UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(MARK ONE)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarter ended March 31, 2024

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number: 001-38785

STRYVE FOODS, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**87-1760117**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

Post Office Box 864
Frisco, TX 75034
(Address of principal executive offices)

(972) 987-5130
(Issuer's telephone number)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock	SNAX	The NASDAQ Stock Market LLC
Warrants, each exercisable for 1/15th of one share of Class A common stock at an exercise price of $172.50 per whole share	SNAXW	The NASDAQ Stock Market LLC

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 8, 2024, 2,904,117 shares of the registrant's Class A common stock, $0.0001 par value, and 382,892 shares of the registrant's Class V common stock, $0.0001 par value, were issued and outstanding.

STRYVE FOODS, INC.
FORM 10-Q FOR THE QUARTER ENDED MARCH 31, 2024
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Item 1. Condensed Consolidated Financial Statements

STRYVE FOODS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

		March 31, 2024 (Unaudited)		December 31, 2023
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$	280,101	$	369,114
Accounts receivable, net		2,319,579		2,091,926
Inventory		5,020,749		5,199,979
Prepaid expenses and other current assets		537,466		720,682
Total current assets		8,157,895		8,381,701
Property and equipment, net		6,765,185		7,150,775
Right of use assets, net		4,505,530		4,609,666
Goodwill		8,450,000		8,450,000
Intangible assets, net		4,059,106		4,119,690
TOTAL ASSETS	$	31,937,716	$	32,711,832
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY				
CURRENT LIABILITIES				
Accounts payable	$	6,334,487	$	4,459,787
Accrued expenses		2,446,692		2,687,508
Current portion of lease liability		376,347		362,165
Line of credit, net of debt issuance costs		3,795,669		3,568,295
Promissory notes payable, net of debt discount and debt issuance costs		2,914,000		2,914,000
Promissory notes payable due to related parties, net of debt discount and debt issuance costs		1,175,000		1,175,000
Current portion of long-term debt and other short-term borrowings		478,577		605,530
Total current liabilities		17,520,772		15,772,285
Long-term debt, net of current portion, net of debt issuance costs		3,420,818		3,476,089
Lease liability, net of current portion		4,269,941		4,371,963
Financing obligation - related party operating lease		7,500,000		7,500,000
Deferred tax liability, net		35		35
TOTAL LIABILITIES		32,711,566		31,120,372
COMMITMENTS AND CONTINGENCIES (Note 12)				
STOCKHOLDERS' (DEFICIT) EQUITY				
Preferred stock - $0.0001 par value, 10,000,000 shares authorized, 0 shares issued and outstanding		—		—
Class A common stock - $0.0001 par value, 400,000,000 shares authorized, 2,898,194 and 2,249,189 shares issued and outstanding (net of 53,333 and 53,333 treasury shares), respectively		289		224
Class V common stock - $0.0001 par value, 15,000,000 shares authorized, 382,892 and 382,892 shares issued and outstanding		38		38
Additional paid-in-capital		139,446,938		137,883,798
Accumulated deficit		(140,221,115)		(136,292,600)
TOTAL STOCKHOLDERS' (DEFICIT) EQUITY		(773,850)		1,591,460
TOTAL LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY	$	31,937,716	$	32,711,832

The accompanying notes are an integral part of these condensed consolidated financial statements.

STRYVE FOODS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended March 31,	
	2024	**2023**
SALES, net	$ 4,598,159	$ 4,646,253
COST OF GOODS SOLD (exclusive of depreciation shown separately below)	3,581,775	3,683,002
GROSS PROFIT	1,016,384	963,251
OPERATING EXPENSES		
Selling expenses	1,596,537	1,969,010
Operations expense	352,749	513,589
Salaries and wages	1,607,013	2,163,152
Depreciation and amortization expense	462,531	551,656
Total operating expenses	4,018,830	5,197,407
OPERATING LOSS	(3,002,446)	(4,234,156)
OTHER (EXPENSE) INCOME		
Interest expense	(582,567)	(398,945)
Loss on extinguishment of debt	(334,511)	—
Change in fair value of Private Warrants	—	8,250
Other income (expense)	7	(14,373)
Total other (expense) income	(917,071)	(405,069)
NET LOSS BEFORE INCOME TAXES	(3,919,517)	(4,639,225)
Income tax expense	8,998	3,331
NET LOSS	$ (3,928,515)	$ (4,642,556)
Loss per common share:		
Basic and diluted	$ (1.42)	$ (2.23)
Weighted average shares outstanding:		
Basic and diluted	2,775,259	2,085,514

The accompanying notes are an integral part of these condensed consolidated financial statements.

STRYVE FOODS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' (DEFICIT) EQUITY
THREE MONTHS ENDED MARCH 31, 2024
(Unaudited)

	Class A Common Stock		Class V Common Stock		Additional	Accumulated	
	Shares	**Amount**	**Shares**	**Amount**	**Paid-in-Capital**	**Deficit**	**Total**
BALANCE, JANUARY 1, 2024	2,249,189	$ 224	382,892	$ 38	$ 137,883,798	$ (136,292,600)	$ 1,591,460
Cancellation of Restricted Stock Awards	(350)	—	—	—	—	—	—
Issuance of Restricted Stock Units	691	—	—	—	—	—	—
Stock-based compensation expense	—	—	—	—	270,376	—	270,376
Issuance of Class A Shares in connection with At-The-Market Offerings, net	558,873	56	—	—	710,975	—	711,031
Change in Fair Value of Warrants on Extinguishment of Debt	—	—	—	—	334,511	—	334,511
Common Stock Issued for Accrued Expenses	53,559	5	—	—	147,282	—	147,287
Common Stock Issued for Accrued Expenses - Related Party	36,232	4	—	—	99,996	—	100,000
Net loss	—	—	—	—	—	(3,928,515)	(3,928,515)
BALANCE, MARCH 31, 2024	2,898,194	$ 289	382,892	$ 38	$ 139,446,938	$ (140,221,115)	$ (773,850)

The accompanying notes are an integral part of these condensed consolidated financial statements.

STRYVE FOODS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' (DEFICIT) EQUITY
THREE MONTHS ENDED MARCH 31, 2023
(Unaudited)

	Class A Common Stock		Class V Common Stock		Additional	Accumulated	
	Shares	Amount	Shares	Amount	Paid-in-Capital	Deficit	Total
BALANCE, JANUARY 1, 2023	1,714,973	$ 172	419,941	$ 42	$ 133,687,587	$ (117,251,616)	$ 16,436,185
Exchanged BV for Class A shares	10,241	1	(10,241)	(1)	—	—	-
Net loss	—	—	—	—	—	(4,642,556)	(4,642,556)
BALANCE, MARCH 31, 2023	1,725,214	$ 173	409,700	$ 41	$ 133,687,587	$ (121,894,172)	$ 11,793,629

The accompanying notes are an integral part of these condensed consolidated financial statements.

STRYVE FOODS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (3,928,515)	$ (4,642,556)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	401,947	491,072
Amortization of intangible assets	60,584	60,584
Amortization of debt issuance costs	54,793	40,145
Amortization of right-of-use asset	104,137	98,826
Loss on extinguishment of debt	334,511	—
Reserve for credit losses	153,609	73,219
Stock based compensation expense	270,376	185,524
Change in fair value of Private Warrants	—	(8,250)
Changes in operating assets and liabilities:		
Accounts receivable	(381,263)	(562,872)
Inventory	179,230	7,664
Income tax receivables and payables, net	2,029	—
Prepaid expenses and other current assets	183,216	74,068
Accounts payable	1,858,343	1,344,535
Accrued liabilities	4,443	300,881
Operating lease obligations	(87,841)	(89,610)
Net cash used in operating activities	(790,401)	(2,626,771)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for purchase of equipment	—	(48,635)
Net cash used in investing activities	—	(48,635)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issuance of common stock, net	711,031	—
Borrowings on long-term debt	—	2,000,000
Repayments on long-term debt	(21,665)	(30,125)
Borrowings on short-term debt	3,923,333	3,360,187
Repayments on short-term debt	(3,911,311)	(2,900,947)
Net cash provided by financing activities	701,388	2,429,115
Net change in cash and cash equivalents	(89,013)	(246,291)
Cash and cash equivalents at beginning of period	369,114	623,163
Cash and cash equivalents at end of period	$ 280,101	$ 376,872
SUPPLEMENTAL INFORMATION:		
Cash paid for interest	$ 405,439	$ 398,945
NON-CASH INVESTING AND FINANCING ACTIVITY:		
Non-cash commercial premium finance borrowing	$ —	$ 291,339
Common stock issued for accrued expenses	$ 147,287	$ —
Common stock issued for accrued expenses - related party	$ 100,000	$ —
Accrued fixed assets	$ 16,357	$ —

The accompanying notes are an integral part of these condensed consolidated financial statements.

Note 1 - Organization and Description of Business

Stryve Foods, Inc. ("Stryve" or the "Company") is an emerging healthy snacking company which manufactures, markets and sells highly differentiated healthy snacking products. The Company offers convenient snacks that are lower in sugar and carbohydrates and higher in protein than other snacks. The Company is headquartered in Plano, TX. The Company has manufacturing operations in Madill, Oklahoma and fulfillment operations in Frisco, Texas.

Reverse Stock Split

On July 13, 2023, the Company filed with the Secretary of State of the State of Delaware a First Certificate of Amendment to its First Amended and Restated Certificate of Incorporation (the "Certificate") to effect a 1-for-15 reverse stock split (the "Reverse Stock Split") of the Company's issued and outstanding shares of common stock, par value $0.0001 per share, effective as of 12:01 p.m. Eastern Time on July 14, 2023.

As a result of the Reverse Stock Split, every fifteen shares of common stock issued and outstanding were automatically reclassified into one share of common stock. No fractional shares were issued in connection with the Reverse Stock Split. Stockholders who otherwise would have been entitled to receive fractional shares because they held a number of shares of common stock not evenly divisible by the Reverse Stock Split ratio were automatically entitled to receive a cash payment equal to the value of such fractional share based on the closing price of the common stock as of the effective time of the Reverse Stock Split adjusted for the Reverse Stock Split.

The Reverse Stock Split reduced the number of authorized shares of Class V common stock from 200,000,000 to 15,000,000 while the number of authorized shares of Class A common stock and the par value for both Class A and Class V common stock remained unchanged.

All outstanding options, warrants, restricted stock units and similar securities entitling their holders to receive or purchase shares of common stock were adjusted as a result of the Reverse Stock Split, as required by the terms of each security.

All share and per share amounts were retroactively adjusted in the Company's financial statements for all periods presented to give effect to this reverse stock split, including reclassifying an amount equal to the reduction in par value of the Company's common stock to additional paid-in capital.

Note 2 - Liquidity and Going Concern

The accompanying condensed consolidated financial statements are prepared in accordance with generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. In accordance with ASU No. 2014-15, *Disclosure of Uncertainties about an Entity's Ability to Continue as a Going concern (Subtopic 205-40)*, the Company has evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about its ability to continue as a going concern within one year after the date that the condensed consolidated financial statements are issued.

The Company has historically funded its operations with cash flow from operations, equity capital raises, and note payable agreements from shareholders and private investors, in addition to institutional loans. The Company's principal uses of cash have been debt service, capital expenditures, working capital, and funding operations. The Company incurred net losses of approximately $3.9 million during the three months ended March 31, 2024. Cash used in operating activities was approximately $0.8 million for the three months ended March 31, 2024. As of March 31, 2024, the Company has a working capital deficit of $9.4 million which compares to $7.4 million as of March 31, 2023.

Late in the third quarter of 2022, the Company secured a term loan in the amount of $4.0 million. Additionally, the Company secured an asset based line of credit with a $8.0 million credit limit subject to accounts receivable and inventory balances. The term loan and asset based line of credit were secured in order to augment the Company's liquidity, as needed, through the execution of management's plan. The Company has drawn $4.0 million of the term loan and $3.9 million (net of repayments) of the asset based line of credit as of March 31, 2024. The amount remaining available under the asset based line of credit is $2.0 million. No amount remained available under the term loan. See Note 5 for a description of the asset based line of credit and Note 6 for a description of the term loan.

On April 3, 2024, we issued an aggregate of $1.6 million in principal amount of unsecured promissory notes (the “April 2024 Convertible Notes”) to select accredited investors to fund operations. The aggregate principal amount of the April 2024 Convertible Notes is inclusive of $1.1 million from related parties. See Note 13 for further discussion.

We are currently evaluating several different strategies to enhance our liquidity position. These strategies may include, but are not limited to, pursuing additional actions under our business transformation plan, and seeking additional financing from both the public and private markets through the issuance of equity or debt securities. The outcome of these matters cannot be predicted with any certainty at this time. We need additional funding to execute our business plan and continue operations. If capital is not available to us when, and in the amounts needed, we could be required to liquidate our inventory and assets, cease or curtail operations, which could materially harm our business, financial condition and results of operations, or seek protection under applicable bankruptcy laws or similar state proceedings. There can be no assurance that we will be able to raise the capital we need to continue our operations.

We have prepared cash flow forecasts which indicate that based on our expected operating losses and cash consumption in order to fund inventory growth, we believe that absent an infusion of sufficient capital there is substantial doubt about our ability to continue as a going concern for twelve months after the date the condensed consolidated financial statements for the quarter ended March 31, 2024 are issued. The Company's plan includes the items noted above as well as securing external financing which may include raising debt or equity capital. These plans are not entirely within the Company's control including our ability to raise sufficient capital on favorable terms, if at all.

Note 3 - Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information and in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). Accordingly, these interim financial statements do not include all information and footnotes required under GAAP for complete financial statements. In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments, consisting of only normal recurring adjustments, necessary for a fair statement of results of operations, balance sheet, cash flows, and shareholders' equity for the periods presented. The unaudited condensed consolidated results of operations for the interim periods presented are not necessarily indicative of results for the full year. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes included in the Company’s Annual Report filed on Form 10-K for the year ended December 31, 2023. The Company’s condensed consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation. Certain information and footnote disclosures normally included in the annual consolidated financial statements prepared in accordance with GAAP have been condensed or omitted.

Use of Estimates

The preparation of the condensed consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and the accompanying notes. Accounting estimates and assumptions discussed herein are those that management considers to be the most critical to an understanding of the condensed consolidated financial statements because they inherently involve significant judgments and uncertainties. Estimates are used for, but not limited to, revenue recognition, allowance for credit losses and customer allowances, inventory valuation, impairments of goodwill and long-lived assets, incremental borrowing rate for leases, and valuation allowances for deferred tax assets. All of these estimates reflect management’s judgment about current economic and market conditions and their effects based on information available as of the date of these consolidated financial statements. If such conditions persist longer or deteriorate further than expected, it is reasonably possible that the judgments and estimates could change, which may result in future impairments of assets among other effects.

