

ZOOMD TECHNOLOGIES LTD

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2025

ZOOMD TECHNOLOGIES LTD

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ZOOMD TECHNOLOGIES Ltd.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(USD in thousands)

	June 30,		December 31,
	2025	2024	2024
	(Unaudited)		(Audited)
<u>Assets</u>			
Current assets			
Cash and cash equivalents	16,455	4,392	9,235
Trade receivables	11,983	8,067	10,406
Other receivables and prepaid expenses	269	257	174
	<u>28,707</u>	<u>12,716</u>	<u>19,815</u>
Non-current assets			
Long-term deposit	147	174	133
Fixed assets, net	259	220	261
Rights to use assets	1,276	1,598	1,483
Intangible assets	6,927	7,293	6,962
	<u>8,609</u>	<u>9,285</u>	<u>8,839</u>
Total assets	<u>37,316</u>	<u>22,001</u>	<u>28,654</u>
<u>Equity and liabilities</u>			
Current liabilities			
Trade payables	5,263	2,819	5,063
Short-term bank credit	-	2,006	2,002
Short-term lease liability	173	405	180
Other payables and accrued expenses	1,930	3,720	2,232
	<u>7,366</u>	<u>8,950</u>	<u>9,477</u>
Non-current liabilities			
Provisions	-	280	-
Lease liabilities	1,262	1,219	1,377
Reserve for employee benefits	108	101	99
	<u>1,370</u>	<u>1,600</u>	<u>1,476</u>
Shareholders' equity			
Share capital and premium	39,516	39,499	39,499
Other reserves	5,989	5,929	5,962
Accumulated deficit	(16,925)	(33,977)	(27,760)
	<u>28,580</u>	<u>11,451</u>	<u>17,701</u>
Total equity and liabilities	<u>37,316</u>	<u>22,001</u>	<u>28,654</u>

"Amit Bohensky"

Amit Bohensky
Chairman of the board

"Ido Almany"

Ido Almany
CEO

"Tsvika Adler"

Tsvika Adler
CFO

The accompanying notes are an integral part of the financial statements.

ZOOMD TECHNOLOGIES LTD.
CONSOLIDATED STATEMENTS OF NET INCOME AND COMPREHENSIVE INCOME
(USD in thousands, except for per share and shares data)

	For the six months ended June 30,		For the three months ended June 30,		Year ended December 31,
	2025	2024	2025	2024	2024
	(Unaudited)				(Audited)
Revenue	37,736	22,722	19,564	13,977	54,496
Cost of revenue	21,337	13,960	11,211	8,645	32,994
Gross profit	16,399	8,762	8,353	5,332	21,502
Operating expenses:					
Research and development expenses	1,043	1,503	541	770	2,747
Selling, administrative and general expenses	5,150	4,281	2,519	2,173	9,520
Other income	-	-	-	-	(280)
	6,193	5,784	3,060	2,943	11,987
Operating Income	10,206	2,978	5,293	2,389	9,515
Finance Income	914	60	870	8	81
Finance expense	254	331	64	237	666
Finance expense, net	(660)	271	(806)	229	585
Net Income before income taxes	10,866	2,707	6,099	2,160	8,930
Income tax	31	16	19	8	22
Net Income and comprehensive income	10,835	2,691	6,080	2,152	8,908
Net Income per share:					
Basic	0.11	0.03	0.06	0.02	0.09
Diluted	0.10	0.03	0.06	0.02	0.08
Shares used in calculation of net income per share:					
Basic	103,028,514	103,152,463	103,042,772	103,152,463	102,970,686
Diluted	106,706,214	103,661,982	106,174,407	103,183,873	106,189,398

The accompanying notes are an integral part of the financial statements.

