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Zacks Small-Cap Research

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Michael Kim
312-265-9371
mkim@zacks.com

scr.zacks.com
101 N. Wacker Drive, Chicago, IL 60606

CareCloud, Inc. (CCLD-NASDAQ)

CCLD: 3Q25 Earnings – Adjusted EPS Beat on Higher Revenue and Adjusted Operating Income; Increasingly Leveraging AI and M&A

On a non-GAAP adjusted basis, CCLD reported 3Q25 EPS of $0.10, or a couple of pennies above our $0.08 estimate. Relative to our model, higher-than-forecast revenue primarily drove the adjusted EPS beat. Finetuning our 2025 and 2026 adjusted EPS estimates from $0.31/$0.46 to $0.35/$0.44 reflecting refined revenue/margin assumptions. No change to our $6.00 price target.

Current Price (11/6/25)	$3.47
Valuation	**$6.00**

OUTLOOK

Key 3Q25 takeaways include: 1) following the closing of the Medsphere acquisition, management remains focused on tapping into the company's existing inpatient EHR and RCM relationships across small- and mid-sized hospitals; 2) the recently acquired MapApp enhances CCLD's hospital analytics capabilities, particularly as it relates to RCM performance, and management plans to leverage/integrate proprietary AI capabilities, and link MapApp analytics to specific CCLD solutions, thereby enhancing win rates with prospective clients; 3) our model calls for continued growth in operating cash flow reflecting rising revenues and ongoing margin expansion, with ample capacity to continue to reinvest for growth and capitalize on incremental M&A opportunities; and 4) from a structural standpoint, incremental deals likely include asset purchases at attractive valuations financed through combination of upfront internally-generated cash and tapping the company's credit facility at favorable terms/rates to preserve balance sheet flexibility, minimize shareholder dilution, and optimize accretion.

SUMMARY DATA

52-Week High	**$4.84**
52-Week Low	**$1.14**
One-Year Return (%)	**46.03**
Beta (5Y Monthly)	**1.95**
Average Daily Volume (3 mo)	**521,807**
Shares Outstanding (mil)	**42**
Market Capitalization ($mil)	**$147**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**17**
Insider Ownership (%)	**38**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**2.4**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**7.5**
P/E using 2025 Estimate	**9.9**
P/E using 2026 Estimate	**7.9**

Risk Level	**High**
Type of Stock	**Small-Value**
Industry	**Health Info. Services**

ZACKS ESTIMATES

Revenues
(in thousands of $)

	Q1 (Mar)	**Q2** (Jun)	**Q3** (Sep)	**Q4** (Dec)	**Year** (Dec)
2023	30,001 A	29,362 A	29,280 A	28,416 A	117,059 A
2024	25,962 A	28,090 A	28,546 A	28,239 A	110,837 A
2025	27,632 A	27,377 A	31,067 A	32,476 E	118,535 E
2026					128,903 E

Adjusted Earnings/Share

	Q1 (Mar)	**Q2** (Jun)	**Q3** (Sep)	**Q4** (Dec)	**Year** (Dec)
2023	$0.15 A	$0.09 A	$0.01 A	$0.05 A	$0.29 A
2024	$0.01 A	$0.18 A	$0.21 A	$0.23 A	$0.64 A
2025	$0.05 A	$0.08 A	$0.10 A	$0.11 E	$0.35 E
2026					$0.44 E

Quarterly revenues/EPS may not equal annual revenues/EPS due to rounding.

3Q25 EARNINGS: ADJUSTED EPS BEAT ON HIGHER REVENUE & ADJUSTED OPERATING INCOME

Pre-market open on 11/6/25, CareCloud reported 3Q25 earnings results. For the quarter, CCLD reported GAAP net income of $3.1 million – the company's sixth consecutive positive net income quarter, and consistent with the year-ago quarter's level. After taking into consideration preferred stock dividends, the company reported net income attributable to common shareholders of $1.7 million, or $0.04 per share, for 3Q25 – CCLD's second consecutive profitable quarter inclusive of preferred stock dividend payments, and a reversal from a net loss of $0.7 million, or ($0.04) per share, for 3Q24. Much of the year-over-year variance can be attributed to a 9% step up in revenue combined with meaningfully lower preferred stock dividends, partially offset by higher operating expense (skewed by an increase in amortization of purchased intangible assets and transaction/integration costs).

Excluding stock-based compensation expense, amortization of purchased intangible assets, other (income)/expense, transaction and integration costs, as well as preferred stock dividends, Adjusted EPS totaled $0.10 based on our calculations, or a couple of pennies ahead of our $0.08 estimate. Relative to our model, higher-than-forecast revenue primarily drove the Adjusted EPS beat (Exhibits 1 and 2).