Going Concern

In accordance with ASU No. 2014-15, *Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern (Subtopic 205-40)*, the Company has evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about its ability to continue as a going concern within one year after the date that the condensed consolidated financial statements are issued.

Determining the extent to which conditions or events raise substantial doubt about the Company's ability to continue as a going concern and the extent to which mitigating plans sufficiently alleviate any such substantial doubt requires significant judgment and estimation by us. The Company's significant estimates related to this analysis may include identifying business factors such as size, growth and profitability used in the forecasted financial results and liquidity. Further, the Company makes assumptions about the probability that management's plans will be effectively implemented and alleviate substantial doubt and its ability to continue as a going concern. The Company believes that the estimated values used in its going concern analysis are based on reasonable assumptions. However, such assumptions are inherently uncertain and actual results could differ materially from those estimates. See Note 2, *Liquidity and Going Concern*, for more information about the Company's going concern assessment.

Accounts Receivable and Allowance for Credit Losses, Returns, and Deductions

Accounts receivable are customer obligations due under normal trade terms. Accounts receivables, less credit losses, reflects the net realizable value of receivables and approximates fair value. We account for accounts receivable, less credit losses, under ASU 2016-13, *Financial Instruments – Credit Losses*. We evaluate our accounts receivable and establish an allowance for credit loss based on a combination of factors. When aware that a specific customer has been impacted by circumstances such as bankruptcy filings or deterioration in the customer's operating results or financial position, potentially making it unable to meet its financial obligations, we record a specific allowance for doubtful accounts to reduce the related receivable to the amount we reasonably believe is collectible. We also record allowances for credit loss for all other customers based on a variety of factors, including the length of time the receivables are past due, historical collection experience, and an evaluation of current and projected economic conditions at the balance sheet date. Accounts receivables are charged off against the allowance for credit losses after we determine that the potential for recovery is remote. As of March 31, 2024, and December 31, 2023, the allowance for credit losses, returns and deductions totaled $1,528,148 and $1,638,039, respectively. Provisions related to credit losses for the three months ended March 31, 2024 and 2023 was $153,609 and $73,219, respectively. Provisions related to returns and deductions for the three months ended March 31, 2024 and 2023 was $(263,500) and $364,193, respectively.

Concentration of Credit Risk

The balance sheet items that potentially subject the Company to concentrations of credit risk are primarily cash and accounts receivable. The Company continuously evaluates the credit worthiness of its customers' financial condition and generally does not require collateral. The Company maintains cash balances in bank accounts that may, at times, exceed Federal Deposit Insurance Corporation ("FDIC") limits of $250,000 per institution. The Company incurred no losses from such accounts and management considers the risk of loss to be minimal.

For the three months ended March 31, 2024 and 2023, the following customers represented more than 10% of consolidated sales. No vendors represented more than 10% of purchases.

	2024	**2023**
Customer A	24%	14%
Customer B	—	23%
Customer C	11%	—
Customer D	19%	11%

As of March 31, 2024 and 2023, the following customers represented more than 10% of accounts receivable. No vendors represented more than 10% of the accounts payable balance.

	2024	**2023**
Customer A	27%	11%
Customer B	—	37%
Customer D	10%	11%
Customer E	—	10%

Revenue Recognition Policy

The Company manufactures and markets a broad range of protein snack products through multiple distribution channels. The products are offered through branded and private label items. Generally, the Company considers all revenues as arising from contracts with customers. Revenue is recognized based on the five-step process outlined in Accounting Standards Codification ("ASC") 606, *Revenue from Contracts with Customers*:

(1)Identification of the contract with a customer
(2)Identification of the performance obligations in the contract
(3)Determination of the transaction price
(4)Allocation of the transaction price to the performance obligations in the contract
(5)Recognition of revenue when, or as, the Company satisfies a performance obligation

The Company's revenue derived from the sale of branded and private label products is considered variable consideration as the contract includes discounts, rebates, incentives and other similar items. Generally, revenue is recognized at the point in time when the customer obtains control of the product, which may occur upon either shipment or delivery of the product. The payment terms of the Company's contracts are generally net 30 to 60 days, although early pay discounts are offered to customers.

The Company regularly experiences customer deductions from amounts invoiced due to product returns, product shortages, and delivery nonperformance penalty fees. This variable consideration is estimated using the expected value approach based on the Company's historical experience, and it is recognized as a reduction to the transaction price in the same period that the related product sale is recognized.

Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring products to customers. Revenue is recognized when the Company satisfies its performance obligations under the contract by transferring the promised product to its customer.

The Company's contracts generally do not include any material significant financing components.

Performance Obligations

The Company has elected the following practical expedients provided for in ASC 606*:*

(1)The Company has excluded from its transaction price all sales and similar taxes collected from its customers.
(2)The Company has elected to recognize the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the entity otherwise would have recognized is one year or less.
(3)The Company has elected to account for shipping and handling activities that occur after control of the related good transfers as fulfillment activities instead of assessing such activities as performance obligations.
(4)The portfolio approach has been elected by the Company as it expects any effects would not be materially different in application at the portfolio level compared with the application at an individual contract level.
(5)The Company has elected not to disclose information about its remaining performance obligations for any contract that has an original expected duration of one year or less.

Neither the type of good sold nor the location of sale significantly impacts the nature, amount, timing, or uncertainty of revenue and cash flows.

Inventory

Inventories consist of raw materials, work in process, and finished goods, are stated at lower of cost or net realizable value determined using the average cost method. The Company reviews the value of items in inventory and provides write-downs and write-offs of inventory for obsolete, damaged, or expired inventory. Write-downs and write-offs are included in cost of goods sold.

Leases

In accordance with FASB ASC Topic 842, *Leases*, the Company determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, current operating lease liabilities, and noncurrent operating lease liabilities in the consolidated balance sheets. Finance leases are included in property, plant and equipment, current maturities of long-term debt, and long-term debt, net of debt issuance costs and current maturities in the condensed consolidated balance sheets.

Operating lease ROU assets and operating lease liabilities are recognized based on the present value of future minimum lease payments over the lease term at commencement date. Variable payments are not included in ROU assets or lease liabilities and can vary from period to period based on asset usage or the Company's proportionate share of common costs. The implicit rate within the Company's leases is generally not determinable and, therefore, the incremental borrowing rate at lease commencement is utilized to determine the present value of lease payments. The Company estimates its incremental borrowing rate based on third-party lender quotes to obtain secured debt in a like currency for a similar asset over a timeframe similar to the term of the lease. The ROU asset also includes any lease prepayments made and any initial direct costs incurred and excludes lease incentives. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that it will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. The Company has elected not to recognize ROU assets or lease liabilities for leases with a term of 12 months or less.

The Company accounts for each lease and any non-lease components associated with that lease as a single lease component for all asset classes.

Recognition, measurement and presentation of expenses and cash flows arising from a lease will depend on classification as a finance or operating lease. Operating lease expense is recognized on a straight-line basis over the lease term, whereas the amortization of finance lease assets is recognized on a straight-line basis over the shorter of the estimated useful life of the underlying asset or the lease term.

Operating lease expense and finance lease amortization are presented in cost of goods sold or operations expense in the consolidated statements of operations depending on the nature of the leased item. Interest expense on finance lease obligations is recorded over the lease term and is presented in interest expense, based on the effective interest method. All operating lease cash payments and interest on finance leases are presented within cash flows from operating activities and all finance lease principal payments are presented within cash flows from financing activities in the consolidated statements of cash flows.

Stock Based Compensation

Stock-based compensation awards including restricted stock awards, restricted stock units and restricted stock units with a market condition are accounted for in accordance with ASC 718, *Compensation –Stock Compensation*. The Company expenses the fair value of stock awards granted to employees and members of the board of directors over the requisite service period, which is typically the vesting period. Compensation cost for stock-based awards issued to employees is measured using the estimated fair value at the grant date. The Company accounts for forfeitures when they occur.

Stock-based awards issued to non-employees, including directors for non-board-related services, are accounted for based on the fair value of such services received or the fair value of the awards granted on the grant date, whichever is more reliably measured. Stock-based awards subject to service-based vesting conditions are expensed on a straight-line basis over the vesting period. Stock-based awards subject to a market-based condition are expensed over the derived service period.

Warrant Liability

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and applicable authoritative guidance in Financial Accounting Standards Board ("FASB") ASC 480, *Distinguishing Liabilities from Equity* ("ASC 480") and ASC 815, *Derivatives and Hedging* ("ASC 815"). The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the Company's own common stock and whether the warrant holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding.

For issued or modified warrants that meet all of the criteria for equity classification, the warrants are required to be recorded as a component of additional paid-in capital at the time of issuance. For issued or modified warrants that do not meet all the criteria for equity classification, the warrants are required to be recorded at their initial fair value on the date of issuance, and each balance sheet date thereafter.

Accordingly, the Company classifies the private warrants issued to Andina's original stockholders (the "Private Warrants") as liabilities at their fair value and adjusts the warrants to fair value at each reporting period. This liability is subject to re-measurement at each balance sheet date until exercised, and any change in fair value is recognized in the condensed consolidated statements of operations.

Net Income (Loss) per Share

The Company reports both basic and diluted earnings per share. Basic earnings per share is calculated based on the weighted average number of shares of common stock outstanding and excludes the dilutive effect of warrants, stock options, and other types of convertible securities. Diluted earnings per share is calculated based on the weighted average number of shares of common stock outstanding and the dilutive effect of stock options, warrants and other types of convertible securities are included in the calculation. Dilutive securities are excluded from the diluted earnings per share calculation if their effect is anti-dilutive, such as in periods where the Company would report a net loss.

As of March 31, 2024 and 2023, the Company excluded the common stock equivalents summarized below, which entitle the holders thereof to ultimately acquire shares of common stock, from its calculation of earnings per share, as their effect would have been anti-dilutive.

	March 31,	
	2024	2023
Private Warrants	197,500	197,500
Public Warrants	10,800,000	10,800,000
Warrants - January 2022 Offering	10,294,118	10,294,118
Warrants - April 2023 Financing	7,964,550	7,964,550
Restricted Stock Awards - unvested	56,599	57,780
	29,312,767	29,313,948

The weighted average number of shares outstanding for purposes of per share calculations includes the Class V shares on as-exchanged basis.

Income Taxes

The Company accounts for income taxes pursuant to the asset and liability method of ASC 740, Income Taxes, which requires the Company to recognize current tax liabilities or receivables for the amount of taxes as estimated are payable or refundable for the current year, and deferred tax assets and liabilities for the expected future tax consequences attributable to temporary differences between the financial statement carrying amounts and their respective tax bases of assets and liabilities and the expected benefits of net operating loss and credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in operations in the period enacted. A valuation allowance is provided when it is more likely than not that a portion or all of a deferred tax asset will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income and the reversal of deferred tax liabilities during the period in which related temporary differences become deductible. On July 20, 2021 (the “Closing Date”), the Company completed a business combination (the "Business Combination") pursuant to that certain Business Combination Agreement (the "Business Combination Agreement").

Under the terms of a Tax Receivable Agreement (the “TRA”) as part of the Business Combination Agreement, the Company generally will be required to pay to the Seller 85% of the applicable cash savings, if any, in U.S. federal and state income tax based on its ownership in Andina Holdings, LLC that the Company is deemed to realize in certain circumstances as a result of the increases in tax basis and certain tax attributes resulting from the Business Combination as described below. This is accounted for in conjunction with the methods used to record income tax described above.

The Company follows the provisions of ASC 740-10 related to the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements. ASC 740-10 prescribes a comprehensive model for the financial statement recognition, measurement, presentation and disclosure of uncertain tax positions taken or expected to be taken in income tax returns.

The benefit of tax positions taken or expected to be taken in the Company income tax returns is recognized in the financial statements if such positions are more likely than not of being sustained upon examination by taxing authorities. Differences between tax positions taken or expected to be taken in a tax return and the benefit recognized and measured pursuant to the interpretation are referred to as “unrecognized benefits”. A liability is recognized (or amount of net operating loss carryover or amount of tax refundable is reduced) for an unrecognized tax benefit because it represents an enterprise’s potential future obligation to the taxing authority for a tax position that was not recognized as a result of applying the provisions of ASC 740-10. Interest costs and related penalties related to unrecognized tax benefits are required to be calculated, if applicable. The Company's policy is to classify assessments, if any, for tax related interest and penalties as a component of income tax expense. As of March 31, 2024, no liability for unrecognized tax benefits was required to be reported. The Company does not expect any significant changes in its unrecognized tax benefits in the next year.

Tax Receivable Agreement

In conjunction with the Business Combination, the Company entered into the TRA with Seller and Holdings. Pursuant to the TRA, the Company is required to pay Seller 85% of the amount of savings, if any, in U.S. federal, state, local and foreign income tax that the Company actually realizes as a result of (a) tax basis adjustments resulting from taxable exchanges of Class B common units of Holdings and Class V common stock of the Company acquired by the Company in exchange for Class A common stock of the Company and (b) tax deductions in respect of portions of certain payments made under the TRA. All such payments to the Seller are the obligations of the Company. As of March 31, 2024, there have been 383,898 shares of Class B common units of Holdings and Class V common stock of the Company exchanged for an equal number of shares of Class A common stock of the Company. The Company has not recognized any change to the deferred tax asset for changes in tax basis, as the asset is not more-likely-than-not to be realized. Additionally, the Company has not recognized the TRA liability as it is not probable that the TRA payments would be paid based on the Company's historical loss position and would not be payable until the company realizes tax benefit.

Fair Value of Financial Instruments

The Company's financial instruments consist primarily of cash, accounts receivable, accounts payable, a line of credit, promissory notes payable and long-term debt. The carrying amounts of cash, accounts receivable, accounts payable, and promissory notes payable approximate their respective fair values because of the short-term maturities or expected settlement date of these instruments. The line of credit has variable interest rates the Company believes reflect current market rates for notes of this nature. The Company believes the current carrying value of long-term debt approximates its fair value because the terms are comparable to similar lending arrangements in the marketplace.

Derivative Financial Instruments

The Company evaluates its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives in accordance with ASC 815. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value on the grant date and is then re-valued at each reporting date, with changes in the fair value reported in the statements of operations. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement or conversion of the instrument could be required within 12 months of the balance sheet date.

Recent Accounting Standards

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which requires public entities to disclose, on an annual and interim basis, significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss. All public entities will be required to report segment information in accordance with the new guidance starting in annual periods beginning after December 15, 2023. The Company is determining the impact on our business.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09"), which enhances the transparency and decision usefulness of income tax disclosures by requiring; (1) consistent categories and greater disaggregation of information in the rate reconciliation and (2) income taxes paid disaggregated by jurisdiction. It also includes certain other amendments to improve the effectiveness of income tax disclosures. For public business entities, the standard is effective for annual periods beginning after December 15, 2024. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. The Company is determining the impact of the ASU 2023-09 on its financial statements.

