

# Zacks Small-Cap Research

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## Clip Money, Inc.

(OTCQB: CLPMF)

**CLPMF: Clip Money Onboards Claires in Q3, who is Now the Largest Customer. Reports Q3 Revenue Growth of 175%**

We believe CLPMF stock is worth at least \$0.23 per share based on an EV/Estimated 2026 Sales of 3.1 times, the same as its peers, given its expected growth of 100%.

Current Price (12/4/2025) \$0.15  
Valuation \$0.23

## 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 certain Green Dot locations starting with a large chain store in the US. Clip also partners with Brinks for cash logistics and the US Postal Service for change order delivery.

## SUMMARY DATA

52-Week High \$0.23  
52-Week Low \$0.11  
One-Year Return (%) -17.1  
Beta -0.1  
Average Daily Volume (sh) 250

Shares Outstanding (mil) 112.3  
Market Capitalization (\$mil) \$16.8  
Short Interest Ratio (days) 0.0  
Institutional Ownership (%) 0  
Insider Ownership (%) 65.2

Annual Cash Dividend \$0.00  
Dividend Yield (%) 0.00

5-Yr. Historical Growth Rates  
Sales (%) 546  
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	\$1.3 A	\$1.4 A	\$2.1 E	\$5.9 E
2026					\$11.7 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 A	-\$0.03 A	-\$0.02 E	-\$0.09 E
2026					-\$0.05 E

## WHAT'S NEW

### Clip Money Adds Claire's 780 Stores in Q3 and Becomes Clip Money's Largest Customer

Q3 was a busy quarter for Clip Money as it both added customers via its new Green Dot rollout in stores and added Claire's as a new customer. For Q3, Clip Money reported growth of 175% to \$1.4 million in revenues and the addition of 1,110 new user locations. The two events were unrelated, as Claire's signed up because it was acquired by Ames Watson, the controlling investor in Lids, who is one of Clip's top five customers. Clip on-boarded all 780 Claire's locations in a matter of days and in less than three weeks from the initial meeting. The stores are using all three of Clip Money's deposit channels—ClipDrop, ClipATM, and ClipCenter (through the Green Dot network), as well as its change order delivery product, ClipChange. The stores were using local branch banking, so the switch over had to be rapid, as under new ownership, all of the stores' banking accounts had to be changed. Moving to Clip Money's system allowed accounts to be centralized, reduced, and now provides much more transparency as to where and how much cash is in the system. The switch also made life easier for the store employees. Many stores have only one or two employees working at a time, so leaving the mall and going to a branch had to be done mostly after hours and in the dark. Now most of the stores can just use a Dropbox installed in the mall, making it easier and safer.



Source: Clip Money, Inc.

ClipChange is catching on, and it recorded 19% sequential order growth in Q3 2025 compared to Q2 2025.

In addition, "ClipCenter" was launched, enabling deposits through Green Dot at over 4,000 stores in the US. This brings the number of locations available to customers to 8,100. We still expect a second major chain using Green Dot to be added to Clip Money's network next year. This chain will serve more rural areas and is located in strip malls, diversifying Clip Money access points.

The company ended the quarter with 520 ClipDrops installed compared to 409 last year, adding a net 111 boxes. Some low usage boxes were removed as Green Dot locations were added as potential substitutes. When you add in NCR's ATMs and almost 4,000 stores in the Green Dot network, you are at 8,100 locations, far exceeding the reach of any bank. 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 expects local and regional banks will be future partners as they try to compete with the large nationals with many more branches. Clip Money 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.

Going forward, we expect gross margins to be positive and improving from now on as economics continue to improve from higher prices charged to new customers, combined with economies of scale. By year end Clip Money should be generating about \$600,000 a month in recurring revenue, and with new customers coming on board and old customers taking new services, it should be able to easily double revenue next year. With expanding margins and increased revenue, we expect that Clip Money should reach operating breakeven by the end of 2026, if not sooner.

### **Q3 2025 Results**

Revenues for the quarter were \$1.4 million versus \$521,000 in Q3 2024, showing growth of 175%. Growth was mainly driven by a 157% increase in new deposit users as well as by contributions from new products, namely, revenue from change orders. Revenue from new products, excluding non-recurring items, accounted for 12% of total revenue in Q3 2025 versus 8% of total revenue in Q3 2024. While the company did not show much sequential growth, keep in mind that in Q2 2025, there was a one-time \$202,500 of \$250,000 paid by Green Dot for integration with its systems.

