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POET Technologies Inc. (NASDAQ: POET)

POET: POET Technologies' Hybrid Laser *Blazar* is a Big Hit at OFC; Will Sample in the Fall

We believe POET stock is worth \$8.40 per share based on 2028 revenues of \$200 million at 4.3 times EV to Sales. It currently has \$430 million, or \$2.81 per share, in cash.

Current Price (4/3/26) **\$6.11**
Valuation **\$8.40**

OUTLOOK

POET Technologies is disrupting the photonics industry with a new technology that integrates optical and electronic devices into a single chip, which is smaller, cheaper, faster, more scalable and consumes less power than the current solutions. The POET Optical Interposer™, and optical engines and light source products based on it, are produced at wafer scale, in large quantities and at low cost using conventional semiconductor fabrication techniques. POET is now receiving orders and has \$430 million in cash to ramp production and support working capital as it scales. It currently has a one million engine per year assembly capacity with two contract manufacturers in Malaysia. POET's integrated solutions include light-based chip-to-chip data communications ("scale-up"), ultra high-speed transceivers ("scale-out") and long-distance telecom ("scale-away") products, all targeted at hyperscale data centers and networks supporting connectivity for Artificial Intelligence applications.

SUMMARY DATA

52-Week High **\$9.22**
52-Week Low **\$3.21**
One-Year Return (%) **50.3**
Beta **0.4**
Average Daily Volume (sh) **10,242,941**

Shares Outstanding (mil) **152.9**
Market Capitalization (\$mil) **\$934.2**
Short Interest Ratio (days) **1.3**
Institutional Ownership (%) **9.7**
Insider Ownership (%) **0.1**

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/M**
P/E using 2025 Estimate **N/M**
P/E using 2026 Estimate **N/M**

Risk Level **High**
Type of Stock **Mid-Growth**
Industry **Elec Comp-Semis**

ZACKS ESTIMATES

Revenue

(in millions of US\$)

	Q1	Q2	Q3	Q4	Year
	(Mar)	(Jun)	(Sep)	(Dec)	(Dec)
2024	\$0.0 A	\$0.0 A	\$0.0 A	\$0.0 A	\$0.0 A
2025	\$0.2 A	\$0.3 A	\$0.3 A	\$0.3 A	\$1.1 A
2026	\$0.3 E	\$1.0 E	\$2.4 E	\$6.5 E	\$10.0 E
2027					\$80.0 E

Earnings Per Share

	Q1	Q2	Q3	Q4	Year
	(Mar)	(Jun)	(Sep)	(Dec)	(Dec)
2024	-\$0.12 A	-\$0.14 A	-\$0.20 A	-\$0.43 A	-\$0.94 A
2025	\$0.08 A	-\$0.21 A	-\$0.10 A	-\$0.32 A	-\$0.68 A
2026	-\$0.05 E	-\$0.05 E	-\$0.05 E	-\$0.04 E	-\$0.20 E
2026					-\$0.03 E

POET Narrows Its Focus to Current Customers and Requested Products

With \$430 million in cash and the ability to fund capex out of interest income, POET is honing its strategy and is focusing solely on its current customers and other large prospects already in the pipeline. It is developing products that customers have already said that they want. The main strategy focus is (1) building high-speed Infinity engines at 800G and 1.6T using Mitsubishi lasers that require half the current number of lasers and (2) building Lightsource products, in the current generation using the Optical Interposer and in the next generation using its own hybrid lasers that are differentiated from the competition. Infinity engines use four lasers to produce eight channels of light at 200G per channel. The company is aggressively seeking both semiconductor and optical talent, which may include the potential acquisition of companies that have components or technology to support its strategy of providing differentiated products to the high-speed transceiver and light source markets.

It will ship its second-generation optical modules to Celestial AI (now Marvell) and its optical engines to Adtran and an unnamed non-Chinese Asian customer this year to generate most of its 2026 revenue. The unnamed customer will be taking product in the second half of 2026 and already has data center customers lined up, although it has not yet announced its own products and possibly never will to keep them secret.

Blazar is a Big Hit at OFC

The company had extreme interest in its new third-generation *Blazar* hybrid laser shown at OFC. This new design will be sampling later this year. Celestial has already expressed great interest in this next generation, as have many others. Its advantages are obvious as a substitute for conventional DFB lasers in both high-speed transceivers and light sources. Conventional DFB lasers consist of two main components: (i) a gain material (typically Indium Phosphide) that emits light when subjected to an electric current, and (ii) gratings that select the frequency of light emitted by the laser. The gain material is essentially the light bulb for the light which is produced at low cost and available from many suppliers. Gratings, on the other hand, are difficult to construct and represent about 70% of the cost of a conventional DFB laser.

POET's *Blazar* separates these two by integrating the Indium Phosphide onto an Optical Interposer, which already has the gratings etched into the waveguide material. The optical interposer can tune the wavelength selection, allowing a single product to support multiple wavelengths separated by as small a distance or frequency as needed, rather than needing a different laser for each frequency. This allows more flexibility and very high precision, since the gratings are defined using lithography. It also reduces the cost to a fraction of the cost of a conventional DFB laser, and uses a two-thirds less Indium Phosphide, which is expensive and in short supply.

