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Zacks Small-Cap Research

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Clip Money, Inc. (OTCQB: CLPMF)

CLPMF: Clip Money Q1 Revenues Grow 225% and Losses Narrow. 2025 Revenues Should Almost Triple

We believe CLPMF stock is worth $0.31 per share based on an EV/Estimated 2025 Sales of 6.0 times, given its expected growth of 195%.

Current Price (5/27/2025)	$0.14
Valuation	**$0.31**

OUTLOOK

Clip Money is a rapidly growing NCR-backed start-up based in Ottawa, Canada, and operating in Canada and the US. It is helping physical stores and businesses quickly, safely, and less expensively deposit cash into their bank accounts, as well as replenishing notes and coins for store operations. The company uses its proprietary software platform to facilitate cash management, and its network is made up of a network of DropBoxes, NCR ATMs located in retail outlets and a summer roll out at Green Dot locations. Clip also partners with Brinks for cash logistics and the US Postal Service for change order delivery.

SUMMARY DATA

52-Week High	**$0.25**
52-Week Low	**$0.12**
One-Year Return (%)	**-6.4**
Beta	**0.1**
Average Daily Volume (sh)	**1,753**
A+B Shares Out. (mil)	**105.2**
Market Capitalization ($mil)	**$15**
Short Interest Ratio (days)	**0.6**
Institutional Ownership (%)	**0**
Insider Ownership (%)	**76.7**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2025 Estimate	**N/A**
P/E using 2026 Estimate	**N/A**

Risk Level	**High**
Type of Stock	**Small Growth**
Industry	**Financial Services**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2023	$0.0 A	$0.0 A	$0.1 A	$0.4 A	$0.6 A
2024	$0.3 A	$0.4 A	$0.5 A	$1.2 A	$2.4 A
2025	$1.0 A	$1.4 E	$1.6 E	$3.0 E	$7.0 E
2026					$13.4 E

Earnings Per Share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2023	-$0.03 A	-$0.03 A	-$0.03 A	-$0.02 A	-$0.11 A
2024	-$0.02 A	-$0.02 A	-$0.02 A	-$0.02 A	-$0.09 A
2025	-$0.02 A	-$0.02 E	-$0.02 E	-$0.01 E	-$0.08 E
2026					-$0.03 E

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WHAT'S NEW

Clip Money Reports Revenue Growth of 225% in Q1 2025

Clip Money continues its march to profitability, reporting growth of 225% in Q1 2025 to $973,000, ahead of projections. Growth was driven by a 153% increase in new deposit users and a 10% increase in average monthly deposit revenues per user. New product revenue was 22% of total revenue in Q1 2025 versus 9% in last year's quarter. Included in total revenue was $37,500 of $250,000 paid by Green Dot for integration with its systems. Clip Money expects the implementation to be completed and the remaining revenues of $212,500 for this to be booked in Q2 2025. This was not included in our forecasts. As a result, we are raising our Q2 and full-year revenue estimates by $200,000. This bumps up the 2025 growth rate to 195%, yielding revenues of $7.0 million. Despite this growth, the stock trades at only 3.5 times enterprise value to 2025 estimated sales.

The company added 29 new ClipDrop deposit locations in Q1 at shopping malls and signed 401 new, active depositing users, which included new retailer customers: Pop Mart, Squishable, Spring Step Shoes, and Go. The company ended the quarter with 473 ClipDrops installed compared to 444 at the end of the year. However, when you add in the 3,500 ATMs, the total locations are now about 4,000. When Green Dot comes online, that will rise to 8,000 locations, making Clip Money services more compelling and accessible to many more customers. Green Dot has 95,000 outlets; the final number of outlets added will be far more than 4,000, but not the entire 95,000. Management still expects to sign a bank or two this year, as it is an inexpensive way to serve business customers without adding physical locations. With bank deals, Clip Money expects to earn transaction fees, monthly access fees, and an initial integration fee as it did with Green Dot.

Q1 should be the last quarter with negative gross margins, as subsequent quarters should be higher than $1.1 million in revenues and economics continue to improve from higher prices charged to new customers combined with economies of scale. With expanding margins and increased revenue, we expect that Clip Money should reach cash flow breakeven by the beginning of 2026, if not sooner.

Q1 2025 Results

Revenues for the quarter were $973,000 versus $299,000 in Q1 2024, showing growth of 225%. While revenue increased 225%, the cost of revenue only grew 35%, resulting in a negative gross margin of only $37,000.

Operating expenses were up in Q1 2025 to $1.8 million compared to $1.7 million in Q1 2025. This increase was a function of higher professional fees by $22,012 in 2024, while sales and marketing were up $26,294, salaries and benefits were up $33,103, and depreciation and amortization were up $73,630. General and administrative expenses were down $3,320.

Other expenses for Q1 2025 were $411,234 compared to $269,957. Most of this year's expense was due to interest expense of $640,000 compared to only $428,000 last year. In Q1 2025, the change in fair value of derivative liability of $228,000 decreased expenses by $211,000 over last year.

