tiny

ANNUAL REPORT

2024

www.tiny.com

Dear Shareholders,

There's no sugar coating it: 2024 added a few distinguished greys to our hairlines.

Fortunately, the headwinds we encountered did what adversity often does: forced positive change. While the share price has not yet reflected our progress — a shortfall we feel acutely as the company's two largest shareholders — the actions we took over the past year have quietly positioned Tiny for sustainable growth. We streamlined costs, simplified our structure, re-aligned incentives, and, most importantly, elevated Jordan to CEO.

After nineteen years building Tiny and navigating two years as a public company, we've learned that recognition often lags behind disciplined execution. The gap between our internal progress and market perception remains pronounced, but we are confident that Mr. Market's weighing machine will eventually acknowledge our true value. We look ahead with conviction that the compounding will, in time, produce results that the market will properly recognize.

For new and existing shareholders, we want to start by reaffirming **what Tiny is** and the long-term vision driving us.

What Tiny Is

Tiny is a decentralized holding company with a head office headcount you could tuck into a modest bungalow—room for the essentials and no space for bureaucratic sprawl. HQ focuses on three main levers:

1. Capital allocation — placing surplus dollars where they can compound safely and sensibly.

2. CEO Selection / Incentives — making sure the right people are in place and they win when shareholders win.

3. High-level finance — maintaining a durable balance sheet, conservative leverage, and plain-spoken reporting.

Everything else—product choices, hiring, daily operations—stays with the operating companies.

How We Grow

1. Acquire durable, founder-built businesses at sensible prices.

- Most transactions are one-on-one with owners who want stewardship, not an auction.
- We slot each company under Tiny's permanent-capital umbrella—no forced "synergy make-overs."

2. Install the right leader and align incentives.

- If the founder wants to keep flying the plane, great—full autonomy, a clear scoreboard, and a tailored incentive plan (equity, profit-share, or both).
- If they step aside, we recruit a proven operator and give them the same alignment.
- We observe from altitude and only intervene when asked or when a genuine iceberg shows on radar.

3. Reinvest Surplus Cash Flow

- Once a subsidiary's working-capital needs are met, excess cash flow is sent to head office.
- HQ allocates it where the return is highest— back into that subsidiary if it has a concrete, high-yield project, or into bolt-ons, new platforms, and selective debt reduction elsewhere.
- Run that loop with discipline, and compounding does the heavy lifting.

Portfolio

- 28 companies across three operating groups and Tiny Fund I (the "Fund")
- We don't force synergies or mandate matching software stacks. CEOs can trade notes over beers, but otherwise they steer their own ships.

Why It Works

A decade ago, when we stopped building and started buying, our little collection of businesses scraped together "a few million" in annual profit—enough to keep the lights on while we quietly built our foundation. Last quarter alone (Q1 2025), that figure approached **$10.0 million** in Adjusted EBITDA with an additional $1.0 million distributed to Tiny from the Fund.

What matters more than the number itself is what it represents: proof that quietly compounding good businesses still works. Tiny's north star remains the same—own simple, durable companies, let great operators run them, and reinvest every spare dollar at attractive rates. If we do that consistently, the math looks after the magic, and the next decade should dwarf the last.

In short: we're just getting warmed up.

Financial Results

Accounting rules keep us honest, but they don't always keep things obvious. One-time charges, merger costs, and non-cash adjustments can bury the signal of how Tiny's businesses are really performing.

To cut through the noise internally we track **three North Star metrics**:

1. Operating Cash Flow (OCF) — our best read on the underlying health of our businesses, before financing obligations.

2. Free Cash Flow (FCF) — the lifeblood of long-term value

- Cash generated by the company, net of required reinvestment and financing costs, that flows to HQ for redeployment.
- We also track FCF per share to be sure growth is real for each owner, not just the company in aggregate.
- *Question it answers*: How much cash do we have to compound?

3. Revenue Growth — the top-line check on momentum

- Consolidated revenue across all operating companies.
- *Question it answers*: Is the overall economic pie expanding, not just the margins we squeeze?

These three measures—earnings power, free cash, and top-line expansion—give us a clean, consistent lens on progress, year after year.

Year	Total Revenue	Recurring Revenue(1)	Operating Cash Flow	Free Cash Flow(1)	Adjusted EBITDA(1)	Shares Outstanding
2021	$110.8M	$8.9M	$29.6M	$25.1M	$37.9M	87.5M
2022	$153.7M	$8.9M	$21.6M	$19.3M	$36.2M	144.9M
2023(2)	$185.5M	$29.5M	$3.4M	$(2.6)M	$27.4M	179.3M
2024	$194.2M	$38.7M	$19.9M	$9.3M	$31.0M	187.4M
Q1-25	$48.1M	$9.8M	$4.0M	$3.0M	$9.7M	187.5M

(1) Refer to Non-IFRS Financial Measures for more information
(2) Excludes WeCommerce results prior to the reverse take-over (RTO) transaction on April 17, 2023

Balance Sheet Highlights - December 31, 2024

	Balance	Notes
Corporate Debt at Tiny Ltd.	$2.8M	Revolving credit facility
Subsidiary Debt	$114.1M	Subsidiary debt is “ring fenced” and has no cross guarantees outside of the subsidiary it sits within ($51.8M in WeCommerce, $62.3M in Beam)
Cash	$22.8M	
Net Debt	$94.1M	
Investment in Tiny Fund I	$38.2M	Our 20.34% investment in Tiny Fund I
Real Estate	$4.6M	Our office - no mortgage

Putting the Numbers in Plain English

Over the past ten years (2014-2024), based on our internal, unaudited figures, Revenue and Adjusted EBITDA have grown significantly. Revenue has grown at a CAGR of 37% and Adjusted EBITDA at a CAGR of 25% over the same time period. This growth has been driven by compounding from a steady drumbeat of acquisitions and organic growth inside the portfolio.

More recently, the capital allocation strategy has also undertaken a deliberate shift toward businesses with more predictable, recurring revenue. We’ve gone from **$8.9 million** of recurring revenue in 2021 to **$38.7 million** in 2024, a foundation we expect to keep expanding significantly, especially with our acquisition of Serato complete.

Why Free Cash Flow Lagged While Earnings Rose

Free Cash Flow hasn't followed a straight line. Public-company overhead, higher interest expense, principal repayments, and a handful of one-time items pulled cash lower even as underlying performance marched upward. The gap is temporary. Most of the heavy, non-recurring costs are expected to fade after Q2 2025, and servicing debt becomes less painful as we delever.