While revenue increased by 175%, the cost of revenue grew by only 55%, resulting in a positive gross margin of \$134,000, or 9.3%. Without the one-time integration fee, in Q2 2025, Clip Money would have had a 3.5% gross margin.

Operating expenses increased to \$2.0 million versus \$1.6 million last year. Operating expenses were 16% higher year-over-year due to higher operating expense accruals for bonuses coming off a much more successful year. Excluding those accruals, expenses were down 3%. The operating loss in Q3 2025 was \$1.9 million, flat with a year ago.

Other expenses for Q3 2025 were \$1.0 million compared to \$470,000. Most of this year's expenses were due to interest expense of \$802,000 compared to only \$497,000 last year.

The net loss for Q3 2025 was \$2.9 million compared to \$2.4 million a year ago. The IFRS loss per share was \$0.03 versus \$0.02 with a 2% increase in shares outstanding.

### **Balance Sheet**

As of September 30, 2025, the company had \$2.7 million in cash, negative working capital of \$2.0 million, and \$15.4 million in debt. In Q3 2025, it had a negative cash flow (excluding changes in working capital) and free cash flow of \$1.3 million.

On July 18<sup>th</sup>, Clip Money sold Cardtronics a \$3 million unsecured convertible note through a non-brokered private placement. The note accrues simple interest at a rate of 13% a year and matures on July 18, 2030.

It also closed a non-brokered private placement of 6,876,500 common shares at CAD \$0.20 per share for gross proceeds of \$1 million to two insiders of the company. Brian Bailey, President and Chief Operating Officer of Clip Money, bought 3,438,250 shares. Mr. Bailey now owns 10,672,016 common shares, (ii) a convertible note, (iii) 455,118 warrants and (iv) 1,449,650 options, representing approximately 9.51% of the issued and outstanding common shares of Clip Money on a non-diluted basis and approximately 11.59% of the issued and outstanding common shares of Clip Money on a partially diluted basis assuming the full conversion of the Bailey convertible note and the full exercise of the warrants and options.

As of September 30, 2025, the company had 112,257,351 common shares outstanding, 6,091,821 options, 1,425,031 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 stock. As of September 30, 2025, Cardtronics had an outstanding convertible debenture with the company of \$7,837,502. Additionally, there is an accrued accretion and interest payable of \$1,730,545 associated with this convertible debenture. As of September 30, 2025, the Clip Money repaid \$115,775.

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.

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## 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, Green Dot locations, 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 founded by a management team that is 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 should more than double in 2025. Revenues were up 211% in the first nine months of 2025. It is currently at a \$5.7 million revenue run rate and has been ramping revenues as it adds customers and expands its network. The company trades at a \$17 million market cap and \$29 million enterprise value. We expect revenues in 2025 to reach or exceed \$6.6 million. At a growth rate of 148%, we believe the company is worth 3.1 times 2026 revenues or \$0.23 per share. In 2026, we expect revenues to at least double, given all the new locations coming on line from the Green Dot partnership.

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## 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 the first nine months of 2025, 99% 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 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.

On January 30th, 2025, Clip Money partnered 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 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.

Services are now being rolled out. A large chain store is leading the rollout with 4,000 stores, and Clip Money hopes to add another chain next year. With this initial chain, this will bring the total number of locations offering Clip Money services to over 8,100 if you add the Clip Boxes and 3,200 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.

## 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.

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## VALUATION

We consider Clip Money's peers to be software and service providers in the financial services industry. Valuations have come down, and they now trade at an average of 3.1 times enterprise value to estimated 2026 sales. Valuation ranges from 13.4 times for Shopify to 1.3 times for Block. None of these companies is growing over 26%, making Clip Money unique. Given we expect the company to possibly double revenues next year, we believe it deserves the higher end of the range. At only 3.1 times EV/2026 sales, the stock would be \$0.23 per share.