Focusing on the top line, CCLD generated $31.1 million of revenue during 3Q25, or 5% above our $29.5 million forecast 9% higher relative to $28.5 million for the year-ago quarter. Total operating expenses of $27.9 million in 3Q25 were up 10% from the year-ago period, and came in 7% ahead of our $26.1 million forecast, with much of the unfavorable variance centered in higher G&A, R&D, and depreciation/amortization costs – though much of the step-ups can be attributed to non-cash intangible asset amortization (related to recent acquisitions) and non-recurring transaction/integration costs. Finally, Adjusted EBITDA totaled $7.7 million for 3Q25, up from $6.8 million in the year-ago quarter.

Exhibit 1: 3Q25 GAAP Actual vs. Estimates

($ thousands)

	3Q25		Change	
	Actual	Estimate	$	%
Net Revenue	**31,067**	**29,515**	**1,552**	**5.3%**
Operating Expenses:				
Direct operating costs	16,224	15,906	318	2.0%
Selling and marketing	1,123	1,205	(82)	-6.8%
General and administrative	4,887	4,477	410	9.2%
Research and development	1,584	1,100	484	44.0%
Change in contingent consideration	0	0	0	NM
Depreciation and amortization	4,022	3,382	640	18.9%
Goodwill impairment charges	17	0	17	NM
Lease charges/restructuring costs	0	0	0	NM
Total Operating Expenses	**27,857**	**26,070**	**1,787**	**6.9%**
Operating Income/(Loss)	**3,210**	**3,445**	**(235)**	**-6.8%**
Interest income	95	38	57	152.3%
Interest expense	(147)	(195)	48	-24.6%
Other income/(expense), net	(55)	(35)	(20)	57.1%
Pre-Tax Income/(Loss)	**3,103**	**3,253**	**(150)**	**-4.6%**
Income tax provision	43	46	(3)	-7.3%
Net Income/(Loss)	**3,060**	**3,206**	**(146)**	**-4.6%**
Preferred stock dividend	1,365	1,365	0	0.0%
Net Loss Attributable to Common S/Hs	**1,695**	**1,841**	**(146)**	**-8.0%**
Earnings/(loss) per common share	**$0.04**	**$0.04**	**($0.00)**	**-7.8%**
Weighted average shares outstanding	42,369	42,428	(59)	-0.1%

Source: Company Reports and Zacks Small Cap Research estimates and calculations.

Exhibit 2: 3Q25 Non-GAAP Adjusted Actual vs. Estimates

($ thousands)

	3Q25		Change	
	Actual	**Estimate**	**$**	**%**
Non-GAAP Adjusted Net Income				
GAAP net income (loss)	3,060	3,206	(146)	-4.6%
Foreign exchange (gain) loss / other expense	60	50	10	20.0%
Stock-based compensation expense (benefit)	88	111	(23)	-20.7%
Amortization of purchased intangible assets	794	193	601	311.4%
Transaction and integration costs	391	11	380	3454.5%
Goodwill impairment/restructuring charges	17	0	17	NM
Lease charges	0	0	0	NM
Change in contingent consideration	0	0	0	NM
Income tax provision related to goodwill	0	0	0	NM
Non-GAAP adjusted net income	**4,410**	**3,571**	**839**	**23.5%**
Non-GAAP adjusted diluted earnings per share	**$0.10**	**$0.08**	**$0.02**	**23.9%**
Total fully diluted shares	42,553	42,690	(137)	-0.3%

Source: Company Reports and Zacks Small Cap Research estimates and calculations.

KEY TAKEAWAYS

Following our review of 3Q25 results, we highlight the following key takeaways:

1. **Increasingly leveraging recent acquisitions:** Following the closing of the Medsphere acquisition, management remains focused on tapping into Medsphere's existing inpatient EHR and RCM relationships across small- and mid-sized hospitals. The transaction dovetails nicely with senior official's initiative to further expand CCLD's footprint to drive sustainable growth. To be sure, CareCloud's EHR platform recently attained ONC Health IT Certification for Critical Access Hospitals (CAHs) – likely a key catalyst to increasingly penetrating a $1.5+ billion addressable market spanning more than 1,300 CAHs across rural markets needing to upgrade legacy EHR systems. From a financial perspective, management reiterated Medsphere annual revenue contribution of approximately $16.5 million. Moreover, we look for CCLD to realize meaningful cost synergies, as management increasingly rationalizes duplicative expenses, transitions R&D/QA responsibilities to lower-cost offshore personnel, and leverages overlapping vendor relationships to negotiate better terms over time.