L**everage: Headed the Right Direction**

We closed 2024 with **$94.1 million** of net debt. Over the year, we repaid **$24.5 million** of principal, net of foreign-exchange swings on our U.S. borrowings. Lower leverage and higher earnings pushed our net debt to adjusted EBITDA ratio down from roughly **3.8X to a touch above 3X**. Our target zone is **2.0–2.5X**, and we'll keep closing that gap—though we won't hesitate to step outside it, briefly, for a Serato-quality deal.

A word on "Adjusted EBITDA"

In our letter last year, we dismissed it as window dressing. A year in, we've eaten some humble pie and accepted it as the common tongue of capital markets. We've come to realize that many investors and analysts use it to compare companies and size debt loads, and we were simply making calculations more annoying for them. We've added it back.

In 2024 Adjusted EBITDA improved markedly for Tiny. Internally, we still guide by Operating Cash Flow and Free Cash Flow, but Adjusted EBITDA now has a seat at the table—begrudgingly, but usefully.

Q4 2024 delivered **$10.1 million** of Adjusted EBITDA and **$11.3 million** of free cash flow—up 38% and more than 100% from Q3 as the first benefits of our cost-saving program took hold.

The Fund

Tiny Fund I sent **$2.2 million** of cash distributions to head office in 2024. Those dollars don't show up as a direct line in the income statement but they do add to our underlying earnings power.

Clearing the One-Time Debris

Our 2023 numbers carried merger and integration costs from folding WeCommerce into Tiny, plus assorted setup fees of public-company life. Most of that has washed through. Remaining severance and tidy-up items should be largely finished by mid-2025.

The Financial Statements, Then and Now

Since 2021, revenue has **nearly doubled** — from $110.8 million to $194.2 million. You'll see that our margins suffered during this time as we built out our head office, professionalized, and went through a costly merger. Fortunately, Adjusted EBITDA and operating cash flow both turned a corner in 2024. We are larger, less levered, and more cash-generative than a year ago. That momentum, plus the acquisition of Serato we closed in early 2025 (details later in the letter), gives us sturdy footing for whatever the macro environment serves up next.

In short, the flywheel is spinning faster, the balance sheet is sturdier, and we have more dry powder to compound. Onward to 2025.

Capital Allocation

Our job as capital allocators is to thoughtfully deploy Tiny's capital to maximize long-term per-share value. In 2024, we took a balanced approach to capital allocation. We invested in acquisitions and internal growth where we saw attractive opportunities, while also returning cash to the balance sheet via debt reduction.

- **Acquisitions**: 2024 was a relatively active year for acquisitions. We completed three major acquisitions during the year, each fitting our criteria of high-quality businesses within our circle of competence:

    - **Repeat**: In early 2024, we acquired Repeat Inc., a recurring revenue software company in the e-commerce space. Repeat provides a software tool that helps online merchants increase repeat purchases. It was a natural tuck-in acquisition for our WeCommerce group, bolstering our software capabilities in customer retention. We paid a fair price and quickly integrated Repeat's technology into our Stamped platform (our e-commerce reviews and loyalty software), where it will play a key part of our growth strategy going forward.

    - **MediaNet Solutions**: Mid-year, we acquired MediaNet, a highly profitable, VMS-style recurring-revenue software business. We were attracted by MediaNet's consistent free cash flow, and strong customer retention rates, and see opportunities to continue growing it organically. MediaNet's financial profile (highly predictable revenue and profitability) is exemplary of the kinds of businesses we aim to own.

    - **WholesalePet**: Lastly, Tiny Fund I completed the acquisition of WholesalePet, a B2B marketplace connecting pet product brands with independent pet retailers. WholesalePet was the final investment of Tiny Fund I, deploying the remainder of our $147M USD private fund. The business is a leader in its niche, and while relatively small, it's poised for stable growth and cash generation. With this deal, Tiny Fund I became fully deployed and entered its growth and distribution phase (more on that later).

- **Investments in Existing Businesses**: Beyond acquisitions, we also continued to invest capital organically within our existing companies. Across the portfolio, we funded high-ROI projects such as new product features, marketing campaigns, and technology upgrades.

  For example, at Dribbble, we invested in developing a new freelance services marketplace to connect designers with clients (more on this in the operating section). These types of internal investments often reduce earnings in the short term, but we believe they will yield substantial value over time. Our first priority is always to reinvest in our existing businesses when we see opportunities to compound their earnings or grow their moat.

- **Divestitures**: In 2024, we made a strategic decision to divest two smaller holdings that were not core to our long-term plans.

  We sold our stakes in 8020 and Frosty (two digital service businesses under our Beam group) during the year. These were non-wholly-owned subsidiaries, and after careful consideration, we concluded that Tiny's capital and attention would be better focused elsewhere. The sales generated proceeds which we redeployed (largely to debt paydown).

  More importantly, trimming these minority stakes simplified our structure and allowed the Beam team to concentrate on its core businesses. We view these divestitures as additions by subtraction: by letting go of a couple of non-core assets, we can sharpen our focus on the rest.

A big thank you to Greg Stogdon and J.D. Ostrow from Frosty and Matt Varughese from 8020 for many years of solid partnership. We wish you all the best.

- **Debt Reduction**: As noted earlier, we allocated a significant amount of cash to paying down debt—repaying $24.5M of debt during the year. With interest rates remaining high, every dollar of debt repaid is a guaranteed savings on interest expense and a reduction in risk. We believe this was a prudent use of capital, equivalent to a solid risk-free return. By the end of 2024, Tiny's net debt stood at $94.1M, and our leverage ratio improved markedly. We will continue to balance debt reduction with other uses of capital, including acquisitions, going forward. Our target is to keep net leverage at a conservative level (we're comfortable around ~2.0-2.5x EBITDA or lower in the long run).

In 2024, we stuck to our principles. We bought a handful of resilient businesses at fair prices, directed fresh capital to the operators generating the highest returns, and let go of a few ventures that no longer cleared our bar.

Tiny Fund I (Investment Fund)

Launched in 2021, Tiny Fund I is a **US$147.2 million** (≈ C$211.8 million) private investment vehicle. Tiny Ltd. sits in two seats:

- **20.34% Limited Partner –** about **C$38.2 million** invested at cost; and
- **50% of the General Partner –** entitling us to half of the GP's earnings, including a **30% carry** once each asset clears an 8% annualized hurdle.

The other half of the GP is controlled by Wilkinson Ventures ("WV"). Historically, WV has waived its share, so **100% of the GP economics have been able to flow back to Tiny.**

For shareholders, the Fund has looked opaque. We've spent the past two years tightening accounting and reporting inside the portfolio so we can lift the curtain. With those upgrades in place, here's the 2024 scoreboard:

- **Revenue: US$48.2 million** (≈ C$66.0 million), up **17%** year-over-year
- **Distributions to Tiny: US$1.6 million** (≈ C$2.2 million) in 2024, plus **US$0.7 million** (≈ C$1.0 million) already received in Q1 2025

Remember: apart from those distributions, which are recorded under "share of earnings/(losses) from unlisted equity investments," none of the Fund's revenue or profit appears in Tiny Ltd.'s consolidated statements. The underlying economics, however, belong to us.

