

ZenaTech, Inc.

NASDAQ - ZENA

September 29, 2026

ZenaTech's DaaS Roll-Up, Drone Deployment and Defense Push Continue to Accelerate

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- June quarter revenue increased 316% in 2Q, with DaaS revenue up 446% and accounting for 92% of total revenue.
- ZenaTech has now closed 29 DaaS acquisitions across four countries, 14 U.S. states, and five Canadian provinces. More than 60% of land-surveying revenue is now generated using drones, with the IQ Quad the primary survey platform. We view this as the clearest evidence that ZenaTech is successfully integrating its drone technology into acquired businesses.
- The U.S. surveying industry faces a severe labor shortage, with the average licensed surveyor age 60 and only 483 passing the final national exam in 2024. ZenaTech is using drones to reduce fieldwork and allow scarce licensed surveyors to cover substantially more acreage.
- Three ZenaTech drones have advanced to the cybersecurity phase of the Blue UAS process, while the IQ Quad has now been submitted for Blue UAS certification. Our 2027 model includes only \$7 million of external drone revenue, leaving considerable upside if the company wins a material military program.
- Our \$4 target uses 191.2 million fully diluted shares and gives credit for \$31.7 million of potential warrant proceeds. Including the C\$40 million of revenue management expects from pending acquisitions produces \$75.6 million of pro forma 2027 revenue and a 9.6x EV/revenue multiple.

Rating	Buy	In USD	1.417	USD/CAD exchange rate			
Target Price	\$4.00	Earnings Per Share	Normalized to exclude unusual items				
Ticker Symbol	ZENA	FYE - December	2024	2025	2026E	2027	
Market	NASDAQ	1Q - March	(\$0.01)	(\$0.00)	(\$0.35) A	(\$0.13)	
Stock Price	\$1.39	2Q - June	(\$0.00)	(\$0.00)	(\$0.20) A	(\$0.13)	
52 wk High	\$7.11	3Q - September	(\$0.03)	(\$0.24)	(\$0.18)	(\$0.12)	
52 wk Low	\$1.15	4Q - December	(\$0.13)	(\$0.43)	(\$0.17)	(\$0.12)	
		Year	(\$0.17)	(\$0.93)	(\$0.83)	(\$0.50)	
Shares Outstanding:	94.9 M	Revenue (\$mm)	1.4	9.1	33.5	47.3	
Public Market Float:	61.9 M	EV/Rev	88.5X	13.5X	3.7X	2.6	
Avg. Daily Volume	3,324,232	EBITDA (\$mm)	(1.0)	(14.1)	(43.8)	(9.7)	
Market Capitalization:	\$131.4 M	EV/EBITDA	-124.8X	-8.7X	-2.8X	-12.7	
Institutional Holdings:	8.4%						
Dividend Yield:	0.0%						

Risks/Valuation

- **Execution risk remains the primary concern:** ZenaTech must successfully integrate a large number of acquisitions, improve drone utilization across its DaaS network, and convert certification progress into commercial and government contracts while managing dilution and capital requirements.
- **Valuation reflects platform economics rather than hardware sales:** Our target price is based on a revenue multiple that assigns ZenaTech a premium to single-vertical drone peers, reflecting its combination of drones, DaaS operations, enterprise software, and AI/quantum optionality.

Company description: ZenaTech is a technology company focused on autonomous drones, Drone-as-a-Service (DaaS), enterprise Software-as-a-Service (SaaS), artificial intelligence, and quantum computing. The company operates a growing network of surveying and infrastructure service businesses, develops proprietary drone platforms through its ZenaDrone subsidiary, and owns a portfolio of enterprise software applications serving commercial and government customers.