   Separately, CCLD closed the acquisition of MapApp, an operational/financial benchmarking tool for hospitals developed by the Healthcare Financial Management Association (HFMA) in early October. Importantly, MapApp enhances CCLD's hospital analytics capabilities, particularly as it relates to RCM performance. Furthermore, management plans to leverage/integrate proprietary AI capabilities, and link MapApp analytics to specific CCLD solutions, thereby enhancing win rates with prospective clients.

2. **Accelerating operating cash flows:** In the first nine months of this year, CCLD generated $19.9 million of cash flow from operations, up from $15.4 million in the year-ago period. Looking ahead, our model calls for continued growth reflecting rising revenues and ongoing margin expansion. To be sure, expenses continue to trend lower, with senior officials remaining committed to driving operational efficiencies and productivity gains. In light of CCLD's disciplined execution, rising operating leverage, and improving financial performance (as reinforced by the second consecutive quarter of positive GAAP net income in 3Q25), the company maintains ample capacity to continue to reinvest for growth and capitalize on incremental M&A opportunities. Indeed, management recently closed a new $10 million credit facility with Provident Bank at more favorable terms (Secured Overnight Financing Rate plus 3%) relative to the prior note. Subsequent to closing, the company drew down $8.3 million to cover the upfront payment to Medsphere. Following recent payments, the balance is down to $4.9 million, with senior officials committed to paying off the facility over the next few months.

3. **Ongoing focus on capitalizing on M&A:** M&A remains a top priority for management, with CCLD closing four acquisitions since the first quarter of this year. Looking ahead, the M&A pipeline remains strong, particularly as it relates to non-core/distressed assets that bring clients/relationships at low Customer Acquisition Costs (CACs), as well as synergistic opportunities. From a valuation perspective, undifferentiated providers that lack value-added AI capabilities seem increasingly aware of the shifting competitive landscape, which is translating into softer transaction multiple expectations. While senior executives remain disciplined on strategic fit, management increasingly views M&A as an attractive path to enter new markets and drive incremental growth via cross-selling services and leveraging existing infrastructure/technology post-acquisition. From a structural standpoint, incremental deals likely follow management's playbook focused on asset purchases at attractive valuations (<1x revenue) financed through combination of upfront internally-generated cash and tapping the company's credit facility at favorable terms/rates to preserve balance sheet flexibility, minimize shareholder dilution, and optimize accretion.

REFINING EPS ESTIMATES; NO CHANGE TO $6.00 PRICE TARGET

On a GAAP basis, our updated model calls net income attributable to common shareholders of $0.12 per share for 2025 (within management's reiterated $0.10 to $0.13 guidance range) followed by $0.20 per share in 2026. Excluding stock-based compensation expense, amortization of purchased intangible assets, other (income)/expense, integration costs, transaction costs, goodwill impairment charges, changes in contingent considerations, and related tax impacts, as well as preferred stock dividends, we forecast Adjusted EPS of $0.35 for 2025 and $0.44 for 2026 (versus our prior estimates of $0.31 and $0.46, respectively). While the step up in EPS this year primarily reflected the 3Q25 beat and a modestly more favorable near-term revenue outlook, we took a more conservative stance on topline growth looking out to 2026. More specifically, we forecast total revenues of $118.5 million in 2025 (consistent with management's recently updated guidance range of $117 million to $119 million) followed by $128.9 million in 2026 (at the midpoint of the $128 million to $130 million guidance range), as business development initiatives increasingly take hold and management captures incremental economics from existing customers via complementary services. Furthermore, senior executives reiterated 2025 Adjusted EBITDA guidance of $26 million to $28 million.

Turning to valuation, no change to $6.00 DCF-derived price target representing meaningful upside potential from current levels. Despite the stock's more recent outperformance, we continue to look for an upward revaluation for shares of CCLD, as awareness and appreciation of the company's unique business model, durable competitive advantages, and reaccelerating growth prospects compounds. Moreover, comparable Healthcare Information Services small cap stocks continue to trade at meaningfully higher Price-to-Earnings multiples across the board, thereby reinforcing our valuation work.

INVESTMENT THESIS

CareCloud provides technology-enabled Revenue Cycle Management (RCM), Electronic Health Records (EHR), Practice Management (PM), digital heath, and other business solutions to healthcare practices across a fully integrated platform, or via discrete Software-as-a-Service (SaaS) agreements.

Our investment thesis revolves around:

1. **Unique/integrated healthcare technology/business services platform:** Healthcare organizations continue to face various operational headwinds including ongoing transitions to technology-focused/value-based care models, reimbursement challenges, as insurance plans continue to evolve, mounting data entry/management administrative burdens, and staffing turnover/shortages, amongst others. As such, we believe CareCloud remains well positioned to leverage the company's integrated suite of business/technology solutions designed to help medical practices optimize collections, drive operational efficiencies, increasingly leverage data/analytics, improve customer experiences, and ultimately accelerate growth.