Management believes that once this product starts selling, it could push the company to a valuation much higher as investors see its potential. We believe the stock could be worth \$8.40 per share based on 2028 revenues of \$200 million at 4.3 times EV to Sales.

Celestial AI's Merger with Marvell

On February 2, 2026, Marvell Technologies (NASDAQ: MRVL) bought pre-revenue Celestial AI for \$3.25 billion. Celestial was founded by David Lazovosky, the former Chairman of POET, who was on the board of POET from 2015 until 2020, when he founded Celestial AI. He was Celestial AI's CEO and is now EVP & GM, Data Center Networking Business Group at Marvell Technology.

Marvell expects "meaningful revenue contributions from Celestial AI to begin in the second half of fiscal 2028, reaching a \$500 million annualized run rate in the fourth quarter of fiscal 2028, doubling to a \$1 billion run rate by the fourth quarter of fiscal 2029." It is not clear what POET's portion of Celestial's revenues could

potentially be of that amount. Of course, POET would not ultimately be the sole source, and 2028/29 is still a long way off to understand pricing and actual revenues for either POET or Celestial.

According to Morgan Stanley, “Celestial's initial product is a chiplet that manages the signal chain directly from the CPU. Celestial AI already has a major design win with a top hyperscaler (implied to be AWS, given the expanded warrant agreement), and those chiplets will be integrated into both the hyperscaler’s custom XPU and scale-up switches. Management made the point that there are material synergies, given Marvell's prior acquisition of Inphi, which gives them leadership in optical fabrics, that will likely be additive as they bring these products to market.”

News During Q4

On October 22nd, POET announced it received a production order valued at over \$5 million for a shipment of POET Infinity optical engines. The purchase order for optical engines was made by a leading systems integrator that will manufacture and sell optical transceiver modules. POET is selling them 2xFR4 and 2xDR4 400G transmit engines and 800G 2xFR4 and DR8 receive engines.

On November 11th, POET and Quantum Computing Inc. (NASDAQ: QUBT) announced they would work together to develop 400G/Lane thin-film lithium niobate (TFLN) modulator-based 3.2Tbps engines targeted for completion in the second half of 2026. POET will fund the development. Quantum will provide expertise with TFLN to integrate the high-performance 400G/Lane modulators with the POET Optical Interposer™ platform. This engine will provide data-transfer speeds at 3.2Tbps and beyond. Quantum believes that to achieve a commercially viable optical modulator that operates at 400G/Lane requires an integration platform such as the POET Optical Interposer, and a 400G/Lane optical modulator that incorporates TFLN will be a radical step forward for the industry. TFLN has proven to be ideal for chip-scale photonic integration, and Quantum is one of the few companies that have demonstrated processes that can make TFLN adaptable for advanced wafer-level manufacturing.

After the Quarter Ended

On Jan. 20, 2026, POET announced it won the prestigious Product Innovation Award at the 12th Infostone Communication Consultant Shenzhen (ICCSZ) Awards, a competition that recognizes the finest applications in advanced optical communications and AI compute solutions. Dr. Mo Jinyu, POET SVP, Global Product Development, was also honored as the recipient of the Technology Innovation Award in the Individual/Team category. The Product Innovation Award recognized POET Teralight™ as a ground-breaking advance in 1.6T transmit and receive optical engines.

On February 12, 2026, POET announced it has earned an Elite Score of 4.5 and a category win in the *Lightwave Innovation Reviews*' 13th annual awards.

POET demonstrated its two leading external light source (ELS) products at the annual Optical Fiber Communications (OFC) Conference at the Los Angeles Convention Center from March 16-19, 2026. The products demonstrated were:

POET Blazar™: A ground-breaking ELS solution, Blazar is a highly integrated hybrid laser that exemplifies the company's “semiconductorization of photonics” mission. It is designed to power both co-packaged optics (CPO) and high-bandwidth, chip-to-chip, light-based data communications links. This product is an alternative to traditional DFB laser-based solutions. The wafer-level chip-scale technology significantly lowers the cost of the light source, provides larger scale and better reliability, and increases the effective supply of Indium Phosphide. In particular, this product attracted substantial attention at the show as a cost-effective, high-performance solution for high-power, high-bandwidth, multichannel light sources for Co-Packaged Optics (CPO), as well as GPU-to-GPU and GPU-to-memory optical interconnects.

POET Starlight™: POET revealed its next-generation ELS solution, and the demo featured a compact engine solution with eight-channel high-power lasers at multiple wavelengths. Starlight was integrated into a

working optical engine, showing the commercial applicability of the solution to the industry-standard ELSFP module.

At the conference, the company accepted the *Elite Score* award at the *Lightwave Innovations Reviews* reception. POET earned the recognition for Teralight™. In February, *Lightwave Innovation Reviews* announced its judges had given POET Teralight a score of 4.5, one of the highest received among winning entries.

