

Ciscom Reports Steady Q1 2025 Earnings Amid Market Challenges

written by Raj Shah | May 8, 2025

May 8, 2025 ([Source](#)) – CISCOR Corp. (CSE: CISC) (OTCQB: CISC) (“**Ciscom**” or “the **Company**”), which actively invests in, acquires, and manages companies within the Information and Communication Technology (“**ICT**”) sector with a specialty in AdTech and MarTech, is pleased to announce that it has filed its interim unaudited consolidated financial statements and management’s discussion and analysis (“**MD&A**”) for the first quarter ended March 31, 2025. The financial statements show that Ciscom’s revenues came under pressure during the period and maintained its cash-basis operating results (EBITDA) before non-recurring and impairment charges when compared to the prior year. The financial statements and the related MD&A are available on www.sedarplus.ca.

Several events have impacted the first quarter of 2025. The Canada Post Corporation (“**CPC**”) labor dispute that began in the fall of 2024 disrupted business and sales overall as direct mail could not be distributed and clients cancelled campaigns. The disruption persisted in the first quarter and is expected to continue to impact the second quarter. A significant client of a Ciscom subsidiary sought bankruptcy protection under the Companies’ Creditors Arrangement Act (CCAA). As a result, the Company lost this revenue stream in 2025 and had to take an account receivable impairment charge in Q1 2025 for work performed in January 2025. During the period there were also one-time restructuring charges linked to downsizing the workforce. Lastly, the Company felt the effects of the

unprecedented US tariffs and their constant amendment leading to an uncertain economic climate, a stock market crash and a general reduction in consumer spending and confidence.

For the first quarter ended March 31, 2025, the Company achieved sales of \$6.678M versus \$7.368M for the same period in 2024, a decrease of \$0.690M or 9.4%. Gross profit for the first quarter ended March 31, 2025 was \$1.174M versus \$1.416M for the same period in 2024, a reduction of \$0.242M or 17.1%. Gross margins were marginally impacted and reduced from 19.2% in 2024 to 17.6% in 2025 – a function of revenue mix.

For the first quarter ended March 31, 2025, the Company reduced its cash-based operating expenses from \$1.177M in the first quarter of 2024 to \$1.005M, representing an improvement of \$0.172M or 14.6%. Consequently, the Company was able to offset a significant part of the gross profit decrease in the first quarter. Most of the cost reductions were related to compensation and professional fees.

Ciscom achieved a cash-based operating profit (EBITDA) from continuing operations of \$0.145M in Q1 2025, in line with Q1 2024 in the amount of \$0.239M.

For the quarter ended March 31, 2025, the Company reported a net loss of \$0.783M compared to a net loss of \$0.259M for the same period in 2024. The difference in the financial performance is directly related to the one-time non-recurring charges totalling \$0.557M.

The Company continues to carry significant non-cash expenses totaling \$0.355M in Q1 2025 (Q1 2024: \$0.402M), which include share-based compensation, intangible assets amortization and deferred charges. Ciscom's operations generated significant positive cash flows of \$1.456M in Q1 2025 (Q1 2024: \$0.675M) – a significant increase of \$0.781M for the quarter considering the

\$0.248M accounts receivable impairment and \$0.309M restructuring charges.

“Following a strong growth year in 2024 that was dampened by the CPC labor dispute and a client’s CCAA filing, we entered 2025 fully aware of the challenges ahead,” reported Michel Pepin, President, CEO and Director of Ciscom Corp. “Like other companies, we could not have predicted the impact related to the US tariffs, their constant amendments and the uncertain economic environment it would create. We acted swiftly to restructure our cost base and took one-time charges which impacted the Q1 bottom line. The economy will continue to face strong headwinds through 2025. On the positive side, the team, led by Dave Mathews and Sheri Rogers, have been signing new clients and our revenue line is shoring up.”

“The current business environment and economic climate are bringing additional challenges and new opportunities to M&A activities,” continued Pepin. “While funds are scarce for small cap issuers and the cost of funds can be on the high side, purchase multiples are softening, thus reducing acquisition prices. Deal structures are currently favoring acquirers. Ciscom continues to be in good standing with its banking partners, reflecting the Company’s rigorous financial management and governance standards. Looking ahead, Ciscom is poised for further growth, with a focus on new acquisitions, client-centric services, and a commitment to operational excellence.”