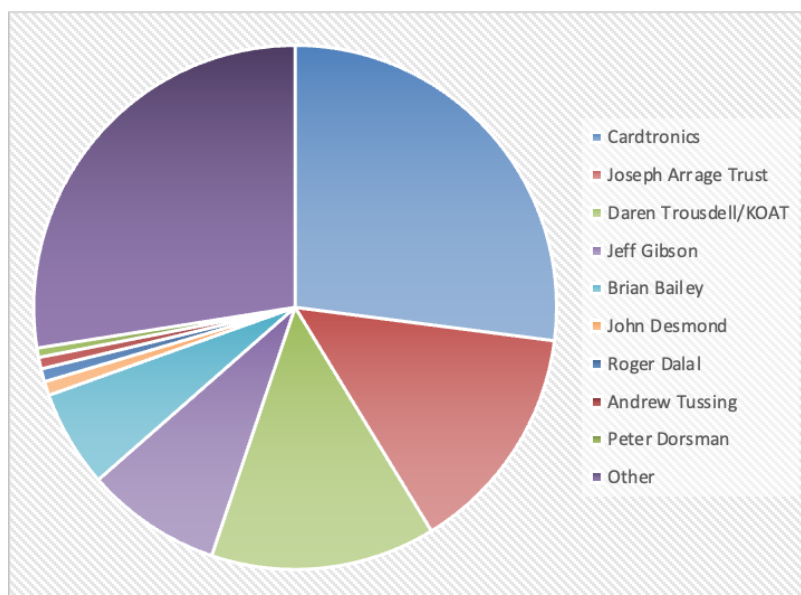


		Cal. Revenue			TTM		Enterprise Value / Sales			EV/	Enterprise	EBITDA	Growth
Company	Ticker	2025E	2026E	LTM	EBITDA	2025E	2026E	LTM	EBITDA	Value	Margin	Rate	
Affirm	AFRM	\$3,643	\$4,556	\$3,460	\$394	7.8x	6.3x	8.2x	72.4x	28,510	11.4%	25%	
EVERTEC	EVTC	\$924	\$974	\$903	\$246	2.7x	2.5x	2.7x	10.0x	2,470	27.2%	5%	
Flywire	FLYW	\$599	\$692	\$583	\$36	2.2x	1.9x	2.3x	36.9x	1,320	6.1%	16%	
Global Payments	GPN	\$9,320	\$9,700	\$10,080	\$4,380	3.4x	3.3x	3.1x	7.2x	31,650	43.5%	4%	
i3 Verticals	IIIV	\$222	\$230	\$213	\$19	2.3x	2.2x	2.4x	27.1x	506	8.7%	4%	
Lightspeed Commerce	LSPD	\$1,188	NA	\$1,160	-\$28	0.9x	NA	0.9x	-38.7x	1,080	-2.4%	NA	
Marqeta	MQ	\$618	\$731	\$589	-\$37	2.1x	1.8x	2.2x	-35.1x	1,290	-6.2%	18%	
Paymentus	PAY	\$1,180	\$1,440	\$1,120	\$74	3.4x	2.8x	3.6x	54.4x	4,050	6.6%	22%	
PayPal	PYPL	\$33,330	\$35,350	\$32,860	\$6,620	1.8x	1.7x	1.8x	8.9x	59,180	20.1%	6%	
Paysafe	PSFE	\$1,700	\$1,810	\$1,680	\$403	1.6x	1.5x	1.6x	6.8x	2,750	24.0%	6%	
Repay	RPAY	\$308	\$330	\$309	\$70	2.0x	1.9x	2.0x	8.8x	612	22.6%	7%	
Sezzle	SEZL	\$449	\$566	\$419	\$243	4.7x	3.7x	5.1x	8.7x	2,120	58.0%	26%	
Shift4	FOUR	\$4,230	\$5,250	\$3,880	\$704	2.2x	1.8x	2.4x	13.3x	9,330	18.1%	24%	
Shopify	SHOP	\$11,460	\$14,110	\$10,400	\$1,730	16.5x	13.4x	18.2x	109.3x	189,110	16.6%	23%	
Block	XYZ	\$24,410	\$27,070	\$23,970	\$1,670	1.4x	1.3x	1.5x	21.0x	35,100	7.0%	11%	
Toast	TOST	\$6,130	\$7,380	\$5,860	\$311	3.0x	2.5x	3.1x	58.7x	18,260	5.3%	20%	
WEX	WEX	\$2,650	\$2,760	\$2,620	\$889	1.9x	1.9x	2.0x	5.8x	5,110	33.9%	4%	
Average					1,052	3.5x	3.1x	3.7x	22.1x	24,209	16.7%	13.6%	

## RISKS

- Approximately 65% of the company's revenue is generated from five key customers: Genesco, PacSun, Hot Topic, Lids, and Torrid. Going forward, Claire's will be the largest customer, contributing over 10% of revenues.
- 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