Why The Fund Matters

1. LP stake value. Our 20.34% LP interest currently sits on the balance sheet at C$38.2 million, but based on the underlying businesses' results, we expect the value to increase far beyond that figure.

2. Invisible carry. The GP carry is pure upside that doesn't appear in our financial statements until it's realized.

3. If consolidated… If we treated our LP slice as a minority stake in a single company, it would add roughly $13.4 million of revenue to our 2024 results, and another $3.5 million to Q1 2025.

Portfolio Highlights

- **Letterboxd.** Registered users climbed from ~10 million, at the time of purchase, to **20 million** in just 18 months. It now ranks among the world's 1,000 busiest sites, with engagement and monetization both trending up materially.

- **AeroPress.** Record sales on the back of an all-glass/metal premium edition and a refreshed AeroPress Go. Since acquisition, product-line expansion has lifted revenue **120%**.

- **Mateina.** Our yerba-mate venture, acquired in partnership with neuroscientist Dr. Andrew Huberman, has more than doubled revenue in the past twelve months on a shoestring marketing budget. Whole Foods has now green-lit a nationwide rollout, slated for later this year, which will coincide with the launch of our new sugar-free lineup.

What Happens Next

Tiny Fund I is now fully invested. We have **no plans for a Fund II**, which means every new acquisition lands directly on Tiny Ltd.'s balance sheet—cleaner for shareholders and simpler for us. Meanwhile, Fund I should start throwing off steadier dividends and, over time, meaningful carry.

In short, the Fund hides potential upside: steady cash today and unrealized value tomorrow via our direct 20.34% ownership and the GP carry. We're pleased with the progress so far and eager to keep unlocking that value for Tiny shareholders.

Risks, Challenges and Lessons Learned

No honest annual letter is all sunshine. 2024 handed us a few bruises and—more importantly—fresh reminders of first-principle discipline.

Storm Clouds and Higher Rates

We entered the year with the steepest interest-rate backdrop in decades and a very real chance of slowdown. Higher rates hit twice: they raised our own borrowing costs and squeezed some customers' budgets. We moved quickly—launching a company-wide cost review that carved more than **$4 million** from annual expenses. Some of that meant hard calls on headcount and discretionary spend. By Q3 the trimming was largely done, and Q4's 38% Adjusted EBITDA jump shows the ship is running leaner.

The Debt Lesson (Yes, We Read the Books—We Still Had to Feel It)

Cheap money in 2020-21 tempted us, as it did many—then policy flipped. Even after hedging, our interest bill climbed and leverage peaked at **~3.8×** net debt/EBITDA. We were fortunate that all of our debt was ring fenced (no cross guarantees) and we've since paid down $24.5 million, steering toward a more comfortable **2.0–2.5×** range.

Howard Marks's line rings louder now: *"Never forget the six-foot-tall man who drowned in a five-foot stream on average."* Lesson learned— use debt sparingly, ring-fence it, and always model the ugly scenario.

AI: The Unpredictable Tide

We always say technology entrepreneurs build sandcastles on the beach; our job is to understand the tide and build high enough that the water can't reach us. Over the past year that tide became much harder to predict. AI jumped from buzzword to board-level agenda overnight. It promises real efficiencies—workflow automation, smarter pricing, faster product cycles—but it also clouds moat durability.

In 2024, we passed on dozens of otherwise attractive deals—many at prices that would have tempted us a year earlier—because we couldn't yet gauge their resilience in an AI-shifting world. While we believe some of our businesses may be disrupted in the long-term, most of our companies are built well inland—serving real customers with real needs, in sectors where change tends to happen gradually rather than overnight. Not all are immune to disruption, but most are built to adapt—and we believe the best ones will emerge even stronger as the landscape evolves.

Complexity Tax

Two very small digital services businesses—**8020 and Frosty**—proved more distraction than upside. They were profitable exits, but small businesses which added complexity and distraction for the team. We sold both back to the founders, redirected that attention to bigger opportunities, and re-learned a simple rule: unless a small bet can grow large quickly, it's better left to someone else.

Inside the Operating Groups

Beam

At Beam, we chose to pivot before the market forced our hand, trimming less-profitable work and concentrating on a tighter, higher-margin niche. The short-term hit was real: a marquee customer walked on a big project last minute and first-half revenue sagged. But decisive action beats slow bleeding. By the end of 2024 Beam was earning more than before the pivot—and doing it with a leaner cost base. Lesson re-learned: when a course correction is inevitable, move quickly.

WeCommerce

WeCommerce added three complementary businesses—Clean Canvas, Uptime, and Repeat—between late 2023 and early 2024. Rather than chase the next shiny target, the team hit pause and put integration first, and that decision is already paying off. Clean Canvas slotted neatly into our theme marketplace, where WeCommerce's anti-piracy playbook has protected margins and nudged growth.

We expect Uptime and Repeat to drive the next leg of organic growth— Uptime by widening our analytics toolkit, and Repeat by knitting Stamped and KnoCommerce together to unlock fresh revenue opportunities across the portfolio.

We continue to believe in the long-term prospects of e-commerce and will keep steering capital toward opportunities that deepen and extend our recurring revenue in the space.

Dribbble
A hiring slowdown clipped Dribbble's job-board revenue harder than we'd expected. In hindsight we'd have pulled our diversification levers sooner, but better late than never. We accelerated the freelance marketplace, and broadened our advertising offerings. Those new lines already generate more than a quarter of Dribbble's sales, and marketplace GMV is rising each month. The takeaway is old but true: a single engine can power the ship only so long; a second and third keep it moving in stormy seas.

Fund Complexity and Communication
Tiny Fund I delivers great economics but confuses some investors. We've enhanced our disclosure (see prior section) and, to keep life simple, have no plans for a Fund II. One balance sheet is easier for everyone to understand.

None of these bumps were existential. They were, as we like to say, **flesh wounds, not mortal wounds —** and each came with tuition well worth the price. We'll keep the scars, bank the lessons, and press on.

Leadership and our Evolving Role

The most significant development this year was our leadership transition at Tiny's head office. In the spring of 2024, we (Andrew and Chris) decided to hand over day-to-day executive responsibilities to Jordan Taub, our new CEO.

As Tiny scaled, we found ourselves doing jobs we weren't particularly good at. We became investors initially because we weren't especially strong (or happy) operating day-to-day in at-scale companies.

