



CISCOM CORP (CISC) Q3 2023 earnings release – growth and positive results

(Toronto, ON. November 7, 2023) Ciscom Corp. (CISC) (“Ciscom” or “the Company”) is pleased to announce that it has filed its quarterly results for the period ended September 30, 2023 (Q3) on November 7, 2023.

Year to date September 30, 2023 Ciscom reported sales of \$21.5M versus \$2.1M for the prior year, an increase of \$19.4M or 929%. This increase is tied to the acquisition of PMG that closed September 30, 2022. On a pro-forma basis (including PMG in the 2022 comparative numbers), sales for the first nine months of 2022 were \$21.2M, an increase of \$0.3M or 1.5%. A majority of the Company’s revenues come from the retail sector which has been impacted by the current economic conditions. Retail store locations have been closed and a number of brands are no longer. Budgets have been reduced.

Year to date September 30, 2023 Ciscom reported gross profit of \$4.2M versus \$0.4M for the prior year, an increase of \$3.8M or 967%. On a pro-forma basis, gross profit for the first nine months of 2022 were \$4.0M, an increase of \$0.2M or 5.5%. The gross margin increased from 18.7% to 19.5%, a 4.3% increase year-over-year. This improvement is related to the retirement of low margins projects. The Company’s was able to increase its sales and gross profit despite industry compression – a remarkable accomplishment when considering the difficult economic environment.

For the quarter ended September 30, 2023, the Company had a net loss of \$30k versus a net loss of \$720k for the same period in 2022. The Company had a net loss for the first nine months of 2023 of \$1.096M versus a net loss of \$1.417M for the same period in 2022. The 2023 expenses include \$237k of restructuring costs and significant non-recurring and non-cash expenses (amortization).

On a cash basis, for the nine months ended September 30, 2023, the Company had a net income of \$107k versus a net loss of \$782k, an improvement of \$889k year-over-year.

On a cash basis, for the nine months ended September 30, 2023, the Company had a normalized operating profit (EBITDA) of \$986k versus a net operating loss of \$379k for the same period in 2022, a significant improvement of \$1,365k year-over-year.

Before June 30, 2023, year-end and quarterly financial Statements along with their respective MD&As for prior periods are in the Final Prospectus filed on SEDAR. The year-end Financial Statements have been audited and the quarterly financial statements were reviewed. On a pro-forma basis for the year ended December 31, 2022, Ciscom’s sales were \$33.8M with a gross profit of \$5.9M.

The Company reduced its operating expenses by an annualized amount of \$625k that have started to materialize in Q3 2023.



“The Company had a solid quarter as a function of delivering on business strategy which was complemented by the solid contribution of all team members. We are building a solid and profitable business with significant recurring sales. Cisco has the infrastructure in place and solid leaders and operators. We are targeting both organic and acquisition growth. Our team members coupled with our proprietary technology are the basis of our continued performance, market relevance and competitiveness”, said Michel Pepin Cisco’s President & CFO.

Cisco is investing in and managing qualified companies active in the Information, Communication and Technology (“ICT”) sector – a broad area. The first 2 acquisitions are in the AdTech/MarTech sector dealing with big data, analytics and technology. On October 17, 2023, the Company terminated its agreement with Hummingbird Capital Inc.



About Cisco

Cisco Corp. is a Canadian holding (roll-up) company which is acquiring and managing companies in the ICT sector. Potential acquisition targets are entrepreneurs seeking equity, transition or that do not have a defined succession plan. Target companies are generally substantial SMEs and have a proven track record/history of profitability.

With this approach Cisco enables owners/founders to crystalize the equity, while remaining active in the business. Consequently, acquisitions are immediately accretive to shareholders’ value. For more information, please visit www.ciscocorp.com

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This news release contains certain statements that constitute forward-looking statements as they relate to Cisco 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.

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. If and when forward-looking statements are set out in this new release, Cisco will also set out the material risk factors or assumptions used to develop the forward-looking statements. Except as expressly required by applicable securities laws, Cisco assumes no obligation to update or revise any forward-looking statements. The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to; SARS-CoV-2; reliance on key personnel; shareholder and regulatory approvals; jurisdictional risk; risks of future legal proceedings; income tax matters; availability and terms of financing; rising costs related to inflation; effect of market interest on price of securities and potential dilution.