ZenaTech's DaaS Roll-Up, Drone Deployment and Defense Push Continue to Accelerate

Last week, ZenaTech filed financial results for the six months ended June 30. Revenue growth was strong and driven mainly by DaaS acquisitions, but in our opinion the more interesting story is everything that has happened since the quarter ended. ZenaTech continues to build what we view as a uniquely vertically integrated drone company combining proprietary hardware, internally sourced components, Drone as a Service operations, enterprise software and an expanding defense business. ZenaTech has now closed 29 DaaS acquisitions across four functional areas and a broad range of end markets. Its DaaS operations span four countries, 14 U.S. states and five Canadian provinces.

# of acqs	Function	End market
23	Land surveying	Construction, real estate, residential developers, municipal, zoning, aviation, utilities, powerline, oil and gas, environmental/regulatory, solar, railroad, airports, transportation, mining, FEMA, forestry, viticulture, wildfire/disaster, natural resources, public works
3	Civil / structural engineering	Public works, builders, government, multi-province / multi-state infrastructure
2	Exterior cleaning / power washing	Municipal, commercial property, residential
1	3D / telecom modeling	Telecom

Source: Company reports

Land surveying accounts for 23 acquisitions and remains the largest DaaS category, serving customers across construction, real estate, residential development, municipal government, utilities, powerlines, oil and gas, environmental and regulatory work, solar, railroads, airports, transportation, mining, forestry, viticulture, wildfire and disaster response, natural resources and public works. ZenaTech has also acquired three civil and structural engineering firms, two exterior cleaning and power-washing businesses and one 3D and telecom modeling company.

33 Press Releases in Four Months Highlight the Progress

Since the beginning of June, ZenaTech has issued 33 press releases, reflecting the pace at which it is building both its DaaS platform and drone technology portfolio. The announcements include seven DaaS acquisition closings, expansion into new geographies and end markets, progress toward Blue UAS qualification for multiple drone platforms, government and defense initiatives, agricultural regulatory approvals, new prototypes and testing milestones, expansion of U.S. manufacturing capacity and continued development of internally sourced components.

Revenue Up 316% Driven by DaaS Acquisitions

June-quarter revenue increased 316%, with Drone as a Service revenue up 446% and Software as a Service revenue up 6%. DaaS generated C\$8.63 million of the company's C\$9.33 million of quarterly revenue, or 92% of the total. The EBITDA loss was C\$20.7 million, largely reflecting development, acquisition and integration spending.



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We view the rapid growth of DaaS as more relevant to the investment thesis than the current consolidated loss. ZenaTech is buying established service businesses with customers, employees, licenses and local relationships, then introducing its own drones and software into those operations. The acquired businesses provide an immediate internal market for ZenaTech's hardware rather than requiring the company to manufacture drones first and then search for customers.

DaaS Is Much More Than Surveying

Surveying is currently the largest DaaS business, but ZenaTech is applying the same model to other labor-intensive services. The company has acquired exterior cleaning and power-washing businesses and is developing a tethered version of the IQ Square for these applications. The tether would supply both electrical power and water, allowing the drone to remain airborne while washing windows and building exteriors. This could reduce the use of lifts, scaffolding and workers operating at height while allowing ZenaTech to apply its own hardware to another acquired service category. The company is also pursuing a franchise model for drone-based power washing following its acquisition of Green Earth Powerwashing. A franchise structure could allow ZenaTech to expand geographic coverage without acquiring every local operator. Its civil and structural engineering acquisitions provide another route for drone deployment across infrastructure inspection, public works, and construction, while its 3D and telecom modeling business expands the DaaS model into telecom infrastructure.

Surveying Is the First Large-Scale DaaS Use Case

Land surveying provides the clearest evidence that ZenaTech is integrating its own drones into acquired businesses. More than 60% of land-surveying revenue is now derived from drone-based surveys. Most of the acquired businesses historically relied on the traditional surveying method of walking the land, which has been the practice since young George Washington worked as a surveyor. This gives us our first real measure of how quickly the company is changing their workflows.