On March 16, 2026, POET announced a collaboration with LITEON Technology to co-develop optical communication modules. LITEON is one of the world's leading providers of optoelectronic semiconductor components and high-power optical systems. POET will begin development work this year and expects to have prototypes ready by late 2026. High-volume production is anticipated for 2027.

On March 17, 2026, POET and Lessengers announced the joint development of a 1.6T 2×DR4 optical transceiver module. Samples are targeted for availability in Q2 2026.

Q4 2025 Results

In Q4 2025, POET had revenues of \$341,000 versus \$29,000 in Q4 2024, all from NREs. Total operating expenses were \$14.6 million compared to \$11.5 million last year.

R&D increased by about \$800,000 to \$5.3 million in Q4 2025 from \$4.5 million in Q4 2024, due to taking control of SPX. Sales, marketing, and administration increased by \$2.3 million. Other income, including interest, increased to \$2.5 million in Q4 2025 from \$504,000 in Q4 2024 due to higher cash balances.

In Q4, the largest component of the company's loss was from the non-cash fair value adjustment to derivative warrant liability of \$30.6 million compared to \$12.4 million in the same period in 2024 and \$2.4 million in the third quarter of 2025. This non-cash item relates to warrants issued in a foreign currency and is periodically remeasured. The increase was due to the issuance of warrants and the increase in the stock price during the third quarter. After the year-end, POET repriced the majority of the outstanding warrants that were originally priced in Canadian dollars to the U.S. dollar equivalent. Going forward, this will eliminate the majority of the non-cash derivative warrant liability that was carried on the balance sheet.

The net loss for the quarter was \$42.7 million compared to a loss of \$30.3 million in Q4 2024. This resulted in an IFRS loss per share of \$0.32 versus a loss of \$0.43 per share last year. On a non-IFRS basis, taking out stock-based compensation and non-cash accounting, the loss was flat at \$9.6 million for both years; however the per share loss was \$0.07 this year versus \$0.13 last year due to an increase in shares. The average fully diluted shares outstanding for the quarter was approximately 132 million, up 86%.

2025 Results

For the year, revenues came in at \$1.1 million for 2025 versus \$41,000 in 2024, all from NREs and samples. Total operating expenses were \$42.1 million compared to \$30.1 million a year ago. In 2025, the company added 30 employees and has added fifteen more since then.

R&D expense increased \$6.7 million to \$18.1 million as wages and benefits increased \$2.6 million and spending on supplies went up \$3.3 million, primarily due to taking control of SPX in December 2024 and including SPX's operations in its consolidated R&D during 2025. Significant R&D compensation costs were incurred in laying off the SPX workforce as part of its winding-up plan. Additionally, POET established production capacity and capabilities with two new facilities in Malaysia and incurred costs in bringing up these facilities to meet expectations. Costs were also incurred for moving equipment and process testing.

General expense and rent increased by \$1.2 million (61%) to \$3.2 million in 2025 from \$2.0 million in 2024. In 2025, the company increased its investor relations and marketing initiatives and engaged a new firm to assist

with these services during the period. Additionally, POET moved its operations in Singapore to a new and larger facility. The company paid rent for both facilities for a portion of 2025.

Other income, including interest, increased by \$3.6 million (377%) to \$4.6 million in 2025 from \$955,254 in 2024.

The company had a non-cash adjustment in 2025 related to the fair value adjustment of the derivative liability on the remaining and exercised warrants. 5,692,428 of these warrants were exercised in 2025. During 2024, the company acquired the remaining 24.8% interest of SPX from SAIC. The acquisition of this interest resulted in a non-cash loss of \$6.9 million.

The net loss for the year was \$63.0 million compared to \$56.7 million last year, or \$0.68 per share versus \$0.94. On a non-IFRS basis, the loss was \$30.3 million against \$23.7 million last year, or a loss per share of \$0.32 versus \$0.39. Share outstanding increased 154% to an average of 93.2 million.

Balance Sheet

POET Technologies ended the December quarter with \$313 million in cash and marketable securities and \$5.8 million in convertible debentures. After its January raise, it now has approximately \$430 million in cash. Working capital at the end of the quarter was \$171 million; however, \$135.6 million of current liabilities are non-cash, and \$5.8 million of the convertible debt, which is presented as current is due between two and five years, making working capital available for operations \$312 million. The company had a negative cash flow (excluding changes in working capital) of \$8.2 million for Q4 2025 and \$27.7 million for the year. It had a negative free cash flow of \$7.5 million for the quarter. It spent \$2.3 million on capex for the year, making free cash flow \$30.0 million. In 2026, it expects to spend about \$10 million on capex to buy mostly test equipment and increase wafer capacity. It will pay for it using interest income.

On October 7th, POET announced that it sold 13,636,364 shares and one warrant exercisable at C\$9.78 (US\$7.17) at \$5.50 per unit in a private placement for gross proceeds of \$75 million to MMCAP. According to a 13-F on December 31, 2025, MMCAP held 1.5 million shares.

Then, on October 28th, POET announced that it sold another 20,689,655 common shares in an oversubscribed registered direct offering, resulting in gross proceeds of approximately \$150 million. Participants in the offering included two new fundamental investment managers. Titan Partners Group, a division of American Capital Partners, was the sole placement agent.