   Importantly, CareCloud maintains three key differentiating factors that we believe position the company for ongoing market share gains. First, CareCloud provides healthcare practices with revenue cycle management services integrated within the company's proprietary technology platform. Second, management remains focused on increasingly leveraging the company's proprietary technology to streamline operations and improve customer experiences for healthcare providers, and ultimately accelerate growth for CareCloud. Finally, CCLD typically offers more competitive pricing versus peers primarily reflecting the company's offshore infrastructure.

2. **Setting the stage for reaccelerating growth:** Following a period of declining revenue (mostly a function of acquisition dis-synergies), we believe the stars are aligning for reaccelerating growth. At a high level, CCLD remains well positioned to increasingly tap into an estimated $155 billion Total Addressable Market (TAM) revenue opportunity, we believe. Focusing on organic growth, we believe CCLD's comprehensive/integrated suite of RCM, EHR, and practice management services combined with the company's proprietary technology and lower-cost offshore workforce remain key differentiated factors.

3. **Increasingly leveraging M&A:** In addition to organic initiatives, we look for stepped up acquisition activity to increasingly turbocharge growth. Indeed, CCLD maintains a long and successful track record of acquiring RCM companies. The CCLD M&A playbook typically includes buying distressed and/or sub-scale RCM companies that lack proprietary technology at less than 1x sales to acquire existing customer relationships. Post-acquisition, management leverages CareCloud's technology capabilities and offshore talent to reduce labor costs, improve efficiencies, and drive outsized Returns on Investment (ROIs) and strong revenue growth.

4. **Strengthening balance sheet:** Following more recent moves to bolster the balance sheet, management is seemingly "switching to offense" from a capital allocation perspective. Looking ahead, priorities likely remain reinvesting in the business to accelerate growth and capitalizing on M&A opportunities.

INVESTMENT RISKS

1. **Regulatory landscape:** The healthcare industry remains highly regulated, with CCLD's various business lines subject to numerous Federal agencies, acts, regulations, and state laws. Failure to comply with applicable regulations may adversely impact the company's operations, increase costs, and/or expose CCLD to material legal liabilities/penalties. Moreover, the new administration in the U.S. adds incremental uncertainty around potential healthcare reform.

2. **Offshore operations:** Much of CCLD's pricing and margin competitive advantages can be linked to the company's offshore operations, with approximately 90% of the company's employees based in Pakistan and Sri Lanka. Political/social unrest, deteriorating employee relations, waning infrastructure, FX volatility, legal/regulatory changes, or trade/tariff policy shifts may adversely impact operations, thereby compromising CCLD's operations, expense structure, and/or profitability.

3. **Variable revenue structure:** A majority of CCLD's revenues are based on variable metrics, i.e., a percentage of payments collected for RCM contracts or a percentage of operating profits for turnkey medical practice management clients, thereby heightening top line volatility. External factors that may pressure CCLD's revenue include unanticipated changes in government/regulatory programs, insurance reimbursement policies, the level/pace of contract renewals, and/or medical practice client profits, as well as broader healthcare industry trends.

4. **M&A execution:** We expect acquisitions to play an increasingly important role in CCLD's growth trajectory. That said, all transactions carry meaningful execution and operational risks. Furthermore, shareholders likely risk dilution, assuming prospective deals are at least partially financed with equity, with CCLD carrying higher interest expense should management opt to fund incremental acquisitions by tapping the company's existing line of credit and/or issuing debt. Finally, while management has historically remained disciplined on upfront pricing, stepped-up customer attrition following a change-of-control (not uncommon for RCM M&A) can materially compromise longer-term returns on investments.

PROJECTED GAAP INCOME STATEMENT

CareCloud, Inc.
($ thousands)