Note 4 - Inventory

As of March 31, 2024, and December 31, 2023, inventory consisted of the following:

		March 31, 2024		**December 31, 2023**
Raw materials	$	1,427,258	$	1,475,657
Work in process		1,176,811		703,117
Finished goods		2,416,680		3,021,206
Total Inventory	**$**	**5,020,749**	**$**	**5,199,979**

Reserves for inventory obsolescence are recorded as necessary to reduce obsolete inventory to estimated net realizable value or to specifically reserve for obsolete inventory. Sales of previously reserved inventory net of write-downs and write-offs for the three months ended March 31, 2024 was $11,789 and $60,926, respectively.

Note 5 - Line of Credit

On September 28, 2022, certain subsidiaries of the Company entered into an Invoice Purchase and Security Agreement (together with an Inventory Finance Rider thereto, the “PSA”) with Alterna Capital Solutions LLC (the “Lender”) providing for (a) the purchase by the Lender of certain of the subsidiaries’ accounts receivable, and (b) financing based upon a percentage of the value of the subsidiaries’ inventory. Pursuant to the PSA, the subsidiaries agree to sell eligible accounts receivable to the Lender for an amount equal to the face amount of each account receivable less a reserve percentage. The maximum amount potentially available to be deployed by the Lender at any given time is $8,000,000, which may be increased to an amount up to $20,000,000. Pursuant to the Inventory Finance Rider to the RSA, the subsidiaries may request advances from time to time based upon the value of the subsidiaries’ inventory. Such advances bear interest at the current prime rate plus 2.25% and are required to be repaid at any time the aggregate outstanding amount of such advances exceed a designated percentage of the value of such inventory. The interest rate as of March 31, 2024 and December 31, 2023 was 10.75%.

The PSA provides for the payment of fees by the subsidiaries and includes customary representations and warranties, indemnification provisions, covenants and events of default. Subject in some cases to cure periods, amounts outstanding under the PSA may be accelerated for typical defaults including, but not limited to, the failure to make when due payments, the failure to perform any covenant, the inaccuracy of representations and warranties, the occurrence of debtor-relief proceedings and the occurrence of liens against the purchased accounts receivable and collateral. The subsidiaries have granted the Lender a security interest in all of their respective personal property to secure their obligations under the PSA; provided that the Lender has a first priority security interest in the Subsidiaries’ accounts receivable, payment intangibles and inventory. A named executive officer of the Company granted the Lender a security interest in certain personal property owned by the named executive officer to further secure the Company's obligations under the PSA.

The PSA provides for an initial twenty four (24) month term, followed by automatic annual renewal terms unless the subsidiaries provide written notice pursuant to the PSA prior to the end of any term. During March 2024, the PSA was amended to extend the initial term twenty four (24) months after the date of the amendment, followed by automatic annual renewal terms unless the Company or the Lender provide written notice pursuant to the PSA prior to the end of any term.

As of March 31, 2024 and December 31, 2023, $3,894,656 and $3,716,914, respectively, was borrowed under the financing agreement. The Company recognized approximately $184,579 and $87,600 in interest expense for the three months ended March 31, 2024 and 2023, respectively. The amount remaining available under the PSA is $4.1 million.

Note 6 - Debt

As of March 31, 2024 and December 31, 2023, long-term debt consisted of the following:

		2024		2023
Revenue Loan and Security Agreement, net of debt issuance costs	$	3,775,447	$	3,791,950
Broken Stone Agreement		19,775		19,775
Less: current portion		(374,403)		(335,636)
Total long-term debt, net of current portion	**$**	**3,420,818**	**$**	**3,476,089**

As of March 31, 2024 and December 31, 2023, short-term borrowings and current portion of long-term debt consisted of the following:

		2024		2023
Invoice Purchase and Security Agreement, net of debt issuance costs	$	3,795,669	$	3,568,295
Promissory Notes, net of debt discount and debt issuance costs		4,089,000		4,089,000
Commercial Premium Finance Agreement		104,174		269,894
Current portion of long-term obligations		374,403		335,636
Total short-term borrowings and current portion of long-term debt	**$**	**8,363,246**	**$**	**8,262,825**

Outstanding as of March 31, 2024

Revenue Loan and Security Agreement

On September 28, 2022, the Company entered into a Revenue Loan and Security Agreement (the "Loan Agreement") with Decathlon Alpha V, L.P. The Company was advanced $4,000,000 upon execution of the Loan Agreement. The Loan Agreement requires monthly payments, calculated as a percentage of the Company's revenue from the previous month (subject to an annual payment cap) with all outstanding advances and the interest (as defined in the Loan Agreement) being due at maturity on June 13, 2027 (unless accelerated upon a change of control or the occurrence of other events of default). Interest does not accrue on advance(s) pursuant to the Loan Agreement, rather a minimum amount of interest (as defined in the Loan Agreement) is due pursuant to the terms of the Loan Agreement. The Loan Agreement further provides for the payment of fees by the Company and includes customary representations and warranties, indemnification provisions, covenants and events of default. Subject in some cases to cure periods, amounts outstanding and otherwise due under the Loan Agreement may be accelerated for typical defaults including, but not limited to, the failure to make when due payments, the failure to perform any covenant, the inaccuracy of representations and warranties, and the occurrence of debtor-relief proceedings. The advances are secured by all property of the Company and is guaranteed by the Company and certain of the Company's Subsidiaries.

The Company has accounted for the loan facility as debt in accordance with ASC 470-10-25-2 and use the effective interest rate method to estimate the timing and amount of future cash flows in accordance with ASC 835-30. The current effective interest rate is 10.9%. As of March 31, 2024 and December 31, 2023, the balance on this loan was $3,842,510 and $3,864,175, respectively. The Company recognized approximately $77,231 and $118,073 in interest expense for the three months ended March 31, 2024 and 2023, respectively. No amount remained available under the Loan Agreement.

Promissory Notes

On April 19, 2023, the Company issued an aggregate of $4,089,000 in principal amount of secured promissory notes (the "Notes") to select accredited investors (the "Lenders"). The aggregate principal amount of the Notes is inclusive of $1,175,000 from related parties (the "Related Party Notes"). The Notes accrue interest annually at a rate of 12% and are secured by a security interest on substantially all the assets of the Company that is subordinate to the security interests of the Company's existing first and second lien lenders. Each Lender that purchased Notes received a warrant (the "Warrants") to purchase 1/15th of one share of the Company's Class A common stock for each $0.5134 of principal amount of the Notes, for an aggregate of 7,964,550 warrants convertible to 530,970 shares of Class A common stock. The aggregate amount of the Warrants is inclusive of 2,288,664 warrants convertible to 152,577 shares of Class A common stock associated with the Related Party Notes.

The Company has accounted for the Notes as debt in accordance with ASC 470-10-25 and uses the effective interest rate method to estimate the timing and amount of future cash flows in accordance with ASC 835-30. The current effective interest rate is 12.0%. As of March 31, 2024 and December 31, 2023, the outstanding balance on the Notes was $4,089,000 of which $1,175,000 was due to related parties. In accordance with ASC 470-20-25-2, the Company allocated the proceeds between the Notes and Warrants based on their relative fair values. The allocation resulted in a discount to the Notes of $1,374,631 that was amortized over the initial term of the Notes.

During January 2024, the Notes were amended to extend the maturity date of the Notes from December 31, 2023 to the earlier of (i) December 31, 2024, or (ii) the closing of the next sale or series of related sales by the Company of its equity securities from which the Company receives gross proceeds of not less than $3.0 million, excluding proceeds from the warrants held by the Lenders and the Company's at the market equity facility with Craig-Hallum Capital Group LLC. As consideration for the Final Lender's entry into the Amendment, the Company (i) reduced the exercise price on the outstanding warrants issued to the lenders in April 2023 from $0.5134 per 1/15th of one share to $0.1833 per 1/15th of one share and (ii) agreed to issue shares of Class A common stock as payment in full for interest accrued on the Notes held through December 31, 2023 (at a value of $2.75 per share). The Company issued an aggregate of 53,559 shares of Class A common stock (at a value of $2.75 per share) to certain electing lenders as payment in full for interest accrued through December 31, 2023 on the Notes held by the electing lenders. The value of the accrued interest satisfied by the payment of 53,559 shares of Class A common stock to the electing lenders was $147,287.

The Company evaluated the amendment under ASC 470-50, "*Debt - Modification and Extinguishment*", and concluded that the extension of the maturity date and modification of the exercise price of the Warrants resulted in significant and consequential changes to the economic substance of the debt and thus resulted in accounting for these modifications as an extinguishment of the debt. There were no unamortized deferred debt costs or debt discount at the time of the amendment. This Company recorded a loss on the extinguishment of the debt in the amount of $334,511 during the three months ended March 31, 2024.

The Company recognized approximately $122,334 in interest expense for the three months ended March 31, 2024.

Future minimum principal payments, exclusive of debt discounts, on debt as of March 31, 2024 are as follows:

2024	$	8,353,548
2025		552,365
2026		1,083,815
2027		1,960,387
	$	**11,950,116**

Note 7 - Income Taxes

The Company's sole material asset is Andina Holdings, LLC, which is treated as a partnership for U.S. federal income tax purposes and for purposes of certain state and local income taxes. Andina Holdings, LLC owns 100% of Stryve Foods, LLC which is treated as a disregarded entity for the U.S. federal income tax purposes. Stryve Foods Holdings, LLC's net taxable income and any related tax credits are passed through to its members and are included in the members' tax returns, even though such net taxable income or tax credits may not have actually been distributed. The income tax burden on the earnings taxed to the non-controlling interests is not reported by the Company in its condensed consolidated financial statements under GAAP. As a result, the Company's effective tax rate is expected to differ materially from the statutory rate.

ASC Topic 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. As of March 31, 2024 and December 31, 2023, no liability for unrecognized tax benefits was required to be reported and no amounts accrued for interest and penalties. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position over the next twelve months.

The Company currently estimates its annual effective income tax rate to be (0.0432)%, which differs from the federal rate of 21% primarily due to tax benefit related to income passed through to non-controlling interest, increase in valuation allowances, and state and local income taxes. The Company has reported income tax expense of $8,998 and $3,331 for the three months ended March 31, 2024 and 2023.

Tax Receivable Agreement Liability

In conjunction with the Business Combination, the Company also entered into a TRA with the Seller and Holdings. Pursuant to the TRA, the Company is required to pay the Seller 85% of the amount of savings, if any, in United States federal, state, local and foreign income tax that the Company actually realizes as a result of (a) tax basis adjustments resulting from taxable exchanges of Class B common units of Holdings and Class V common stock of the Company acquired by the Company in exchange for Class A common stock of the Company and (b) tax deductions in respect of portions of certain payments made under the TRA. All such payments to the Seller are the obligations of the Company.

As of March 31, 2024, there have been 383,898 shares of Class B common units of Holdings and Class V common stock of the Company exchanged for an equal number of shares of Class A common stock of the Company. The estimation of liability under the TRA is by its nature imprecise and subject to significant assumptions regarding the amount and timing of future taxable income.

As of March 31, 2024, the Company has recorded a full valuation allowance against its net deferred tax assets as the realizability of the tax benefit is not at the more likely than not threshold. Since the benefit has not been recorded, the Company has determined that the TRA liability is not probable and therefore no TRA liability existed as of March 31, 2024.

Note 8 - Shareholders' Equity

The Company's Amended and Restated Certificate of Incorporation ("Charter") authorizes the issuance of 425,000,000 shares, of which 400,000,000 shares are Class A common stock, par value $0.0001 per share, 15,000,000 shares of Class V common stock, par value $0.0001 per share, and 10,000,000 shares of preferred stock, par value $0.0001 per share. The Reverse Stock Split reduced the number of authorized shares of Class V common stock from 200,000,000 to 15,000,000 while the number of authorized shares of Class A common stock and the par value for both Class A and Class V common stock remained unchanged.

Warrants

Public Warrants

The Company has outstanding 10,997,500 warrants convertible into 733,166 shares of Class A common stock that were issued prior to the Business Combination, of which 10,800,000 convertible into 720,000 shares of Class A common stock are referred to as public warrants and 197,500 convertible into 13,166 shares of Class A common stock are Private Warrants. Each warrant represents the right to purchase 1/15th of a share of the Company's Class A common stock at a price of $172.50 per whole share. The warrants expire on July 20, 2026.

The Company may call the public warrants for redemption (but not the Private Warrants), in whole and not in part, at a price of $.01 per Public Warrant:

- at any time while the public warrants are exercisable,
- upon not less than 30 days' prior written notice of redemption to each public warrant holder,
- if, and only if, the reported last sale price of shares of Class A common stock equals or exceeds $270.00 per share, for any 20 trading days within a 30-trading day period ending on the third business day prior to the notice of redemption to public warrant holders, and
- if, and only if, there is a current registration statement in effect with respect to shares of Class A common stock underlying such public warrants at the time of redemption and for the entire 30-day trading period referred to above and continuing each day thereafter until the date of redemption.

The right to exercise will be forfeited unless the warrants are exercised prior to the date specified in the notice of redemption.

Private Warrants

The Company has agreed that so long as the Private Warrants are still held by its initial shareholders or their affiliates, it will not redeem such Private Warrants and will allow the holders to exercise such Private Warrants on a cashless basis (even if a registration statement covering shares of Class A common stock issuable upon exercise of such warrants is not effective). As of March 31, 2024, there were 197,500 Private Warrants outstanding.

April 2023 Warrants

On April 19, 2023, the Company issued certain lenders warrants (the "April 2023 Warrants") to purchase 1/15th of a share of the Company's Class A common stock for each $0.5134 of principal amount of the Notes, for an aggregate of 7,964,550 warrants convertible to 530,970 shares of Class A common stock. The aggregate amount of the April 2023 Warrants is inclusive of 2,288,664 warrants convertible to 152,577 shares of Class A common stock associated with related parties. Each warrant is exercisable immediately, has an exercise price per share of Class A common stock equal to $7.701 per whole share and will expire three years and three months from the date of issuance and may be exercised on a cashless basis if a registration statement registering the resale of the shares issuable upon exercise is not effective. The exercise price was subsequently reduced to $2.75 per whole share. See Note 6 for further discussion. The warrant holder will be prohibited, subject to certain exceptions, from exercising the Warrants for shares of the Company's Class A common stock to the extent that immediately prior to or after giving effect to such exercise, the warrant holder, together with its affiliates and other attribution parties, would own more than 4.99% or 9.99%, as applicable, of the total number of shares of the Company's Class A common stock then issued and outstanding, which percentage may be changed at the warrant holders' election to a higher or lower percentage not in excess of 9.99% upon 61 days' notice to the Company. The Company agreed to use commercially reasonable efforts to register the shares of Class A common stock underlying the Warrants within 60 days and to have the registration statement declared effective within 30 days thereafter. As of March 31, 2024, there were 7,964,550 April 2023 Warrants outstanding exercisable for up to 530,970 shares of Class A common stock.