# INCOME STATEMENT

	March Q1 24 US \$	June Q2 24 US \$	Sept Q3 24 US \$	Dec Q4 24 US \$	March Q1 25 US \$	June Q2 25 US \$	Sept Q3 25 US \$	Dec Q4 25E US \$	2023 US \$	2024 US \$	2025E US \$	2026E US \$
Clip boxes installed qtr end	313	347	409	444	473	483	520	540	396	444	540	615
Yr-to-yr Gr.	13%	25%	13%	12%	51%	39%	27%	22%	17%	12%	22%	18%
<b>REVENUE</b>	<b>\$299,176</b>	<b>\$387,955</b>	<b>\$521,316</b>	<b>\$1,151,862</b>	<b>\$972,706</b>	<b>\$1,349,587</b>	<b>\$1,435,501</b>	<b>\$2,100,000</b>	<b>\$577,919</b>	<b>\$2,360,309</b>	<b>\$5,857,794</b>	<b>\$11,715,588</b>
Yr-to-yr Gr.	851%	764%	250%	227%	225%	248%	175%	82%	1987%	308%	148%	100%
<b>OPERATING EXPENSES</b>												
Cost of goods sold	745,953	715,973	837,252	1,150,565	1,009,557	1,147,057	1,301,817	1,680,581	2,516,166	3,449,743	5,139,012	7,708,519
Gross Margin	(446,777)	(328,018)	(315,936)	1,297	(36,851)	202,530	133,684	419,419	(1,938,247)	(1,089,434)	718,782	4,007,069
% of Sales	-149.3%	-84.6%	-60.6%	0.1%	-3.8%	15.0%	9.3%	20.0%	-335.4%	-46.2%	12.3%	34.2%
G&A	84,563	92,459	84,921	101,703	81,243	82,094	93,856	95,000	382,188	363,646	352,193	400,000
Sales & marketing	21,017	65,633	62,696	77,764	47,311	22,423	71,844	80,000	154,690	227,110	221,578	300,000
Salaries & benefits	942,081	865,982	752,480	814,734	975,184	855,732	1,016,987	1,000,000	2,772,114	3,375,277	3,847,903	4,232,693
Depreciation and amortization	454,886	496,470	492,808	517,530	528,516	530,290	548,057	550,000	1,963,601	1,961,694	2,156,863	1,900,000
Professional fees	177,930	193,424	204,276	185,467	199,942	228,761	256,845	300,000	1,104,264	761,097	985,548	700,000
Tot Operating Exp.	1,680,477	1,713,968	1,597,181	1,697,198	1,832,196	1,719,300	1,987,589	2,025,000	6,376,857	6,688,824	7,564,085	7,532,693
<b>Operating Income</b>	<b>(2,127,254)</b>	<b>(2,041,986)</b>	<b>(1,913,117)</b>	<b>(1,695,901)</b>	<b>(1,869,047)</b>	<b>(1,516,770)</b>	<b>(1,853,905)</b>	<b>(1,605,581)</b>	<b>(8,315,104)</b>	<b>(7,778,258)</b>	<b>(6,845,303)</b>	<b>(3,525,624)</b>
Finance expenses, net	(428,495)	(448,549)	(496,782)	(602,721)	(639,699)	(687,616)	(802,396)	(812,396)	(1,234,925)	(1,976,547)	(2,942,107)	(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	(127,871)	36,905	0	(63,243)	431,074	(90,310)	0