The IQ Quad is now the company's primary land-surveying drone. It was designed for LiDAR mapping, 3D terrain modeling and land-survey applications. The much larger ZenaDrone 1000 is used in less than 5% of DaaS surveys. Smaller jobs continue to be performed manually where deploying a drone provides little advantage. We have visited the websites of nearly every acquisition and would characterize many of them as small businesses operated by long-time owners, often sole proprietors in their sixties. We are pleasantly surprised at how readily these operators appear to have adopted the new technology.

A Labor Shortage Looking for Automation

As we noted in our June 8 initiation report, the U.S. land-surveying industry faces a severe and worsening manpower shortage. According to the National Society of Professional Surveyors Workforce Development Committee, the average licensed professional surveyor in the U.S. was 60 years old in 2025. There are only about 40,000 licensed professional surveyors nationwide. The replacement pipeline is nowhere near sufficient. According to the National Council of Examiners for Engineering and Surveying, just 483 individuals passed the second and final national surveying exam in 2024, while only 583 took the first-level exam. The average person beginning the exam process was 35 years old, with completion occurring at an average age of 40. New entrants are therefore already middle-aged by the time they become fully licensed.

Demand is moving in the opposite direction. Residential development, infrastructure, data centers, industrial projects, utilities and energy development all require surveying. Traditional surveying can require crews to physically walk large sites, while drones can collect data over much larger areas in considerably less time. ZenaTech's strategy is straightforward. Acquire the licensed surveyors, customer relationships and local operating businesses that are increasingly difficult to recreate, then use drones to reduce the amount of field work required.



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The Acquisition Pipeline Is Still Large

Management has said that acquisitions currently in the LOI stage would add C\$40 million, or \$28.2 million, of revenue during their first 12 months following closing. Our 2027 revenue forecast is \$47.6 million before these transactions. Including the full acquisition pipeline would increase pro forma revenue to \$75.6 million. We believe that investors need to look at both sides of the acquisition strategy. The pending transactions add considerable revenue, but the company has also issued substantial amounts of common stock, preferred stock and warrants to finance its growth. Our valuation incorporates both.

More Than DaaS

Several recent announcements expand ZenaTech beyond its acquired service businesses. The Irish Aviation Authority authorized drone-based crop and soil nutrient applications in Ireland. The company is also developing the IQ Octo for spraying and seeding applications. ZenaWorx has added digital terrain modeling to its construction-monitoring software and signed its first AI data-center customer. Data centers fit naturally with several existing ZenaTech capabilities, including surveying, construction monitoring, mapping and infrastructure inspection. ZenaTech also acquired ESM Software, adding strategy-execution and compliance software with customers in government, healthcare and financial services. SaaS is now a relatively small percentage of consolidated revenue, but it remains another part of the vertically integrated platform.

America Needs Millions More Drones Annually to Keep up With China and Russia

Worldwide militaries have become major buyers of drone technology, with the ongoing war in Ukraine demonstrating their usefulness on the battlefield. Based on published reports, Ukraine is expected to produce roughly 6.5 million drones this year, Russia is producing roughly 1.5 million annually, and China is estimated to be producing more than 10 million drones annually. U.S. military procurement remains far smaller. At a time when America's potential adversaries are producing drones by the millions, the U.S. military is working aggressively to expand domestic manufacturing and procurement. Pentagon initiatives are designed to accelerate purchases, strengthen the domestic component supply chain and put inexpensive drones into the hands of military units much faster than under traditional aircraft procurement programs. Companies such as Red Cat, Teledyne and Anduril are already selling into this market, but U.S. demand will require far more capacity than current suppliers can provide. ZenaTech is building its manufacturing and certification infrastructure while the Pentagon is attempting to expand the domestic supplier base.

