (638)           Provision for inventory obsolescense         -         (7.345)           Gain on settlement of related party promissory note and loan related party receivable         -         (7.457)           Deferred income tax         (1)         (4.577)         -           Unrealized loss on equity securities         151         -         -           Gain on sole of equity securities         151         -         -           Other         (1002)         (498)         -         -           Charges in operating assets and labilities:         1.059         3.421         -         -           Accounts receivables and other current assets         1.059         3.421         -         -           Inventory         -         653         3.421         -         -         -           Other abilities         -         <					
Loss on exchange of debt for equity         -         -         -         224           Amortization of debt discount         121         -         -         224           Amortization of debt discount         121         -         -         224           Accrued interest income, related party         (276)         (1.627)         Provision for doubtid accounts         5         100           Unrealized gain on note         -         -         7.345)         -         -         7.345)           Gain on settlement of related party promissory note and loan related party receivable         -         -         -         -         7.345)           Deferred income tax         7.110         51.250         -	•				8,813
Amortization of debt discount         -         224           Amortization of original issued discount         121         -           Accurued interest income, related party         (278)         100           Unrealized gain on note         1,870         (638)           Provision for inventory obsolescense         -         (7,345)           Gain on settlement of related party promissory note and loan related party receivable         -         (4,807)           Deferred income tax         1         -         (4,807)           Loss on disposal of property and equipment         1         -         -           Unreelized toss on equity securities         (17)         (5,126)         -           Ingeniment of goodwill         7,570         -         -         -           Realized gain on sale of equity securities         (19)         -         -         -           Other         196         137         -         -         -         -           Accounts receivable and other receivables         (1,002)         (489)         -         -         -           Inventory         1,545         (700)         -         -         -         -         -           Other assets         1,545         (700)					30
Amortization of original issued discount     121     -       Accrued interest income, related party     (278)     (1.627)       Provision for doubtul accounts     1.870     (638)       Provision for inventory obsolescense     -     (7.455)       Gain on note     (1)     (49.817)       Deferred income tax     (1)     (49.817)       Deferred income tax     (1)     (49.817)       Loss on disposal of property and equipment     1     -       Unnealized loss on equity securities     7,110     51.260       Gain on sole of goodwill     7,570     -       Charles in operating assets and liabilities:     151     -       Accounds incoresion of note receivables     (714)     -       Other     1.0002     (498)       Prepaid expenses and other current assets     1.845     (700)       Other assets     1.853     3.471       Deferred revenue     (815)     1.249       Accound liabilities     (88)     3.471       Deferred revenue     (816)     1.214       Other liabilities     (816)     1.214       Deferred revenue     (815)     1.241       Other liabilities     (816)     1.214       Income tax liabilities     (816)     1.214       Deferred revenue <td>6 1 3</td> <td></td> <td></td> <td></td> <td></td>	6 1 3				
Provision for doubful accounts         5         100           Unrealized gain on note         1,870         (638)           Provision for inventory obsolescense         -         300           Recovery for valuation allowance held for sale loan         -         (7,345)           Gain on settlement of related party promissory note and loan related party receivable         -         (48,817)           Deferred income tax         1         -         (48,817)           Description of goodWill         7,570         -         Realized gain on sale of equity securities         151         -           Gain on conversion of note receivables         (791)         -         Other         1000         137           Charges in operating assets and liabilities:         -         4.85         (700)         -           Accounts receivable and other receivables         1.055         3.421         1.059         3.421           Income tax liabilities         1.059         3.421         1.059         3.421           Income tax liabilities         1.055         (515)         (515)         (515)           Other liabilities         -         89         (24.016)         2.421         1.057           Prenchase of short term investing Activities         -         (2000)			121		
