

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

Menē Inc.
334 Adelaide Street West
Suite 307
Toronto, Ontario M5V 1R4

Item 2 Date of Material Change

August 30, 2021

Item 3 News Release

The press release attached as Schedule "A" was released on August 30, 2021.

Item 4 Summary of Material Change

The material change is described in the press release attached as Schedule "A".

Item 5 Full Description of Material Change

The material change is described in the press release attached as Schedule "A".

Item 6 Reliance of subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Roy Sebag
Chief Executive Officer & Chairman
Menē Inc.
647-494-0296

Item 9 Date of Report

August 31, 2021

Schedule "A"

Mene Inc. Reports Financial Results for Second Quarter 2021

TORONTO--(BUSINESS WIRE)--August 30, 2021--Menē Inc. (TSX-V:MENE) (US:MENEF) (“Menē” or the “Company”), an online 24 karat jewelry brand, today announced financial results for the second quarter ended June 30, 2021 (“Q2 2021”). All amounts are expressed in Canadian dollars unless otherwise noted.

FINANCIAL HIGHLIGHTS:

- IFRS Quarterly Revenue of \$5.8 million, a \$2.3 million (67%) increase year-over-year (“YoY”). Non-IFRS Adjusted Revenue² of \$6.7 million, an increase of 82% YoY.
- IFRS Gross Profit of \$1.5 million, an increase of \$0.6 million (67%) YoY.
- Operating Income of \$0.1 million, an increase of \$0.5 million (127%) YoY.
- Reduced operating expenses to 25% of revenue, compared to 37% in the same quarter last year.
- Sold 7,197 units of jewelry through 4,377 Customer Orders during the quarter, an increase of 46% and 57% respectively, YoY.
- Sold 66kg of gold and platinum jewelry during the quarter, an increase of 27 kg, or 69% YoY.
- Average Order Value of \$1,530, an increase of 13% YoY.
- At June 30, 2021, the Company had Tangible Common Equity⁴ of \$16.1 million, including \$3.3 million in cash and cash equivalents, \$5.2 million in short-term investments, and \$17.3 million in inventory with a net working capital of \$15.6 million.

OPERATIONAL HIGHLIGHTS:

- Introduced 15 new product designs during the quarter, including the Etruscan Collection, and Chess Collection.
- Introduced Made-to-Order for select designs.
- Cumulative units of jewelry sold reached 88,176 as of quarter end and nearly three quarter tonne of precious metal weight.
- Returning Customers attributed to 62% of total sales due to great customer satisfaction.
- Registered more than 23,900 independent customer reviews on mene.com/reviews.
- Featured in Barron’s Penta and Daniel Féau.

IFRS Consolidated Income Statement Data & Key Performance Indicators (KPIs) ¹	FY 2021		FY 2020				FY 2019	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenue	5,754,156	7,203,492	7,110,188	5,423,320	3,439,038	5,156,994	4,653,601	3,218,281
Gross profit	1,529,690	1,737,688	1,691,750	1,578,417	917,721	1,012,923	458,201	1,000,210
Gross profit (%)	27%	24%	24%	29%	27%	20%	10%	31%
Net income (loss)	(188,355)	672,273	(76,727)	(383,602)	(1,029,300)	(1,855,303)	(3,449,094)	(1,535,114)
Total comprehensive income (loss)	(769,975)	858,378	(697,478)	(748,216)	(1,448,394)	(808,093)	(3,991,270)	(1,405,212)

Non-IFRS Adjusted Revenue ²	6,678,006	8,324,174	8,104,915	6,140,871	3,678,069	5,611,286	5,095,968	3,445,952
Non-IFRS Adjusted Income (Loss) ³	(528,761)	789,748	23,936	61,777	(367,214)	(666,378)	(910,904)	(512,774)
Total Shareholders' Equity	17,101,667	17,821,539	11,503,042	12,196,393	12,720,633	14,321,528	15,127,316	17,399,693
Inventory balance (kg of gold) ⁴	246	258	219	177	131	132	212	249
Customer orders	4,377	5,067	5,474	3,464	2,790	4,157	4,548	2,998
Units of jewelry sold	7,197	7,850	8,632	5,958	4,915	6,641	7,225	5,164
Jewelry weight sold (total kg)	66	79	76	56	39	69	65	44

1. The Company's financial statements for fiscal year-ending 2020 and 2019 are audited by an external assurance firm.
2. The Company adjusts its revenue by adding back the value of jewelry that was returned by customers, and discounts given to customers. These adjustments are made to assess the gross revenue before deducting these items from revenue per IFRS. See Non-IFRS Measures for a full reconciliation.
3. The Company adjusts its total comprehensive income (loss) by removing the impact of non-cash expenses, consisting of depreciation and amortization, stock-based compensation, accretion, revaluation of metal loan and translation gain or loss. See Non-IFRS Measures for a full reconciliation.
4. Inventory balances in kilograms of gold are calculated by taking the total Canadian Dollar (CAD) inventory value at each quarter-end date and dividing the value by the CAD gold spot price per gram.