The operating loss in Q1 2025 was $2.3 million versus $2.4 million a year ago.

The net loss for Q1 2025 was $2.3 million compared to $2.5 million a year ago. The IFRS loss per share was flat at $0.02 with almost no increase in shares outstanding.

Balance Sheet

As of March 31, 2025, the company had $2.7 million in cash, negative working capital of $1.0 million, and $12.0 million in debt. In Q1 2025, it had negative cash flow and free cash flow (excluding changes in working capital) of $1.3 million and expects to continue to burn about $500,000 per month.

On Feb. 24, 2025, Clip Money sold a $2 million 13% unsecured convertible note to Cardtronics. Interest is due quarterly, and the note is due on February 24, 2030. The note can be paid either in cash, converted at CDN$0.55, or a combination thereof.

As of March 31, 2025, the company had 105,164,194 common shares, 6,064,321 options, 216,698 restricted stock units, and 12,516,373 warrants issued and outstanding.

Relationship with Cardtronics

Cardtronics is a related party of the company and the largest shareholder, holding approximately 27% of the company's stock. As of March 31, 2025, Cardtronics had an outstanding convertible debenture with the company for $5,586,775. Additionally, this convertible debenture has an accrued accretion and interest payable of $1,023,117. As of March 31, 2025, the company repaid $24,584.

On September 21, 2023, Cardtronics, Inc. (a subsidiary of NCR Corporation) invested US$10 million in the company by buying 28.6 million shares at CDN$0.23 per share for CDN$6.6 million and a CDN$6.8 million convertible note in a private placement at a $25 million pre-money valuation. Upon conversion of both converts, this represents a 42% ownership by NCR.

During the Quarter, Clip Money Partnered with Green Dot to Add Thousands of New Deposit Locations

On January 30th, 2025, Clip Money announced a partnership with Green Dot Corp. (NYSE: GDOT) to allow Clip Money customers and Green Dot customers to use Clip Money's cash-in and cash-out services at Green Dot locations. Green Dot is a mobile bank that operates primarily through an app but can be accessed in person at more than 95,000 stores in the US. The Green Dot Network offers services in stores, supermarkets, and gas stations, including Walmart, Walgreens, 7-Eleven, Dollar Tree, Kroger, Food Lion, Stop & Shop, and CVS. Ninety-six percent of the U.S. population lives within three miles of a Green Dot Network location.

The two plan to roll out services starting in June or July. One big box retailer in the Green Dot network will be the first to go live with its 4,000 stores, and Clip Money hopes to add another chain at the same time or shortly after. This will bring the total number of locations offering Clip Money services to over 8,000 if you add the Clip Boxes and NCR ATMs to the Green Dot 4,000. Leveraging the Green Dot locations allows Clip Money to expand without any capital expenditures for equipment or the expense of rent and maintenance of boxes. Clip Money will also be sharing profits with Green Dot, so we expect lower gross margins on revenues but similar profitability overall.

KEY POINTS

- Clip Money has invented a new way for businesses to handle their cash. It uses shared resources and infrastructure to lower the cost of depositing and withdrawing cash, including a national network of deposit endpoints made up of smart safes and ATMs and the USPS. By sharing expenses among many businesses, Clip Money can beat the prices of current methods of managing cash, namely,

bank branches or armored carrier contracts. As a side benefit, Clip Money is typically easier, more convenient, and often safer than legacy methods.

- The company is a true start-up that was founded by management who are well-experienced in the industry. It has been funded and is backed by NCR's Cardtronics business, which owns over 27% of the company (42% with the convertible notes). The chief operating officer of NCR Atleos is also on Clip Money's board. This deep-pocketed backer should give investors some assurance that it has the support to achieve success.

- We believe Clip Money is undervalued because it is mostly unknown to investors, has an obscure listing on the Canadian Venture Exchange, has low revenues, and has limited research coverage.

- With a low float due to NCR and insider holdings, the stock may be hard to buy, but the stock and the company deserve a second look, even if only for the fact that it is trading below the valuation price NCR originally paid.

- Clip Money's revenues grew 308% in 2024 and could grow 200% in 2025. Revenues were up 225% in Q1 2025. It is currently at a $4.6 million revenue run rate and has been ramping revenues and decreasing losses as it adds customers and expands its network. The company trades at a $15 million market cap and $24 million enterprise value. We expect revenues in 2025 to reach or exceed $7.0 million. At a growth rate of 195%, we believe the company is worth 6.0 times 2025 revenues or $0.30 per share. In 2026 we expect revenues to at least double, given all the new locations coming online from the Green Dot partnership.

OVERVIEW

Clip Money is an NCR-backed start-up based in Ottawa, Canada, and operating in Canada and the US. The company's stock was listed in May 2022 on the TSX Venture Exchange. It was founded in 2018 and has 16 employees, all of whom, except for five, are located in the US. In 2024, 98% of its revenues were from the US.