Stryve Foods, Inc. 2021 Omnibus Incentive Plan (the "Incentive Plan")

The Incentive Plan allows the Company to grant stock options, restricted stock unit awards and other awards at levels determined appropriate by its board of directors and/or compensation committee. The Incentive Plan also allows the Company to use a broad array of equity incentives and performance cash incentives in order to secure and retain the services of its employees, directors and consultants, and to provide long-term incentives that align the interests of its employees, directors and consultants with the interests of its stockholders. The Incentive Plan is administered by the Company's board of directors or its compensation committee, or any other committee or subcommittee or one or more of its officers to whom authority has been delegated (collectively, the "Administrator"). The Administrator has the authority to interpret the Incentive Plan and award agreements entered into with respect to the Incentive Plan; to make, change and rescind rules and regulations relating to the Incentive Plan; to make changes to, or reconcile any inconsistency in, the Incentive Plan or any award agreement covering an award; and to take any other actions needed to administer the Incentive Plan.

The Incentive Plan permits the Administrator to grant stock options, stock appreciation rights ("SARs"), performance shares, performance units, shares of Class A common stock, restricted stock, restricted stock units ("RSUs"), cash incentive awards, dividend equivalent units, or any other type of award permitted under the Incentive Plan. The Administrator may grant any type of award to any participant it selects, but only employees of the Company or its subsidiaries may receive grants of incentive stock options within the meaning of Section 422 of the Internal Revenue Code. Awards may be granted alone or in addition to, in tandem with, or (subject to the repricing prohibition described below) in substitution for any other award (or any other award granted under another plan of the Company or any affiliate, including the plan of an acquired entity).

The Company has reserved a total of 457,664 shares of Class A common stock for issuance pursuant to the Incentive Plan. The number of shares reserved for issuance under the Incentive Plan will be reduced on the date of the grant of any award by the maximum number of shares, if any, with respect to which such award is granted. However, an award that may be settled solely in cash will not deplete the Incentive Plan's share reserve at the time the award is granted. If (a) an award expires, is canceled, or terminates without issuance of shares or is settled in cash, (b) the Administrator determines that the shares granted under an award will not be issuable because the conditions for issuance will not be satisfied, (c) shares are forfeited under an award, (d) shares are issued under any award and the Company reacquires them pursuant to its reserved rights upon the issuance of the shares, (e) shares are tendered or withheld in payment of the exercise price of an option or as a result of the net settlement of outstanding stock appreciation rights or (f) shares are tendered or withheld to satisfy federal, state or local tax withholding obligations, then those shares are added back to the reserve and may again be used for new awards under the Incentive Plan. However, shares added back to the reserve pursuant to clauses (d), (e) or (f) in the preceding sentence may not be issued pursuant to incentive stock options.

As of March 31, 2024, the Company had 115,815 shares of Class A common stock available for future issuance under the Incentive Plan.

Note 9 - Stock Based Compensation

The Company's stock-based awards that result in compensation expense consist of restricted stock units (RSUs) and restricted stock awards (RSAs). As of March 31, 2024, the Company had 115,815 shares available for grant under its stock plans. As of March 31, 2024, the total unrecognized compensation cost related to all unvested stock-based compensation awards was $1,836,464 and is expected to be recognized over the next four years. RSUs generally vest over three years and RSAs generally vest from one to four years.

Restricted Stock Units (RSUs)

The following table summarizes the Company's RSU activity:

Nonvested Restricted Stock Units

	Restricted Stock Units	Weighted Average Award Date Fair Value Per Share
Restricted Stock at January 1, 2024	193,205	$ 5.18
Granted	—	—
Forfeited	(250)	2.58
Vested	(833)	10.03
Restricted Stock at March 31, 2024	**192,122**	**$ 5.16**

The fair value of RSUs is determined based on the closing market price of the Company's stock on the grant date. The fair value of RSUs with a market condition is determined based on a Monte Carlo valuation simulation using.

Restricted Stock Awards (RSAs)

The following table summarizes the Company's RSA activity:

Nonvested Restricted Stock Awards

	Restricted Stock Awards	Weighted Average Award Date Fair Value Per Share	Director Stock Awards	Weighted Average Award Date Fair Value Per Share
Restricted Stock at January 1, 2024	52,778	$ 16.09	5,000	$ 12.45
Granted	—	—	—	—
Forfeited	—	—	—	—
Vested	(1,181)	56.33	—	—
Restricted Stock at March 31, 2024	**51,597**	**$ 15.17**	**5,000**	**$ 12.45**

The fair value of RSAs is determined based on the closing market price of the Company's stock on the grant date.

Stock Based Compensation Expense

The Company has a long-term incentive plan under which the Compensation Committee of the Board of Directors has the authority to grant share-based awards to Company employees and non-employees. Stock based compensation costs associated with employee RSU and RSA grants are recorded as a separate component of salaries and wages on the condensed consolidated statements of operations. For the three months ended March 31, 2024 and 2023, $246,440 and $151,689, respectively, were recorded in salaries and wages. Stock based compensation costs associated with non-employee RSU and RSA grants are recorded as a separate component of selling expenses on the condensed consolidated statements of operations. For the three months ended March 31, 2024 and 2023, $23,936 and $33,834, respectively, were recorded in selling expenses. Stock based compensation expense for service-based awards that contain a graded vesting schedule is recognized on a straight-line basis. The Company accounts for forfeitures when they occur.

Note 10 - Fair Value Measurements

The Company follows the guidance in ASC 820 for its financial assets and liabilities that are re-measured and reported at fair value at each reporting period, and non-financial assets and liabilities that are remeasured and reported at fair value at least annually.

The fair value of the Company's financial assets and liabilities reflects management's estimate of amounts that the Company would have received in connection with the sale of the assets or paid in connection with the transfer of the liabilities in an orderly transaction between market participants at the measurement date. In connection with measuring the fair value of its assets and liabilities, the Company seeks to maximize the use of observable inputs (market data obtained from independent sources) and to minimize the use of unobservable inputs (internal assumptions about how market participants would price assets and liabilities). The following fair value hierarchy is used to classify assets and liabilities based on the observable inputs and unobservable inputs used in order to value the assets and liabilities:

Level 1:	Observable inputs such as quoted prices (unadjusted), for identical instruments in active markets.
Level 2:	Observable inputs other than Level 1 inputs. Examples of Level 2 inputs include quoted prices in active markets for similar assets or liabilities and quoted prices for identical assets or liabilities in markets that are not active.
Level 3:	Unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable. In some circumstances, the inputs used to measure fair value might be categorized within different levels of the fair value hierarchy. In those instances, the fair value measurement is categorized in its entirety in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

Note 11 - Related Party Transactions

Sale and Leaseback. On May 26, 2021, the Company entered into a Purchase and Sale Agreement with OK Biltong Facility, LLC ("Buyer"), an entity controlled by a member of the Company's board of directors, pursuant to which the parties consummated a sale and leaseback transaction (the "Sale and Leaseback Transaction") of the Company's manufacturing facility and the surrounding property in Madill, Oklahoma (the "Real Property") for a total purchase price of $7,500,000.

In connection with the consummation of the Sale and Leaseback Transaction, the Company entered into a lease agreement (the “Lease Agreement”) with Buyer pursuant to which the Company leased back the Real Property from Buyer for an initial term of twelve (12) years unless earlier terminated or extended in accordance with the terms of the Lease Agreement. Under the Lease Agreement, the Company’s financial obligations include base rent of approximately $60,000 per month, which rent will increase on an annual basis at two percent (2%) over the initial term and two-and-a-half percent (2.5%) during any extension term. The Company is also responsible for all monthly expenses related to the leased facility, including insurance premiums, taxes and other expenses, such as utilities. Under the Lease Agreement, the Company has three (3) options to extend the term of the lease by five (5) years for each such option and a one-time right and option to purchase the Real Property at a price that escalates over time and, if Buyer decides to sell the Real Property, the Company has a right of first refusal to purchase the Real Property on the same terms offered to any third party.

The Company determined that the sale and leaseback transaction contained continuing involvement and thus used the financing method consistent with ASC 842. The transfer did not qualify as a sale; hence it is considered a "failed" sale and both parties account for it as a financing transaction. Accordingly, a financing obligation related to the operating lease in the amount of the sale price ($7,500,000) has been booked and the corresponding assets on the balance sheet are maintained. Under the finance method, rental payments are applied as amortization and/or interest expense on the financing obligation as appropriate using an assumed interest rate. The Company is accounting for these as interest only payments because the Company's incremental cost to borrow when applied to the financing obligation is greater than the rental payments under the Lease Agreement. The Company recognized interest expense of $187,265 and $183,593 during the three months ended March 31, 2024 and 2023, respectively.

Promissory Notes. On April 19, 2023, the Company issued an aggregate of $1,175,000 in Related Party Notes. The Related Party Notes accrue interest annually at a rate of 12% and will mature upon the earlier of (i) December 31, 2024, or (ii) the closing of the next sale (or series of related sales) by the Company of its equity securities (other than pursuant to warrants described below), following the date of the Related Party Notes, from which the Company receives gross proceeds of not less than $3,000,000. The Related Party Notes are secured by a security interest on substantially all the assets of the Company that is subordinate to the security interests of the Company’s existing first and second lien lenders. See Note 6 for further discussion on the Related Party Notes. Each related party lender that purchased Related Party Notes received a warrant (the “April 2023 Warrants”) to purchase 1/15th of a share of the Company’s Class A common stock for each $0.1833 of principal amount of the Related Party Notes, for an aggregate of 2,288,664 April 2023 Warrants convertible to 152,577 shares of Class A common stock. Each April 2023 Warrant is exercisable immediately, has an exercise price per share of Class A common stock equal to $2.75 and will expire three years and three months from the date of issuance and may be exercised on a cashless basis if a registration statement registering the resale of the shares issuable upon exercise is not effective. See Note 8 for further discussion on the April 2023 Warrants.

Other. During the three months ended March 31, 2024 and 2023, the Company did not purchase goods from an entity controlled by a member of the Company’s Board of Directors (the "Related Party Manufacturer"). The balance owed to the Related Party Manufacturer as of March 31, 2024 and December 31, 2023 was $807.

The Company previously had note receivables due from certain directors, officers and employees of the Company. The note receivables and the accrued interest was forgiven in connection with the Business Combination on July 20, 2021. The forgiveness of these note receivables resulted in non-cash compensation expense to the related parties for the year ended December 31, 2021. The Company agreed to reimburse the related parties for their portion of income taxes related to the non-cash compensation. As of March 31, 2024 and December 31, 2023, the balance owed to the related parties was $280,801 and $278,771, respectively.

In connection with the PSA, a named executive officer of the Company granted the Lender a security interest in certain personal property owned by the named executive officer to further secure the Company's obligations under the PSA. See further discussion at Note 9. As consideration for granting the security interest to the Lender, the Company agreed to pay the name executive officer a fee of $100,000 and reimbursement of out of pocket expenses. The balance owed to the name executive officer as of March 31, 2024 and December 31, 2023 was $0 and $100,000, respectively.

Note 12 - Commitments and Contingencies

Litigation

The Company may be a party to routine claims brought against it in the ordinary course of business. After consulting with legal counsel, the Company does not believe that the outcome of any such pending or threatened litigation will have a material adverse effect on its financial condition or results of operations. However, as is inherent in legal proceedings, there is a risk that an unpredictable decision adverse to the Company could be reached. The Company records legal costs associated with loss contingencies as incurred. Settlements are accrued when, and if, they become probable and estimable.

Registration Rights Agreements

The Company is a party to various registration rights agreements with certain stockholders where it may be required to register securities for such stockholders in certain circumstances.

Note 13 - Subsequent Events

The Company evaluated subsequent events and transactions that occurred after the balance sheet date up to the date that the condensed financial statements were issued. Based upon this review, the Company did not identify any subsequent events that would have required adjustment or disclosure in the condensed financial statements.

Nasdaq Deficiency Letter

On April 9, 2024, the Company received a deficiency letter from the Nasdaq Listing Qualifications Department indicating that the Company was not in compliance with Nasdaq's Listing Rule 5550(b)(1) because the Company's stockholders' equity for the year ended December 31, 2023, as reported in the Company's Form 10-K, was below the minimum stockholders' equity requirement of $2,500,000 (the "Stockholders' Equity Requirement"). The notice had no immediate effect on the Company's continued listing on Nasdaq, subject to the Company's compliance with the other continued listing requirements. In accordance with Nasdaq rules, the Company has been provided 45 calendar days to submit a plan to regain compliance with the Stockholders' Equity Requirement (the "Compliance Plan"). If the Compliance Plan is accepted, Nasdaq may grant up to 180 calendar days from the date of the notice for the Company to regain compliance with the Stockholders' Equity Requirement. The Company intends to timely submit a Compliance Plan to Nasdaq to regain compliance with the Stockholders' Equity Requirement. There can be no assurance that Nasdaq will accept the Company's plan or that the Company will be able to regain compliance with Listing Rule 5550(b)(1) or maintain compliance with any other Nasdaq requirement in the future.

April 2024 Convertible Notes

On April 3, 2024, the Company issued an aggregate of $1,616,162 million in principal amount of unsecured convertible promissory notes (the "April 2024 Convertible Notes") for $1,600,000 in proceeds to select accredited investors to fund inventory growth, growth in working capital, and general operations. The aggregate principal amount of the April 2024 Convertible Notes is inclusive of $1,121,212 from related parties. The April 2024 Convertible Notes were issued with an original issue discount of 1%, accrue interest annually at a rate of 12% and will mature on December 31, 2024. The April 2024 Convertible Notes will automatically convert in the securities issued in the next sale (or series of related sales) by the Company of its equity securities, following the date of the April 2024 Convertible Notes, from which the Company receives gross proceeds of not less than $3,000,000.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

This Quarterly Report on Form 10-Q includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company has based these forward-looking statements on the Company's current expectations and projections about future events. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions about us that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "should," "could," "would," "expect," "plan," "anticipate," "believe," "estimate," "continue," or the negative of such terms or other similar expressions. These risks, uncertainties, assumptions and other important factors, which could cause actual results to differ materially from those described in these forward-looking statements, include: (i) the inability to achieve profitability due to commodity prices, inflation, supply chain interruption, transportation costs and/or labor shortages; (ii) the ability to meet financial and strategic goals, which may be affected by, among other things, competition, supply chain interruptions, the ability to pursue a growth strategy and manage growth profitability, maintain relationships with customers, suppliers and retailers and retain its management and key employees; (iii) the risk that retailers will choose to limit or decrease the number of retail locations in which Stryve's products are carried or will choose not to carry or not to continue to carry Stryve's products; (iv) the possibility that Stryve may be adversely affected by other economic, business, and/or competitive factors; (v) the possibility that Stryve may not achieve its financial outlook (vi) Stryve's ability to maintain its listing on the Nasdaq Capital market; (vii) Stryve's ability to maintain its liquidity position and implement cost savings measures; (viii) Stryve's ability to continue as a going concern, (ix) adverse developments affecting the financial services industry, including events or concerns involving liquidity, defaults or non-performance by financial institutions or transactional counterparties, and (x) other risks and uncertainties described herein and in other filings with the Securities and Exchange Commission ("SEC") filings.