After the Quarter Ended

On January 23, 2026, POET raised gross proceeds of \$150 million from the issuance of 20,689,656 common shares through a brokered registered direct offering at \$7.25 per common share and paid approximately \$7,585,000 in fees. This brought in many new institutional investors. The company now has approximately \$430 million in cash and equivalents. There were 152,882,210 shares outstanding on March 31, 2026. There were also 37,364,941 warrants priced between \$1.09 and \$7.03, 5,792,465 stock options priced between \$1.27 and \$6.33, and 3,183,038 restricted stock units.

KEY POINTS

- AI has created an accelerated need for faster speeds for hardware and data center communications. As a de facto pure-play in optical engines and transceivers targeting AI hardware and data centers, POET offers a way to invest in the entire AI industry. As a start-up on the cusp of ramping production, we expect the company to grow much faster than the market and the large incumbent players such as Nvidia.

- The Holy Grail in photonics is cost reduction (through efficiencies in process and materials) combined with lower power consumption. Throw in a smaller size and higher performance, and customers should beat a path to your door. POET believes it can provide all four with its proprietary “optical interposer” based on a novel low-loss material that allows multiple components to be integrated into a single package entirely at wafer-scale. What this means is that it can eliminate steps in the labor-intensive assembly process currently used when manufacturing optical transceivers. Manual assembly results in higher scrap rates, longer production times, and higher equipment costs. Also, its base material is far better suited to use in the management of light than silicon due to its lower loss and planar architecture, thus allowing lower-powered lasers, resulting in lower power consumption and the ability to use less expensive lasers. POET hopes to disrupt the current market for photonics devices and have its Optical Engine platform become the standard in the industry.
- Using \$430 million in cash, \$6.8 million in debt, and 153 million shares outstanding, the stock trades at an enterprise value of approximately \$511 million. According to Fortune Business Insights, the global optical transceiver market size was valued at \$14.7 billion in 2025 and is projected to grow from \$17.2 billion in 2026 to \$46.1 billion by 2034, exhibiting a CAGR of 17.0% during the forecast period. POET’s product is a component of an optical transceiver, and that market is about a third of the transceiver market. If POET can secure even a small portion of that market with its unique offerings, its valuation should far exceed its current price. We believe the stock could be worth \$8.40 per share based on 2028 revenues of \$200 million at 4.3 times EV to Sales.

VALUATION

When valuing POET, we have to look to the private markets where most of this industry lives. All of the following three companies are pre-revenue at the moment.

Celestial AI was bought by Marvell Technology for \$3.25 billion in February. The purchase price could increase to \$5.5 billion if Celestial hits revenue milestones. The company currently has no revenues, but Marvell expects Celestial to begin generating meaningful revenue in the first half of 2028, reaching a \$500 million exit run-rate in 2028 and \$1 billion by 2029. This valuation is 6.5 times the 2028 ending run rate and approximately 4.3 times calendar 2028 revenues. Using this enterprise valuation ratio and a forecast of \$200 million in 2028 calendar revenues, POET would be worth \$1.3 billion in market value or \$8.40 per share.

In August 2024, [Lightmatter](#), a leader in photonic supercomputing, raised a \$400 million in a Series D, valuing the company at \$4.4 billion and bringing the total capital raised to date to \$850 million. Lightmatter has raised a total of \$850M over [9 funding rounds](#). We believe it has no revenues.

On March 3, 2026, [Ayar Labs](#), the leader in co-packaged optics (CPO) solutions for AI scale-up, closed a \$500 million Series E funding round led by Neuberger Berman. The company is using the funds to scale high-volume production and test capacity to accelerate the deployment of its CPO solution. This brings the company’s total funding to \$870 million and raises the company’s valuation to \$3.75 billion. Ayar Labs will use the new funds to scale high-volume production and test capacity, expand global operations, including at its [new Hsinchu, Taiwan, office](#). We believe it has no revenue.

As of December 31, 2025

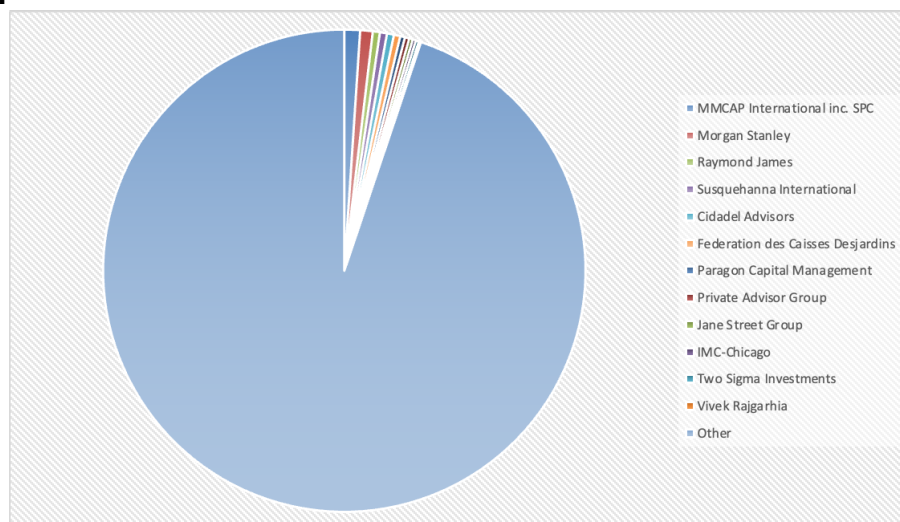
Fully Diluted Shares Using Treasury Stock Method