Its business is helping physical stores and businesses quickly, safely, and less expensively deposit cash into and replenish notes and coins from their banks. Today, it does this through a national network of deposit locations made up of Clip Drop boxes and ATMs. ClipDrops are located in malls, and Clip ATMs are located across the U.S. in convenient locations like Walgreens, CVS, and Target. At these locations, multiple businesses can use a single device, and Clip processes the deposits to a business's bank account of choice. This way, the expenses associated with moving cash are shared by many businesses rather than by one, resulting in lower cost and effort. While Clip Money runs the system, it is partnered with operating companies such as Brinks and NCR, which provide the hardware, maintenance, and cash collection for the ClipDrop boxes and NCR Atleos for the Clip-enabled ATMs. We believe this is the first significant innovation in managing cash in 50 years. Currently, ClipDrop locations are located in over 400 malls, and the company has already signed agreements with large property owners like Tanger Outlets, Simon Malls, Brookfield Properties, CBL, and Washington Prime Group.

Clip Money generates revenue from each transaction a customer makes, and most customers transact daily. The customer is charged $5.49 per transaction up to $1,000 deposited and another 0.549% of the deposited amount above and beyond. The fee is taken directly out of the deposit amount, so Clip Money's only accounts receivable are from the larger customers who have asked to be charged monthly instead of at each transaction. As a result, Clip Money has high visibility as it tracks its daily sales. Customers also pay fees for their deposit mistakes. The company claims the average store generates $100-$140 in revenue a month from Clip deposits.

ClipATM

In April and May of 2024, Clip Money added NCR's 2,600 deposit-taking ATMs in stores such as Walgreens, CVS, Duane Reed, and Target to its deposit network. These NCR-owned deposit-taking ATMs are located across 30 states and serve more than 70 of the largest population centers in the US. The locations augment Clip's current 490+ locations, which comprise the ClipDrop network. At the end of 2024, 3,000+ of NCR's ATMs were available for use.

Clip Change

Clip Change allows customers to withdraw cash in specified coins and bill denominations delivered by the US Postal Service and cash couriers. By utilizing deposit and change order solutions from Clip, a customer can eliminate local bank accounts and save on the account fees charged by banks.

VALUATION

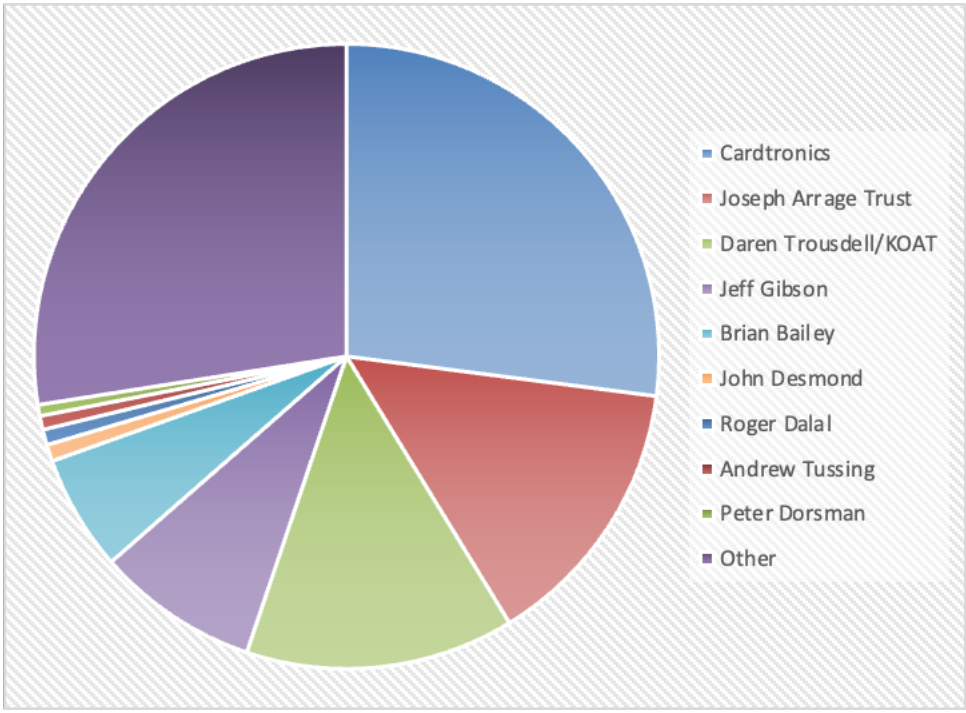
We consider Clip Money's peers to be software and service providers in the financial services industry. They trade at an average of 3.5 times enterprise value to estimated 2025 sales. Valuation ranges from 11.6 times for Shopify to 0.8 times for Lightspeed. None of these companies is growing over 22%, making Clip Money unique. Given we expect the company to almost double next year, we believe it deserves the higher end of the range. At 6 times EV/2025 sales, the stock would be $0.31 per share. Even if we used the fully diluted share count of 141 million, the stock should be above $0.23 per share.