FV change of derivative liab.	16,370	(73,286)	110,921	(69,053)	227,809	158,232	(270,283)	0	148,055	(15,048)	115,758	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)	(657,255)	(1,035,774)	(812,396)	(1,421,453)	(1,560,521)	(2,916,659)	(2,072,367)
<b>Profit before tax</b>	<b>(2,397,211)</b>	<b>(2,412,454)</b>	<b>(2,383,256)</b>	<b>(2,072,572)</b>	<b>(2,280,281)</b>	<b>(2,174,025)</b>	<b>(2,889,679)</b>	<b>(2,417,977)</b>	<b>(9,736,557)</b>	<b>(9,338,779)</b>	<b>(9,877,720)</b>	<b>(5,640,428)</b>
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%
<b>Net income</b>	<b>(2,397,211)</b>	<b>(2,412,454)</b>	<b>(2,383,256)</b>	<b>(2,072,572)</b>	<b>(2,280,281)</b>	<b>(2,174,025)</b>	<b>(2,889,679)</b>	<b>(2,417,977)</b>	<b>(9,316,567)</b>	<b>(9,338,779)</b>	<b>(9,877,720)</b>	<b>(5,640,428)</b>
Foreign exchange translation adj	(119,756)	(62,557)	0	94,425	6	(253,160)	125,080	0	40,462	(87,888)	(128,074)	0
<b>IFRS Net income</b>	<b>(2,516,967)</b>	<b>(2,475,011)</b>	<b>(2,383,256)</b>	<b>(1,978,147)</b>	<b>(2,280,275)</b>	<b>(2,427,185)</b>	<b>(2,764,599)</b>	<b>(2,417,977)</b>	<b>(9,276,105)</b>	<b>(9,426,667)</b>	<b>(10,005,794)</b>	<b>(5,640,428)</b>
Yr-to-yr Gr.	5%	-3%	-8%	14%	-9%	-2%	16%	22%	-25%	2%	6%	-7%
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
<b>Non-IFRS Net Income</b>	<b>(2,516,967)</b>	<b>(2,475,011)</b>	<b>(2,383,256)</b>	<b>(1,978,147)</b>	<b>(2,280,275)</b>	<b>(2,427,185)</b>	<b>(2,764,599)</b>	<b>(2,417,977)</b>	<b>(9,547,445)</b>	<b>(9,426,667)</b>	<b>(10,005,794)</b>	<b>(5,640,428)</b>
<b>IFRS primary EPS</b>	<b>(\$0.02)</b>	<b>(\$0.02)</b>	<b>(\$0.02)</b>	<b>(\$0.02)</b>	<b>(\$0.02)</b>	<b>(\$0.02)</b>	<b>(\$0.03)</b>	<b>(\$0.02)</b>	<b>(\$0.11)</b>	<b>(\$0.09)</b>	<b>(\$0.09)</b>	<b>(\$0.05)</b>
Adj Non-IFRS EPS	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.02)	(\$0.03)	(\$0.02)	(\$0.12)	(\$0.09)	(\$0.09)	(\$0.05)
Yr-to-yr Gr.	-26%	-31%	-26%	-2%	-10%	-2%	14%	15%	-21%	-27%	4%	-13%
Primary Share Out	104,947,537	105,164,194	105,024,237	105,165,000	105,164,194	105,171,376	107,105,928	112,257,351	83,437,731	105,059,724	107,424,712	112,257,351
Yr-to-yr Gr.	43%	41%	38%	16%	0%	0%	2%	7%	50%	26%	2%	4%
<b>Adjusted EBITDA</b>	<b>(1,672,368)</b>	<b>(1,545,516)</b>	<b>(1,420,309)</b>	<b>(1,178,371)</b>	<b>(1,340,531)</b>	<b>(986,480)</b>	<b>(1,305,848)</b>	<b>(1,055,581)</b>	<b>(6,351,503)</b>	<b>(5,816,564)</b>	<b>(4,688,440)</b>	<b>(1,625,624)</b>