Share Outstanding	132,021,526
Warrants	37,364,938
Options	5,827,544
RSU	3,183,038
All in shares	178,397,046
Fully diluted shares	178,397,046
Cash raised by warrants and options	125,224,784
Share purchased by cash raised	19,782,746
Current share price \$	\$ 6.33
Fully diluted shares, TS Method	158,614,300

RISKS

- POET is a startup with virtually no revenues. It may not be able to close customers if its technology does not work or does not work within the needed parameters.
- Many potential customers may hesitate to do business with a small, money-losing start-up, making market penetration even more difficult.
- The company may take longer to book sales, ramp more slowly, or produce less than expected sales and profits. Ramping production could prove more difficult than expected, and orders may not be received when expected.
- POET's solution is significantly different from that currently used in the industry. For customers to switch, it may take more time than expected to persuade them to leave their legacy methodology.
- A potential worldwide recession, tariffs, or supply constraints could impact POET and its customers and suppliers.

OWNERSHIP



INCOME STATEMENT

	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26E	Q2 26E	Q3 26E	Q4 26E	2024	2025	2026E	2027E
Revenue	\$ 6,710	\$ 0	\$ 3,585	\$ 29,132	\$ 166,760	\$ 268,469	\$ 298,434	\$ 341,202	\$ 250,000	\$ 950,000	\$ 2,350,000	\$ 6,450,000	\$ 41,427	\$ 1,074,865	\$ 10,000,000	\$ 80,000,000
Cost of revenue	0	0	0	0	0	0	0	0	0	1,000,000	2,400,000	5,500,000	0	0	8,900,000	50,000,000
Gross margin	8,710	0	3,585	29,132	166,760	268,469	298,434	341,202	250,000	(50,000)	(50,000)	950,000	41,427	1,074,865	1,100,000	30,000,000
Gross margin %	100.0%	NM	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-5.3%	-2.1%	14.7%	100.0%	100.0%	11.0%	37.5%
Operating expenses																
Selling, marketing and administration	2,837,553	4,639,358	4,370,148	6,924,362	5,189,062	5,273,193	5,380,610	9,239,092	5,300,000	5,300,000	5,300,000	5,300,000	18,771,421	25,081,957	21,200,000	24,000,000
R&D	2,290,316	2,117,828	2,380,093	4,546,404	4,514,107	3,752,352	4,472,495	5,345,349	4,900,000	4,900,000	4,900,000	4,900,000	11,334,641	18,084,303	19,600,000	20,000,000
Operating expenses	5,127,869	6,757,186	6,750,241	11,470,766	9,703,169	9,025,545	9,853,105	14,584,441	10,200,000	10,200,000	10,200,000	10,200,000	30,106,062	43,166,260	40,800,000	44,000,000
Operating income	(5,119,159)	(6,757,186)	(6,746,656)	(11,441,634)	(9,536,409)	(8,757,076)	(9,554,671)	(14,243,239)	(9,950,000)	(10,250,000)	(10,250,000)	(9,250,000)	(30,064,635)	(42,091,395)	(39,700,000)	(14,000,000)
Impairment and other loss	0	0	0	(6,852,687)	0	0	0	0	0	0	0	0	(6,852,687)	0	0	0
Derivative liability adjustment	0	(1,376,761)	0	1,376,761	15,382,971	0	(2,414,223)	(12,968,748)	0	0	0	0	0	0	0	0
Interest expense	(19,753)	(20,833)	(30,482)	(31,605)	(32,786)	(30,925)	(31,429)	(48,906)	0	0	0	0	(102,673)	(144,046)	0	0
Unrealized foreign exchange	0	0	0	0	0	(1,448,691)	1,641,602	(192,911)	0	0	0	0	0	0	0	0
Other plus Interest income	52,558	174,911	216,337	504,150	527,782	533,308	989,007	2,502,964	2,500,000	2,500,000	2,500,000	2,500,000	947,956	4,553,061	10,000,000	9,000,000
FV adjustment to derivative warrant	(629,824)	0	(6,179,836)	(13,821,422)	0	(7,559,991)	0	(17,720,842)	0	0	0	0	(20,631,082)	(25,280,833)	0	0
Forgiveness of COVID govt loans	0	0	0	7,298	0	0	0	0	0	0	0	0	7,298	0	0	0
Impact of joint venture (75.2% owned)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gain on contribution of IP to JV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pretax income	(5,716,178)	(7,979,869)	(12,740,637)	(30,259,139)	6,341,558	(17,263,375)	(9,369,714)	(42,671,682)	(7,450,000)	(7,750,000)	(7,750,000)	(6,750,000)	(56,695,823)	(62,963,213)	(29,700,000)	(5,000,000)
Income tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income	(5,716,178)	(7,979,869)	(12,740,637)	(30,259,139)	6,341,558	(17,263,375)	(9,369,714)	(42,671,682)	(7,450,000)	(7,750,000)	(7,750,000)	(6,750,000)	(56,695,823)	(62,963,213)	(29,700,000)	(5,000,000)
Non-IFRS net loss	(4,768,676)	(5,011,367)	(5,035,670)	(9,556,796)	(8,199,620)	(5,786,747)	(6,732,504)	(9,553,993)	(5,825,000)	(6,125,000)	(6,125,000)	(5,125,000)	(23,742,685)	(30,272,864)	(23,200,000)	(500,000)
Net income per share	\$(0.12)	\$(0.14)	\$(0.20)	\$(0.43)	\$ 0.08	\$(0.21)	\$(0.10)	\$(0.32)	\$(0.05)	\$(0.05)	\$(0.05)	\$(0.04)	\$(0.94)	\$(0.68)	\$(0.20)	\$(0.03)
Yr-to-yr growth	-10.2%	29.1%	54.4%	223.9%	-166.0%	50.5%	-46.6%	-24.2%	-163.2%	-76.2%	-51.4%	-86.4%	64.4%	18.0%	-70.9%	-83.4%
Non-IFRS income per share	(0.10)	(0.09)	(0.08)	(0.13)	(0.10)	(0.07)	(0.07)	(0.07)	(0.04)	(0.04)	(0.04)	(0.03)	(0.39)	(0.32)	(0.15)	(0.00)
Share outstanding (millions)	46.6	56.4	65.2	70.9	78.2	81.1	89.8	131.8	145.4	152.9	152.9	152.9	60.2	93.2	151.0	153.0
Yr-to-yr growth	20.8%	40.9%	60.7%	70.8%	68.1%	43.7%	37.8%	85.9%	85.9%	88.6%	70.2%	16.0%	64.0%	153.6%	62.1%	1.3%