		Cal. Revenue			TTM	Enterprise Value / Sales			EV/	Enterprise	EBITDA
Company	Ticker	2025E	2026E	LTM	EBITDA	2025E	2026E	LTM	EBITDA	Value	Margin
Affirm	AFRM	$3,517	NA	$3,010	$63	6.0x	NA	7.0x	333.2x	21,130	2.1%
EVERTEC	EVTC	$894	$939	$869	$265	3.4x	3.2x	3.5x	11.3x	3,000	30.5%
Flywire	FLYW	$564	$653	$512	$13	2.0x	1.8x	2.2x	87.6x	1,150	2.6%
Global Payments	GPN	$9,290	$9,820	$10,100	$4,420	3.5x	3.3x	3.2x	7.3x	32,100	43.8%
i3 Verticals	IIIV	$226	NA	$242	$39	2.7x	NA	2.6x	15.7x	622	16.3%
Lightspeed Commerce	LSPD	$1,151	NA	$1,080	-$41	0.8x	NA	0.8x	-21.7x	894	-3.8%
Marqeta	MQ	$581	$708	$528	$26	2.4x	2.0x	2.7x	53.6x	1,400	4.9%
Paymentus	PAY	$1,100	$1,320	$962	$61	4.0x	3.3x	4.6x	72.1x	4,410	6.4%
PayPal	PYPL	$32,660	$34,690	$31,890	$6,370	2.1x	2.0x	2.1x	10.7x	68,140	20.0%
Paysafe	PSFE	$1,720	$1,830	$1,690	$397	1.7x	1.6x	1.7x	7.3x	2,910	23.5%
Repay	RPAY	$306	$331	$310	$70	2.4x	2.2x	2.4x	10.5x	730	22.4%
Sezzle	SEZL	$438	$530	$329	$181	8.0x	6.6x	10.6x	19.3x	3,490	55.1%
Shift4	FOUR	$4,060	$4,900	$3,470	$514	1.9x	1.6x	2.3x	15.3x	7,850	14.8%
Shopify	SHOP	$10,870	$13,090	$9,380	$1,420	11.6x	9.6x	13.5x	88.9x	126,220	15.1%
Block	XYZ	$25,070	$27,610	$23,940	$1,420	1.2x	1.1x	1.2x	20.7x	29,410	5.9%
Toast	TOST	$6,020	$7,240	$5,220	$184	3.8x	3.2x	4.4x	125.6x	23,110	3.5%
WEX	WEX	$2,600	$2,730	$2,610	$906	2.2x	2.1x	2.2x	6.3x	5,710	34.7%
Average					**963**	**3.5x**	**3.1x**	**3.9x**	**50.8x**	**20,410**	**16.4%**

RISKS

- Approximately 68% of the company's revenue is earned from five customers: Genesco, Pacsun, Hot Topic, Lids, and Torrid.
- The company is burning cash and is expected to sell equity to raise cash, diluting current shareholders.
- As a start-up with a unique business model, there can be no assurance that the company can turn profitable.

OWNERSHIP


Cardtronics
Joseph Arrage Trust
Daren Trousdell/KOAT
Jeff Gibson
Brian Bailey
John Desmond
Roger Dalal
Andrew Tussing
Peter Dorsman
Other