## BALANCE SHEET

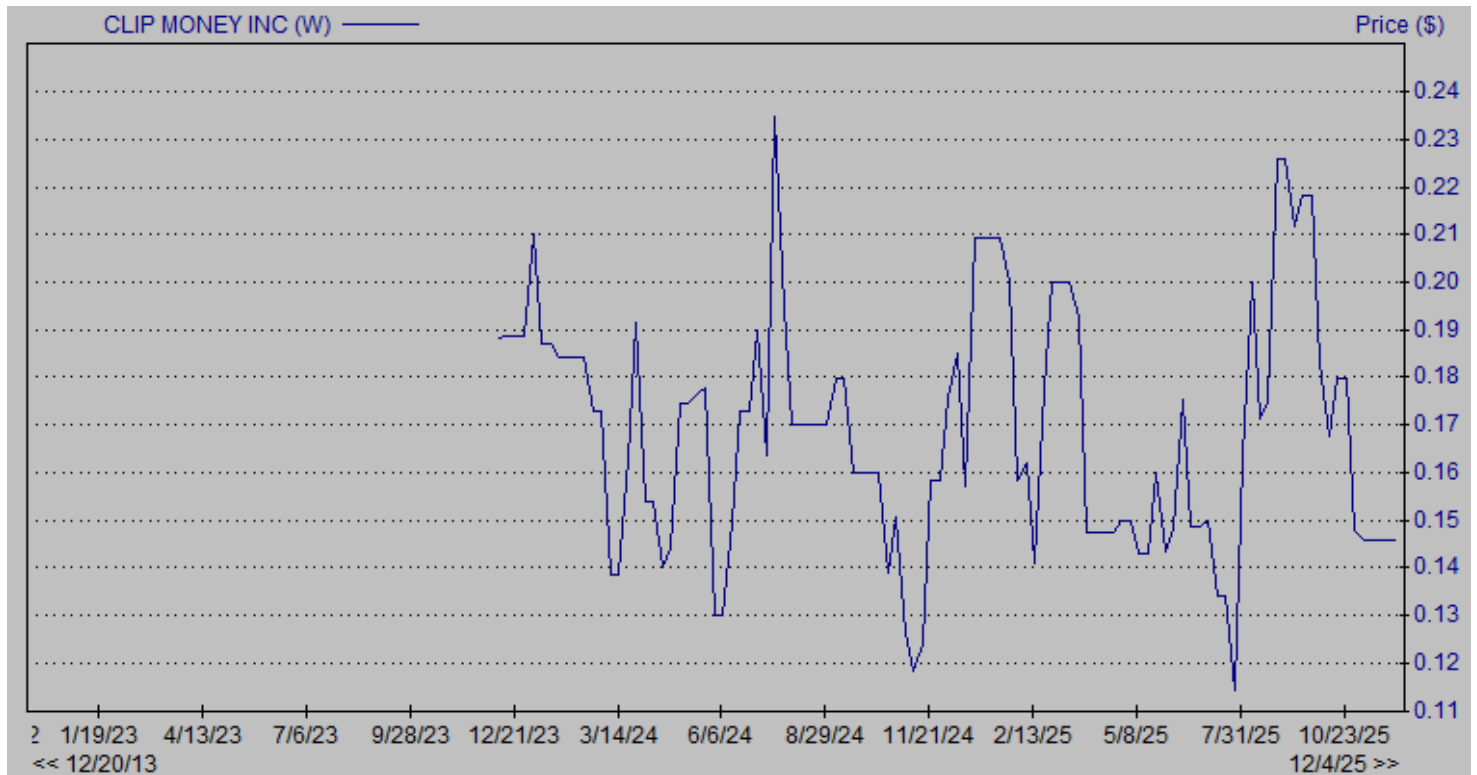
US Dollars	Sept 30, 2025	June 30, 2025	Qtr-Qtr % Change	Sept 30, 2024	Yr-Yr % Change
<b>CURRENT ASSETS</b>					
Cash	\$2,746,761	\$1,701,854	61.4%	\$3,437,481	-20.1%
Due from customers	\$0	\$0	0.0%	\$33,539	-100.0%
Accounts receivable	703,588	569,495	23.5%	220,468	219.1%
Prepaid expenses	30,710	67,238	-54.3%	39,533	-22.3%
Total current assets	3,481,059	2,338,587	48.9%	3,731,021	-6.7%
Property and equipment, net	504,657	554,944	-9.1%	605,924	-16.7%
Right of use assets, net	4,037,258	4,295,806	-6.0%	4,278,614	-5.6%
Intangible assets, net	1,754,652	1,808,908	-3.0%	1,977,857	-11.3%
TOTAL ASSETS	9,777,626	8,998,245	8.7%	10,593,416	-7.7%
<b>CURRENT LIABILITIES</b>					
Trade and other payables	1,815,120	1,848,531	-1.8%	670,663	170.6%
Current portion of government loans	9,731	9,685	0.5%	9,084	7.1%
Current portion of lease liabilities	1,781,118	1,708,478	4.3%	1,387,828	28.3%
Derivative liability	1,877,728	790,235	137.6%	540,509	247.4%
Total current liabilities	5,483,697	4,356,929	25.9%	2,608,084	110.3%
<b>LONG-TERM LIABILITIES</b>					
Secured promissory note	175,000	935,000	-81.3%	0	NA
Long-term lease liabilities	3,181,570	3,502,249	-9.2%	3,802,103	-16.3%
Government loans	405,955	416,022	-2.4%	397,505	2.1%
Convertible debt	14,760,544	12,309,596	19.9%	9,782,408	50.9%
Total liabilities	24,006,766	21,519,796	11.6%	16,590,100	44.7%
<b>SHAREHOLDERS' EQUITY</b>					
Share capital	25,232,696	24,236,778	4.1%	24,089,827	4.7%
Contributed surplus	5,878,118	5,817,026	1.1%	5,738,161	2.4%
Accumulated other comprehensive income	(310,420)	(435,500)	-28.7%	(211,694)	46.6%
Accumulated deficit	(45,029,534)	(42,139,855)	6.9%	(35,612,978)	26.4%
Total shareholder's equity	(14,229,140)	(12,521,551)	13.6%	(5,996,684)	137.3%
TOTAL LIABILITIES AND EQUITY	\$9,777,626	\$8,998,245	8.7%	\$10,593,416	-7.7%
Current Ratio	0.6	0.5	18.3%	1.4	-55.6%
Working Capital	(2,002,638)	(2,018,342)	-0.8%	1,122,937	-278.3%
Debt	\$15,351,230	\$13,670,303	12.3%	\$10,188,997	50.7%
Debt Percent of Assets	157.0%	151.9%	3.3%	96.2%	63.2%
Cash and equivalents	\$2,746,761	\$1,701,854	61.4%	\$3,437,481	-20.1%