	Quarterly								Annual				Y/Y Growth		
	1Q24	**2Q24**	**3Q24**	**4Q24**	**1Q25**	**2Q25**	**3Q25**	**4Q25E**	**2023**	**2024**	**2025E**	**2026E**	**2024**	**2025E**	**2026E**
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Dec-23	Dec-24	Dec-25	Dec-26	Dec-24	Dec-25	Dec-26
Revenues:															
Healthcare IT															
Technology-enabled business solutions	17,283	19,034	17,871	19,484	17,705	18,991	21,450	23,804	76,640	73,672	81,950	90,925	-4%	11%	11%
Professional services	4,422	4,491	4,854	4,435	5,891	4,076	4,150	4,524	23,022	18,202	18,641	20,132	-21%	2%	8%
Printing and mailing services	861	809	969	940	879	802	900	921	2,968	3,579	3,502	3,502	21%	-2%	0%
Group purchasing services	155	246	608	(57)	168	208	300	306	1,053	952	982	884	-10%	3%	-10%
Medical Practice Management															
Medical practice management services	3,241	3,510	4,244	3,437	2,989	3,300	4,250	2,921	13,376	14,432	13,460	13,460	8%	-7%	0%
Total Revenues	**25,962**	**28,090**	**28,546**	**28,239**	**27,632**	**27,377**	**31,067**	**32,476**	**117,059**	**110,837**	**118,535**	**128,903**	**-5%**	**7%**	**9%**
Operating Expenses:															
Direct operating costs	15,177	15,242	15,420	15,003	15,464	14,480	16,224	16,895	70,817	60,842	63,063	67,059	-14%	4%	6%
Selling and marketing	1,770	1,664	1,375	1,423	1,131	1,118	1,123	1,174	9,650	6,232	4,546	4,660	-35%	-27%	2%
General and administrative	3,721	4,028	4,378	3,996	4,332	4,358	4,887	5,044	21,464	16,123	18,621	20,019	-25%	15%	8%
Research and development	913	1,055	800	1,013	1,235	1,020	1,584	1,591	4,736	3,781	5,430	6,315	-20%	44%	16%
Change in contingent consideration	0	0	0	0	0	0	0	0	0	0	0	0	NM	NM	NM
Depreciation and amortization	3,930	3,714	3,241	3,257	3,337	3,382	4,022	4,022	14,402	14,142	14,763	16,088	-2%	4%	9%
Goodwill impairment/restructuring charge	0	0	0	0	0	23	17	17	42,000	0	57	68	-100%	NM	19%
Loss on lease terminations, unoccupied lea	322	116	67	91	114	0	0	0	1,105	596	114	0	-46%	-81%	-100%
Total Expenses	**25,833**	**25,819**	**25,281**	**24,783**	**25,613**	**24,381**	**27,857**	**28,743**	**164,174**	**101,716**	**106,594**	**114,208**	**-38%**	**5%**	**7%**
Operating Income/(Loss)	**129**	**2,271**	**3,265**	**3,456**	**2,019**	**2,996**	**3,210**	**3,734**	**(47,115)**	**9,121**	**11,941**	**14,695**	**NM**	**31%**	**23%**
Interest income	27	24	17	20	42	51	95	62	154	88	250	256	-43%	185%	2%
Interest expense	(365)	(288)	(179)	(68)	(58)	(68)	(147)	(162)	(1,194)	(900)	(435)	(649)	NM	NM	NM
Other income/(expense), net	7	(294)	60	(71)	(14)	(35)	(55)	(55)	(883)	(298)	(159)	(220)	NM	NM	NM
Pre-Tax Income/(Loss)	**(202)**	**1,713**	**3,163**	**3,337**	**1,989**	**2,944**	**3,103**	**3,579**	**(49,038)**	**8,011**	**11,598**	**14,082**	**NM**	**45%**	**21%**
Income tax provision	39	39	41	41	41	42	43	50	(364)	160	176	213	NM	10%	21%
Net Income/(Loss)	**(241)**	**1,674**	**3,122**	**3,296**	**1,948**	**2,902**	**3,060**	**3,529**	**(48,674)**	**7,851**	**11,422**	**13,869**	**NM**	**45%**	**21%**
Preferred stock dividend	1,312	3,923	3,789	3,286	2,811	1,365	1,365	1,365	15,674	12,310	6,906	5,460	-21%	-44%	-21%
Net Income/(Loss) Attributable to Common	**(1,553)**	**(2,249)**	**(667)**	**10**	**(863)**	**1,537**	**1,695**	**2,164**	**(64,348)**	**(4,459)**	**4,516**	**8,409**	**NM**	**NM**	**86%**
Earnings/(loss) per common share	**($0.10)**	**($0.14)**	**($0.04)**	**$0.00**	**($0.04)**	**$0.04**	**$0.04**	**$0.05**	**($4.11)**	**($0.28)**	**$0.12**	**$0.20**	**NM**	**NM**	**63%**
Weighted average shares outstanding	16,014	16,132	16,195	16,244	23,814	42,322	42,369	42,503	15,669	16,147	37,752	43,035	3%	134%	14%

Source: Company reports and Zacks SCR estimates and calculations.