Unrealized gain on note         1,870         (638)           Provision for inventory obsolescense         -         300           Recovery for valuation allowance held for sale loan         -         (7,345)           Gain on settlement of related party promissory note and loan related party receivable         -         (4,917)           Deferred income tax         1         -         -         (4,917)           Loss on disposal of property and equipment         1         -         -         (4,917)           Loss on disposal of property and equipment         7,110         1         -         -           Magiation sale of equity securities         151         -         Gain on conversion of note receivables         (791)         -           Other         196         137         -         -         -           Changes in operating assets and liabilities:         -         1,553         -         -           Accounts receivable and other receivables         (1,002)         (499)         -         -         80           Accounts receivable and other current assets         1,559         3,421         -         -         80           Accounts receivable and other receivables         -         -         80         -         2,400         -			• • •		( , ,
Provision for inventory obsolescense         -         500           Recovery for valuation allowance held for sale loan         -         (7,345)           Gain on settlement of related party promissory note and loan related party receivable         -         (49,817)           Deferred income tax         1         -         (49,817)           Loss on disposal of property and equipment         1         -         (49,817)           Unrealized gain on sale of equity securities         7,510         -         -           Cain on conversion of note receivables         (791)         -         -         -           Charges in operating assets and liabilities:         -         -         -         -           Accounts receivables and other receivables         36         (678)         -         -           Inventory         (1,002)         (499)         Prepaid expenses and other current assets         28         200           Accounts payable         237         (653)         -         -         89           Accrued liabilities         -         -         89         -         -           Other liabilities         -         -         89         3.421         -         -         89         -         -         80         -					
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Gain on settlement of related party promissory note and loan related party receivable         -         (49,817)           Deferred income tax         (1)         (4.507)           Loss on disposal of property and equipment         1         -           Unrealized loss on equity securities         7,570         -           Realized gain on sale of equity securities         151         -           Changes in operating assets and liabilities:         7         700           Accounts receivable and other receivables         (10,002)         (499)           Inventory         (1,002)         (499)           Prepaid expenses and other current assets         1,545         (70)           Accounts payable         237         (653)         Accrued liabilities           Accounts payable         (38)         3,471         Deferred revenue         (38)         3,471           Income tax liabilities         (38)         3,471         Deferred revenue         (505)         (519)           Other liabilities         -         89         (24,018)         (24,018)         (24,018)           Cash Flows Used in Investing Activities         -         (25,000)         -         (38,01)         (25,000)         -         28,000         -         (28,000)         -					
Deferred income tax         (1)         (4,507)           Loss on disposal of property and equipment         1         (4,507)           Unrealized loss on equity securities         7,110         51,250           Impairment of goodwill         7,570            Realized gain on sale of equity securities         151            Gain on conversion of note receivables         (791)            Other         196         137           Accounts receivable and other receivables         (1,002)         (499)           Inventory         (1,002)         (499)           Prepaid expenses and other current assets         2,82         200           Accounts payable         2,83         3,471           Deferred revenue         (9)15         1,214           Operating lease obligation         (505)         (519)           Cher liabilities          89           Net Cash Used in Operating Activities         -         (2,000)           Purchase of property and equipment         (21)         (258)           Investment in capitalized software         -         (2,000)           Sales of short term investments          (200)           Sales of equipy securities         229					