This lesson quickly resurfaced as Tiny grew from just the two of us in a small rented office with a handful of companies to a head office team of almost 20 with dozens of subsidiary CEOs needing attention, feeding, and compensation negotiations.

We realized we were no longer in our "zone of genius," spending 70%+ of our time managing the internal business rather than doing what we loved when we first started Tiny: strategizing, talking to founders, and doing deals.

So, in 2024, we made the logical decision to step aside from day-to-day operations. We transitioned from coaching the team from the sidelines (as co-CEOs) to the owner's box (as Chair and Vice-Chair). We won't lie: we're happier than ever. We're now able to focus on our strengths: working with founders, high-level strategy, capital allocation, and telling the Tiny story publicly—which drives all of our dealflow.

We replaced ourselves with Jordan Taub, who has absolutely knocked our socks off. While we expected greatness, having worked closely with him for years during his tenure leading WeCommerce, the reality has exceeded our expectations. Jordan is, in the most complementary way possible, our perfect counterbalance.

Where we often sidestepped difficult conversations and meetings, Jordan fearlessly confronts challenges head-on. He upholds rigorous accountability standards while fostering genuine cohesion among our CEOs.

Jordan embodies that rare leadership duality—a formidable negotiator with unwavering resolve when needed, yet one who leaves even the toughest conversations with relationships strengthened and dignity intact. These qualities aren't just our subjective assessment—they're reflected in the steadily improving trends across our recent quarterly reports. Under his day-to-day stewardship, Tiny is clearly advancing in the right direction, and we couldn't be more confident in his leadership.

Our Public Presence

One of our most widely underappreciated advantages, and an approach we've maintained for almost two decades, is our public profile.

In the early days, Metalab got some of its largest clients by being loud. We would write blog posts, talk about what we were working on, and even pick fights with bigger companies. Over time, we built a large social media following, and have found that the more we share the Tiny story, the more emails we'd get from founders wanting to sell their businesses.

Every day, dozens of founders read about Tiny or hear about us on a podcast and decide to email us to see if we'd be interested in buying their company. This is the top of our funnel, and better yet, instead of spending millions on advertising, investment bankers, or an army of interns dialing for dollars like most private equity firms do, we get it all for free.

In fact, our most recent acquisition, Serato, happened because of an unsolicited direct message on X (Twitter) after someone saw one of our posts (yes - it was about Andrew's love of New Zealand).

Our Pipeline

Our deal pipeline has never been more promising. The higher interest rates and tighter capital environment that posed challenges for some companies actually play to our advantage when it comes to acquisitions.

Many founders who might have raised venture capital a couple of years ago are now more inclined to seek an exit to a stable home like Tiny. We are getting a steady stream of inquiries and pitches for exactly the kinds of businesses we love: simple, profitable, enduring companies whose owners are looking for a long-term steward. We will remain extremely selective — our bar is high, and we say "no" far more often than "yes" — but we expect to deploy capital into new businesses in 2025 if valuations and quality align.

A Transformative Deal: Welcoming Serato

Every so often the phone rings with an opportunity that reminds us why patience matters in deal-making. Earlier this year we signed—and have now closed—an agreement to acquire sixty-six percent of Serato for US $66 million, financed with a blend of cash, Tiny shares, convertible debentures, and a modest draw on our revolver. Issuing equity at today's valuation wasn't an easy call; we guard dilution carefully. But we judged that parting with a slice of stock was the right price for a business of Serato's calibre—an unmistakable signal of our conviction in the deal.

Serato has spent twenty-five years becoming the undisputed standard in DJ software. Walk into a club almost anywhere on the planet and you'll see a Serato waveform glowing behind the decks; many top DJs won't play on anything else. That loyalty is assisted by a moat we like: deep, hard-won integrations with hardware partners.

The numbers justify the narrative. Serato produces roughly **$43 million** in run-rate revenue, enjoys 34% EBITDA margins, and about 62% of that is in monthly and annual subscriptions. With more than two million users, the network effect hums quietly in the background. We expect this single purchase to lift Tiny's consolidated Adjusted EBITDA by roughly 45% and nudge annual recurring revenue toward **$64–$66 million**.

Most importantly, Serato fits our playbook: buy a market leader at a fair price, align incentives, then let the operators keep doing what made the business great (and share a few tricks and tips along the way).

The current management team is staying on; our role is to provide capital, a sounding board, and plenty of runway.

Closing Serato doesn't cap our ambition — it simply raises the bar. We'll keep looking for majority stakes in durable, cash-generating companies where owners want a long-term steward more than an auction's last nickel. If someone in your orbit fits that description, we'd love an introduction. One quiet conversation could become the next Serato — and another turn of Tiny's compounding flywheel.

How Shareholders Can Lend a Helping Hand

While we receive dozens of inbound opportunities weekly, our most promising acquisitions often come through personal connections. This is where you, our shareholders, can play a valuable role.

Ask yourself: "Who are the richest people I know, and how did they get rich?" If the answer is through building a business, we would welcome an introduction. We're looking for profitable companies (generally over $3M in annual operating profit) that have demonstrated staying power over at least five years. We are flexible as to whether the founder stays or goes.

Other scenarios that often bear fruit:

- Family businesses facing succession challenges where the next generation has pursued different career paths
- Profitable venture-backed companies with strong fundamentals that don't meet the hypergrowth expectations of their investors
- Businesses experiencing ownership transitions due to partnership dissolutions or significant life changes such as divorce
- Management teams wanting to buyout a founder or investors
- Secondary businesses or divisions that are successful but not core to a larger company's strategic focus (public or large private company spin-outs)

If any of this sounds familiar, we'd love an introduction. If you know anyone who fits the bill, please reach out to us directly. The lines are open.

Mr. Market

One of the biggest shocks of going public is the sheer volume of opinions that arrive overnight. When we were private, decisions flowed from two aligned owners; now we navigate the commentary of thousands of shareholders, analysts, and strangers on the internet.

We recently had coffee with our friend Chuck Sanders, who runs The JV Driver Group, a large private holding company, and he shared this anecdote:
"I was at my lowest point running my business when I stumbled across an old proverb: the elephant keeps walking as the dogs keep barking.

I pictured the elephant moving steadily through a village while dogs yapped at its heels. The elephant never stops or changes course—it just keeps walking toward its destination.

When I started being the elephant—focusing on long-term goals instead of the noise—everything changed. Those 'barking dogs'—worried shareholders, anxious board members, bankers breathing down my neck—eventually relaxed because I provided the stable leadership they actually needed.

Behind every concern was the same refrain: I'm scared, I'm scared, I'm scared. My job was to lead through that fear, not echo it."