INCOME STATEMENT

	March Q1 24 US $	June Q2 24 US $	Sept Q3 24 US $	Dec Q4 24 US $	March Q1 25 US $	June Q2 25E US $	Sept Q3 25E US $	Dec Q4 25E US $	2023 US $	2024 US $	2025E US $	2026E US $
Clip boxes installed qtr end	313	347	409	444	473	490	520	540	396	444	540	615
Yr-to-yr Gr.	13%	25%	13%	12%	51%	41%	27%	22%	17%	12%	22%	18%
REVENUE	$299,176	$387,955	$521,316	$1,151,862	$972,706	$1,400,000	$1,600,000	$3,000,000	$577,919	$2,360,309	$6,972,706	$13,945,412
Yr-to-yr Gr.	851%	764%	250%	227%	225%	261%	207%	160%	1987%	308%	195%	100%
OPERATING EXPENSES												
Cost of goods sold	745,953	715,973	837,252	1,150,565	1,009,557	1,240,000	1,300,000	1,800,000	2,516,166	3,449,743	5,349,557	8,024,336
Gross Margin	(446,777)	(328,018)	(315,936)	1,297	(36,851)	160,000	300,000	1,200,000	(1,938,247)	(1,089,434)	1,623,149	5,921,077
% of Sales	-149.3%	-84.6%	-60.6%	0.1%	-3.8%	11.4%	18.8%	40.0%	-335.4%	-46.2%	23.3%	42.5%
G&A	84,563	92,459	84,921	101,703	81,243	100,000	100,000	100,000	382,188	363,646	381,243	400,000
Sales & marketing	21,017	65,633	62,696	77,764	47,311	50,000	50,000	50,000	154,690	227,110	197,311	300,000
Salaries & benefits	942,081	865,982	752,480	814,734	975,184	980,000	980,000	980,000	2,772,114	3,375,277	3,915,184	4,306,702
Depreciation and amortization	454,886	496,470	492,808	517,530	528,516	530,000	530,000	530,000	1,963,601	1,961,694	2,118,516	1,900,000
Professional fees	177,930	193,424	204,276	185,467	199,942	190,000	190,000	190,000	1,104,264	761,097	769,942	700,000
Tot Operating Exp.	1,680,477	1,713,968	1,597,181	1,697,198	1,832,196	1,850,000	1,850,000	1,850,000	6,376,857	6,688,824	7,382,196	7,606,702
Operating Income	(2,127,254)	(2,041,986)	(1,913,117)	(1,695,901)	(1,869,047)	(1,690,000)	(1,550,000)	(650,000)	(8,315,104)	(7,778,258)	(5,759,047)	(1,685,626)
Finance expenses, net	(428,495)	(448,549)	(496,782)	(602,721)	(639,699)	(635,221)	(645,221)	(655,221)	(1,234,925)	(1,976,547)	(2,575,362)	(1,734,417)
Government grant income	0	0	0	0	0	0	0	0	0	0	0	42,437
Foreign exchange	142,168	78,081	(84,278)	295,103	656	0	0	0	(63,243)	431,074	656	0
FV change of derivative liab.	16,370	(73,286)	110,921	(69,053)	227,809	0	0	0	148,055	(15,048)	227,809	0
Loss on early ext. of converts	0	0	0	0	0	0	0	0	(271,340)	0	0	0
Public listing fees	0	0	0	0	0	0	0	0	0	0	0	(380,387)
Total other income	(269,957)	(370,468)	(470,139)	(376,671)	(411,234)	(635,221)	(645,221)	(655,221)	(1,421,453)	(1,560,521)	(2,346,897)	(2,072,367)
Profit before tax	(2,397,211)	(2,412,454)	(2,383,256)	(2,072,572)	(2,280,281)	(2,325,221)	(2,195,221)	(1,305,221)	(9,736,557)	(9,338,779)	(8,333,753)	(3,800,430)
Taxes	-	-	-	-	-	-	-	-	419,990	0	0	0
Tax Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.3%	0.0%	0.0%	0.0%
Net income	(2,397,211)	(2,412,454)	(2,383,256)	(2,072,572)	(2,280,281)	(2,325,221)	(2,195,221)	(1,305,221)	(9,316,567)	(9,338,779)	(8,333,753)	(3,800,430)
Foreign exchange translation adj	(119,756)	(62,557)	0	94,425	6	0	0	0	40,462	(87,888)	6	0
IFRS Net income	(2,516,967)	(2,475,011)	(2,383,256)	(1,978,147)	(2,280,275)	(2,325,221)	(2,195,221)	(1,305,221)	(9,276,105)	(9,426,667)	(8,333,747)	(3,800,430)
Yr-to-yr Gr.	5%	-3%	-8%	14%	-9%	-6%	-8%	-34%	-25%	2%	-12%	-37%
Shares issued for services	0	0	0	0	0	0	0	0	0	0	0	0
One-time	0	0	0	0	0	0	0	0	(271,340)	0	0	0
Non-IFRS Net Income	(2,516,967)	(2,475,011)	(2,383,256)	(1,978,147)	(2,280,275)	(2,325,221)	(2,195,221)	(1,305,221)	(9,547,445)	(9,426,667)	(8,333,747)	(3,800,430)
IFRS primary EPS	**($0.02)**	**($0.02)**	**($0.02)**	**($0.02)**	**($0.02)**	**($0.02)**	**($0.02)**	**($0.01)**	**($0.11)**	**($0.09)**	**($0.08)**	**($0.04)**
Adj Non-IFRS EPS	($0.02)	($0.02)	($0.02)	($0.02)	($0.02)	($0.02)	($0.02)	($0.01)	($0.12)	($0.09)	($0.08)	($0.04)
Yr-to-yr Gr.	-26%	-31%	-26%	-2%	-10%	-6%	-8%	-34%	-21%	-27%	-12%	-37%
Primary Share Out	104,947,537	105,164,194	105,024,237	105,165,000	105,164,194	105,164,194	105,164,194	105,164,194	83,437,731	105,059,724	105,164,194	105,164,194
Yr-to-yr Gr.	43%	41%	38%	16%	0%	0%	0%	0%	50%	26%	0%	0%
Adjusted EBITDA	(1,672,368)	(1,545,516)	(1,420,309)	(1,178,371)	(1,340,531)	(1,160,000)	(1,020,000)	(120,000)	(6,351,503)	(5,816,564)	(3,640,531)	214,374