ZOOMD TECHNOLOGIES Ltd.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(USD in thousands, except for per share and shares data)

For the six months ended June 30, 2025 (Unaudited)

	Number of Shares	Share capital and premium	Reserve for share-based compensation and other reserves	Accumulated deficit	Total shareholders' equity
Balance - January 1, 2025	98,749,714	39,499	5,962	(27,760)	17,701
Share-based payment	-	-	27	-	27
Exercise of options	422,285	17	-	-	17
Comprehensive income for the period	-	-	-	10,835	10,835
Balance - June 30, 2025	<u>99,171,999</u>	<u>39,516</u>	<u>5,989</u>	<u>(16,925)</u>	<u>28,580</u>

For the six months ended June 30, 2024 (Unaudited)

	Number of Shares	Share capital and premium	Reserve for share-based compensation and other reserves	Accumulated deficit	Total shareholders' equity
Balance - January 1, 2024	98,329,339	39,499	5,855	(36,668)	8,686
Share-based payment	-	-	74	-	74
Comprehensive income for the period	-	-	-	2,691	2,691
Balance - June 30, 2024	<u>98,329,339</u>	<u>39,499</u>	<u>5,929</u>	<u>(33,977)</u>	<u>11,451</u>

The accompanying notes are an integral part of the financial statements.

ZOOMD TECHNOLOGIES Ltd.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(USD in thousands, except for per share and shares data)

For the three months ended June 30, 2025 (Unaudited)

	Number of Shares	Share capital and premium	Reserve for share-based compensation and other reserves	Accumulated deficit	Total shareholders' equity
Balance - April 1, 2025	99,171,999	39,516	5,978	(23,005)	22,489
Share-based payment	-	-	11	-	11
Comprehensive income for the period	-	-	-	6,080	6,080
Balance - June 30, 2025	<u>99,171,999</u>	<u>39,516</u>	<u>5,989</u>	<u>(16,925)</u>	<u>28,580</u>

For the three months ended June 30, 2024 (Unaudited)

	Number of Shares	Share capital and premium	Reserve for share-based compensation and other reserves	Accumulated deficit	Total shareholders' equity
Balance - April 1, 2024	98,329,339	39,499	5,891	(36,129)	9,261
Share-based payment	-	-	38	-	38
Comprehensive income for the period	-	-	-	2,152	2,152
Balance - June 30, 2024	<u>98,329,339</u>	<u>39,499</u>	<u>5,929</u>	<u>(33,977)</u>	<u>11,451</u>

For the year ended December 31, 2024 (Audited)

	Number of Shares	Share capital and premium	Reserve for share-based compensation and other reserves	Accumulated deficit	Total shareholders' equity
Balance - January 1, 2024	98,329,339	39,499	5,855	(36,668)	8,686
Share-based payment	-	-	107	-	107
Exercise of options	420,375	*	-	-	*
Comprehensive income for the year	-	-	-	8,908	8,908
Balance - December 31, 2024	<u>98,749,714</u>	<u>39,499</u>	<u>5,962</u>	<u>(27,760)</u>	<u>17,701</u>

(*) Less than 1 thousand dollars.

The accompanying notes are an integral part of the financial statements.

ZOOMD TECHNOLOGIES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(USD in thousands)

	For the six months ended June 30,		For the three months ended June 30,		Year ended December 31,
	2025	2024	2025	2024	2024
	(Unaudited)				(Audited)
Cash flows - operating activities					
Net Income from operations	10,835	2,691	6,080	2,152	8,908
Adjustments to reconcile net income to net cash from operating activities (Appendix A)	(1,892)	(247)	(801)	202	(1,101)
	8,943	2,444	5,279	2,354	7,807
Interest Payments	(57)	(73)	(33)	(35)	(136)
Net cash generated from operating activities	8,886	2,371	5,246	2,319	7,671
Cash flows - investing activities					
Capitalized software development costs	(221)	(265)	(110)	(125)	(470)
Purchase of fixed assets	(37)	(7)	(32)	(7)	(90)
Net cash used in investing activities	(258)	(272)	(142)	(132)	(560)
Cash flows - financing activities					
Lease liabilities	(244)	(290)	(124)	(144)	(537)
Short-term bank credit	(2,000)	-	(2,000)	100	-
Exercise of options	17	-	-	-	*
Decrease in deposits	-	-	-	-	46
Net cash used in financing activities	(2,227)	(290)	(2,124)	(44)	(491)
Increase in cash and cash equivalents	6,401	1,809	2,980	2,143	6,620
Effect of exchange-rate differences on balances of cash and cash equivalents	819	(19)	940	(6)	13
Balance of Cash at the beginning of the financial period	9,235	2,602	12,535	2,255	2,602
Balance of Cash at the end of the financial period	16,455	4,392	16,455	4,392	9,235

(*) Less than 1 thousand dollars.