A decade later, Chuck's company is approaching $2 billion in annual revenue and employs more than 4 000 people. The story landed for us because the gap between Tiny's fundamentals and its share price has felt just as loud. Internally, we see a business that keeps compounding earnings, building value, and spreading risk across a wide moat of operating companies. The market hasn't yet digested that.

We've always learned by trying, stumbling, and correcting. Going public was no different. At first, we weren't sure which metrics most— revenue growth or margins, EBITDA or free cash flow, conference calls or written letters. We had mastered evaluating CEOs, sourcing and structuring deals, and aligning incentives, but explaining Tiny to capital-market audiences took practice.

Public investors like clean stories. They prefer: *"We're rolling up software companies at 5× EBITDA with 2× leverage and raising prices 15 % a year."*

Our reality will always be messier: *"We started with a web design shop, and after a frustrating experience selling one of our own businesses and reading about Buffett, decided to become buyers instead. For almost twenty years, we've followed our curiosity—acquiring everything from DJ software to coffee makers based on our instincts for quality, not rigid formulas. By pursuing our interests and learning by doing, we've created our own winding path to compounding."*

Though our story may not fit cleanly into standard investment narratives, we remain firmly committed to the approach we've honed over the last decade—steadily building long-term value across our diverse portfolio while allowing our results, rather than market reactions, to validate our strategy.

Looking Ahead, Like Elephants

The disconnect between perception and reality remains, yet we believe Tiny is stronger than ever. We have permanent capital, a broadened base of recurring revenue, true diversification, and a pipeline full of opportunities. The large majority of our net worth is tied up here, and we measure success in decades, not quarters.

Thank you for walking with us. To every teammate—from head-office staff to operators across our companies—your focus made 2024 our most resilient year yet. Tiny grew leaner but also sharper.

We look forward to discussing more at our Annual General Meeting on **June 5 2025**. Until then, we'll keep our eyes on the horizon—growing earnings, reinvesting wisely, and letting the dogs bark while our elephant keeps walking.

Sincerely,

 

Andrew & Chris

Forward Looking Information

Certain information included in this shareholder letter includes “forward-looking statements” and “forward-looking information” within the meaning of applicable securities law (collectively referred to in this shareholder letter as “forward-looking statements”). Any statements about possible events, conditions or financial performance that are based on predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often, but not always, using words or phrases such as “expects” or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes”, “intends” or “proposes” or variations of such words and phrases or stating that certain actions, events or results “may”, “could”, “would”, “might”, “target” or “will” be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements and are intended to identify forward-looking information. This forward-looking information is based on the beliefs of management, as well as on assumptions and other factors, which management believes to be reasonable based on information available at the time such information was given. In particular, but without limiting the foregoing, this shareholder letter contains forward-looking statements pertaining to the following: Tiny’s financial profile and future plans of Tiny and its subsidiaries; Tiny’s intention to reinvest all surplus capital; Tiny’s management style and approach to various initiatives; Tiny’s ability to integrate previous acquisitions and future acquisitions; Tiny’s future business and strategies; the benefits of Tiny’s operations and initiatives; competitive conditions; general economic conditions; and scalability of developed technology.

By their nature, forward-looking statements are subject to numerous risks and uncertainties. You are cautioned that the assumptions used in the preparation of forward-looking statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. No assurance can be given that any of the events anticipated will transpire or occur, or if any of them do so, what benefits Tiny will derive from them. Unless otherwise indicated, the information in this shareholder letter is current as of the date of this shareholder letter and Tiny disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise unless required by law.

In addition, this shareholder letter includes future oriented financial information and financial outlook (collectively, “FOFI”). Tiny and its management believe that FOFI has been prepared on a reasonable basis, reflecting management’s best estimates and judgments as at the date hereof. However, because this information is subjective and subject to numerous risks, uncertainties, and assumptions, it should not be relied on as necessarily indicative of future results. FOFI contained in this shareholder letter constitutes forward-looking information, was made as of the date of this shareholder letter and was provided for the purpose of providing further information about Tiny’s anticipated future business operations. Readers are cautioned that FOFI contained in this shareholder letter should not be used for purposes other than for which it is disclosed herein.

This shareholder letter should be read in conjunction with the risk factors described in Tiny’s annual information form for the year ended December 31, 2024 and Tiny’s management’s discussion and analyses for the year ended December 31, 2024 which are available under Tiny’s profile on SEDAR+ at www.sedarplus.com.

Figures are presented in Canadian dollars, unless otherwise noted.

Non-IFRS Financial Measures

This shareholder letter refers to certain financial performance measures that are not defined by and do not have a standardized meaning under International Financial Reporting Standards (termed “Non IFRS measures”) such as Adjusted EBITDA, Adjusted EBITDA %, Recurring Revenue, Net Debt, Net Debt to Adjusted EBITDA and Free Cash Flow. Non-IFRS measures are used by management to assess the financial and operational performance of Tiny. Tiny believes that these Non-IFRS measures, in addition to conventional measures prepared in accordance with International Financial Reporting Standard, enable investors to evaluate Tiny’s operating results, underlying performance and prospects in a similar manner to Tiny’s management. As there are no standardized methods of calculating these Non-IFRS measures, Tiny’s approach may differ from those used by others, and accordingly, the use of these measures may not be directly comparable. The Non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with International Financial Reporting Standards. Please refer to the tables below as well as the Company’s management’s discussion and analysis for the years ended December 31, 2024 and 2023 and for the three-months ended March 31, 2025 and 2024 for a reconciliation of such Non-IFRS measures to the most directly comparable International Financial Reporting Standards financial measure.

In addition, statements contained in this shareholder letter regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. In this regard, certain financial information contained herein has been extracted from, or based upon, information available in the public domain and/or provided by Tiny. In particular, historical results should not be taken as a representation that such trends will be replicated in the future.

Non-IFRS Financial Measures Cont'd.

Recurring Revenue Reconciliation

	2021
Recurring revenues	8,919,225
Non-recurring revenues	101,927,813
Total revenue	110,847,038

Free Cash Flow Reconciliation

	2021	2022
Cash provided by operating activities	29,584,066	21,578,854
Business acquisition costs	1,420,694	709,479
Interest paid on debt	(10,537)	(1,688,171)
Capital expenditures	(5,872,978)	(1,251,205)
Free cash flow	**25,121,245**	**19,349,957**

EBITDA	**50,085,733**	**20,169,761**
Income taxes paid	(9,358,651)	(8,899,912)
Interest paid on debt	(10,537)	(1,688,171)
Unrealized foreign exchange loss	5,791	720,857
Gain on sale of subsidiary	(13,027,764)	-
Share of losses from unlisted equity instruments	248,005	8,577,528
Non-cash expenses (see footnote 1)	(85,053)	1,490,685
Business acquisition costs	1,420,694	709,479
Changes in non-cash working capital	1,716,005	(480,065)
Capital expenditures	(5,872,978)	(1,251,205)
Free cash flow	**25,121,245**	**19,349,957**

(1) Non-cash expenses relates to specific non-cash items from the cash provided by operating activities. This includes share-based compensation, fair value adjustment to financial instruments, fair value adjustment to forward contracts, gain on disposal of intangible assets, loss on sale or disposal of assets, bad debt, gain on redemption of redeemable shares in subsidiary, unrealized gain on investment, and interest income.