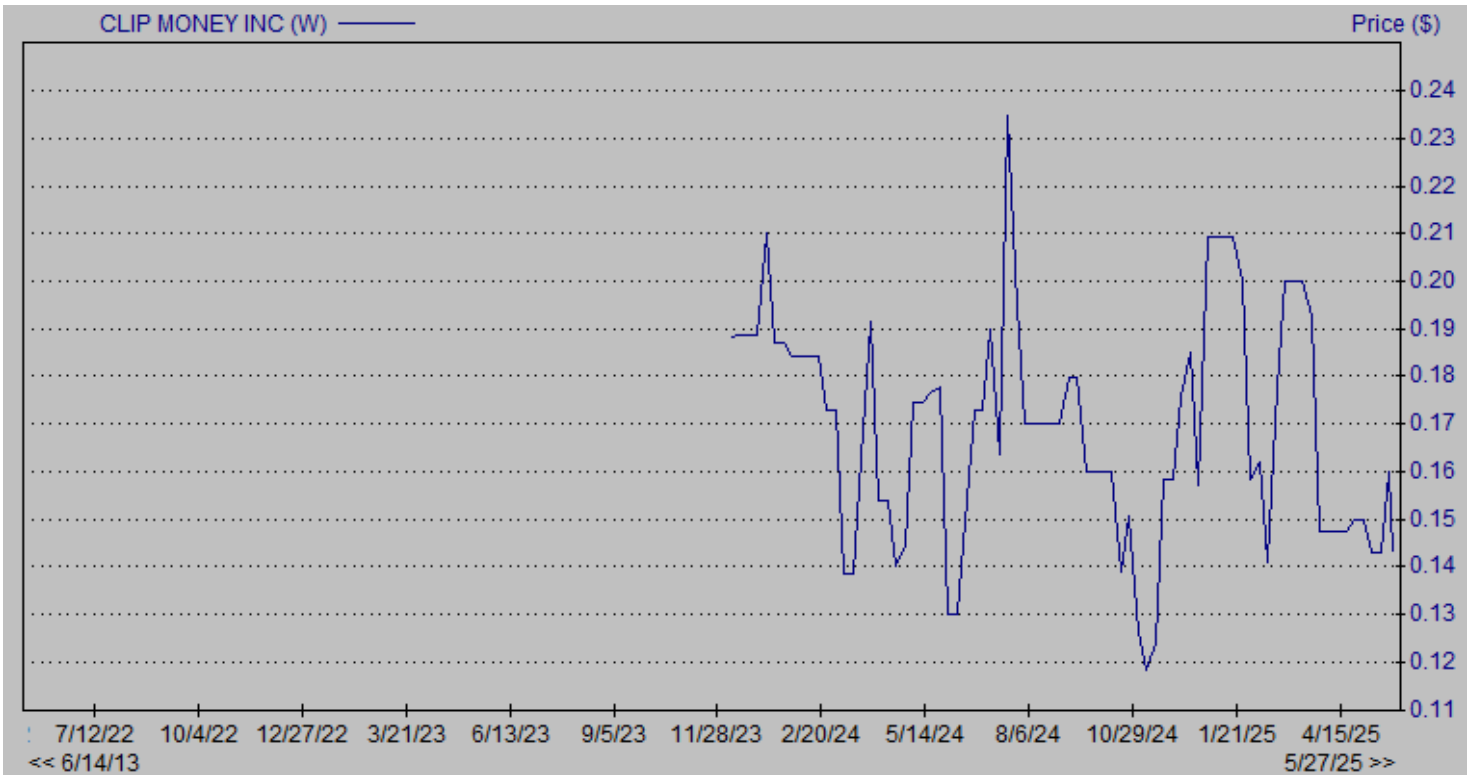
BALANCE SHEET

US Dollars	Mar 31, 2025	Dec 31, 2024	Qtr-Qtr % Change	Mar 31, 2024	Yr-Yr % Change
CURRENT ASSETS					
Cash	**$2,748,546**	**$1,997,516**	37.6%	**$4,111,262**	-33.1%
Due from customers	$0	$0	0.0%	$14,943	-100.0%
Accounts receivable	408,203	639,860	-36.2%	124,024	229.1%
Prepaid expenses	62,317	68,835	-9.5%	248,299	-74.9%
Total current assets	3,219,066	2,706,211	19.0%	4,498,528	-28.4%
Property and equipment, net	546,627	552,667	-1.1%	623,799	-12.4%
Right of use assets, net	4,382,747	4,520,634	-3.1%	3,928,333	11.6%
Intangible assets, net	1,750,863	1,808,009	-3.2%	2,077,361	-15.7%
TOTAL ASSETS	9,899,303	9,587,521	3.3%	11,128,021	-11.0%
CURRENT LIABILITIES					
Trade and other payables	1,487,479	1,275,445	16.6%	710,635	109.3%
Deferred revenue	212,500	0	NA	0	NA
Current portion of government loans	**8,965**	**8,737**	2.6%	8,610	4.1%
Current portion of lease liabilities	1,635,982	1,548,138	5.7%	1,167,020	40.2%
Derivative liability	900,990	572,462	57.4%	576,403	56.3%
Total current liabilities	4,245,916	3,404,782	24.7%	2,462,668	72.4%
LONG-TERM LIABILITIES					
Secured promissory note	**275,000**	**175,000**	57.1%	**0**	NA
Long-term lease liabilities	3,800,064	4,041,315	-6.0%	3,672,124	3.5%
Government loans	**396,472**	**370,652**	7.0%	39,023	916.0%
Convertible debt	**11,338,344**	**9,531,679**	19.0%	**6,398,290**	77.2%
Total liabilities	20,055,796	17,523,428	14.5%	12,572,105	59.5%
SHAREHOLDERS' EQUITY					
Share capital	24,089,827	24,089,827	0.0%	23,942,305	0.6%
Contributed surplus	5,901,850	5,842,161	1.0%	5,571,807	5.9%
Accumulated other comprehensive income	(182,340)	(182,346)	0.0%	(214,214)	-14.9%
Accumulated deficit	(39,965,830)	(37,685,549)	6.1%	(30,743,982)	30.0%
Total shareholder's equity	(10,156,493)	(7,935,907)	28.0%	(1,444,084)	603.3%
TOTAL LIABILITIES AND EQUITY	$9,899,303	$9,587,521	3.3%	$11,128,021	-11.0%
Current Ratio	0.8	0.8	-4.6%	1.8	-58.5%
Working Capital	(1,026,850)	(698,571)	47.0%	2,035,860	-150.4%
Debt	$12,018,781	$10,086,068	19.2%	$6,398,290	87.8%
Debt Percent of Assets	121.4%	105.2%	15.4%	57.5%	111.2%
Cash and equivalents	$2,748,546	$1,997,516	37.6%	$4,111,262	-33.1%

