



August 29, 2022

2021 Year End Report to Shareholders

In 2021 we saw similar financial results to 2019 and 2020.

We continued with our strategy of cost control since we really didn't know how our industry would do in the COVID 19 pandemic. We continue to concentrate on repayment of the shareholder's loans and have managed to reduce those loans considerably.

We continued with our plan to optimize our strategy of remote working by hiring an IT consulting company to make a full transition to cloud computing for our product development and business support. This results in a monthly charge for IT support that is much less than the cost of a dedicated IT employee. Our cybersecurity is much improved by enabling this strategy. We have worked closely with our insurance company to gain their support for these activities and tuning up our implementation of the strategy.

In 2021 we saw consistent acceptance in our usage by metabolomics researchers world-wide as indicated by the number of papers and publications we cite on our website. We identified over 600 papers that have referenced Chenomx during 2021 alone.

We continued to restrict our support of scientific conferences to promote our software in 2021. We are still not confident on international travel risks and overheads and don't find that virtual conferences are that valuable.

We have had a drop in sales starting mid February 2022 which we are concerned about. We will know more about how this is going in a few months.

Thank you for your ongoing support and we will continue to work to add value to the company with the continuing goal of realizing shareholder value in the future.

We would be pleased to hear from you at our AGM this year and answer any further questions you might have.

A handwritten signature in blue ink, appearing to read "Neil Taylor", is written over a horizontal line.

Neil Taylor
President and CEO
Chenomx Inc.