Three Drones Are Already in the Blue UAS Process

ZenaTech is pursuing qualification of several of its drones for sale to the U.S. military and other federal agencies through the Blue UAS program. The Blue UAS Cleared List gives government buyers a streamlined roster of drone systems and components that have undergone cybersecurity and supply-chain review. ZenaTech is using the Green-to-Blue pathway administered through AUVSI. Three platforms, the ZenaDrone 1000, IQ Square and IQ Nano, have advanced into the cybersecurity phase. They have completed the earlier onboarding, bill-of-materials and NDAA supply-chain documentation stages and are undergoing cybersecurity and third-party penetration testing.

- The ZenaDrone 1000 is the company's largest drone and its flagship defense-oriented platform. The VTOL aircraft can carry 40 kilograms, or 88 pounds, and is designed for surveillance, reconnaissance, inspection and cargo missions. ZenaTech has conducted paid trials with the U.S. Air Force and Navy Reserve, including transportation of temperature-controlled medical supplies.
- The IQ Square is a smaller outdoor drone designed for surveying, infrastructure inspection, mapping, and reconnaissance. Its commercial and military applications overlap considerably. The same aircraft that can inspect commercial infrastructure can be used for military bases, government facilities and reconnaissance.

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- The IQ Nano shows why military demand extends well beyond combat drones. The small indoor aircraft is designed for warehouse inventory, barcode scanning, security and autonomous operation where GPS is unavailable. The military operates enormous warehouses, depots, armories and logistics facilities with the same inventory-management requirements faced by commercial warehouses. The IQ Nano could generate military demand without ever seeing a battlefield.
- A fourth platform, the IQ Quad, has now been submitted for Blue UAS certification. This is also ZenaTech's primary commercial land-surveying drone, creating another overlap between the DaaS business and a potential government market.

Counter-Drones, Underwater Drones and a Mothership

Some of ZenaTech's most unusual defense products are at earlier stages and are not among the three platforms currently disclosed as being in the Blue UAS cybersecurity phase.

- The IQ Aqua is an autonomous underwater vehicle designed for commercial underwater inspection and military mine detection. ZenaTech moved the IQ Aqua into U.S. field testing near Pensacola, Florida in July. Testing covers stability, maneuverability, sensors, and autonomous navigation in controlled and open-water conditions.
- The Interceptor P-1 is designed specifically to destroy hostile drones. It is a single-use autonomous VTOL interceptor that physically strikes an incoming drone, providing a lower-cost alternative to firing expensive missiles at inexpensive enemy aircraft. ZenaTech began flight testing in July and has targeted a price below \$5,000.
- The ZenaDrone 2000 is a gasoline-powered, long-endurance aircraft designed to work as part of the company's counter-UAS system. The concept includes the IQ Glider, an autonomous marine launch and refueling platform, and the disposable Interceptor P-1. The larger aircraft provides persistence while the P-1 provides the inexpensive kinetic element.

Building the Supply Chain, Not Just the Drones

Defense procurement depends on where the underlying components come from as much as where the final aircraft is assembled. ZenaTech has been moving more component development and production in-house through Spider Vision Sensors in Taiwan. The company has begun flight testing internally developed printed circuit boards on the ZenaDrone 1000 and IQ Nano. It is also developing cameras and sensors through its own supply chain. This reduces dependence on Chinese components while giving ZenaTech more control over design changes, availability and certification documentation. ZenaTech is expanding its Arizona manufacturing operation to support U.S. production. The company has announced plans to triple the square footage of the Arizona facility and expand domestic assembly, production and testing of commercial and defense drones. It also maintains manufacturing capability in the UAE, component operations in Taiwan, and is establishing counter-UAS manufacturing and testing operations in Ukraine.

Our Drone Forecast Assumes First Low-Rate External Sales Next Year

ZenaTech currently manufactures drones primarily for internal deployment across its DaaS operations rather than for third-party hardware sales. The acquired surveying and field-service companies provide a captive market for internally developed aircraft while ZenaTech develops an external government and defense sales channel. We model only \$7 million of external drone revenue in 2027. This is more of a placeholder than a traditional forecast because the company has not disclosed enough information on production contracts, unit volumes or average selling prices to build a detailed hardware model. We prefer to model some revenue rather than assume zero outside sales.