Unless the context otherwise requires, all references in this report to "Stryve," the "Company," "we," "us" and "our" herein refer to Stryve Foods, Inc..

We effected a 1-for-15 reverse stock split (the "Reverse Stock Split") of our issued and outstanding shares of Class A and Class V common stock, par value $0.0001 per share, effective as of 12:01 a.m. Eastern Time on July 14, 2023. All share and per share amounts were retroactively adjusted for all periods presented to give effect to this reverse stock split, including reclassifying an amount equal to the reduction in par value of the Company's common stock to additional paid-in capital. See Note 1 to our condensed consolidated financial statements for additional information.

The following discussion should be read in conjunction with our condensed consolidated financial statements and related notes thereto included elsewhere in this report. Due to rounding, certain totals and subtotals may not foot and certain percentages may not reconcile.

Overview

Stryve is an emerging healthy snacking company which manufactures, markets and sells highly differentiated healthy snacking products that Stryve believes can disrupt traditional snacking categories. Stryve's mission is "to help Americans snack better and live happier, better lives." Stryve offers convenient snacks that are lower in sugar and carbohydrates and higher in protein than other snacks. Stryve offers all-natural, delicious snacks which it believes are nutritious and offer consumers a convenient healthy snacking option for their on-the-go lives.

Stryve's current product portfolio consists primarily of air-dried meat snack products marketed under the Stryve®, Kalahari®, Braaitime®, and Vacadillos® brand names. Unlike beef jerky, Stryve's all-natural air-dried meat snack products are made of beef and spices, are never cooked, most contain zero grams of sugar, and are free of monosodium glutamate (MSG), gluten, nitrates, nitrites, and preservatives. As a result, Stryve's products are Keto and Paleo diet friendly. Further, based on protein density and sugar content, Stryve believes that its air-dried meat snack products are some of the healthiest shelf-stable snacks available today.

Stryve distributes its products in major retail channels, primarily in North America, including mass, convenience, grocery, club stores, and other retail outlets, as well as directly to consumers through its e-commerce websites, as well as direct to consumer through the Amazon platform.

Stryve believes increased consumer focus in the U.S. on health and wellness will continue to drive growth of the healthy snacking category and increase demand for Stryve's products. Stryve has made substantial investments since its inception in product development, establishing its manufacturing facility, and building its marketing, sales and operations infrastructure to grow its business. As a result, Stryve has reported net losses since its inception. Stryve intends to continue to invest in productivity, product innovation, improving its supply chain, enhancing and expanding its manufacturing capabilities, and expanding its marketing and sales initiatives to drive continued growth.

Transformation Strategy

In May of 2022, Stryve announced a leadership change with Chris Boever stepping in as the new Chief Executive Officer of the Company. With this change in leadership, management thoughtfully reviewed the business, strategy, near-term prospects, and its path to profitability. From this, management began executing on a three-phase transformation plan to drive the Company towards a profitable, self-sustaining model. The first phase of the transition began in immediately and is focused on cost reduction, revenue rationalization, pricing, and organizational design. The second phase began later in 2022 and is focused on improvements in quality, talent, and maximizing value through productivity. Management believes the benefits of the efforts within each of these phases will be compounding as the changes and improvements are been built into the Company's ongoing operating model.

As part of the transformation, Management has identified certain one-time write-downs for assets that were non-core to the go-forward plan as well as identified necessary write-downs of inventory and incurring one-time employee costs related to actions taken to reorganize the business and its objectives in line with the strategic direction that Mr. Boever has for the enterprise. These charges began in the second quarter of 2022, and continued to a lesser extent throughout 2023.

In 2024, the final phase of the transformation is now underway. It is focused on accelerating quality growth through brand reinvigoration, enhanced sales strategies, disciplined promotional activity, and new partnerships to help expand the reach of our brands. We expect to continue to garner new retail distribution in both measured and non-measured channels and build upon the increases we've seen in our retail consumption metrics, ultimately increasing our market share within the category while seeking to maintain an optimized spending profile across the business.

New Packaging & Retail Distribution Growth

A key piece of our retail growth strategy is tied to making the product more available and approachable. To accomplish this we completed a strategic redesign of our packaging with retail conversion at the forefront of design considerations. We collaborated with both consumers and retailers as we sought to optimize the packaging for retail conversion. We received a positive response from many retail partners on the new designs, garnering additional distribution in the process. We began manufacturing select items in the new packaging during the second quarter of 2023 and transitioned the rest of our production over to the new packing throughout the balance of 2023. By the middle of 2023, our new packaging began to ship to select retailers and distributors and as of the first quarter of 2024, we estimate that approximately half of retailer shelves have transitioned to the new packaging. We have begun to see year-over-year gains in our retail distribution footprint, and price-mix ultimately leading to increased retail sales and market share within measured distribution channels.

We are encouraged by the initial consumer and retailer response to our updated packaging and are excited to share that as the new packaging has made its way through distribution and onto shelves for consumers that the impact on our retail consumption data has been significant. The Stryve brand's retail dollar velocity, which represents the amount of sales retailers generate per store per week of the brand across all of our distribution footprint in measured channels, has increased 51.0% year-over-year since the introduction of the new-look packaging. While the Stryve brand received the most significant redesign, we enhanced our other brands as well. In the aggregate, all of our retail brands showed a similar improvement with retail dollar velocity up 37.5% on a combined basis across all measured channels in the same period. The retail data mentioned above is sourced from SPINS and represents the 4-weeks prior to March 24, 2024. We expect similar but accelerating trends in the 12-week and 24-week data, which we believe reflects the gradual roll out of the new packaging through distribution over the time period.

Improving Quality of Revenue

As an extension of the restructuring plans, we evaluated our revenue base in the second half of 2022 and have taken steps to improve or eliminate low-quality revenue sources in order to drive long-term value-creating growth. Key considerations in these rationalization decisions included assessments of strategic alignment, complexity, and profitability. And with respect to assessing the profitability of a particular revenue stream specifically, we evaluated our revenues on a gross margin basis, a net margin basis, and a cash conversion basis. Accordingly, a meaningful portion of net sales in the early part of 2023 came from products, customers, and/or channels that have been rationalized. Further, this strategic rationalization, in some cases, required us to sell inventory through discount or liquidation channels during 2023 and the first quarter of 2024 which affected our gross margin. Despite the negative impact on to net sales that this rationalization has had, our most valuable revenues are supported by improved trends in the retail consumption of our products.

Additionally, we took actions to improve the quality of our revenue in 2023 through improving our price-mix by working strategically with of some of our large retail partners to introduce new products that improved our unit economics while creating a more attractive consumer offering.

Optimizing Spend and Reducing Losses

Our first quarter of 2024 results are a product of the progress we have made on our cost mitigation strategies. We examined every area of spending throughout our business and identified ways to drive efficiencies, eliminate unnecessary expense, and focus on the highest and best use of each dollar. The resulting impact is a 22.2% year-over-year reduction in total operating expenses for the quarter ended

March 31, 2024, resulting in a 35.2% year-over-year improvement in our Adjusted EBITDA Loss (a non-GAAP financial measure) for the same period.

We believe that our optimized spending plan has benefited from portfolio-wide price increases taken in 2022 and productivity initiatives throughout our supply chain. While we intend to continue to invest to drive meaningful growth in net sales, we are doing so in a disciplined manner that acknowledges the fundamental changes in direct-to-consumer advertising markets and shopper behavior. By monitoring our unit economics closely, maintaining an optimized spending profile, and seeking to meaningfully grow net sales, we believe we will be able to drive further reductions in our net losses moving forward.

We believe that we have entered the final phase of our planned transformation. The first two phases focused on reducing expenses while improving the quality of our revenues through rationalization and price actions to recover our unit economics paired with productivity an quality initiatives. The last phase is about accelerating quality growth and reaping the benefits of operating leverage through a redesigned cost structure.

At-The-Market Equity Facility

In June 2023, the Company entered into an at-the-market equity offering sales agreement with Craig-Hallum Capital Group LLC, that established a program pursuant to which we may offer and sell up to $5.7 million of our Class A common stock from time to time in at-the-market transactions. During March 2024, we terminated the at-the-market equity offering sales agreement. As of March 31, 2024, the following shares were sold during the first quarter of 2024:

		Three Months Ended March 31, 2024
(In thousands, except share and per share information)		
Number of common shares sold		558,873
Weighted average sale price per share	$	1.31
Gross proceeds	$	733
Net proceeds	$	711

April 2023 Financing Transaction

On April 19, 2023, we issued an aggregate of $4.1 million in principal amount of secured promissory notes (the "Notes") to select accredited investors (including certain members of the Company's management and Board of Directors) (the "Lenders"). The Notes carry an interest rate of 12% and have a maturity December 31, 2023. Each Lender that purchased Notes received a warrant (the "Warrants") to purchase 1/15th of one share of the Company's Class A common stock for each $0.5134 of principal amount of the Notes, for an aggregate of 7,964,550 Warrants convertible to 530,970 shares of Class A common stock. Each Warrant is exercisable immediately, has an exercise price per share of Class A common stock equal to $7.701 per whole share and will expire three years and three months from the date of issuance and may be exercised on a cashless basis if a registration statement registering the resale of the shares issuable upon exercise is not effective. The Company accounted for the transaction by allocating the proceeds between the Notes and Warrants based on their relative fair values as of the closing date of the facility. The allocation resulted in the fair value of the warrants to be treated as a discount to the Notes of $1.4 million that is being amortized over the term of the Notes. Accordingly, the Company recognized non-cash interest expense of $1.4 million in connection with the discount for the year ended December 31, 2023.

In January 2024, the Notes were amended to extend the maturity date of the Notes from December 31, 2023 to the earlier of (i) December 31, 2024, or (ii) the closing of the next sale or series of related sales by the Company of its equity securities from which the Company receives gross proceeds of not less than $3.0 million, excluding proceeds from the warrants held by the Lenders and the Company's existing at the market equity facility with Craig-Hallum Capital Group LLC. As consideration, the Company (i) reduced the exercise price on the outstanding warrants issued to the lenders in April 2023 from $7.701 per split-adjusted share to $2.75 per split-adjusted share and (ii) agreed to issue 53,559 shares of Class A common stock to certain electing lenders as payment in full for interest accrued on the Notes held by those electing lenders through December 31, 2023 (at a value of $2.75 per share). The value of the accrued interest satisfied by the payment of 53,559 shares of Class A common stock to the electing lenders was $147,288.

April 2024 Convertible Bridge Notes

On April 3, 2024, we issued an aggregate of $1.6 million in principal amount of unsecured promissory notes (the "April 2024 Convertible Notes") to select accredited investors to fund inventory growth, growth in working capital, and general operations. The aggregate principal amount of the April 2024 Convertible Notes is inclusive of $1.1 million from related parties. The April Convertible 2024 Notes were issued with an original issue discount of 1%, accrue interest annually at a rate of 12% and will mature on December 31, 2024. The April 2024 Convertible Notes will automatically convert in the securities issued in the next sale (or series of related sales) by the

Company of its equity securities, following the date of the April 2024 Convertible Notes, from which the Company receives gross proceeds of not less than $3.0 million.

Results of Operations –Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023

The following table sets forth selected items in our consolidated financial data in dollar amounts and as a percentage of net sales for the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

	Three Months Ended March 31,			
	2024 (unaudited)		2023 (unaudited)	
(In thousands)		% of sales		% of sales
SALES, net	$ 4,598	100.0 %	$ 4,646	100.0 %
COST OF GOODS SOLD (exclusive of depreciation shown separately below)	3,582	77.9 %	3,683	79.3 %
GROSS PROFIT	1,016	22.1 %	963	20.7 %
OPERATING EXPENSES				
Selling expenses	1,597	34.7 %	1,969	42.4 %
Operations expense	353	7.7 %	514	11.1 %
Salaries and wages	1,607	34.9 %	2,163	46.6 %
Depreciation and amortization expense	462	10.1 %	552	11.9 %
Total operating expenses	4,019	87.4 %	5,197	111.9 %
OPERATING LOSS	(3,003)	(65.3)%	(4,234)	(91.1)%
OTHER (EXPENSE) INCOME				
Interest expense	(583)	(12.7)%	(399)	(8.6)%
Loss on extinguishment of debt	(334)	(7.3)%	—	—
Change in fair value of Private Warrants	—	—	8	0.2 %
Other income (expense)	0	0.0 %	(14)	(0.3)%
Total other (expense) income	(917)	(19.9)%	(405)	(8.7)%
NET LOSS BEFORE INCOME TAXES	$ (3,920)	(85.2)%	$ (4,639)	(99.8)%

Net sales. Net sales remained largely flat during the three months ended March 31, 2024 compared to the three months ended March 31, 2023. The prior year period was significantly benefited by shipments related to a promoted display program with a large retailer which we elected not to repeat in 2024. However, in the first quarter of 2024, significant increases in our brands' sell-through velocities throughout our base distribution contributed to an increase in orders and shipments which served to offset the prior year's display program. If increases in retail velocity that our brands are experiencing continues throughout 2024, we anticipate not only a net sales benefit due to increased replenishment orders, but sustained improvements in our retail consumption data may also assist us in securing additional points of distribution to further drive net sales over time.

Cost of Goods Sold. Cost of goods sold decreased by $0.1 million from $3.7 million in the three months ended March 31, 2023 to $3.6 million in the three months ended March 31, 2024. Productivity and yield improvements we have made to our cost of goods on a variable rate basis have partially offset some of the inflationary pressures on inputs, primarily beef. Overall commodity beef prices were higher in the first quarter of 2024 compared to the first quarter of the prior year while our productivity and yield enhancement strategies significantly mitigated the impact these increased beef prices could have had during the quarter.