# CASH FLOWS

US Dollars	Year 2022 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 \$	3-Mo 6/30/25 US \$	3-Mo 9/30/25 US \$
<b>CASH FLOWS - OPERATING ACTIVITIES</b>										
Net profit (loss)	\$ (12,135,800)	\$ (9,316,567)	\$ (2,397,212)	\$ (2,485,740)	\$ (2,383,256)	\$ (2,072,571)	\$ (9,338,779)	\$ (2,280,281)	\$ (2,174,025)	\$ (2,889,679)
<b>Income and non-cash expense items:</b>										
Depreciation of property & equipment	118,803	192,966	49,926	50,287	49,146	53,711	203,070	54,237	57,444	59,532
Depreciation of right-of-use assets	996,977	1,192,782	292,031	298,440	321,974	301,308	1,213,753	363,138	370,224	390,401
Amortization of intangible assets	506,329	577,853	158,677	147,602	121,629	116,963	544,871	111,141	102,622	98,124
Loss on early extinguishment of convertible debt	0	102,806	0	0	0	0	0	0	0	0
Deferred tax recovery	0	(419,990)	0	0	0	0	0	0	0	0
Accretion & interest on convertible debt	161,318	543,477	308,619	309,222	332,131	410,861	1,360,833	431,811	511,078	633,697
Costs associated with debt issuance	5,827	0	0	0	0	0	0	0	0	0
Fair value change of derivative liability	499,026	(148,055)	(16,370)	73,286	(110,921)	69,053	15,048	(227,809)	(158,232)	270,283
Government loan settlement fee	0	0	0	0	0	0	0	27,227	544	211
Interest on government loans	7,572	4,657	4,563	1,837	2,534	(6,946)	1,988	1,365	1,506	1,476
Interest on lease liability	696,470	744,461	165,099	162,697	169,204	177,240	674,240	178,481	170,793	164,198
Share and warrant issuance costs	868,153	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
Effects of foreign exchange	284,686	95,968	(82,562)	(337,398)	118,406	(247,053)	(548,607)	(19,373)	157,643	(46,673)
Stock options issued for services	1,123,435	568,846	193,569	177,121	98,674	52,705	522,069	47,988	40,459	25,972
RSUs issued for services	157,616	189,143	31,128	25,771	12,310	12,097	81,306	11,701	21,667	35,120
Warrants issued for services	36,213	10,052	0	0	0	0	0	0	0	0
<b>Changes in assets and liabilities:</b>										
Prepayments	76,786	104,785	(190,509)	204,478	4,288	(29,302)	(11,045)	6,518	(4,921)	36,528
Accounts receivable	(84)	(152,668)	28,982	(55,171)	(41,273)	(419,392)	(486,854)	231,657	(161,292)	(134,093)
Customer advances	2,459	72,395	(89,797)	(2,302)	(16,294)	33,539	(74,854)	0	0	0
Accounts payable	594,997	(1,043,457)	189,565	(71,343)	31,373	604,782	754,377	212,034	361,052	(33,411)
Increase in deferred revenue	0	0	0	0	0	0	0	212,500	(212,500)	0
<b>Net cash provided by operating activities</b>	<b>(4,867,859)</b>	<b>(6,680,546)</b>	<b>(1,354,291)</b>	<b>(1,501,213)</b>	<b>(1,290,074)</b>	<b>(943,005)</b>	<b>(5,088,584)</b>	<b>(637,665)</b>	<b>(915,938)</b>	<b>(1,388,314)</b>
<b>CASH FLOWS - INVESTING ACTIVITIES</b>										
Additions to property & equipment	(699,615)	(85,437)	(5,253)	(25,676)	(54,067)	(37,578)	(122,574)	(47,687)	(36,946)	(20,308)