CASH FLOWS

US Dollars	Year 2022 US $	3-Mo 3/31/23 US $	3-Mo 6/30/23 US $	3-Mo 9/30/23 US $	3-Mo 12/31/23 US $	Year 2023 US $	3-Mo 3/31/24 US $	3-Mo 6/30/24 US $	3-Mo 9/30/24 US $	3-Mo 12/31/24 US $	Year 2024 US $	3-Mo 3/31/25 US $
CASH FLOWS - OPERATING ACTIVITIES												
Net profit (loss)	$ (12,135,800)	$ (2,478,430)	$ (2,507,158)	$ (2,488,857)	$ (1,842,122)	$ (9,316,567)	$ (2,397,212)	$ (2,485,740)	$ (2,383,256)	$ (2,072,571)	$ (9,338,779)	$ (2,280,281)
Income and non-cash expense items:												
Depreciation of property & equipment	118,803	47,155	48,312	48,727	48,772	192,966	49,926	50,287	49,146	53,711	203070	54,237
Depreciation of righ-of-use assets	996,977	293,142	292,205	298,664	308,771	1,192,782	292,031	298,440	321,974	301,308	1,213,753	363,138
Amortization of intangible assets	506,329	149,246	146,560	152,696	129,351	577,853	158,677	147,602	121,629	116,963	544,871	111,141
Foreign exchange on lease liabilities	0	0	0	(4,608)	4,608	0	0	0	0	0	0	0
Loss on early extinguishment of convertible debt	0	0	0	103,861	(1,055)	102,806	0	0	0	0	0	0
Deferred tax recovery	0	0	0	0	(419,990)	(419,990)	0	0	0	0	0	0
Accretion & interest on convertible debt	161,318	0	48,962	180,142	314,373	543,477	308,619	309,222	332,131	410,861	1,360,833	431,811
Costs associated with debt issuance	5,827	0	0	0	0	0	0	0	0	0	0	0
Fair value change of derivative liability	499,026	0	(94,862)	55,801	(108,994)	(148,055)	(16,370)	73,286	(110,921)	69,053	15,048	(227,809)
Government loan settlement fee	0	0	0	0	0	0	0	0	0	0	0	27,227
Interest on government loans	7,572	1,253	4,736	(2,787)	1,455	4,657	4,563	1,837	2,534	(6,946)	1,988	1,365
Interest on lease liability	696,470	195,450	186,295	179,633	183,083	744,461	165,099	162,697	169,204	177,240	674,240	178,481
Share and warrant issuance costs	868,153	0	0	0	0	0	0	0	0	0	0	0
Shares issued for services	1,131,358	0	0	0	0	0	0	0	0	0	0	0
Effects of foreign exchange	284,686	(114,225)	39,573	(22,246)	192,866	95,968	(82,562)	(337,398)	118,406	(247,053)	(548,607)	(19,373)
Options vesting for services	1,123,435	132,859	113,563	135,192	187,232	568,846	193,569	177,121	98,674	52,705	522,069	47,988
RSUs vesting for services	157,616	68,282	58,771	31,277	30,813	189,143	31,128	25,771	12,310	12,097	81,306	11,701
Warrants issued for services	36,213	7,937	2,115	0	0	10,052	0	0	0	0	0	0
Changes in assets and liabilities:												
Prepayments	76,786	91,554	(36,976)	40,286	9,921	104,785	(190,509)	204,478	4,288	(29,302)	(11,045)	6,518
Accounts receivable	(84)	(14,722)	(2,370)	(92,881)	(42,695)	(152,668)	28,982	(55,171)	(41,273)	(419,392)	(486,854)	231,657
Customer advances	2,459	13,209	(17,769)		72,395	72,395	(89,797)	(2,302)	(16,294)	33,539	(74,854)	0
Accounts payable	594,997	(9,352)	153,681	(1,014,881)	(172,905)	(1,043,457)	189,565	(71,343)	31,373	604,782	754,377	212,034
Increase in deferred revenue	0		0	0	0	0	0	0	0	0	0	212,500