PROJECTED ADJUSTED INCOME STATEMENT

CareCloud, Inc.
($ thousands)

	Quarterly								Annual				Y/Y Growth		
	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25E	2023	2024	2025E	2026E	2024	2025E	2026E
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Dec-23	Dec-24	Dec-25	Dec-26	Dec-24	Dec-25	Dec-26
Non-GAAP Adjusted Net Income															
GAAP net income (loss)	(241)	1,674	3,122	3,296	1,948	2,902	3,060	3,529	(48,674)	7,851	11,422	13,869	NM	45%	21%
Foreign exchange (gain) loss / other expense	(5)	306	(57)	91	19	41	60	50	918	335	170	200	-64%	-49%	18%
Stock-based compensation expense (benefit	(708)	265	252	306	108	111	88	88	4,716	115	395	352	-98%	243%	-11%
Amortization of purchased intangible assets	840	586	75	76	89	193	794	794	4,975	1,577	1,870	3,176	-68%	19%	70%
Transaction and integration costs	12	11	12	11	12	11	391	391	286	46	805	1,564	-84%	1650%	94%
Goodwill impairment/restructuring charge	0	0	0	0	0	23	17	17	42,000	0	57	68	-100%	NM	19%
Loss on lease terminations, unoccupied leas	322	116	67	91	114	0	0	0	1,105	596	114	0	-46%	-81%	-100%
Change in contingent consideration	0	0	0	0	0	0	0	0	0	0	0	0	NM	NM	NM
Income tax provision related to goodwill	0	0	0	0	0	0	0	0	(525)	0	0	0	NM	NM	NM
Non-GAAP adjusted net income	**220**	**2,958**	**3,471**	**3,871**	**2,290**	**3,281**	**4,410**	**4,869**	**4,801**	**10,520**	**14,833**	**19,229**	**119%**	**41%**	**30%**
Non-GAAP adjusted diluted earnings per sh	**$0.01**	**$0.18**	**$0.21**	**$0.23**	**$0.05**	**$0.08**	**$0.10**	**$0.11**	**$0.29**	**$0.64**	**$0.35**	**$0.44**	**121%**	**-46%**	**27%**
End-of-period shares	16,118	16,145	16,222	16,256	42,321	42,322	42,397	42,609	15,880	16,256	42,609	43,461	2%	162%	2%
Outstanding unvested RSUs	192	198	266	243	154	153	156	159	734	243	159	172	-67%	-34%	8%
Total fully diluted shares	16,311	16,343	16,488	16,499	42,475	42,475	42,553	42,768	16,614	16,499	42,768	43,633	-1%	159%	2%
Adjusted EBITDA															
GAAP net income (loss)	(241)	1,674	3,122	3,296	1,948	2,902	3,060	3,529	(48,674)	7,851	11,422	13,869	NM	45%	21%
Provision for income taxes	39	39	41	41	41	42	43	50	(364)	160	176	213	NM	10%	21%
Net interest expense	338	264	162	48	16	17	52	100	1,040	812	185	393	-22%	-77%	113%
Foreign exchange (gain) loss / other expense	(5)	306	(57)	91	19	41	60	50	918	335	170	200	-64%	-49%	18%
Stock-based compensation expense (benefit	(708)	265	252	306	108	111	88	88	4,716	115	395	352	-98%	243%	-11%
Depreciation and amortization	3,930	3,714	3,241	3,257	3,337	3,382	4,022	4,022	14,402	14,142	14,763	16,088	-2%	4%	9%
Transaction and integration costs	12	11	12	11	12	11	391	391	286	46	805	1,564	-84%	1650%	94%
Goodwill impairment/restructuring charge	0	0	0	0	0	23	17	17	42,000	0	57	68	-100%	NM	19%
Loss on lease terminations, unoccupied leas	322	116	67	91	114	0	0	0	1,105	596	114	0	-46%	-81%	-100%
Change in contingent consideration	0	0	0	0	0	0	0	0	0	0	0	0	NM	NM	NM
Adjusted EBITDA	**3,687**	**6,389**	**6,840**	**7,141**	**5,595**	**6,529**	**7,733**	**8,247**	**15,429**	**24,057**	**28,086**	**32,747**	**56%**	**17%**	**17%**
Adjusted Operating Income															
GAAP operating income (loss)	129	2,271	3,265	3,456	2,019	2,996	3,210	3,734	(47,115)	9,121	11,941	14,695	NM	31%	23%
Stock-based compensation expense (benefit	(708)	265	252	306	108	111	88	88	4,716	115	395	352	-98%	243%	-11%
Amortization of purchased intangible assets	840	586	75	76	89	193	794	794	4,975	1,577	1,870	3,176	-68%	19%	70%
Transaction and integration costs	12	11	12	11	12	11	391	391	286	46	805	1,564	-84%	1650%	94%
Goodwill impairment charges	0	0	0	0	0	23	17	17	42,000	0	57	68	-100%	NM	19%
Loss on lease terminations, unoccupied leas	322	116	67	91	114	0	0	0	1,105	596	114	0	-46%	-81%	-100%
Change in contingent consideration	0	0	0	0	0	0	0	0	0	0	0	0	NM	NM	NM
Adjusted Operating Income	**595**	**3,249**	**3,671**	**3,940**	**2,342**	**3,334**	**4,500**	**5,024**	**5,967**	**11,455**	**15,182**	**19,855**	**92%**	**33%**	**31%**

Source: Company reports and Zacks SCR estimates and calculations.