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Impairment of goodwill         7.570         -           Realized gain on sale of equity securities         151         -           Gain on conversion of note receivables         (791)         -           Other         196         137           Changes in operating assets and liabilities:         -         -           Accounts receivable and other receivables         336         (678)           Inventory         (1,002)         (499)           Prepaid expenses and other current assets         1,545         (70)           Other assets         28         200           Accounts payable         237         (653)           Accourts payable         (368)         3,471           Deferred revenue         (915)         1,214           Operating lease obligation         (505)         (519)           Other liabilities         -         89           Net Cash Used in Investing Activities         -         2,000           Sales of short tern investments         -         2,000           Sales of short tern investments         -         2,000           Sales of reasury bills         -         2,000           Sales of reasury bills         -         6(3,362)           Operatase of sho					
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Inventory         (1.002)         (499)           Prepaid expenses and other current assets         1.545         (70)           Other assets         28         200           Accounts payable         237         (653)           Accured liabilities         1.059         3.421           Income tax liabilities         (38)         3.471           Deferred revenue         (915)         1.214           Operating lease obligation         (505)         (519)           Other liabilities         -         89           Cash Flows Used in Investing Activities         \$         (26,943)         \$         (24,018)           Cash Flows Used in Investing Activities         -         (2000)         -         (2000)           Purchase of property and equipment         (21)         (258)         (26,943)         \$         (24,018)           Cash Flows Used in Investing Activities         -         (2,000)         -         (2,000)           Purchase of short term investments         -         -         (2,000)         -         (2,000)           Sales of throasury bills         43,001         28,000         -         (2,000)         -         (2,000)         (2,000)         (2,000)         (2,000)         (2	Changes in operating assets and liabilities:				
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Purchase of Systal licensing agreement(900)Issuance of note receivable(150)(268)Acquisition of Game Your Game184Acquisition of CXApp(15,186)Acquisition of Visualix(61)Net Cash Provided By (Used in) Investing Activities\$ 36,748\$ (52,708)Cash From Financing Activities\$ 46,906\$ 50,584Net proceeds from issuance of preferred stock and warrants77,853Net proceeds from issuance of common stock and warrants77,853Net proceeds from promissory note5,539Cash paid for redemption of preferred stock series 7(49,250)Taxes paid related to net share settlement of restricted stock units(336)(1,687)Loans to related party(117)Repayment of acquisition liability(467)Repayment of acquisition liability to Nanotron shareholders(500)Net Cash Provided By Financing Activities\$ 902\$ 125,425Effect of Foreign Exchange Rate on Changes on Cash(34)90Net Increase in Cash and Cash Equivalents10,67348,789Cash and Cash Equivalents - Beginning of period52,48017,996			43 001		
Acquisition of Game Your Game184Acquisition of CXApp(15,186)Acquisition of Visualix(61)Net Cash Provided By (Used in) Investing Activities\$ 36,748\$ (52,708)Cash From Financing Activities\$ 46,906\$ 50,584Net proceeds from issuance of preferred stock and warrants77,853Net proceeds from promissory note5,539Cash paid for redemption of preferred stock series 7(49,250)Taxes paid related to net share settlement of restricted stock units(336)(1,687)Loans to related party(117)Repayment of acquisition liability(1,957)(241)Repayment of acquisition liability to Locality shareholders(500)Net Cash Provided By Financing Activities\$ 902\$ 125,425Effect of Foreign Exchange Rate on Changes on Cash(34)90Net Increase in Cash and Cash Equivalents10,67348,789Cash and Cash Equivalents52,48017,996					