STATEMENT FROM FOUNDER & CEO, ROY SEBAG:

We are pleased with our second quarter results having delivered 67% year over year increase in revenues while maintaining a healthy gross margin in what is generally the weakest quarter for jewelry businesses. We now enter the most important period of the year. We have increased our production capacity in anticipation for a strong holiday season which officially begins in October. We look forward to hitting our key performance metric goals for 2021 and maintaining double digit growth rates into 2022.

RSU GRANT

The Company also announces that it has granted 89,286 restricted share units ("RSUs") under the Company's restricted share unit plan to its Chief Financial Officer. 23,810 RSUs vest immediately on grant with the remainder vesting quarterly thereafter.

Non-IFRS Measures

This news release contains non-IFRS financial measures; the Company believes that these measures provide investors with useful supplemental information about the financial performance of its business, enable comparison of financial results between periods where

certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating its business. Although management believes these financial measures are important in evaluating the Company's performance, they are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with IFRS. These non-IFRS financial measures do not have any standardized meaning and may not be comparable with similar measures used by other companies. For certain non-IFRS financial measures, there are no directly comparable amounts under IFRS. These non-IFRS financial measures should not be viewed as alternatives to measures of financial performance determined in accordance with IFRS. Moreover, presentation of certain of these measures is provided for year-over-year comparison purposes, and investors should be cautioned that the effect of the adjustments thereto provided herein have an actual effect on the Company's operating results.

Non-IFRS Adjusted Revenue² is a non-IFRS measure. The Company adjusts its revenue by adding back the value of jewelry that was returned by customers, and discounts given to customers. These adjustments are made to assess the gross revenue before deducting these items per IFRS revenue. The closest comparable IFRS measure is revenue.

Non-IFRS Adjusted Income (Loss)³ is a non-IFRS measure. Non-IFRS Adjusted Income (Loss) is a non-IFRS measure, calculated as total comprehensive loss, excluding depreciation and amortization, stock-based compensation, accretion, revaluation of metal loan, and translation gain or loss. The closest comparable IFRS measure is total comprehensive income (loss).

Tangible Common Equity⁴ is a non-IFRS measure. It is calculated as total shareholder's equity excluding intangible assets. For a full definition of non-IFRS financial measures used herein to their nearest IFRS equivalents, please see the section entitled "Non-IFRS Financial Measures" in the Company's MD&A for the quarter ended June 30, 2021.

About Menē Inc.

Menē crafts pure 24 karat gold and platinum jewelry that is transparently sold by gram weight. Through mene.com, customers may buy jewelry, monitor the value of their collection over time, and sell or exchange their pieces by gram weight at prevailing market prices. Menē was founded by Roy Sebag and Diana Widmaier-Picasso with a mission to restore the relationship between jewelry and savings. Menē empowers consumers by marrying innovative technology, timeless design, and pure precious metals to create pieces which endure as a store of value.

For more information about Menē, visit mene.com.

Forward-Looking Statements

This news release contains certain “forward-looking information” within the meaning of applicable Canadian securities laws that are based on expectations, estimates and projections as at the date of this news release. Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is

expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information.

This forward-looking information is based on reasonable assumptions and estimates of management of the Company at the time it was made, and involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others; an inability to predict and counteract the effects of COVID-19 on the business of the Company, including but not limited to the effects of COVID-19 and other infectious diseases presenting as major health issues on the price of precious metals, capital market conditions, expectations of management regarding future growth in revenue and sales, restriction on labour and international travel and supply chains; failure to comply with environmental and health and safety laws and regulations; operating or technical difficulties in connection with the manufacture, sale and distribution of jewelry; actual audited results differing from reported unaudited results; global economic climate; dilution of the Company’s shares; the Company’s limited operating history; future capital needs and uncertainty of raising capital; the competitive nature of the jewelry industry; currency exchange risks; the need for the Company to manage its planned growth and expansion; the effects of product development and need for continued technology and manufacturing change; protection of proprietary rights; the effect of government regulation and compliance on the Company and the industry; network security risks; the ability of the Company to maintain properly working systems; theft and risk of physical harm to personnel; reliance on key personnel; global economic and financial market deterioration impeding access to capital or increasing the cost of capital; and volatile securities markets impacting security pricing unrelated to operating performance. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to revise or update any forward-looking information other than as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Contacts

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