Our \$7 million estimate assumes sales of just 70 drones at an average price of \$100,000. Both assumptions could prove low if ZenaTech gains traction in the U.S. defense market. The \$100,000 figure is simply a blended modeling assumption. The ZenaDrone 1000 is a much larger and more expensive aircraft than the IQ-series drones, while the Interceptor P-1 is being developed at a price below \$5,000. Actual revenue will depend heavily on product mix. Seventy aircraft is also a small production run relative to the manufacturing capacity ZenaTech has discussed. Company

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materials have cited production capacity of 10 to 15 ZenaDrone 1000 aircraft per month and more than 25 IQ-series drones per month at its UAE operation. The Arizona expansion adds capacity for U.S. defense and commercial production.

Even if the full \$7 million is generated, external drone hardware would represent less than 10% of our pro forma 2027 revenue after including pending acquisitions. DaaS remains the revenue engine in our model. Military and other external hardware sales provide upside without being required to reach our current revenue forecast. A single material military program could change that quickly. Our model assumes only 70 external drone sales despite three platforms already having reached the Blue UAS cybersecurity phase, another being prepared for submission, an underwater mine-detection vehicle in field testing, a counter-drone interceptor in flight testing, and an expanding U.S. manufacturing operation.

The Cap Table Has Changed as Fast as the Company

ZenaTech has raised substantial capital to fund acquisitions and development. It currently has 94.9 million common shares outstanding plus 185,000 super-voting shares. The company also has 27.57 million preferred shares convertible into 82.71 million common shares and warrants representing another 13.4 million shares. Fully diluted shares total 191.2 million. Warrants with exercise prices below our \$4 target represent 13.1 million shares and would generate \$31.7 million in cash if exercised. This is in addition to \$24.5 million of cash and marketable investments at June 30. We believe the company has adequate funding available for its acquisition pipeline and operating losses, although investors need to account for the corresponding dilution.

Valuation Should Take into Account the Recent Funding, as Well as the Revenue to be Produced from the Proceeds

Category	Security Type	Shares Underlying	Strike	Expiration
Common Equity	Common Shares Outstanding	94,884,193		
	Super voting	185,000		
Preferred Equity	27.57 million convertible at 1:3	82,710,000		
Warrant Overhang		1,250,000	\$1.77	11/15/2026
		41,666	\$8.52	12/31/2026
		291,829	\$10.28	12/31/2027
		11,792,455	\$2.50	11/18/2031
	Total Warrant Overhang	13,375,950		
TOTAL BASIS	Fully Diluted Shares	191,155,143		

In millions except per share price/ U.S. dollars

	Current	Target
Share Price	\$1.39	\$4.00
Shares	95.07	191.16
Market capitalization	\$131.67	\$764.62
(+) Total Debt	\$15.45	\$15.45
(-) Cash & Equivalents	(24.41)	(24.41)
(-) Cash from warrant exercises		(31.69)
ENTERPRISE VALUE (EV)	\$122.71	\$723.96
2027E Revenue	\$47.35	\$47.35
LOI revenue		\$28.24
Pro forma revenue		\$75.59
EV/Revenue	2.6x	9.6x

Source: Company reports and Litchfield Hills estimates



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At the current \$1.46 share price, ZenaTech trades at just 2.7x our 2027 revenue estimate. Our \$4 target uses the fully diluted share count of 191.2 million and assumes receipt of \$31.7 million from warrants with exercise prices below the target. Including the \$28.4 million of revenue management expects from acquisitions currently in the LOI stage brings pro forma 2027 revenue to \$76.0 million and produces a target enterprise value of \$724.0 million, or 9.5x pro forma revenue. Looking only at the expanded share count while ignoring the acquired and pending revenue would understate what the company has built. Giving ZenaTech credit for revenue from pending acquisitions while ignoring the securities already issued to finance its growth would overstate the economics.