Acquisition of CXApp(15,186)Acquisition of Visualix(61)Net Cash Provided By (Used in) Investing Activities\$ 36,748\$ (52,708)Cash From Financing Activities\$ 46,906\$ 50,584Net proceeds from issuance of preferred stock and warrants77,853Net proceeds from issuance of common stock and warrants77,853Net proceeds from promissory note5,539Cash paid for redemption of preferred stock series 7(49,250)Taxes paid related to net share settlement of restricted stock units(336)(1,687)Loans to related party(117)Repayment of CXApp acquisition liability(1,957)(241)Repayment of acquisition liability to Nanotron shareholders(467)Repayment of acquisition liability to Locality shareholders(500)Net Cash Provided By Financing Activities\$ 902\$ 125,425Effect of Foreign Exchange Rate on Changes on Cash(34)90Net Increase in Cash and Cash Equivalents10,67348,789Cash and Cash Equivalents - Beginning of period52,48017,996			(150)		(268)
Acquisition of Visualix	•				
Net Cash Provided By (Used in) Investing Activities\$ 36,748\$ (52,708)Cash From Financing Activities*\$ 46,906\$ 50,584Net proceeds from issuance of preferred stock and warrants77,853Net proceeds from promissory note5,539Cash paid for redemption of preferred stock series 7(49,250)Taxes paid related to net share settlement of restricted stock units(336)(1,687)(1,687)Loans to related party-(117)Repayment of acquisition liability(1,957)(241)Repayment of acquisition liability to Nanotron shareholders-(500)Net Cash Provided By Financing Activities\$ 902\$ 125,425Effect of Foreign Exchange Rate on Changes on Cash(34)90Net Increase in Cash and Cash Equivalents10,67348,789Cash and Cash Equivalents52,48017,996					
Cash From Financing ActivitiesNet proceeds from issuance of preferred stock and warrants\$ 46,906\$ 50,584Net proceeds from issuance of common stock and warrants-77,853Net proceeds from promissory note5,539Cash paid for redemption of preferred stock series 7(49,250)Taxes paid related to net share settlement of restricted stock units(336)(1,687)Loans to related party(117)Repayment of acquisition liability(1,957)(241)Repayment of acquisition liability to Nanotron shareholders(500)Net Cash Provided By Financing Activities\$ 902\$ 125,425Effect of Foreign Exchange Rate on Changes on Cash(34)90Net Increase in Cash and Cash Equivalents10,67348,789Cash and Cash Equivalents52,48017,996		¢	36 748	¢	
Net proceeds from issuance of preferred stock and warrants\$ 46,906\$ 50,584Net proceeds from issuance of common stock and warrants-77,853Net proceeds from promissory note5,539-Cash paid for redemption of preferred stock series 7(49,250)-Taxes paid related to net share settlement of restricted stock units(336)(1,687)Loans to related party-(117)Repayment of CXApp acquisition liability(1,957)(241)Repayment of acquisition liability to Locality shareholders-(500)Net Cash Provided By Financing Activities\$ 902\$ 125,425Effect of Foreign Exchange Rate on Changes on Cash(34)90Net Increase in Cash and Cash Equivalents10,67348,789Cash and Cash Equivalents52,48017,996		Ψ	50,740	Ψ	(32,700)
Net proceeds from promissory note5,539Cash paid for redemption of preferred stock series 7(49,250)Taxes paid related to net share settlement of restricted stock units(336)(1,687)Loans to related party(117)Repayment of CXApp acquisition liability(1,957)(241)Repayment of acquisition liability to Nanotron shareholders(467)Repayment of acquisition liability to Locality shareholders(500)Net Cash Provided By Financing Activities\$ 902\$ 125,425Effect of Foreign Exchange Rate on Changes on Cash(34)90Net Increase in Cash and Cash Equivalents10,67348,789Cash and Cash Equivalents - Beginning of period52,48017,996	5	\$	46,906	\$	50,584
Cash paid for redemption of preferred stock series 7(49,250)Taxes paid related to net share settlement of restricted stock units(336)(1,687)Loans to related party(117)Repayment of CXApp acquisition liability(1,957)(241)Repayment of acquisition liability to Nanotron shareholders(467)Repayment of acquisition liability to Locality shareholders(500)Net Cash Provided By Financing Activities\$ 902\$ 125,425Effect of Foreign Exchange Rate on Changes on Cash(34)90Net Increase in Cash and Cash Equivalents10,67348,789Cash and Cash Equivalents - Beginning of period52,48017,996					77,853
Taxes paid related to net share settlement of restricted stock units(336)(1,687)Loans to related party(117)Repayment of CXApp acquisition liability(1,957)(241)Repayment of acquisition liability to Locality shareholders(467)Repayment of acquisition liability to Locality shareholders(500)Net Cash Provided By Financing Activities\$ 902\$ 125,425Effect of Foreign Exchange Rate on Changes on Cash(34)90Net Increase in Cash and Cash Equivalents10,67348,789Cash and Cash Equivalents - Beginning of period52,48017,996					
Loans to related party(117)Repayment of CXApp acquisition liability(1,957)(241)Repayment of acquisition liability to Nanotron shareholders(467)Repayment of acquisition liability to Locality shareholders(500)Net Cash Provided By Financing Activities\$ 902\$ 125,425Effect of Foreign Exchange Rate on Changes on Cash(34)90Net Increase in Cash and Cash Equivalents10,67348,789Cash and Cash Equivalents - Beginning of period52,48017,996					(1 607)