TINY LTD.

Consolidated Financial Statements

(Expressed in Canadian dollars)

Years ended December 31, 2024 and 2023

KPMG LLP
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Tiny Ltd.

Opinion

We have audited the consolidated financial statements of Tiny Ltd. (the Entity), which comprise:

- the consolidated statements of financial position as at December 31, 2024 and December 31, 2023
- the consolidated statements of net (loss)/income and comprehensive (loss)/income for the years then ended
- the consolidated statements of changes in equity for the years then ended
- the consolidated statements of cash flows for the years then ended
- and notes to the consolidated financial statements, including a summary of material accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2024 and December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our auditor's report.

Evaluation of the recoverable amount of the WeCommerce consolidated group of cash generating units

Description of the matter

We draw attention to Notes 2(d)(iii), 3(f) and 9 to the financial statements. During the year ended December 31, 2024, the Company recorded an impairment to goodwill of $18,687,379 related to the WeCommerce consolidated group of cash generating units (CGU). Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. The recoverable amount of a CGU is the greater of the CGU's fair value less cost to sell and value in use. In determining the estimated recoverable amount of the CGU, the Entity calculated the value in use based on a discounted cash flow model which included significant assumptions related to forecasted revenue, operating margins and the pre-tax discount rate.

Why the matter is a key audit matter

We identified the evaluation of the recoverable amount of the WeCommerce CGU as a key audit matter. This matter represented a significant risk of material misstatement given the high degree of estimation uncertainty in determining the value in use. Significant auditor judgment and the involvement of those with specialized skills and knowledge were required in performing and evaluating the results of our procedures due to the sensitivity of the value in use to changes in certain significant assumptions.

How the matter was addressed in the audit

The primary procedures we performed to address this key audit matter included the following:

- We evaluated the Entity's forecasted revenues and operating margin assumptions by comparing those assumptions to the Entity's past performance, industry data, and assessing against comparable companies.
- We involved valuation professionals with specialized skills and knowledge, who assisted in evaluating the pre-tax discount rate assumption by comparing the Entity's discount rate against discount rates that were independently developed using publicly available market data for comparable entities.

Evaluation of the fair value of the investments held by Tiny Fund I LP

Description of the matter

We draw attention to Notes 2(d)(v) and 10(a) to the financial statements. The Entity accounts for its interest in Tiny Fund I LP using the equity method to retain the fair value accounting of the underlying investments of the fund. The investment in Tiny Fund I LP as of December 31, 2024 is $38,177,751 and equity income recognized for the year ended December 31, 2024 is $2,281,427. For certain of the investments in private companies carried at fair value in Tiny Fund I LP, the Company determines these fair values using a market approach based on significant assumptions including sustainable earnings before interest, taxes, depreciation and amortization (EBITDA) and a multiplier.

Why the matter is a key audit matter

We identified the evaluation of the fair value of the investments held by Tiny Fund I LP as a key audit matter. This matter represented an area of significant risk of material misstatement given the magnitude of the balance and the high degree of estimation uncertainty in determining the fair value of the investments. Significant auditor judgment and the involvement of those with specialized skills and knowledge were required in performing and evaluating the results of our procedures due to the sensitivity of the fair value to changes in certain significant assumptions.

How the matter was addressed in the audit

The primary procedures we performed to address this key audit matter included the following:

- For a selection of such investments, we evaluated the appropriateness of the investments' sustainable EBITDA assumptions by considering the investments' past performance and forecast.
- For a selection of such investments, we compared historical cash flow forecasts to actual results to assess management's ability to accurately determine sustainable revenues and expenses.
- For a selection of such investments, we involved valuation professionals with specialized skills and knowledge, who assisted in evaluating the EBITDA multiple assumption by comparing the investments' EBITDA multiple to publicly available data for comparable entities and assessing the resulting EBITDA multiple.

Other Information

Management is responsible for the other information. Other information comprises:

- the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.
- Determine, from the matters communicated with those charged with governance, those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditor’s report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG LLP

The engagement partner on the audit resulting in this auditor’s report is Rikki Senghera.

Vancouver, Canada

April 29, 2025

TINY LTD.

Consolidated Statements of Financial Position
(Expressed in Canadian dollars)
December 31, 2024 and 2023

	Notes	December 31, 2024	December 31, 2023
Assets			
Current assets			
Cash and cash equivalents		**$ 22,862,394**	$ 26,933,635
Restricted cash		**–**	255,720
Trade and other receivables	6	**14,059,004**	18,938,172
Income taxes receivable		**2,625,403**	1,437,493
Current portion of due from equity-accounted investees	17	**474,513**	1,714,624
Current portion of lease receivable	12	**111,758**	111,727
Prepaid expenses		**2,056,908**	2,135,215
Other current assets		**10,120**	35,310
		42,200,100	51,561,896
Capital assets	7	**5,495,955**	5,962,975
Intangible assets	8	**104,962,622**	134,687,923
Right-of-use assets	12	**27,267**	52,437
Goodwill	9	**143,906,005**	159,367,801
Investments	10	**44,810,607**	39,023,148
Derivatives	23	**683,639**	264,949
Due from equity-accounted investees	17	**3,143,880**	–
Lease receivable	12	**26,619**	128,112
Other assets		**564,798**	481,897
Deferred tax assets	18	**4,708,306**	1,103,999
		$ 350,529,798	$ 392,635,137
Liabilities and Shareholder's Equity			
Current liabilities			
Trade and other payables	11	**$ 24,518,897**	$ 29,311,180
Current portion of debt	13	**16,161,159**	10,581,741
Income taxes payable		**5,989,747**	3,404,395
Due to related parties	17	**13,829**	1,387,737
Current portion of lease liabilities	12	**220,226**	216,366
Contingent consideration payable	22	**921,686**	1,200,472
Derivatives	23	**19,784**	64,959
Deferred revenue	16	**13,679,764**	11,376,475
		61,525,092	57,543,325
Deferred income tax liabilities	18	**6,109,997**	11,621,446
Lease liabilities	12	**48,405**	255,013
Debt	13	**100,775,756**	120,661,672
		168,459,250	190,081,456
Shareholder's equity			
Share capital	14	**183,443,922**	160,930,335
Contributed surplus		**40,930,627**	40,884,631
Reserves		**6,525,084**	6,048,258
Accumulated other comprehensive income/(loss)		**3,875,434**	(2,784,267)
Deficit		**(59,872,213)**	(11,194,785)
Non-controlling interest		**7,167,694**	8,669,509
		182,070,548	202,553,681
		$ 350,529,798	$ 392,635,137

Contingencies and commitments	22
Subsequent events	24

The accompanying notes are an integral part of these consolidated financial statements.