The company would also like to announce that effective May 31, 2025, Ciscom has ended its advisory agreement with MapleGrow Capital Inc., signed in July 2024.

Non-IFRS Measures

This news release contains non-IFRS financial measures, in particular, EBITDA, calculated as total operating income (loss),

excluding depreciation and amortization, stock-based compensation, other non-cash expenses. The closest comparable IFRS measure is total operating income (loss). Such measures are standard practices for emerging companies with significant non-cash items as part of management disclosures.

The Company believes that this measure provides investors with useful supplemental information about the financial performance of its business, enable comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating its business. Although management believes this financial measure is important in evaluating the Company's performance, it is not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with IFRS.

For a full comparison of non-IFRS financial measures used herein to their nearest IFRS equivalents, please see the section entitled "Non-IFRS Financial Measures" in the Company's MD&A for the year ended March 31, 2025.

About Ciscom Corp.

Ciscom actively invests in, acquires, and manages market leading companies within the Information and Communication Technology (ICT) sector, with a specialty in AdTech and MarTech, targeting SMEs with proven profitability. This approach allows entrepreneurs to monetize their equity and continue contributing, enhancing shareholder value through acquisitions. As a leader in omni-media, particularly in data-driven marketing, Ciscom, through its subsidiaries, optimizes advertising spend across platforms, ensuring high ROI and customer engagement. Strategic ICT acquisitions bolster service

offerings and shareholder value, marking Ciscom as an emergent force in the data driven and technology market. Ciscom became an issuer in June 2023 on the CSE and October 2023 on the OTCQB. Ciscom has two subsidiaries, namely Market Focus Direct and Prospect Media Group. For more information, visit <http://www.ciscomcorp.com>.

CONTACT INFORMATION

Michel Pepin
President & CEO, Director
mpepin@ciscomcorp.com
@CiscomCorp

Cautionary Statement

This news release contains certain statements that constitute forward-looking statements as they relate to Ciscom and its management. Forward-looking statements are not historical facts but represent management's current expectation of future events and can be identified by words such as "believe", "expects", "will", "intends", "plans", "projects", "anticipates", "estimates", "should", "continues" and similar expressions. Although management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that they will prove to be correct or will come to pass. Forward-looking statements include statements and information regarding the anticipated audited financial results, anticipated signing of additional clients, potential future acquisitions and financings, future business and operational focuses of Ciscom, future expectations of growth and profits, future grants of equity incentive awards, future payments of dividends, the future plans for the Company, and other forward-looking information. By their nature, forward-looking statements include assumptions and are subject to inherent risks and

uncertainties that could cause actual future results, conditions, actions, or events to differ materially from those in the forward-looking statements. The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: the capital requirements of the Company and ability to maintain adequate capital resources to carry out its business activities and raise additional capital as required or expedient; the ability to identify target acquisitions and complete such transactions on an economic basis or at all, and successfully integrate those business; the ability to convert the potential in the pursued business opportunities to tangible benefits to the Company or its shareholders; risks of a material adverse change to the Company's assets or revenue; stock market volatility and capital market valuation; the ability of the Company to continue as a going concern; dependence on key personnel; the Company's early stage of development; potential losses on investments; unstable and potentially negative economic conditions; fluctuations in interest rates; competition for investments within the ICT sector; maintenance of client relationships; maintaining a listing on the Canadian Securities Exchange; risks related to potential dilution in the event of future financings; audit risk; litigation risk and risk of future legal proceedings; jurisdictional and regulatory risk; lack of operating cash flow; income tax matters; availability and terms of financing; rising costs related to inflation; and effects of market interest on price of securities and potential dilution; and those factors detailed in the Company's prospectus dated June 5, 2023 and other public documents filed under Ciscom's profile at www.sedarplus.ca. The foregoing list of factors is not exhaustive. Ciscom's assumptions in making any forward-looking statements herein include that no significant events will occur outside of Ciscom's normal course of business and that the material factors referred to in this paragraph will not cause

such forward-looking statements and information to differ materially from actual results or events. Although Cisco has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, or intended. The forward-looking information contained in this press release represents the expectations of Cisco as of the date of this press release and, accordingly, is subject to change after such date. Cisco does not undertake to update this information at any particular time except as required in accordance with applicable laws.