Gross Profit. Gross profit increased $0.1 million in the three months ended March 31, 2024. As a percent of net sales, gross profit was 22.1% in the first quarter of 2024, compared to a 20.7% in the first quarter of 2023. A few primary factors contribute to this performance:

- Since the beginning of our transformation we have taken steps to improve or eliminate low-quality revenue sources in order to drive long-term value-creating growth. While this has benefited margins by eliminating negative gross margin products or accounts, this has also resulted in lower plant utilization which has partially muted the gross margin impact we expected to receive from progress we've made on a unit economic basis.
- The Company took steps to improve the price per ounce in late 2023 for select retailers which benefited the first quarter of 2024. These measures were partially muted by a decrease in volumes in the first quarter of 2024 compared to the prior year period due to the prior year display program.

- Commodity beef prices were higher throughout the three months ended March 31, 2024 as compared to the same period in 2023. However, even with these increased input costs in the quarter, we were able to improve our gross profit on roughly equivalent volume through our productivity and yield maximization initiatives illustrating the positive impact of our transformation.

Operating Expenses.

- *Selling expenses*. Selling expenses decreased by $0.4 million from $2.0 million in the three months ended March 31, 2023 to $1.6 million in the three months ended March 31, 2024. We decreased our spend with respect to certain marketing efforts including digital media advertising and paid search in the first quarter of 2024 compared to the same period in 2023 in favor of increased focus on strategies to support retail velocities. Further, through streamlining the organization and creating a more focused approach, we were able to make meaningful progress in reducing our spend attributable to third party professional fees.
- *Operations expense*. Operations expenses decreased by $0.1 million for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023. Our sales mix in three months ended March 31, 2024 as well as working in partnership with our retail and distributor customers to drive efficiencies for all parties allowed us to utilize more favorable modes of transportation relative to the prior year period which helped contribute to the reduction.
- *Salaries and wages*. Salaries and wages decreased $0.6 million for the three months ended March 31, 2024 compared to the three months ended March 31, 2023, decreasing from $2.2 million to $1.6 million. This decrease is mostly attributable to the transformation and productivity efforts of the Company.
- *Depreciation and amortization expense*. Depreciation and amortization expense decreased $0.1 million from $0.6 million in the three months ended March 31, 2023 to $0.5 million compared to the three months ended March 31, 2024 which stems primarily from the timing of capital expenditures.

***Operating Loss*.** Operating loss decreased by $1.2 million from $4.2 million in the three months ended March 31, 2023 to $3.0 million in the three months ended March 31, 2024 and is primarily attributable to decreased total operating expenses.

Interest Expense. Interest expense increased by $0.2 million from $0.4 million in the three months ended March 31, 2023 to $0.6 million in the three months ended March 31, 2024. Interest expense increased by $0.1 million related to the Invoice Purchase and Security Agreement (the "PSA"), and $0.1 million related to the Notes which were not in place in prior year quarter.

Loss on Extinguishment of Debt. We recorded a $0.3 million non-cash loss on extinguishment of debt related to the extension of the Notes the associated repricing of the related Warrants in consideration of the extension.

Net Loss Before Income Taxes. Net loss before income taxes decreased $0.7 million from $4.6 million in three months ended March 31, 2023 to $3.9 million in the three months ended March 31, 2024, with the decrease primarily attributable to our restructuring efforts resulting in decreased operating expenses offset by an increase in interest expense and loss on extinguishment of debt.

Non-GAAP Financial Measures

We use non-GAAP financial measures and believe it is useful to investors as it provides additional information to facilitate comparisons of historical operating results, identify trends in operating results, and provide additional insight on how the management team evaluates the business. Our management team uses EBITDA, Adjusted EBITDA, and Adjusted Earnings per Share to make operating and strategic decisions, evaluate performance and comply with indebtedness related reporting requirements. Below are details on these non-GAAP measures and the non-GAAP adjustments that the management team makes in the definition of EBITDA, Adjusted EBITDA, and Adjusted Earnings per Share. We believe these non-GAAP measures should be considered along with Net Loss Before Income Taxes, Net Loss and Net Loss per Share, the most closely related GAAP financial measures. Reconciliations between EBITDA, Adjusted EBITDA, Adjusted Earnings per Share, Net Loss Before Income Taxes, Net Loss and Net Loss per Share are below, and discussion regarding underlying GAAP results throughout this Management's Discussion and Analysis of Financial Condition and Results of Operations. The presentation of non-GAAP financial information should not be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.

EBITDA. Stryve defines EBITDA as Net Loss before Interest Expense, Income Tax Expense (Benefit), and Depreciation and Amortization Expense.

Adjusted EBITDA. Stryve defines Adjusted EBITDA as EBITDA adjusted as necessary for certain items listed below in the table.

The table below provides a reconciliation of EBITDA and Adjusted EBITDA to their most directly comparable GAAP measure, which is Net Loss Before Income Taxes, for the three months ended March 31, 2024 and 2023.

	Three Months Ended March 31,	
	2024 (unaudited)	2023 (unaudited)
(In thousands)		
Net loss before income taxes	$ (3,920)	$ (4,639)
Interest expense	583	399
Depreciation and amortization expense	462	552
EBITDA	$ (2,875)	$ (3,689)
Additional Adjustments:		
Loss on Extinguishment of Debt	334	—
Stock Based Compensation Expense	270	186
Adjusted EBITDA	**$ (2,271)**	**$ (3,503)**

Adjusted EBITDA. The Company improved its negative Adjusted EBITDA by 35.2% when comparing the three months ended March 31, 2024 and 2023 with a $1.2 million improvement year-over-year driven by the Company's transformational initiatives and rationalized spending.

Adjusted Earnings per Share. Stryve defines Adjusted Earnings per Share as its Basic/Diluted Net Income (Loss) per Share adjusted as necessary for certain items listed in the table below.

The table below provides a reconciliation of Adjusted Earnings per Share to Basic/Diluted Net Loss per Share, for the three months ended March 31, 2024 and 2023.

	Three Months Ended March 31,	
	2024 (unaudited)	2023 (unaudited)
(In thousands except share and per share information)		
Net loss	$ (3,929)	$ (4,643)
Weighted average shares outstanding	2,775,259	2,085,514
Basic & Diluted Net Loss per Share	**$ (1.42)**	**$ (2.23)**
Additional Adjustments:		
Loss on Extinguishment of Debt	0.12	—
Stock Based Compensation Expense	0.10	0.09
Adjusted Earnings per Share	**$ (1.20)**	**$ (2.14)**

Liquidity and Capital Resources

Overview. The accompanying condensed consolidated financial statements are prepared in accordance with generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. In accordance with ASU No. 2014-15, *Disclosure of Uncertainties about an Entity's Ability to Continue as a Going concern (Subtopic 205-40)*, we have evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about our ability to continue as a going concern within one year after the date that the condensed consolidated financial statements are issued.

We have historically funded our operations with cash flow from operations, equity capital raises, and note payable agreements from shareholders and private investors, in addition to institutional loans. Our principal uses of cash have been debt service, capital expenditures, working capital, and funding operations. For the three months ended March 31, 2024, we incurred an operating loss of $3.0 million and used cash in operations of $0.8 million. As of March 31, 2024, the Company has approximately $11.8 million of indebtedness.

During the third quarter of 2022, we secured a term loan in the amount of $4.0 million. Additionally, we secured an asset based line of credit with a $8.0 million credit limit subject to accounts receivable and inventory balances. The term loan and asset based line of credit were secured in order to augment our liquidity, as needed, through the execution of management's plan. The Company had drawn $4.0 million of the term loan and $3.9 million (net of repayments) of the asset based line of credit as of March 31, 2024. The amount remaining available under the asset based line of credit is $4.1 million. No amount remained available under the term loan. During March 2024, the asset based line of credit was amended to extend the initial term twenty four (24) months after the date of the amendment, followed by automatic annual renewal terms unless the Company or the Lender provide written notice pursuant to the PSA prior to the end of any term. See Note 5 to our financial statements included herein for a description of the asset based line of credit and Note 6 for a description of the term loan.

Since the beginning of our transformation initiatives, we have experienced a slower sell-through of our rationalized slow-moving, and obsolete inventory than expected due to many factors, including other consumer packaged goods companies conducting similar inventory management and rationalization programs throughout 2022 and early in 2023 creating a surplus of goods in the channels commonly used to sell off this type of rationalized slow-moving, or obsolete inventory. However, in the latter half of 2023, we were able to reduce our inventory levels significantly through scaled back production, ordinary course sales of inventory, and accelerated by liquidation sales and or write-off of slow-moving and obsolete inventory. Over the course of 2023, we largely held inventory steady through the first half and then accelerated our draw down in the second half bringing our total reduction in inventory to $3.1 million year-over-year.

On April 19, 2023, we issued an aggregate of $4.1 million in principal amount of secured promissory notes to select accredited investors carrying a 12% accrued interest rate to help support the working capital and growth needs of the business. The aggregate principal amount of the notes is inclusive of $1.2 million from related parties. We amended the terms in January 2024 to extend the maturity date from December 31, 2023 to the earlier of (i) December 31, 2024, or (ii) the closing of the next sale or series of related sales by the Company of its equity securities from which the Company receives gross proceeds of not less than $3.0 million.

In June 2023, we entered into an at-the-market equity offering sales agreement with Craig-Hallum Capital Group LLC, that established a program pursuant to which we may offer and sell up to $5.7 million of our Class A common stock from time to time in at-the-market transactions. The Company sold an aggregate of 960,639 shares under the at-the-market equity facility for gross proceeds of $2.4 million as of December 31, 2023. During March 2024, the Company terminated the at-the-market equity offering sales agreement.

On April 3, 2024, we issued an aggregate of $1.6 million in principal amount of unsecured promissory notes (the "April 2024 Convertible Notes") for proceeds of $1.6 million to select accredited investors to fund operations. The aggregate principal amount of the April 2024 Convertible Notes is inclusive of $1.1 million from related parties. The April 2024 Convertible Notes were issued with an original issue discount of 1%, accrue interest annually at a rate of 12% and will mature on December 31, 2024. The April 2024 Convertible Notes will automatically convert in the securities issued in the next sale (or series of related sales) by the Company of its equity securities, following the date of the April 2024 Convertible Notes, from which the Company receives gross proceeds of not less than $3.0 million.

While these most recent financings have provided us with liquidity to support our near-term goals, we are still evaluating several different strategies to enhance our liquidity position. These strategies may include, but are not limited to, pursuing additional actions under our business transformation plan, seeking to refinance or extend the term of such debt and seeking additional financing from both the public and private markets through the issuance of equity or debt securities. The outcome of these matters cannot be predicted with any certainty at this time. We need additional funding to execute our business plan and continue operations. If capital is not available to us when, and in the amounts needed, we could be required to liquidate our inventory and assets, cease or curtail operations, which could materially harm our business, financial condition and results of operations, or seek protection under applicable bankruptcy laws or similar state proceedings. There can be no assurance that we will be able to raise the capital we need to continue our operations.

In 2024, as we focus on accelerating quality growth, we will likely have to make investments in our working capital to support increased distribution with new and existing retailers coming online throughout the year. Many of these distribution resets have been secured in large part due to our new packaging design, improved product quality, and the resulting improvements in our retail consumption metrics. Accordingly, we will have to build net new inventories to support these upcoming resets. This investment in inventory ahead of sales has and may continue to put pressure on our liquidity position given the structure and terms of our credit facilities and has required us to seek external financing. While we anticipate the increased volumes will result in improved financial results and a significantly narrowed cash loss over time, we do anticipate continued growth which, depending on the rate of growth, may require more external financing.

We have prepared cash flow forecasts which indicate that based on our expected operating losses and cash consumption in order to fund inventory growth, we believe that absent an infusion of sufficient capital there is substantial doubt about our ability to continue as a going concern for twelve months after the date our condensed consolidated financial statements for the three months ended March 31, 2024 are issued. The Company's plan includes the items noted above as well as securing additional external financing which likely includes raising debt or equity capital assuming it is available to us. While we believe our plan, if successfully executed, will alleviate the conditions that raise substantial doubt, these plans are not entirely within the Company's control including our ability to raise sufficient capital on favorable terms, if at all.

Cash Flows. The following tables show summary cash flows information for the three months ended March 31, 2024 and 2023.

	Three Months Ended March 31,	
	2024	**2023**
	(unaudited)	*(unaudited)*
(In thousands)		
Net cash used in operating activities	$ (790)	$ (2,627)
Net cash used in investing activities	—	(49)
Net cash provided by financing activities	701	2,429
Net decrease in cash and cash equivalents	$ (89)	$ (246)

Net Cash used in Operating Activities. Net cash used in operating activities decreased $1.8 million from $2.6 million in the three months ended March 31, 2023 compared to $0.8 million through the three months ended March 31, 2024. This decrease is primarily attributable to the decrease in net losses of $0.7 million during the three months ended March 31, 2024, as compared to the prior year period, a net change in operating assets and liabilities of $0.7 million and the loss on extinguishment of debt of $0.3 million. The change in operating assets and liabilities that impacted our use of cash in operations include an increase in inventory of $0.2 million, and increase in accounts receivable of $0.2 million, and an increase of $0.2 million in accounts payable and accrued liabilities due to timing of payments.

Net Cash used in Investing Activities. Net cash used in investing activities was minimal in the three months ended March 31, 2023, compared to the three months ended March 31, 2024. We believe our current manufacturing and fulfillment assets are generally sufficient to meet the near-term potential demand for our products and don't foresee the need for significant capital expenditures to facilitate growth in the coming quarters.

Net Cash provided by Financing Activities. Net cash provided by financing activities generated $1.7 million less in cash for the Company in the three months ended March 31, 2024, compared to the comparable period a year ago due borrowings on the asset based line of credit offset by proceeds from the at-the-market equity facility. In the three months ended March 31, 2024, we generated cash from financing activities of $0.7 million primarily driven by $0.7 million in proceeds from the at-the-market equity facility.

Debt and credit facilities. The information below represents an overview of the Company's debt and prior credit facilities.

As of March 31, 2024 and December 31, 2023, long-term debt consisted of the following:

	March 31, 2024	**December 31, 2023**
	(unaudited)	*(audited)*
(In thousands)		
Revenue Loan and Security Agreement, net of debt issuance costs	$ 3,775	$ 3,792
Broken Stone Agreement	20	20
Less: current portion	(374)	(336)
Total long-term debt, net of current portion	$ 3,421	$ 3,476

As of March 31, 2024 and December 31, 2023, short-term borrowings and current portion of long-term debt consisted of the following:

(In thousands)	March 31, 2024 (unaudited)	December 31, 2023 (audited)
Invoice Purchase and Security Agreement, net of debt issuance costs	$ 3,796	$ 3,568
Promissory Notes, net of debt discount and debt issuance costs	4,089	4,089
Commercial Premium Finance Agreement	104	270
Current portion of long-term obligations	374	336
Total short-term borrowings and current portion of long-term debt	$ 8,363	$ 8,263

Future minimum principal payments, exclusive of debt discounts, on debt as of March 31, 2024 are as follows:

2024	$ 8,354
2025	552
2026	1,084
2027	1,960
	$ 11,950

On April 19, 2023, we issued an aggregate of $4.1 million in principal amount of secured promissory notes to select accredited investors carrying a 12% accrued interest rate to help support the working capital and growth needs of the business. The aggregate principal amount of the notes is inclusive of $1.2 million from related parties. We amended the terms in January 2024 to extend the maturity date from December 31, 2023 to December 31, 2024.