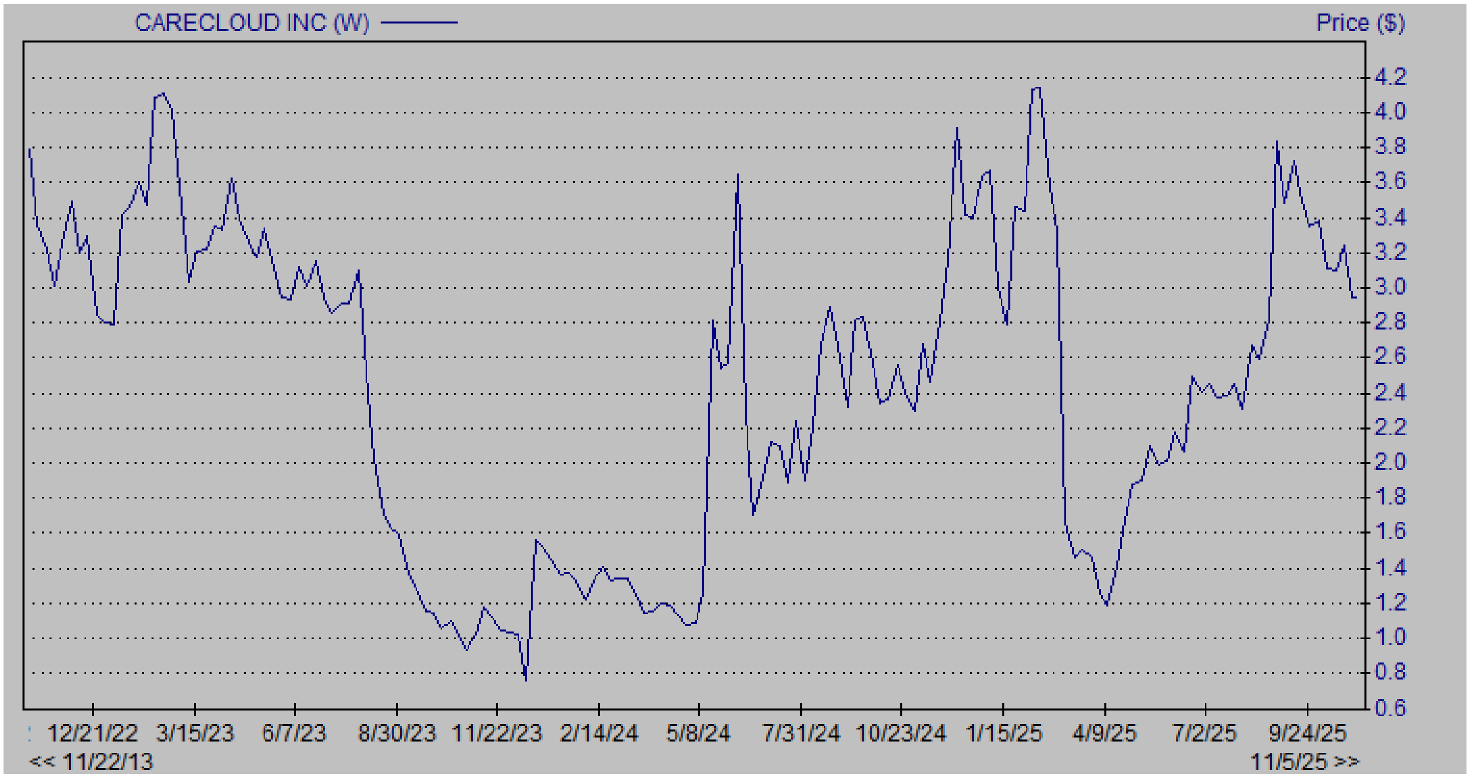
PROJECTED BALANCE SHEET

CareCloud, Inc.
($ thousands)