DaaS Pays the Bills, Defense Provides the Upside

ZenaTech is becoming easier to understand as the pieces come together. DaaS currently produces nearly all of the revenue. Surveying provides the largest installed customer base and the first large-scale deployment of the company's drones. Power washing, engineering, and telecom modeling broaden the DaaS model. Software supports the operating platform. Defense opens a market that remains lightly represented in our estimates. Since June 1, the company has issued 33 press releases, closed seven DaaS acquisitions, moved multiple drones further through certification and testing, expanded its defense product portfolio, added manufacturing capability, and continued converting acquired service operations to its own drone technology. Our model still depends primarily on businesses that are already generating revenue. External drone sales and U.S. military procurement contribute relatively little to our forecast. If either develops at scale, the upside would come on top of a DaaS business that is already producing more than 90% of quarterly revenue.



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ZenaTech Revenue Forecast

In Canadian Dollars																	
Fiscal years ended Dec. 31																	
	1Q	2Q	2025E 3Q	4Q	YEAR	1QA	2QA	2026E 3Q	4Q	YEAR		1Q	2Q	2027E 3Q	4Q	YEAR	
Drone as a Service	603,348	1,340,000	3,568,500	4,593,886	10,105,734	7,812,462	8,629,582	14,000,120	14,098,481	44,540,645		14,098,481	14,098,481	14,098,481	14,098,481	56,393,925	
YoY growth						1194.9%	544.0%	292.3%	206.9%	340.7%		80.5%	63.4%	0.7%	0.0%	26.6%	
Locations - weighted average	1.62	4.57	10.09	16.70	8.25	24.00	26.32	42.70	43.00			43.00	43.00	43.00	43.00		
Revenue per location	372,437	293,152	353,667	275,083	1,225,643	325,519	327,872	327,872	327,872			327,872	327,872	327,872	327,872		
Sequential						18.3%	0.7%	0.0%	0.0%			0.0%	0.0%	0.0%	0.0%		
Annual growth																	
Software as a Service	532,306	901,662	776,908	596,112	2,806,988	589,857	702,704	768,161	919,772	2,980,495		919,772	919,772	919,772	919,772	3,679,089	
YoY growth	-10.0%	143.0%	137.0%	-11.5%	43.0%	10.8%	-22.1%	-1.1%	54.3%	6.2%		55.9%	30.9%	19.7%	0.0%	23.4%	
Subsidiaries	7.33	9.00	9.00	9.00	8.58	9.31	10.95	11.40	13.00			13.00	13.00	13.00	13.00		
Revenue per sub	72,620	100,185	86,323	66,235	327,059	63,357	64,174	67,383	70,752			70,752	70,752	70,752	70,752		
Sequential growth						-4.3%	-80.4%	5.0%	5.0%			0.0%	0.0%	0.0%	0.0%		
Drone Sales												1,000,000	1,500,000	2,000,000	2,500,000	7,000,000	
Units												10	15	20	25		
Revenue per unit												\$100,000	\$100,000	\$100,000	\$100,000		
Total	1,135,654	2,241,662	4,345,408	5,189,998	12,912,722	8,402,319	9,332,286	14,768,281	15,018,253	47,521,139		16,018,253	16,518,253	17,018,253	17,518,253	67,073,014	
	92.0%	504.1%	1225.3%	670.8%	557.6%	639.9%	316.3%	239.9%	189.4%	268.0%		90.6%	77.0%	15.2%	16.6%	41.1%	