Repayment of CXApp acquisition liability(1,957)(241)Repayment of acquisition liability to Nanotron shareholders(467)Repayment of acquisition liability to Locality shareholders(500)Net Cash Provided By Financing Activities\$ 902\$ 125,425Effect of Foreign Exchange Rate on Changes on Cash(34)90Net Increase in Cash and Cash Equivalents10,67348,789Cash and Cash Equivalents - Beginning of period52,48017,996			(330)		
Repayment of acquisition liability to Nanotron shareholders(467)Repayment of acquisition liability to Locality shareholders(500)Net Cash Provided By Financing Activities\$ 902\$ 125,425Effect of Foreign Exchange Rate on Changes on Cash(34)90Net Increase in Cash and Cash Equivalents10,67348,789Cash and Cash Equivalents - Beginning of period52,48017,996			(1,957)		
Net Cash Provided By Financing Activities	Repayment of acquisition liability to Nanotron shareholders		-		
Net Cash Provided By Financing Activities\$ 902\$ 125,425Effect of Foreign Exchange Rate on Changes on Cash(34)90Net Increase in Cash and Cash Equivalents10,67348,789Cash and Cash Equivalents - Beginning of period52,48017,996	Repayment of acquisition liability to Locality shareholders		-		
Effect of Foreign Exchange Rate on Changes on Cash(34)90Net Increase in Cash and Cash Equivalents10,67348,789Cash and Cash Equivalents - Beginning of period52,48017,996	Net Cash Provided By Financing Activities	\$	902	\$	
Cash and Cash Equivalents - Beginning of period 52,480 17,996	Effect of Foreign Exchange Rate on Changes on Cash				
Cash and Cash Equivalents - End of period		¢		¢	
	Cash and Cash Equivalents - End of period	Э	03,153	\$	00,785

#### Reconciliation of Non-GAAP Financial Measures:

(In thousands)         2022         2021         2022           Net loss attributable to common stockholders         \$ (17,591) \$ (33,640)         \$ (48,674)	Months Ended, nber 30,
	2021
Interest expense/(income), net 240 15 62	(1,191)
Income tax (benefit)/provision - (854) 84	1,350
Depreciation and amortization         1,891         1,903         5,567	4,541
EBITDA (15,460) (32,576) (42,961)	(26,738)
Adjusted for:	
Non-recurring one-time charges:	
Loss on exchange of debt for equity	30
Provision for valuation allowance on held for sale loan	(7,345)
Gain on related party loan held for sale	(49,817)
Unrealized loss on equity securities         5,854         22,285         7,110	51,250
Acquisition transaction/financing costs 2 93 270	1,098
Earnout compensation expense/(benefit) - 835 (2,827)	2,893
Professional service fees - 418 8	1,189
Impairment of goodwill 7,570	-
Unrealized losses/(gains) on notes, loans, investments - (6) 124	(497)
Bad debts expense/provision51005	100
Reserve for inventory obsolescence - 300 -	300
Stock-based compensation – compensation and related benefits         688         1,664         2,962	8,813
Severance costs         127         210         248	210
Restructuring Costs 597 - 557	-
Adjusted EBITDA \$ (8,187) \$ (6,677) \$ (26,894)	\$ (18,514)
	Months Ended, nber 30,
(In thousands, except share data) 2022 2021 2022	2021
Net loss attributable to common stockholders         \$ (17,591) \$ (33,640) \$ (48,674)	\$ (31,438)
Adjustments:	
Non-recurring one-time charges:	
Loss on exchange of debt for equity	30
Provision for valuation allowance on held for sale loan	(7,345)
Gain on related party loan held for sale	(49,817)
Unrealized loss on equity securities 5,854 22,285 7,110	51,250
Acquisition transaction/financing costs 2 93 270	1,098
Earnout compensation expense/(benefit) - 835 (2,827)	2,893
Professional service fees - 418 8	1,189
Impairment of goodwill - 7,570	-
	(497)
Unrealized losses/(gains) on notes, loans, investments - (6) 124	100
Bad debts expense/provision51005	200
Bad debts expense/provision51005Reserve for inventory obsolescence-300-	300
Bad debts expense/provision51005Reserve for inventory obsolescence-300-Stock-based compensation – compensation and related benefits6881,6642,962	8,813
Bad debts expense/provision51005Reserve for inventory obsolescence-300-Stock-based compensation – compensation and related benefits6881,6642,962Severance costs127210248	
Bad debts expense/provision51005Reserve for inventory obsolescence-300-Stock-based compensation – compensation and related benefits6881,6642,962Severance costs127210248Restructuring costs597-597	8,813 210
Bad debts expense/provision51005Reserve for inventory obsolescence-300-Stock-based compensation – compensation and related benefits6881,6642,962Severance costs127210248Restructuring costs597-597Amortization of intangibles1,5331,5604,559	8,813 210 - 3,571
Bad debts expense/provision51005Reserve for inventory obsolescence-300-Stock-based compensation – compensation and related benefits6881,6642,962Severance costs127210248Restructuring costs597-597	8,813 210
Bad debts expense/provision51005Reserve for inventory obsolescence-300-Stock-based compensation – compensation and related benefits6881,6642,962Severance costs127210248Restructuring costs597-597Amortization of intangibles1,5331,5604,559	8,813 210 - 3,571 (19,643)

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