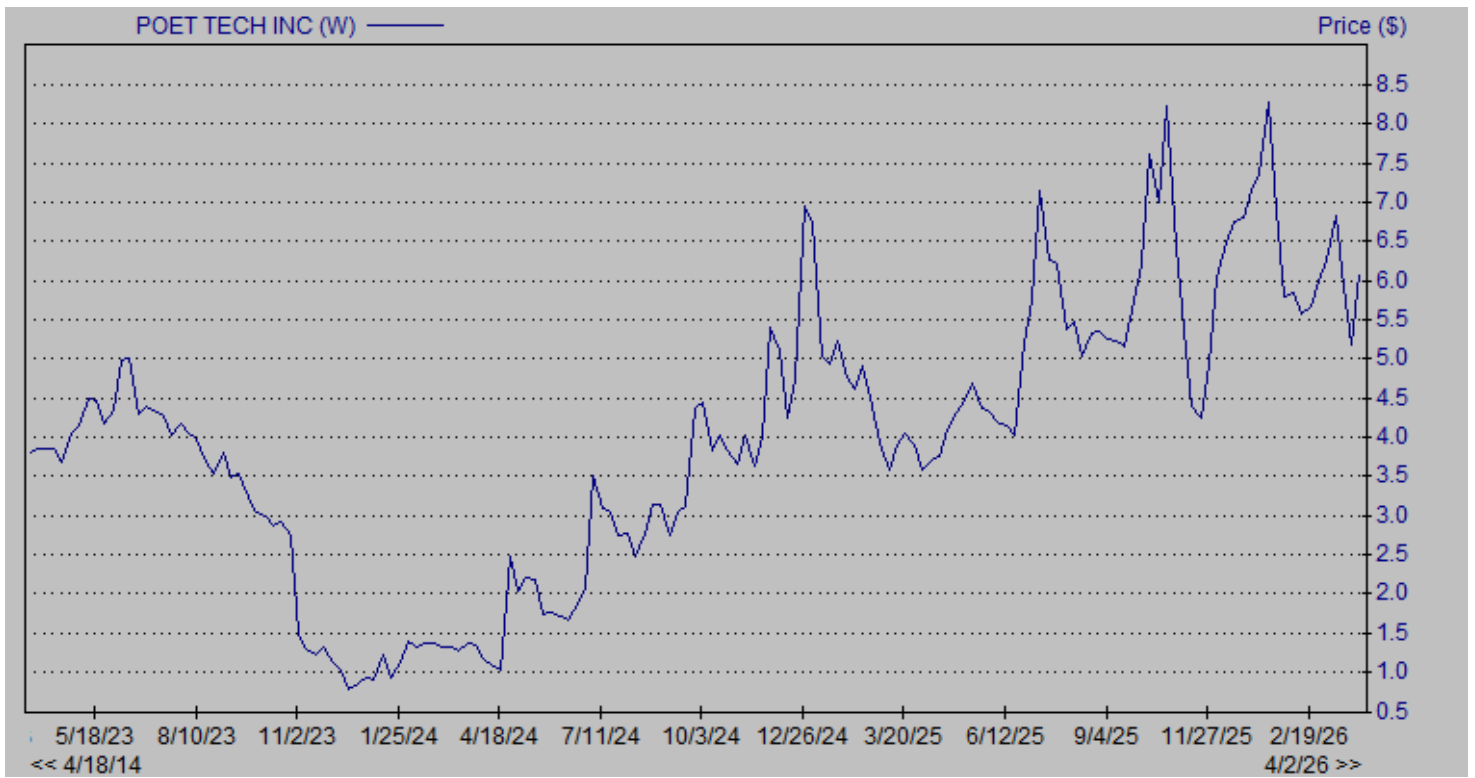
CASH FLOWS

US Dollars	2023	Mar. 31, 2024	Jun. 30, 2024	Sep. 30, 2024	Dec. 31, 2024	2024	Mar. 31, 2025	Jun. 30, 2025	Sep. 30, 2025	Dec. 31, 2025	2025
OPERATING ACTIVITIES											
Net loss	\$ (20,267,365)	\$ (5,716,178)	\$ (7,979,869)	(12,740,537)	(30,259,239)	\$ (56,695,823)	\$ 6,341,558	\$ (17,263,375)	(9,369,714)	(42,671,682)	\$ (62,963,213)
Adjustments for:											
Depreciation of property and equipment	1,653,798	436,201	436,640	451,744	389,101	1,713,686	634,080	722,928	822,488	805,644	2,985,140
Amortization of patents and licenses	87,761	22,283	22,653	107,277	(59,869)	92,344	69,116	(20,917)	112,157	(63,486)	96,870
Amortization of right of use assets	180,602	50,719	50,463	(33,066)	146,049	214,165	23,672	90,803	(41,941)	161,355	233,889
FV adjustment to der. warrant liability	24,865	629,824	1,376,761	6,179,836	12,444,661	20,631,082	(15,382,971)	7,559,991	2,414,223	30,689,590	25,280,833
Non-cash interest	53,614	19,753	20,833	17,852	31,603	90,041	19,120	44,591	31,429	48,906	144,046
Stock-based compensation	4,201,444	947,502	1,591,741	1,525,131	1,404,995	5,469,369	841,793	1,165,482	1,864,589	2,235,188	6,107,052
Other non-cash items	0	0	0	0	0	0	0	189,560	0	400,563	399,182
Unrealized exchange gains	-10.2%	29.1%	54.4%	223.9%	-166.0%	50.5%	-46.6%	-24.2%	-163.2%	-76.2%	-51.4%
Non-cash settled operating costs	0	0	0	0	(18,766)	(18,766)	0	0	0	0	0
Gain on lease modification	0	0	0	0	0	0	(10,978)	10,978	0	0	0
Loss on acquisition of 24.8% of SPX	0	0	0	0	6,852,687	6,852,687	0	0	0	0	0
Gain on contribution of IP to JV	(1,031,807)	0	0	0	0	0	0	0	0	0	0
Share of loss in JV	1,031,807	0	0	0	0	0	0	0	0	0	0
Forgiveness of COVID loans	0	(7,417)	56	11	52	(7,298)	0	0	0	0	0
Net change in non-cash working capital accounts:											
Accounts receivable	62,000	0	0	0	(7,257)	(7,257)	0	0	(125,079)	132,336	7,257
Prepaid and other current assets	126,936	(158,818)	(316,008)	(868,033)	(316,756)	(1,659,615)	(217,086)	(96,155)	1,289,627	(346,178)	630,208
Accounts payable and accrued liabilities	(1,256,925)	(828,751)	302,400	(142,878)	703,303	34,074	(1,572,732)	482,503	(344,824)	(3,011,741)	(4,446,794)
Contract liabilities	(274,192)	0	0	0	0	0	274,926	(274,926)	609,498	(170,598)	438,900
Cash flows from operating activities	(15,407,462)	(4,604,882)	(4,494,330)	(5,502,663)	(8,689,436)	(23,291,311)	(8,979,502)	(7,739,034)	(2,737,547)	(11,595,044)	(31,086,630)