Source: Company reports and Litchfield Hills Research

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ZenaTech Income Forecast

In Canadian Dollars
Fiscal years ended December 31

	2025					2026E					2027E				
	1Q	2Q	3Q	4Q	YEAR	1Q	2Q	3Q	4Q	YEAR	1Q	2Q	3Q	4Q	YEAR
Total Revenue	1,135,654	2,241,662	4,345,408	5,189,998	12,912,722	8,402,319	9,332,286	14,768,281	15,018,253	47,521,139	16,018,253	16,518,253	17,018,253	17,518,253	67,073,014
Year-over-year growth	92.0%	504.1%	1225.3%	670.8%	557.6%	639.9%	316.3%	239.9%	189.4%	268.0%	90.6%	77.0%	15.2%	16.6%	41.1%
Sequential growth		97.4%	93.8%	19.4%		61.9%	11.1%	58.2%	1.7%		6.7%	3.1%	3.0%	2.9%	
Drone sales COGS											500,000	750,000	1,000,000	1,250,000	3,500,000
As a percent of revenue											50.0%	50.0%	50.0%	50.0%	50.0%
Bad debts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As a percent of revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	
Programming and support fees	91,952	597,479	1,728,466	1,855,617	4,273,514	2,071,104	3,714,536	3,714,536	3,714,536	13,214,712	2,000,000	2,000,000	2,000,000	2,000,000	8,000,000
As a percent of revenue	8.1%	26.7%	39.8%	35.8%	33.1%	24.6%	39.8%	25.2%	24.7%	27.8%	12.5%	12.1%	11.8%	11.4%	11.9%
Sales and marketing	1,600,396	1,636,621	1,010,474	2,398,749	6,646,240	3,989,586	7,118,782	7,118,782	7,118,782	25,345,932	4,000,000	4,000,000	4,000,000	4,000,000	16,000,000
As a percent of revenue	140.9%	73.0%	23.3%	46.2%	51.5%	47.5%	76.3%	48.2%	47.4%	53.3%	25.0%	24.2%	23.5%	22.8%	23.9%
Professional fees	302,309	191,991	215,265	813,240	1,522,805	1,411,719	1,482,748	1,482,748	1,482,748	5,859,963	1,500,000	1,500,000	1,500,000	1,500,000	6,000,000
As a percent of revenue	26.6%	8.6%	5.0%	15.7%	11.8%	16.8%	15.9%	10.0%	9.9%	12.3%	9.4%	9.1%	8.8%	8.6%	8.9%
Wages and benefits	805,947	2,413,056	3,467,666	6,735,164	13,421,833	8,464,488	12,095,294	12,095,294	12,095,294	44,750,370	8,700,000	8,700,000	8,700,000	8,700,000	34,800,000
As a percent of revenue	71.0%	107.6%	79.8%	129.8%	103.9%	100.7%	129.6%	81.9%	80.5%	94.2%	54.3%	52.7%	51.1%	49.7%	51.9%
General, administrative and other	658,821	943,832	1,748,976	3,629,483	6,981,112	3,784,845	5,537,985	5,537,985	5,537,985	20,398,800	4,000,000	4,000,000	4,000,000	4,000,000	16,000,000
As a percent of revenue	58.0%	42.1%	40.2%	69.9%	54.1%	45.0%	59.3%	37.5%	36.9%	42.9%	25.0%	24.2%	23.5%	22.8%	23.9%
Total Cash Operating Expenses	3,459,425	5,782,979	8,170,847	15,432,253	32,845,504	19,721,742	29,949,345	29,949,345	29,949,345	109,569,777	20,200,000	20,200,000	20,200,000	20,200,000	80,800,000
As a percent of revenue	304.6%	258.0%	188.0%	297.3%	254.4%	234.7%	320.9%	202.8%	199.4%	230.6%	126.1%	122.3%	118.7%	115.3%	120.5%