	Quarterly								Annual				Y/Y Growth		
	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25E	2023	2024	2025E	2026E	2024	2025E	2026E
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Dec-23	Dec-24	Dec-25	Dec-26	Dec-24	Dec-25	Dec-26
Assets:															
Cash	4,138	2,617	2,782	5,145	6,805	10,440	5,073	5,124	3,331	5,145	5,124	5,329	54%	0%	4%
Accounts receivable - net	11,962	13,079	11,992	12,774	13,887	13,563	15,319	15,625	11,888	12,774	15,625	16,875	7%	22%	8%
Contract asset	5,455	4,800	4,617	4,334	4,457	3,955	3,957	4,036	5,094	4,334	4,036	4,359	-15%	-7%	8%
Inventory	480	497	514	574	609	523	605	617	465	574	617	666	23%	8%	8%
Current assets - related party	16	16	16	16	16	16	16	16	16	16	16	16	0%	0%	0%
Prepaid expenses and other current assets	2,225	2,907	2,741	1,957	2,843	2,593	4,294	4,380	2,449	1,957	4,380	4,730	-20%	124%	8%
Total current assets	24,276	23,916	22,662	24,800	28,617	31,090	29,264	29,798	23,243	24,800	29,798	31,976	7%	20%	7%
Property and equipment - net	5,438	5,055	4,894	5,290	5,323	5,828	6,314	6,440	5,317	5,290	6,440	6,956	-1%	22%	8%
Operating lease right-of-use assets	4,107	3,732	3,310	3,133	3,097	3,058	2,781	2,725	4,365	3,133	2,725	2,507	-28%	-13%	-8%
Intangible assets - net	23,237	21,497	20,106	18,698	16,877	15,512	21,257	20,832	25,074	18,698	20,832	19,165	-25%	11%	-8%
Goodwill	19,186	19,186	19,186	19,186	19,186	19,192	30,411	30,411	19,186	19,186	30,411	30,411	0%	59%	0%
Other assets	641	624	536	507	456	564	549	560	641	507	560	605	-21%	10%	8%
Total Assets	**76,885**	**74,010**	**70,694**	**71,614**	**73,556**	**75,244**	**90,576**	**90,767**	**77,826**	**71,614**	**90,767**	**91,620**	**-8%**	**27%**	**1%**
Liabilities:															
Accounts payable	5,921	5,448	5,567	4,565	4,998	4,215	6,693	6,559	5,798	4,565	6,559	6,034	-21%	44%	-8%
Accrued compensation	2,765	2,824	2,545	1,817	2,865	3,324	3,830	3,907	3,444	1,817	3,907	4,219	-47%	115%	8%
Accrued expenses	6,350	6,619	5,138	4,951	5,002	4,909	5,671	5,728	5,065	4,951	5,728	5,957	-2%	16%	4%
Operating lease liability (current portion)	1,775	1,623	1,424	1,287	1,355	1,294	1,105	1,083	1,888	1,287	1,083	996	-32%	-16%	-8%
Deferred revenue (current portion)	1,386	1,224	1,312	1,212	1,297	1,232	4,266	4,266	1,380	1,212	4,266	4,266	-12%	252%	0%
Notes payable (current portion)	167	66	506	310	133	222	149	149	292	310	149	149	6%	-52%	0%
Contingent consideration (current portion)						330	777	777			777	777			
Dividend payable	5,438	5,438	5,438	5,438	1,299	714	714	714	5,433	5,438	714	714	0%	-87%	0%
Total current liabilities	23,802	23,242	21,930	19,580	16,949	16,240	23,205	23,182	23,300	19,580	23,182	23,113	-16%	18%	0%
Notes payable	35	33	29	26	23	86	230	230	37	26	230	230	-30%	785%	0%
Contingent consideration						426	426	426			426	426			0%
Borrowings under line of credit	9,000	5,000	0	0	0	0	6,500	3,300	10,000	0	3,300	0	-100%	NM	-100%
Operating lease liability	2,320	2,101	1,900	1,847	1,776	1,785	1,682	1,648	2,516	1,847	1,648	1,516	-27%	-11%	-8%
Deferred revenue	308	390	327	387	571	631	729	744	256	387	744	803	51%	92%	8%
Deferred tax liability	0	0	0	0	60	0	0	0	0	0	0	0			
Total Liabilities	**35,465**	**30,766**	**24,186**	**21,840**	**19,379**	**19,168**	**32,772**	**29,530**	**36,109**	**21,840**	**29,530**	**26,088**	**-40%**	**35%**	**-12%**
Total Shareholders' Equity	**41,420**	**43,244**	**46,508**	**49,774**	**54,177**	**56,076**	**57,804**	**61,236**	**41,717**	**49,774**	**61,236**	**65,532**	**19%**	**23%**	**7%**
Total Liabilities & Shareholders' Equity	**76,885**	**74,010**	**70,694**	**71,614**	**73,556**	**75,244**	**90,576**	**90,767**	**77,826**	**71,614**	**90,767**	**91,620**	**-8%**	**27%**	**1%**

Source: Company reports and Zacks SCR estimates and calculations.

HISTORICAL STOCK PRICE



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