Certain Factors Affecting Our Performance

Stryve's management believes that the Company's future performance will depend on many factors, including the following:

Ability to Expand Distribution in both Online and Traditional Retail Channels. Stryve's products are sold through a growing number of traditional retail channels where the Company has an opportunity to acquire new consumers. Traditional retail channels include mass stores, grocery chains, natural food outlets, club stores, convenience stores, and drug stores, all either direct or through distribution partners. Stryve works closely with retailers to establish plans for distribution expansion and promotional opportunities. Stryve is also growing its consumer base through both paid and organic means both online as well. Online consumer acquisitions typically occur through the Company's portfolio of DTC e-commerce websites and Amazon.com. The Company's online consumer acquisition program includes paid and unpaid social media, search, and display media.

Ability to Acquire and Retain Consumers at a Reasonable Cost. Stryve's management believes an ability to consistently acquire and retain consumers at a reasonable cost relative to projected life-time value will be a key factor affecting future performance. To accomplish this goal, Stryve intends to strategically allocate advertising and promotional spend between online and offline channels, including shopper marketing and trade promotions in partnership with is retail customers. Stryve's promotional activities will mostly be focused on increasing consumer awareness and driving trial of our products. Further, we acknowledge that changes to third-party algorithms or the ability to leverage retailer programs that may be utilized directly, or indirectly, by Stryve in its advertising efforts may impact the effectiveness of Stryve's advertising which may increase its overall cost to acquire and retain consumers. Further, management believes the performance of its packaging designs on shelf at retail will be key in driving trial with new consumers.

*Ability to Drive Repeat Usage of Our Products***.** Stryve accrues substantial economic value from repeat consumers who consistently purchase its products either online or in traditional retail. The pace of Stryve's growth rate will be affected by the repeat usage dynamics of existing and newly acquired customers. The Company utilizes a number of methods to drive repeat behavior including intelligent e-mail and text campaigns, targeted digital media, and subscribe and save incentives as well as in-store trade promotion strategies.

*Ability to Expand Gross Margins***.** Stryve's overall profitability will be impacted by its ability to expand gross margins through effective sourcing of raw materials, managing production yields and drying times, controlling labor and shipping costs, as well as spreading other production-related costs over greater manufacturing volumes. Additionally, Stryve's ability to expand gross margins will be influenced by its revenue channel and customer mix as well as by Stryve's ability to pass price increases to its customers.

Ability to Expand Operating Margins. The Company's ability to expand operating margins will be impacted by its ability to effectively manage its fixed and variable operating expenses as net sales increase.

Ability to Manage Supply Chain and Expand Production In-line with Demand. Stryve's ability to grow and meet future demand will be affected by its ability to effectively plan for and source inventory from a variety of suppliers located inside and outside the United States. Additionally, efficiently scaling production capacity ahead of growth in net sales will be critical to the Company's ability to meet future demand without disruption.

Ability to Optimize Key Components of Working Capital. Stryve's ability to reduce cash burn in the near-term and eventually generate positive cash flow will be partially impacted by the Company's ability to effectively manage the key components of working capital which have a direct impact on the cash conversion cycle. Maintaining and securing sufficient liquidity to support ongoing investments in working capital required to facilitate growth will be key as Stryve seeks to optimize its components working capital and supply chain.

Seasonality. Because Stryve is so early in its lifecycle of growth, it is difficult to discern the exact magnitude of seasonality affecting its business. Any evidence of seasonality in the Company's revenue is not clearly discernible from the Company's historical growth. However, there does seem to be seasonal factors affecting its commodity inputs, primarily beef, that has developed since the pandemic. Understanding potential trends in seasonality will be key in Stryve's management of its expenses, liquidity, and working capital.

Off-Balance Sheet Arrangements

We have no obligations, assets or liabilities which would be considered off-balance sheet arrangements as of March 31, 2024. We do not participate in transactions that create relationships with unconsolidated entities or financial partnerships, often referred to as variable interest entities, which would have been established for the purpose of facilitating off-balance sheet arrangements. We have not entered into any off-balance sheet financing arrangements, established any special purpose entities, guaranteed any debt or commitments of other entities, or purchased any non-financial assets.

Critical Accounting Estimates

Our management's discussion and analysis of financial condition and results of operations is based on our condensed consolidated financial statements which have been prepared in accordance with GAAP. In preparing our financial statements, we make estimates, assumptions, and judgments that can have a significant impact on our reported revenue, results of operations, and comprehensive net income or loss, as well as on the value of certain assets and liabilities on our balance sheet during, and as of, the reporting periods. These estimates, assumptions, and judgments are necessary and are made based on our historical experience, market trends and on other assumptions and factors that we believe to be reasonable under the circumstances because future events and their effects on our results of operations and value of our assets cannot be determined with certainty. These estimates may change as new events occur or additional information is obtained. We may periodically be faced with uncertainties, the outcomes of which are not within our control and may not be known for a prolonged period of time. Because the use of estimates is inherent in the financial reporting process, actual results could differ from those estimates or assumptions.

Our significant accounting policies are described in Note 3 of Part I, Item 1 of this Quarterly Report on Form 10-Q and in Note 3 of Part II, Item 8, "Significant Accounting Policies" in our Annual Report on Form 10-K. There have been no changes to our critical accounting policies and estimates since our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Stryve's future income, cash flows and fair values relevant to financial instruments are dependent upon prevalent market interest rates. Market risk refers to the risk of loss from adverse changes in market prices and interest rates.

Concentration of credit risk. The balance sheet items that potentially subject the Company to concentrations of credit risk are primarily cash and accounts receivable. The Company continuously evaluates the credit worthiness of its customers' financial condition and generally does not require collateral. The Company maintains cash balances in bank accounts that may, at times, exceed Federal Deposit Insurance Corporation ("FDIC") limits of $250,000 per institution. The Company incurred no losses from such accounts and management considers the risk of loss to be minimal.

As of and for the three months ended March 31, 2024, customer concentrations in excess of 10% consolidated sales and accounts receivable are below. No vendors represented more than 10% of purchases or accounts payable.

	Sales	Purchases	Accounts Receivable	Accounts Payable
Customer A	24%	—	27%	—
Customer B	11%	—	—	—
Customer C	19%	—	10%	—

Interest rate risk. Stryve is subject to interest rate risk in connection with borrowing based on a variable interest rate. Derivative financial instruments, such as interest rate swap agreements and interest rate cap agreements, are not currently but may be used for the purpose of managing fluctuating interest rate exposures that exist from Stryve's variable rate debt obligations that are expected to remain outstanding. Interest rate changes do not affect the market value of such debt, but could impact the amount of Stryve's interest payments, and accordingly, Stryve's future earnings and cash flows, assuming other factors are held constant. Additionally, changes in prevailing market interest rates may affect Stryve's ability to refinance existing debt or secure new debt financing. Notwithstanding the foregoing, management acknowledges that both foreign and domestic central bank actions as well as geopolitical uncertainty and conflict, such as Russia's invasion of Ukraine, may have unpredictable effects on the Company's exposure to interest rate risk either directly or indirectly.

Foreign currency risk. Stryve is exposed to changes in currency rates as a result of its revenue generated in currencies other than U.S. dollars. Revenue and profit generated by international operations will increase or decrease compared to prior periods as a result of changes in foreign currency exchange rates. However, the operations that are impacted by foreign currency risk are less than 5% of Stryve's net loss for the three months ended March 31, 2024 and the year ended December 31, 2023 and therefore, the risk of this is not significant. Notwithstanding the foregoing, management acknowledges that both foreign and domestic central bank actions as well as geopolitical uncertainty and conflict, such as Russia's invasion of Ukraine, may have unpredictable effects on the Company's exposure to foreign currency risk either directly or indirectly.

Raw material risk. Stryve's profitability depends, among other things, on its ability to anticipate and react to raw material costs, primarily beef. The price of beef and other raw materials are subject to many factors beyond Stryve's control, including general economic conditions, inflation, processing labor shortages, cost of feed, demand, natural disasters, weather and other factors that may affect beef supply chain participants. Changes in the prices of beef and other raw materials have already negatively affected Stryve's results of operations, and any continued or further changes could have a material impact on Stryve's business, financial condition and results of operations. Notwithstanding the foregoing, management acknowledges that both foreign and domestic central bank actions as well as geopolitical uncertainty and conflict, such as Russia's invasion of Ukraine and the conflicts in the Middle East, may have unpredictable effects on the Company's exposure to risks in its procurement of raw material.

Inflation risk. Inflation may impact Stryve's revenue and cost of services and products, Stryve believes the effects of inflation on its business, financial condition and results of operations have been material to date which management hopes to alleviate through mitigating strategies. However, there can be no assurance that any mitigation strategies management employs will be effective or that its business, financial condition and results of operations will not be materially impacted by continued inflation in the future. Notwithstanding the foregoing, management acknowledges that both foreign and domestic central bank actions as well as geopolitical uncertainty and conflict, such as Russia's invasion of Ukraine and the conflicts in the Middle East, may have unpredictable effects on the Company's exposure to inflation risk either directly or indirectly.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company maintains a system of disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act") designed to ensure that the information required to be disclosed by the Company in the reports that are filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission, and is accumulated and communicated to our management, including our Chief Executive Officer (our principal executive officer) and Chief Financial Officer (our principal financial officer), as appropriate, to allow timely decisions regarding required disclosure.

The Company's management, with the participation of our Chief Executive Officer and our Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures under the Exchange Act as of March 31, 2024, the end of the period covered by this report on Form 10-Q. Based on such evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded that, as of such date, our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting, as identified in connection with the evaluation required by Rule 13a-15(d) and Rule 15d-15(d) of the Exchange Act, that occurred during the three months ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may become involved in legal proceedings or be subject to claims arising in the ordinary course of its business. We are not currently a party to any material legal proceedings. Regardless of outcome, such proceedings or claims can have an adverse impact on us because of defense and settlement costs, diversion of resources and other factors and there can be no assurances that favorable outcomes will be obtained.

Item 1A. Risk Factors

Except as set forth below, there have been no material changes to the factors disclosed in Item 1A. Risk Factors in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

Nasdaq may delist our securities from trading on its exchange which could limit investors' ability to make transactions in our securities and subject us to additional trading restrictions.

Our securities are currently listed on the Nasdaq. If Nasdaq delists our securities from trading on its exchange, we could face significant material adverse consequences, including:

- a limited availability of market quotations for our securities;
- reduced liquidity with respect to our securities;
- a determination that shares of our Class A common stock are "penny stock" which will require brokers trading in our shares to adhere to more stringent rules, possibly resulting in a reduced level of trading activity in the secondary trading market for our shares;
- a limited amount of news and analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

On April 9, 2024, we received a deficiency letter from the Nasdaq Listing Qualifications Department indicating that we were not in compliance with Nasdaq's Listing Rule 5550(b)(1) because our stockholders' equity for the year ended December 31, 2023, as reported in our Form 10-K, was below the minimum stockholders' equity requirement of $2,500,000 (the "Stockholders' Equity Requirement"). In accordance with Nasdaq rules, we have been provided 45 calendar days to submit a plan to regain compliance with the Stockholders' Equity Requirement (the "Compliance Plan"). If the Compliance Plan is accepted, Nasdaq may grant up to 180 calendar days from the date of the notice for us to regain compliance with the Stockholders' Equity Requirement.

We intend to timely submit a Compliance Plan to Nasdaq to regain compliance with the Stockholders' Equity Requirement. There can be no assurance that Nasdaq will accept our plan or that we will be able to regain compliance with Listing Rule 5550(b)(1) or maintain compliance with any other Nasdaq requirement in the future. If our securities are delisted from Nasdaq due to non-compliance with Rule 5550(b)(1) or the failure to satisfy another applicable Nasdaq rule, such delisting would have a material adverse impact on the trading price and ability to transfer our securities.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

At-The-Market Facility

In June 2023, the Company entered into an at-the-market equity offering sales agreement with Craig-Hallum Capital Group LLC, that established a program pursuant to which they may offer and sell up to $5.7 million of our Class A common stock from time to time in at-the-market transactions. The Company sold an aggregate of 558,873 shares under the at-the-market equity facility for gross proceeds of $0.7 million during the three months ended March 31, 2024. During March 2024, the Company terminated the at-the-market equity offering sales agreement.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

During the three months ended March 31, 2024, there were no modifications, adoptions or terminations by any directors or officers to any contract, instruction or written plan for the purchase or sale of securities of the Company that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or non-Rule 10b5-1 trading agreements.

Item 6. Exhibits

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

Exhibit No.	Document
10.1	Form of Note dated April 3, 2024 (filed herewith)
31.1*	Certification of Principal Executive Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	Inline XBRL Instance Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

* Furnished.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

STRYVE FOODS, INC.

Date: May 14, 2024	By:	*/s/ Christopher Boever*	
	Name:	Christopher Boever	
	Title:	Chief Executive Officer (Principal Executive Officer)	
	By:	*/s/ R. Alex Hawkins*	
	Name:	R. Alex Hawkins	
	Title:	Chief Financial Officer (Principal Financial Officer)	

Exhibit 10.1

THIS CONVERTIBLE BRIDGE NOTE (THIS "NOTE") HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS, AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, ASSIGNED OR DISPOSED OF EXCEPT PURSUANT TO REGISTRATION UNDER THE SECURITIES ACT OR ANY SUCH STATE LAWS OR UNLESS THE BORROWER HAS RECEIVED AN OPINION OF COUNSEL, OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE BORROWER, THAT SUCH REGISTRATION IS NOT REQUIRED.

FOR PURPOSES OF SECTION 1272, 1273 AND 1275 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, THIS NOTE IS BEING ISSUED WITH AN ORIGINAL ISSUE DISCOUNT. THE BORROWER AGREES TO PROVIDE PROMPTLY TO THE HOLDER OF THIS NOTE, UPON WRITTEN REQUEST, THE ISSUE PRICE, AMOUNT OF ORIGINAL ISSUE DISCOUNT, ISSUE DATE AND YIELD TO MATURITY. ANY SUCH WRITTEN REQUEST SHOULD BE MADE PURSUANT TO SECTION 8.4 OF THIS NOTE.