EBITDA	(2,323,771)	(3,541,317)	(3,825,439)	(10,242,255)	(19,932,782)	(11,319,423)	(20,617,059)	(15,181,064)	(14,931,092)	(62,048,638)	(4,181,747)	(3,681,747)	(3,181,747)	(2,681,747)	(13,726,986)
EBITDA margin	-204.6%	-158.0%	-88.0%	-197.3%	-154.4%	-134.7%	-220.9%	-102.8%	-99.4%	-130.6%	-26.1%	-22.3%	-18.7%	-15.3%	-20.5%
Finance expenses	1,617,549	2,563,359	7,275,931	8,420,440	19,877,279	5,083,400	(1,573,428)	(1,573,428)	(1,573,428)	363,116	3,500,000	3,500,000	3,500,000	3,500,000	14,000,000
Amortization and depreciation	122,135	249,054	426,216	1,384,355	2,181,760	1,375,487	1,218,818	1,375,000	1,375,000	5,344,305	1,375,000	1,375,000	1,375,000	1,375,000	5,500,000
Stock-based compensation	395,000	35,000	465,000	1,993,503	2,888,503	8,874,251	67,275	8,874,000	8,874,000	26,689,526	8,874,000	8,874,000	8,874,000	8,874,000	35,496,000
Stock issued for services	151,105	84,439	84,438	-	319,982	-	-	-	-	-	-	-	-	-	-
Operating Income	(4,609,560)	(6,473,169)	(12,077,024)	(22,040,553)	(45,200,306)	(26,652,561)	(20,329,724)	(23,856,636)	(23,606,664)	(94,445,585)	(17,930,747)	(17,430,747)	(16,930,747)	(16,430,747)	(68,722,986)
Operating margin	-699.7%	-685.8%	-690.5%	-424.7%	-647.5%	-704.2%	-367.1%	-430.8%	-426.3%	-198.7%	-448.3%	-435.8%	-423.3%	-410.8%	-102.5%
Other (Income)/Expenses															
FX (loss)/gain	(7,861)	(344,584)	(204,774)	590,167	32,948	31,187	(76,227)	-	-	(45,040)	-	-	-	-	-
Unrealized (loss)/gain				(139,142)	(139,142)	57,580	(2,687,985)	-	-	(2,630,405)	-	-	-	-	-
Interest income	7,102	(7,074)	9,874	78,524	88,426	13,889	549,039	-	-	562,928	-	-	-	-	-
Pretax Income	(4,610,319)	(6,121,511)	(12,271,924)	(21,511,004)	(45,218,074)	(26,549,905)	(22,544,897)	(23,856,636)	(23,606,664)	(96,558,102)	(17,930,747)	(17,430,747)	(16,930,747)	(16,430,747)	(68,722,986)
Taxes	-	-	-	590,167	-	-	-	-	-	-	-	-	-	-	-
Tax rate	0.0%	0.0%	0.0%	-2.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income	(4,610,319)	(6,121,511)	(12,271,924)	(22,101,171)	(45,218,074)	(26,549,905)	(22,544,897)	(23,856,636)	(23,606,664)	(96,558,102)	(17,930,747)	(17,430,747)	(16,930,747)	(16,430,747)	(68,722,986)
Net income margin	-406.0%		-282.4%	-425.8%	-350.2%	-316.0%	-241.6%	-161.5%	-157.2%	-203.2%	-111.9%	-105.5%	-99.5%	-93.8%	-102.5%
Diluted shares outstanding	2,284,301,160	2,284,301,160	36,562,646	36,562,646	34,183,348	53,774,981	80,977,561	95,977,561	96,027,561	81,689,416	96,077,561	96,127,561	96,177,561	96,227,561	96,152,561
Seq change				-		17,212,335	27,202,580	15,000,000	50,000		50,000	50,000	50,000	50,000	
EPS diluted - continuing	(\$0.00)	(\$0.00)	(\$0.34)	(\$0.60)	(\$1.32)	(\$0.50)	(\$0.28)	(\$0.25)	(\$0.25)	(\$1.18)	(\$0.19)	(\$0.18)	(\$0.18)	(\$0.17)	(\$0.71)

Source: Company reports and Litchfield Hills Research



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