Net cash provided by operating activities	**(4,867,859)**	**(1,616,642)**	**(1,564,362)**	**(2,399,981)**	(1,104,121)	**(6,680,546)**	**(1,354,291)**	**(1,501,213)**	**(1,290,074)**	**(943,005)**	(5,088,584)	**(637,665)**
CASH FLOWS - INVESTING ACTIVITIES												
Acquisition of property & equipment	(699,615)	(38,730)	(7,957)	(10,046)	(28,704)	(85,437)	(5,253)	(25,676)	(54,067)	(37,578)	(122,574)	(47,687)
Investment in intangibles	(879,955)	(125,657)	(279,347)	(101,202)	(68,086)	(574,292)	(110,645)	(89,928)	(73,197)	(68,110)	(341,880)	(52,261)
Costs capitalized on right-of-use-assets	(95,723)	0	2,616	(2,616)	(5,919)	(5,919)	(230,199)	182,751	(94)	1,567	(45,975)	(274)
Net cash provided by (used in) investing activities	(1,675,293)	(164,387)	(284,688)	(111,248)	(102,709)	(665,648)	(346,097)	67,147	(127,358)	(104,121)	(510,429)	(100,222)
CASH FLOWS - FINANCING ACTIVITIES												
Change in right-of-use and lease liabilities, net	0	0	0	(244)	244	0	0	0	0	0	0	0
Procceds from secured promissory note	0	0	0	0	0	0	0	0	0	175,000	175,000	100,000
Proceeds from issuance of shares, net	5,831,863	820,507	0	4,876,914	0	5,697,421	0	0	0	0	0	0
Proceeds from issuance of warrants, net	1,780,834	432,765	0	0	0	432,765	0	0	0	0	0	0
Proceeds from issuance of convertible debt, net	935,445	0	2,815,585	6,040,788	(1,032,579)	7,823,794	0	0	2,689,955	41,398	2,731,353	1,972,243
Repayment of convertible debt	0	0	0	(1,032,579)	1,032,579	0	0	0	0	(45,151)	(45,151)	(43,093)
Proceeds from government loans	0	0	0	0	0	0	0	0	362,990	(22,452)	340,538	0
Payments of lease liabilities	(1,501,537)	(448,504)	(449,265)	(452,414)	(473,006)	(1,823,189)	(458,756)	(413,805)	(468,495)	(587,985)	(1,929,041)	(554,802)
Payments of government loans	0	0	(5,592)	(575)	(25,283)	(31,450)	(3,447)	(7,405)	(4,696)	4,014	(11,534)	(2,886)
Net cash used in financing activities	7,046,605	804,768	2,360,728	9,431,890	(498,045)	12,099,341	(462,203)	(421,210)	2,579,754	(435,176)	1,261,165	1,471,462
Effects of exchange rate changes	19,043	3,880	(806)	(56)	(90,844)	(87,826)	123,544	35,179	(16,006)	42,338	185,055	17,455
INCREASE (DECREASE) IN CASH	522,496	(972,381)	510,872	6,920,605	(1,795,719)	4,665,321	(2,039,047)	(1,820,097)	1,146,316	(1,439,964)	(4,152,793)	751,030
CASH - BEGINNING OF PERIOD	962,494	1,484,988	512,607	1,023,479	7,944,227	1,484,988	6,150,309	4,111,262	2,291,165	3,437,481	6,150,309	1,997,516
CASH - END OF PERIOD	1,484,988	512,607	1,023,479	7,944,084	6,148,508	6,150,309	4,111,262	2,291,165	3,437,481	1,997,516	1,997,516	2,748,546
Operating Cash Flow	$ (5,542,017)	$ (1,697,331)	$ (1,660,928)	$ (1,332,505)	$ (970,837)	$ (5,661,601)	$ (1,292,532)	$ (1,576,875)	$ (1,268,169)	$ (1,132,632)	(5,270,208)	$ (1,300,374)
Free cash flow	$ (6,241,632)	$ (1,736,061)	$ (1,668,885)	$ (1,342,551)	$ (999,541)	$ (5,747,038)	$ (1,297,785)	$ (1,602,551)	$ (1,322,236)	$ (1,170,210)	$ (5,392,782)	$ (1,348,061)

HISTORICAL STOCK PRICE



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