INVESTING ACTIVITIES											
Purchase of short-term investments	0	0	0	0	0	0	(16,096,218)	(25,482,380)	(20,129,584)	(209,918,000)	(271,626,182)
Maturity of short-term investments	0	0	0	0	(16,672,811)	(16,672,811)	0	0	0	14,859,891	14,859,891
Purchase of property and equipment	(1,167,953)	(49,063)	(1,863,325)	(947,077)	(3,922,250)	(6,781,715)	(522,523)	(2,065,295)	(406,440)	739,151	(2,255,107)
Purchase of patents and licenses	(79,111)	(53,352)	0	(75,558)	(68,087)	(196,997)	0	(46,537)	1	(1)	(46,537)
Long term deposit	0	0	0	0	(107,890)	(107,890)	0	0	(112,547)	18,915	(93,542)
Cash received on acquisition	0	0	0	0	97,833	97,833	0	0	0	0	0
Cash flows from investing activities	(1,247,064)	(102,415)	(1,863,325)	(1,022,635)	(20,673,205)	(23,661,580)	(16,618,741)	(27,594,212)	(20,648,480)	(194,300,044)	(259,161,477)
FINANCING ACTIVITIES											
Repayment of covid loan	0	(22,251)	168	33	156	(21,894)	0	0	0	0	0
Issue of common shares for cash, net	10,447,603	5,261,651	24,285,219	26,846,450	25,782,860	82,176,180	4,352,685	31,273,000	25,851,464	231,764,506	293,241,655
Payment of lease liability	(252,103)	(67,053)	(70,699)	(71,760)	(46,441)	(255,953)	(35,289)	(64,159)	(58,517)	(65,438)	(223,403)
Repayment of convertible debt	0	0	0	0	0	0	0	0	0	(700,000)	(700,000)
Cash flows from financing	10,195,500	5,172,347	24,214,688	26,774,723	25,736,575	81,898,333	4,317,396	31,208,841	25,792,947	230,999,068	292,318,252
EFFECT OF EX RATE ON CASH	248,250	(50,262)	(28,764)	271,348	(820,752)	(820,752)	37,513	588,940	(1,221,930)	1,340,774	745,297
NET CHANGE IN CASH	(6,210,776)	414,788	17,828,269	20,520,773	(4,639,140)	34,124,690	(21,243,334)	(3,535,465)	1,149,487	26,444,754	2,815,442
CASH AND CASH EQUIVALENTS, beg.	9,229,845	3,019,069	3,433,857	21,262,126	41,782,899	3,019,069	37,143,759	15,900,425	12,364,960	13,514,447	37,143,759
CASH AND CASH EQUIVALENTS, end	3,019,069	3,433,857	21,262,126	41,782,899	37,143,759	37,143,759	15,900,425	12,364,960	13,514,447	39,959,201	39,959,201
Cash flow	(14,065,281)	(3,617,313)	(4,480,722)	(4,491,752)	(9,068,726)	(21,658,513)	(7,464,610)	(7,850,456)	(4,166,769)	(8,198,863)	(27,716,201)
Free cash flow	(15,312,345)	(3,719,728)	(6,344,047)	(5,514,387)	(13,059,063)	(28,637,225)	(7,987,133)	(9,962,288)	(4,573,208)	(7,459,713)	(30,017,845)

