



## Bright Green Announces Second Quarter 2022 Financial Update and Milestone Progress

August 22, 2022

### **Second Quarter Results and Favorable Liquidity Position Set the Stage for Growth in Fiscal Year 2023 and Beyond**

GRANTS, N.M., Aug. 22, 2022 (GLOBE NEWSWIRE) -- Bright Green Corporation (Nasdaq: BGXX) ("Bright Green" or "the Company"), one of few companies selected by the U.S. government to grow, manufacture, and sell, legally under federal and state laws, cannabis and cannabis-related products for research, pharmaceutical applications and affiliated export, today reported financial results for the quarter ended June 30, 2022.

"This quarter has shown that Bright Green is uniquely positioned to capitalize on a growing market opportunity and deliver on our near and long-term goals as we scale our business," said Terry Rafih, Bright Green's Interim Chief Executive Officer and Chairman of the Board. "In May, we completed a direct listing of our common stock on Nasdaq – a milestone that has provided us access to the public capital markets and strengthened our profile as a player in the cannabis industry."

Mr. Rafih continued, "Since our direct listing, we have made significant progress developing our world-class agricultural facility in Grants, New Mexico. These advancements, as well as relationships with key strategic partners like Techson IP, will help us meet growing demand from potential pharmaceutical and research partners. We look forward to sharing additional updates on our progress over the coming months."

### **Strategic Highlights for Second Quarter 2022**

- Continued progress on renovation of existing 22-acre greenhouse facility to grow, manufacture and market federally-compliant cannabis, pending DEA registration and quota approvals:
  - Completed installation of medical-grade panels throughout the greenhouse facility; ongoing installation of high-tech security solution to ensure compliance with standard operating procedures and federal security requirements.
  - Renovation of the greenhouse facility is anticipated for completion in the second half of 2022.
- DEA inspection of the facility, as well as registration, quota approvals and the Company's first harvest are expected during the second half of 2022.
- [Entered](#) into a partnership agreement with Techson IP ("Techson"), a patent and intellectual property strategy consulting firm, to collaborate on the acquisition and future development of intellectual property (IP) across the cannabis industry on behalf of Bright Green.
- Secured funding from public and private investors to support continued growth and solidify the Company's market-leading position:
  - Completed the Company's direct listing on the Nasdaq Capital Market that resulted in gross proceeds of \$3.05 million.
  - Entered into a \$5 million credit facility with a pre-existing shareholder.
  - Drew down \$2 million from the credit facility during the quarter to support near- and long-term business objectives. Subsequent to June 30, 2022, the Company has drawn an additional \$1 million from the credit facility.

### **Financial Highlights for Second Quarter 2022**

- The Company recorded no revenues as it is in its initial stages to start building facilities to grow, research and distribute cannabis, pending DEA inspection, registration, and quota approvals.
- Total operating expenses of \$19.18 million, up from \$0.43 million in the same quarter of 2021, and up from \$0.73 million in the first quarter of 2022, in line with expectations and resulting mainly from payments to support the Company's operations and ramp-up towards commercialization and the successful direct listing of the Company's common stock with the Nasdaq Stock Market.
- Net loss of \$19.18 million, in line with expectations.
- Basic and diluted loss per share of \$0.12 for the quarter.

### **Balance Sheet and Capital Allocation**

- As of June 30, 2022, the Company had cash of \$178,973, a decrease from its cash position of \$648,176 at the end of March 31, 2022.
- Total liquidity of \$3.2 million, including the remaining balance on the credit facility.
- During the second quarter of 2022, Bright Green received cash proceeds for \$3.05 million from the sale of common stock in May 2022, \$2 million from the aforementioned line of credit and deployed \$2.6 million for capital expenditures and growth investments.

Bright Green's balance sheet and statement of operations are provided below. Additional information is included in the Company's quarterly report on Form 10-Q for the quarter ended June 30, 2022, which can be accessed at: <https://investors.brightgreen.us/news-events/news-releases>

#### **About Bright Green**

Bright Green is one of the very few companies selected by the US government to grow, manufacture, and sell, legally under federal and state laws, cannabis and cannabis-related products for research, pharmaceutical applications and affiliated export. Our conditional approval based on already agreed terms from the U.S. Drug Enforcement Administration gives us the opportunity to advance our vision of improving quality of life through the opportunities presented by cannabis-derived therapies. To learn more, visit [www.brightgreen.us](http://www.brightgreen.us).

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

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are made as of the date they were first issued and were based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of management as of such date. Words such as "expect," "anticipate," "should," "believe," "hope," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "might," "could," "intend," "shall" and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond the Company's control. The Company's actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to, risks detailed in the Company's Registration Statement on Form S-1 filed with the Securities and Exchange Commission (the "SEC") on March 29, 2022 and declared effective May 13, 2022, and in the Company's Quarterly Report on Form 10-Q filed with the SEC on August 12, 2022, as well as other documents that may be filed by the Company from time to time with the SEC. The forward-looking statements included in this press release represent the Company's views as of the date of this press release. The Company anticipates that subsequent events and developments will cause its views to change. The Company undertakes no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of this press release. Additional information regarding these and other factors that could affect the company's results is included in the Company's SEC filings, which may be obtained by visiting the SEC's website at [www.sec.gov](http://www.sec.gov).