CONVERTIBLE BRIDGE NOTE

No. [______]	Date of Issuance
$___________	April __, 2024

FOR VALUE RECEIVED, Stryve Foods, LLC, a Texas limited liability company (the "Borrower"), hereby promises to pay ______________________________ (the "Lender"), the principal amount of ____________________________ ($___________), together with accrued interest on the unpaid outstanding principal amount hereof from and after the date hereof. Interest shall accrue at a rate of twelve percent (12%) per annum; provided, that, upon the occurrence, and during the continuance of an Event of Default, at the option and upon the declaration of the Lender, the entire unpaid principal amount of this Note shall accrue at a rate of eighteen percent (18%) per annum. The unpaid principal amount of this Note, together with all accrued and unpaid interest thereon, shall be due and payable on December 31, 2024 unless early converted in the Next Equity Financing (as defined below).

1. Payment. All payments shall be made in lawful money of the United States of America at the address set forth in Section 8.4, or such other address as the Lender may direct in writing. Payment shall be credited first to Costs (as defined below), if any, then to accrued and unpaid interest and the remainder applied to the outstanding principal amount of this Note. No premium or penalty shall be payable in connection with any payment in respect hereof. The Borrower hereby waives demand, notice, presentment, protest and notice of dishonor.

2. Security. This Note is unsecured.

3. Effectiveness. This Note shall be effective upon (a) the execution of this Note on the date hereof, or at such other time and place as the Company and the Lender agree upon orally or in writing, and (b) the funding of the principal amount of this Note or as requested by the Borrower.

4. Representations and Warranties of the Borrower. In connection with the transactions provided for herein, the Borrower hereby represents and warrants to the Lender that:

4.1 Organization, Good Standing and Qualification. The Borrower is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Texas and has all requisite limited liability company power and authority to carry on its business as now conducted. The Borrower is duly qualified to transact business and is in good standing in each jurisdiction in which the failure to so qualify would have a material adverse effect on its business or properties.

4.2 Authorization and Enforceability. All limited liability company action has been taken on the part of the Borrower, its officers, directors and stockholders necessary for the authorization, execution and delivery of this Note. This Note has been duly and validly executed and delivered and constitutes the valid and legally binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally and subject, as to enforceability, to general principles of equity.

4.3 Compliance with Other Instruments. The authorization, execution and delivery of this Note will not constitute or result in a material default or violation of any law or regulation applicable to the Borrower or any material term or provision of the Borrower's current Certificate of Formation or bylaws, or any material agreement or instrument by which it is bound or to which its properties or assets are subject.

5. Representations and Warranties of the Lender. In connection with the transactions provided for herein, the Lender hereby represents and warrants to the Borrower that:

5.1 Authorization. The execution, delivery and performance of this Note have been duly authorized by all necessary action by or on behalf of the Lender. The Lender has full power and authority to execute and deliver this Note, and to perform its obligations hereunder. This Note has been duly and validly executed and delivered and constitutes the valid and legally binding obligation of the Lender, enforceable against the Lender in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally and subject, as to enforceability, to general principles of equity.

5.2 Purchase Entirely for Own Account. The Lender acknowledges that this Note is issued to the Lender in reliance upon the Lender's representation to the Borrower that the Note will be acquired for investment for the Lender's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that the Lender has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Note, the Lender further represents that the Lender does not have any contract, undertaking, agreement or arrangement with any person or entity to sell, transfer or grant participations in this Note to such person or entity.

5.3 Disclosure of Information. The Lender acknowledges that it has had the opportunity to review this Note and the publicly filed reports of the Issuer with the SEC and has received all the information it considers necessary or appropriate for deciding whether to acquire this Note. The Lender further represents that it has had an opportunity to ask questions and receive answers from the Borrower regarding the terms and conditions of this Note, the business and future prospects of the Borrower and the financial condition of the Borrower. Except for the representations and warranties of the Borrower set forth in Section 4, the Lender has not relied upon representations concerning the Borrower or this Note, written or oral, in making the decision to acquire this Note. Except for the representations and warranties of the Borrower set forth in Section 4, no representations or warranties, written or oral, have been made to the Lender, or to the Lender's advisors, by the management of the Borrower with respect to the business or future prospects of the Borrower, the financial condition of the Borrower and/or the economic, tax or any other aspects or consequences of the acquisition of this Note.

5.4 Investment Experience. The Lender is an investor in securities of companies in the development stage and acknowledges that it is able to fend for itself, can bear the economic risk of its investment, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in this Note. If other than an individual, the Lender also represents it has not been organized solely for the purpose of acquiring this Note.

5.5 Accredited Investor. The Lender is an "accredited investor" within the meaning of Rule 501 of Regulation D, as presently in effect, as promulgated by the Securities and Exchange Commission (the "SEC") under the Act.

5.6 Restricted Securities. The Lender understands that this Note is characterized as a "restricted security" under the federal securities laws inasmuch as it is being acquired from the Borrower in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Act, only in certain limited circumstances. In this connection the Lender represents that it is familiar with Rule 144 as promulgated by the SEC under the Act, as presently in effect ("Rule 144"), and understands the resale limitations imposed thereby and by the Act.

6. Conversion of Note.

6.1 Automatic Conversion. All outstanding principal and accrued but unpaid interest under this Note shall automatically convert into the Issuer's Equity Securities issued in the Next Equity Financing on the same terms and price as other investors. All conversions shall be in, and subject to, compliance with all applicable Nasdaq Market Rules.

6.2 Next Equity Financing. The "Next Equity Financing" means the next sale (or series of related sales) by Stryve Foods, Inc, a Delaware corporation (the "Issuer") of its Equity Securities following the date of this Note from which the Issuer receives gross proceeds of not less than Three Million Dollars ($3,000,000). "Equity Securities" means the Issuer's common stock or preferred stock of any class, or any securities conferring the right to purchase such common stock or preferred stock or securities convertible into, or exchangeable for (with or without additional consideration), such common stock or preferred stock, except any security granted, issued and/or sold by the Issuer to any director, officer, employee or consultant of the Issuer in such capacity for the primary purpose of soliciting or retaining their services.

7. Defaults and Remedies.

7.1 Events of Default. An event of default ("Event of Default") shall exist if:

(a) The Borrower fails to pay when due any principal or interest in accordance with this Note or in accordance with any other Convertible Bridge Note and such failure continues for more than thirty (30) days after the such principal and/or interest became due and payable, whether at maturity or by acceleration or otherwise;

(b) Any representation, warranty or other written statement of the Borrower made pursuant to this Note is incorrect or misleading in any material respect when given;

(c) The Borrower shall be in default under any instrument or agreement to which it is a party relating to any indebtedness senior to the Note, if the maturity of or any payment with respect to such indebtedness may be accelerated or demanded due to such default;

(d) A transaction involving the purchase of the Equity Securities of Issuer as described in Rule 13e-3 of the Securities and Exchange Act of 1934 or in which all or substantially all of the assets or Equity Securities of Borrower are transferred to a third party, other than the Issuer and its affiliates;

(e) The Borrower shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due, or shall file a voluntary petition for bankruptcy, or shall file any petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, dissolution or similar relief under any present or future statute, law or regulation, or shall file any answer admitting the material allegations of a petition filed against the Borrower in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Borrower, or of all or any substantial part of the properties of the Borrower, or the Borrower or its respective directors or majority stockholders shall take any action looking to the dissolution or liquidation of the Borrower; or

(f) Within sixty (60) days after the commencement of any proceeding against the Borrower seeking any bankruptcy reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceeding shall not have been dismissed or, within sixty (60) days after the appointment without the consent or acquiescence of the Borrower of any trustee, receiver or liquidator of the Borrower or of all or any substantial part of the properties of the Borrower, such appointment shall not have been vacated.

7.2 Remedies. Upon the occurrence, and during the continuance, of an Event of Default, at the option and upon the declaration of the Lender, the entire unpaid principal and accrued and unpaid interest on this Note shall, without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived, be forthwith due and payable, and the Lender may, immediately and without expiration of any period of grace, enforce payment of all amounts due and owing under this Note and exercise any and all other remedies granted to it at law, in equity or otherwise.

8. Miscellaneous.

8.1 Successors and Assigns. This Note shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Note, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Note, except as expressly provided in this Note.

8.2 Governing Law. This Note shall be governed by and construed under the laws of the State of Delaware.

8.3 Titles and Subtitles. The titles and subtitles used in this Note are used for convenience only and are not to be considered in construing or interpreting this Note.

8.4 Notices. All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail if sent during normal business hours of the recipient; if not, then on the next business day, (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt, in each case at the following addresses and email addresses (or to such other address or email address as a party hereto may have specified by notice given to the other party hereto pursuant to this provision):

If to the Borrower:	Stryve Foods, LLC 5801 Tennyson Pkwy, Ste 275 Plano, Texas 75024 Attention: Email:
If to the Lender:	[Lender Name] __________________ __________________ __________________ Attention: _______________ Email: _______________

8.5 Expenses. If any action at law or in equity is necessary to enforce or interpret the terms of this Note, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

8.6 Severability. If one or more provisions of this Note are held to be unenforceable under applicable law, such provision shall be excluded from this Note and the balance of the Note shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

8.7 Indemnity; Costs, Expenses and Attorneys' Fees. The Borrower shall indemnify and hold the Lender harmless from any loss, cost, liability and legal or other expense, including attorneys' fees of the Lender's counsel, which the Lender may directly or indirectly suffer or incur by reason of the failure of the Borrower to perform any of its obligations under this Note, any agreement executed in connection herewith or therewith, any grant of or exercise of remedies with respect to any collateral, if any, at any time securing any obligations evidenced by this Note, or any agreement executed in connection herewith (collectively, "Costs"), provided, however, the indemnity agreement contained in this section shall not apply to liabilities which the Lender may directly or indirectly suffer or incur by reason of the Lender's own gross negligence or willful misconduct.

8.8 Further Assurance. From time to time, the Borrower shall execute and deliver to the Lender such additional documents and shall provide such additional information to the Lender as the Lender may reasonably require to carry out the terms of this Note, and any agreements executed in connection herewith.

8.9 Waiver of Jury Trial. TO THE EXTENT EACH MAY LEGALLY DO SO, EACH PARTY HERETO HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, CAUSE OF ACTION OR PROCEEDING ARISING UNDER OR WITH RESPECT TO THIS NOTE, OR IN ANY WAY CONNECTED WITH, OR RELATED TO, OR INCIDENTAL TO, THE DEALING OF THE PARTIES HERETO WITH RESPECT TO THIS NOTE, OR THE TRANSACTIONS RELATED THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND IRRESPECTIVE OF WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. TO THE EXTENT EACH MAY LEGALLY DO SO, EACH PARTY HERETO HEREBY AGREES THAT ANY SUCH CLAIM, DEMAND, ACTION OR PROCEEDING SHALL BE DECIDED BY A COURT TRIAL WITHOUT A JURY AND THAT EITHER PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS NOTE WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF ANY OTHER PARTY HERETO TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

8.10 Entire Agreement; Amendments and Waivers. This Note and the other documents delivered pursuant hereto constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof. Any term of this Note may be amended and the observance of any term may be waived (either generally or in a particular instance and either retroactively or prospectively), with the written consent of the Borrower and the Lender. Any waiver or amendment effected in accordance with this Section shall be binding upon each future holder of all such securities, and the Borrower.

8.11 Officers and Directors not Liable. In no event shall any officer or director of the Borrower be liable for any amounts due and payable pursuant to this Note.

8.13 Usury Savings Provision. The parties hereto intend, at all times, to comply strictly with the applicable law governing the maximum rate or amount of interest payable in respect of this Note. If applicable law is ever changed or judicially interpreted so as to render usurious any amount (i) contracted for, charged, taken, reserved or received pursuant to this Note, (ii) contracted for, charged, taken, reserved or received by reason of the Lender's acceleration the maturity of this Note, or (iii) the Borrower has paid or the Lender will receive, then it is the express intent of the parties hereto that all amounts charged in excess of the Maximum Lawful Rate shall be automatically canceled, ab initio, and all amounts in excess of the Maximum Lawful Rate theretofore collected by the Lender shall be applied to the principal balance of this Note (or, if this Note has been or would thereby be paid in full, refunded to the Borrower), and the provisions of this Note shall immediately be deemed reformed and the amounts thereafter collectible hereunder reduced, without the necessity of the execution of any new document, so as to comply with applicable law, but so as to permit the recovery of the fullest amount otherwise due hereunder; provided,however, that, if this Note is paid in full before the Maturity Date, then the Borrower and the Lender agree that the Lender shall, with reasonable promptness after the Lender discovers or is advised by the Borrower that interest was received in an amount in excess of the Maximum Lawful Rate, refund such excess interest to the Borrower. All sums contracted for, charged, taken, reserved or received by the Lender pursuant to this Note may, to the extent permitted by applicable law, be amortized or spread, using the actuarial method, throughout the stated term of this Note (including any and all renewal and extension periods) until payment in full hereof, so that the rate or amount of interest on account of this Note does not exceed the Maximum Lawful Rate from time to time in effect and applicable to this Note. As used herein, "Maximum Lawful Rate" means the maximum lawful rate of interest which may be contracted for, charged, taken, received or reserved by the Lender in accordance with applicable laws.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Note as of the date first above written.

STRYVE FOODS, LLC

By: Andina Holding, LLC, its sole Member
By: Stryve Foods, Inc., it Managing Member

By: ____________________
R. Alex Hawkins
Chief Financial Officer

STRYVE FOODS, INC.

By: ____________________
R. Alex Hawkins
Chief Financial Officer

[LENDER]

By: ____________________
[Name and title]

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Christopher Boever, certify that:

1.I have reviewed this Quarterly Report on Form 10-Q of Stryve Foods, Inc.;

2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4.The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a)Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and

b)Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and

c)Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d)Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5.The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a)All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b)Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 14, 2024

/s/ Christopher Boever

Christopher Boever
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, R. Alex Hawkins, certify that:

1.I have reviewed this Quarterly Report on Form 10-Q of Stryve Foods, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4.The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a)Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and

b)Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and

c)Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d)Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5.The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a)All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b)Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 14 2024

/s/ R. Alex Hawkins

R. Alex Hawkins
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Stryve Foods, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2024 as filed with the Securities and Exchange Commission (the "Report"), each of the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

a)The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

b)The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

Dated: May 14, 2024

By:	*/s/ Christopher Boever*
Name:	Christopher Boever
Title:	Chief Executive Officer (Principal Executive Officer)

By:	*/s/ R. Alex Hawkins*
Name:	R. Alex Hawkins
Title:	Chief Financial Officer (Principal Financial Officer)