Investment in intangibles	(879,955)	(574,292)	(110,645)	(89,928)	(73,197)	(68,110)	(341,880)	(52,261)	(66,675)	(79,356)
Costs capitalized on right-of-use-assets	(95,723)	(5,919)	(230,199)	182,751	(94)	1,567	(45,975)	(274)	21,155	(4,283)
Direct costs for termination of ROU assets	0	0	0	0	0	0	0	0	0	(31,664)
<b>Net cash provided by (used in) investing activities</b>	<b>(1,675,293)</b>	<b>(665,648)</b>	<b>(346,097)</b>	<b>67,147</b>	<b>(127,358)</b>	<b>(104,121)</b>	<b>(510,429)</b>	<b>(100,222)</b>	<b>(82,466)</b>	<b>(135,611)</b>
<b>CASH FLOWS - FINANCING ACTIVITIES</b>										
Proceeds from secured promissory note	0	0	0	0	0	175,000	175,000	100,000	935,000	605,000
Proceeds from issuance of shares, net	5,831,863	5,697,421	0	0	0	0	0	0	0	995,918
Proceeds from issuance of warrants, net	1,780,834	432,765	0	0	0	0	0	0	0	0
Proceeds from issuance of convertible debt, net	935,445	7,823,794	0	0	2,689,955	41,398	2,731,353	1,972,243	0	2,957,070
Payment of secured promissory note	0	0	0	0	0	0	0	0	(275,000)	(1,365,000)
Payment of convertible debt	0	0	0	0	0	(45,151)	(45,151)	(43,093)	(77,170)	(77,385)
Proceeds from government loans	0	0	0	0	362,990	(22,452)	340,538	0	0	0
Payments of lease liabilities	(1,501,537)	(1,823,189)	(458,756)	(413,805)	(468,495)	(587,985)	(1,929,041)	(554,802)	(597,245)	(547,723)
Payments of government loans	0	(31,450)	(3,447)	(7,405)	(4,696)	4,014	(11,534)	(2,886)	(3,001)	(3,012)
<b>Net cash used in financing activities</b>	<b>7,046,605</b>	<b>12,099,341</b>	<b>(462,203)</b>	<b>(421,210)</b>	<b>2,579,754</b>	<b>(435,176)</b>	<b>1,261,165</b>	<b>1,471,462</b>	<b>(17,416)</b>	<b>2,564,868</b>
Effects of exchange rate changes	19,043	(87,826)	123,544	35,179	(16,006)	42,338	185,055	17,455	(30,872)	3,964
<b>INCREASE (DECREASE) IN CASH</b>	<b>522,496</b>	<b>4,665,321</b>	<b>(2,039,047)</b>	<b>(1,820,097)</b>	<b>1,146,316</b>	<b>(1,439,964)</b>	<b>(4,152,793)</b>	<b>751,030</b>	<b>(1,046,692)</b>	<b>1,044,907</b>
<b>CASH - BEGINNING OF PERIOD</b>	<b>962,494</b>	<b>1,484,988</b>	<b>6,150,309</b>	<b>4,111,262</b>	<b>2,291,165</b>	<b>3,437,481</b>	<b>6,150,309</b>	<b>1,997,516</b>	<b>2,748,546</b>	<b>1,701,854</b>
<b>CASH - END OF PERIOD</b>	<b>1,484,988</b>	<b>6,150,309</b>	<b>4,111,262</b>	<b>2,291,165</b>	<b>3,437,481</b>	<b>1,997,516</b>	<b>1,997,516</b>	<b>2,748,546</b>	<b>1,701,854</b>	<b>2,746,761</b>
Operating Cash Flow	\$ (5,542,017)	\$ (5,661,601)	\$ (1,292,532)	\$ (1,576,875)	\$ (1,268,169)	\$ (1,132,632)	(5,270,208)	\$ (1,300,374)	\$ (898,277)	\$ (1,257,338)
Free cash flow	\$ (6,241,632)	\$ (5,747,038)	\$ (1,297,785)	\$ (1,602,551)	\$ (1,322,236)	\$ (1,170,210)	\$ (5,392,782)	\$ (1,348,061)	\$ (935,223)	\$ (1,277,646)

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