The accompanying notes are an integral part of the financial statements.

ZOOMD TECHNOLOGIES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(USD in thousands)

Appendix A - Adjustments to reconcile net profit to net cash from operating activities

	For the six months ended June 30,		For the three months ended June 30,		Year ended December 31,
	2025	2024	2025	2024	2024
	(Unaudited)				(Audited)
Cash flows from operating activities					
A. Adjustments to reconcile net income to net cash from operating activities					
Depreciation and amortization	502	1,200	253	606	2,000
Change in employee benefit liabilities, net	9	(11)	10	(3)	(13)
Cost of share-based payment	27	74	11	38	107
Impact of foreign exchange rate changes	(819)	19	(940)	6	(13)
Finance expenses, net	163	172	152	764	299
Changes in assets and liabilities:					
Decrease (increase) in trade receivables and other receivables	(1,672)	(3,056)	(307)	(1,784)	(5,312)
Increase (decrease) in trade payables	200	(159)	(53)	(114)	2,085
Increase (decrease) in other current and non-current liabilities	(302)	1,514	73	689	(254)
Total	(1,892)	(247)	(801)	202	(1,101)
B. Non-cash investing and financing activities					
Leases					
Right of use assets	-	(556)	-	(556)	(449)
Lease liabilities	-	556	-	556	449
Total	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

ZOOMD TECHNOLOGIES LTD.
NOTES UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
(USD in thousands, except for per share and shares data)

NOTE 1 - DESCRIPTION OF BUSINESS AND GENERAL

Description of Business:

- A. Zoomd Technologies Ltd. (formerly DataMiners Capital Corp.) (the “**Company**”) was incorporated under the *Business Corporations Act* (Alberta) and was subsequently continued under the Business Corporations Act (British Columbia) on May 19, 2017. On December 3, 2022, the Company was continued under the Business Corporations Act (Ontario). The Company developed proprietary patented technology and targets the needs of various segments of the digital marketing industry. It focuses on efficient user acquisition for companies and products aimed at mobile users. The Company was designated as a Capital Pool Company as such term is defined by Policy 2.4 of the TSX (“**Policy 2.4**”) Venture Exchange (the “**TSXV**”) with no commercial operations or assets other than cash and its only business being the identification and evaluation of assets or businesses with a view to completing a “Qualifying Transaction” as such term is defined by Policy 2.4.

In 2019, concurrently with the Qualifying Transaction, Zoomd raised CAD\$9.3 million (approximately US\$7 million) pursuant to a private placement (the “Concurrent Financing”).

- B. On February 9, 2021, the Company acquired all of Performance Revenues' Ltd.'s tangible and intangible assets.

On March 27, 2022, the Company acquired all of Albert Technologies' Ltd and Albert Technologies' Inc tangible and intangible assets.

- C. On October 7, 2023, the State of Israel, where the Company's operations are primarily based, suffered a surprise attack by hostile forces from Gaza, which led to the declaration by Israel of the “Iron Swords” military operation. As of the date of authorization of these financial statements, the Company has determined that this military operation and other regional tensions have had no material effect on its business or operations, but it continues to monitor the situation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation:

The unaudited condensed consolidated interim financial statements of the Company are prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting”. Certain information and disclosures normally included in the consolidated financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) have been condensed or omitted. Accordingly, these unaudited condensed consolidated interim financial statements should be read in conjunction with Zoomd annual consolidated financial statements for the year ended December 31, 2024 and accompanying notes, which have been prepared in accordance with IFRS as issued by the International Accounting Standards Board. As explained above, Zoomd is considered the accounting acquirer and this interim report is a direct continuation of the financial statements of Zoomd.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying the Company's accounting policies.