BALANCE SHEET

	Dec 31, 2025	Sept 30, 2025	Qtr-Qtr % Growth	Dec 31, 2024	Yr-Yr % Growth
Current					
Cash and cash equivalents	\$ 39,959,201	\$ 13,514,447	196%	\$ 37,143,759	8%
Short-term investments	273,439,102	79,221,458	245%	16,672,811	1540%
Accounts receivable	0	125,079	-100%	7,257	-100%
Prepays and other current assets	1,063,528	824,069	29%	1,658,207	-36%
Current Assets	314,461,831	93,685,053	236%	55,482,034	467%
Long term deposit	208,125	220,347	-6%	107,890	93%
Property and equipment	12,233,828	12,673,106	-3%	12,757,682	-4%
Patents and licenses	556,375	580,710	-4%	606,708	-8%
Right of use asset	1,112,279	674,453	65%	698,135	59%
Total Assets	328,572,438	107,833,669	205%	69,652,449	372%
Liabilities					
Accounts payable and accrued liabilities	1,639,543	2,892,784	-43%	5,970,537	-73%
Lease liability	235,304	147,877	59%	115,793	103%
Derivative warrant liability	135,631,585	30,599,601	343%	35,750,607	279%
Convertible debentures	5,800,000	6,500,000	-11%	6,500,000	-11%
Contract liabilities	445,840	619,002	-28%	0	NA
Current Liabilities	143,752,272	40,759,264	253%	48,336,937	197%
Lease liability	1,029,894	636,231	62%	626,625	64%
Total liabilities	144,782,166	41,395,495	250%	48,963,562	196%
Shareholders' Equity					
Share capital	443,076,163	255,147,246	74%	223,742,335	98%
Warrants & comp options	30,599,602	45,765,710	-33%	11,157,738	174%
Contributed surplus	9,329,724	58,979,770	-84%	58,724,750	-84%
Accumulated other comprehensive loss	(2,121,883)	(2,176,173)	-2%	(1,949,088)	9%
Deficit	(297,094,334)	(291,278,379)	2%	(270,986,848)	10%
Shareholder's Equity	183,789,272	66,438,174	177%	20,688,887	788%
Tot Liabilities and Share. Equity	\$ 328,571,438	\$ 107,833,669	205%	\$ 69,652,449	372%
Cash and short-term investments	\$ 313,398,303	\$ 92,735,905	238%	\$ 53,816,570	482%
Cash per share	\$ 2.38	\$ 0.70	238%	\$ 0.76	213%
Current ratio	2.2	2.3	-5%	1.1	91%
Working capital	170,709,559	52,925,789	223%	7,145,097	2289%
Debt	5,800,000	6,500,000	-11%	6,500,000	-11%

HISTORICAL STOCK PRICE



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