Approved on behalf of the Board:

"/s/ Andrew Wilkinson" — Director

"/s/ Chris Sparling" — Director

TINY LTD.

Consolidated Statements of Net (Loss)/Income and Comprehensive (Loss)/Income
(Expressed in Canadian dollars)
Years ended December 31, 2024 and 2023

	Notes		**December 31, 2024**		December 31, 2023
Revenue	16	**$**	**194,232,353**	$	185,502,613
Expenses					
Compensation			**103,860,054**		101,115,189
Marketplace content costs			**27,788,494**		29,316,636
Hosting fees			**9,012,136**		9,433,359
Travel, meals and entertainment			**2,422,204**		2,361,684
Share-based compensation	15		**2,091,052**		4,670,664
Professional fees			**10,124,238**		9,698,547
Subscription and other			**9,304,008**		9,878,342
Depreciation and amortization	7, 8, 12, 13		**35,321,552**		27,119,931
Business acquisition costs			**1,163,534**		2,948,294
Advertising and promotion			**7,232,548**		7,370,826
Bad debts			**1,322,105**		602,929
Bank charges			**367,650**		159,904
			210,009,575		204,676,305
Loss from operations			**(15,777,222)**		(19,173,692)
Interest expense			**(10,930,422)**		(8,971,203)
Gain on share transaction	4		**–**		42,847,436
Loss on sale of subsidiaries	5		**(103,200)**		(3,338,124)
Fair value gain to financial instruments			**2,088,843**		1,316,297
Fair value adjustment to contingent consideration	22		**(871,607)**		8,736,588
Net gain on disposal of intangible assets	8		**1,481,060**		–
Impairment of non-financial assets	9		**(18,687,379)**		(13,634,143)
Share of earnings from unlisted equity investments	10		**2,146,089**		1,194,372
Foreign exchange (loss)/gain			**(9,878,673)**		1,720,043
Other income/(expenses)			**929,549**		(382,281)
(Loss)/income before income taxes			**(49,602,962)**		10,315,293
Income tax (expense)/recovery					
Current	18		**(7,885,220)**		(3,789,967)
Deferred	18		**9,928,683**		8,229,604
Net (loss)/income for the year			**(47,559,499)**		14,754,930
Attributable to:					
Parent’s interest			**(48,677,428)**		13,940,566
Non-controlling interests			**1,117,929**		814,364
			(47,559,499)		14,754,930
Other comprehensive income/(loss)					
Items that may be reclassified to income or loss					
Foreign exchange gain/(loss) on translating foreign operations		**$**	**7,452,152**	$	(4,638,223)
Comprehensive (loss)/income for the year			**(40,107,347)**		10,116,707
Attributable to:					
Parent’s interest		**$**	**(42,029,021)**	$	9,538,185
Non-controlling interests			**1,921,674**		578,522
			(40,107,347)		10,116,707
(Loss)/earnings per share					
Basic	19	**$**	**(0.26)**	$	0.08
Diluted	19		**(0.26)**		0.08

The accompanying notes are an integral part of these consolidated financial statements.

TINY LTD.

Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)
Years ended December 31, 2024 and 2023

	Notes	Common shares #	Share capital $	Reserves $	Contributed surplus $	Accumulated other comprehensive Income/(loss) $	Deficit $	Non-controlling Interest $	Total $
Balance, December 31, 2022		**144,861,516**	**6,932,471**	**4,364,333**	**39,451,612**	**1,618,113**	**(23,835,350)**	**10,336,196**	**38,867,375**
Issuance of shares	14	3,408,527	13,548,005	–	–	–	–	–	13,548,005
Share transaction	4	30,749,622	138,593,826	–	–	–	–	–	138,593,826
Sale of subsidiary	5	–	–	–	–	–	–	(700,211)	(700,211)
Issuance of common shares on exercise of share options and restricted share units	14, 15	298,161	1,856,033	–	(1,826,476)	–	–	–	29,557
Share-based compensation	15	–	–	1,683,925	2,986,739	–	–	–	4,670,664
Comprehensive income/(loss) for the year		–	–	–	–	(4,402,380)	13,940,565	578,522	10,116,707
Capital contributions from shareholders		–	–	–	272,756	–	–	–	272,756
Dividends		–	–	–	–	–	(1,300,000)	(1,544,998)	(2,844,998)
Balance, December 31, 2023		**179,317,826**	**160,930,335**	**6,048,258**	**40,884,631**	**(2,784,267)**	**(11,194,785)**	**8,669,509**	**202,553,681**
Issuance of shares	14	7,825,348	20,766,028	–	–	–	–	–	20,766,028
Sale of subsidiary	5		–	–	–	11,294	–	(1,478,713)	(1,467,419)
Issuance of common shares on exercise of share options, restricted share units and preferred share units	14, 15	302,284	1,747,559	–	(1,747,559)	–	–	–	–
Share-based compensation	15	–	–	476,826	1,614,226	–	–	–	2,091,052
Comprehensive income/(loss) for the year		–	–	–	–	6,648,407	(48,677,428)	1,921,674	(40,107,347)
Capital contributions from shareholders		–	–	–	179,329	–	–	–	179,329
Dividends		–	–	–	–	–	–	(1,944,776)	(1,944,776)
Balance, December 31, 2024		**187,445,458**	**183,443,922**	**6,525,084**	**40,930,627**	**3,875,434**	**(59,872,213)**	**7,167,694**	**182,070,548**

In relation to the reverse acquisition transaction, as described in Note 1, on April 17, 2023, the common shares were cancelled and Tiny received issued WeCommerce shares (“the Share Transaction”). The Share Transaction is reflected retrospectively in these consolidated financial statements.

The accompanying notes are an integral part of these consolidated financial statements.

TINY LTD.

Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
Years ended December 31, 2023 and 2022

	Notes	2023	2022
Cash provided by/(used in):			
Operating activities			
Net income for the year		$ **14,754,930**	$ 5,405,789
Adjustments for:			
Depreciation and amortization		**27,119,931**	4,881,837
Share-based compensation		**4,670,664**	4,461,520
Income tax (recovery)/expense		**(4,439,637)**	7,578,714
Interest expense		**8,971,203**	2,303,421
Gain on step acquisition		**(42,847,436)**	–
Loss on sale of subsidiaries		**3,338,124**	–
Fair value adjustment to financial instruments		**(897,316)**	625,084
Gain on write-down of contingent liability		**(8,736,588)**	–
Share of (earnings)/losses from equity-accounted investees		**(1,194,372)**	8,577,528
Impairment on non-financial assets		**13,634,143**	–
Gain on redemption of redeemable shares in subsidiary		**–**	(249,900)
Gain on sale or disposal of assets		**686,885**	214,890
Loss on sale or disposal of intangibles		**–**	(2,808,336)
Bad debt expense		**602,929**	302,930
Interest income		**(22,891)**	–
Unrealized foreign exchange (gain)/loss		**(1,868,548)**	720,857
Unrealized gain on investment		**–**	(1,055,503)
Income taxes paid		**(4,192,940)**	(8,899,912)
Changes in non-cash working capital	20	**(6,194,041)**	(480,065)
Cash provided by operating activities		**3,385,040**	21,578,854
Financing activities			
Dividends paid		**(9,003,642)**	(43,922,055)
Dividends paid to NCI		**(1,544,998)**	(2,440,286)
Acquisition of shares in NCI		**–**	(1,789,844)
Stock options exercised		**29,557**	(1,291)
Debt, funds received		**29,569,098**	76,556,528
Debt, funds repaid		**(12,461,610)**	(14,497,405)
Interest paid on debt		**(8,388,452)**	(1,688,171)
Cash financing fees paid for debt amendment		**(465,150)**	(736,792)
Lease payments		**(282,977)**	(428,100)
Lease interest		**(50,356)**	(67,950)
Funds received from related parties		**1,472,756**	–
Proceeds from share issuance		**12,601,053**	25,060
Cash provided by financing activities		**11,475,279**	11,009,694
Investing activities			
Purchase of investments		**(16,378,235)**	(8,821,605)
Purchase of capital assets		**(553,471)**	(1,251,205)
Purchase of intangible assets		**(110,729)**	(3,047,935)
Share transaction, net of cash acquired		**9,706,636**	–
Acquisition of subsidiary, net of cash acquired		**(15,344,478)**	(17,658,403)
Sale of subsidiaries		**666,923**	–
Distributions received from investments		**2,086,832**	–
Holdback receivable funds received		**1,750,066**	–
Proceeds from disposal of assets		**543,111**	2,849,480
Lease payments received		**84,346**	–
Lease interest received		**22,891**	–
Contingent consideration payments		**(984,118)**	(601,917)
Cash used in investing activities		**(18,510,226)**	(28,531,585)
Foreign exchange on cash		**(618,293)**	–
(Decrease)/increase in cash		**(4,268,200)**	4,056,963
Cash, beginning of the year		**31,201,836**	27,144,873
Cash, end of the year		$ **26,933,636**	$ 31,201,836

Supplementary cash flow information 20

The accompanying notes are an integral part of these consolidated financial statements.

1. Incorporation and nature of activities

On April 17, 2023, WeCommerce Holdings Ltd. (a Canadian company previously listed on the TSX Venture Exchange under the symbol "WE") ("WeCommerce") acquired all of the outstanding shares of Tiny Capital Ltd. ("Tiny Capital") by way of a three-cornered amalgamation with WeCommerce changing its name to Tiny Ltd. (the "Company" or “Tiny”).

Upon completion, the shareholders of Tiny Capital obtained control over WeCommerce, resulting in a reverse take-over, where the common shares of Tiny Capital were cancelled and the shareholders of Tiny Capital received shares of WeCommerce ("the Share Transaction"). The resulting financial statements are presented as a continuance of Tiny Capital (accounting acquirer) (Note 4).

WeCommerce was incorporated on November 27, 2019 under the laws of the Province of British Columbia and invested in businesses that develop, sell and support website themes and applications, as well as provided custom solutions for clients on ecommerce platforms. As part of the Share Transaction, the operating business of WeCommerce Holdings Ltd. and its subsidiaries were transferred to the partnership, WeCommerce Holdings LP, which was accounted for as a transaction under common control, where the book value method was applied. Tiny Capital was incorporated under the British Columbia Business Corporations Act on January 14, 2016. Tiny Capital was an investment holding company that invested in a variety of businesses either directly, through operating subsidiaries, or through a private equity fund where it served as the general partner. Through its operating subsidiaries and equity investees, including Dribbble Holdings Ltd. (“Dribbble”) and Beam Digital Ltd. (“Beam”), Tiny Capital engaged in a variety of technology enabled businesses including providing digital product design and engineering agency services, and operating a creative community network and digital asset marketplace.

Tiny is a public company listed on TSX Venture Exchange under the symbol "TINY" and is incorporated under Canada Business Corporations Act. Tiny maintains its registered office at 510 West Georgia Street, Suite 1800, Vancouver, British Columbia, V6B 0M3.

2. Basis of preparation and measurement

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board (“IASB”). These financial statements were approved by the Board of Directors for issue on April 29, 2025.

(b) Basis of measurement and going concern

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due in the normal course.

Management has reviewed their future plans and formed a judgment that the Company has adequate resources to continue as a going concern for the foreseeable future, which management has defined as being at least 12 months from the date of approval of these consolidated financial statements. In arriving at this judgment, management has considered cash flow projections of operations and obligations under financing arrangements.

(c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency. The assets and liabilities of subsidiary entities that have a different functional currency from the Company are translated at the exchange rate prevailing at the financial position reporting date. The income statements of such entities are translated at average rates of exchange during the period. All resulting exchange differences are recognized directly in accumulated other comprehensive income/(loss).

Transactions denominated in currencies other than the functional currency are translated by applying the exchange rate prevailing on the date of the transaction. At each reporting date, all monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing at the financial position reporting date. Any resulting translation adjustments are recognized in the Consolidated Statements of Net (Loss)/Income and Comprehensive (Loss)/Income.

(d) Estimates and judgments

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting methods and the amounts recognized in the financial statements. These estimates and the underlying assumptions are established and reviewed continuously on the basis of past experience and other factors considered reasonable in the circumstances. They therefore serve as the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from the estimates.

Significant judgments and estimates relate to:

(i) Revenue recognition, unbilled revenue and deferred revenue

For certain of its revenue streams, the Company recognizes revenue based on the extent of progress in each period towards completion of the performance obligation. The extent of progress towards completion is based on internal estimates, with reference to the proportion of work performed relative to the deliverable. Due to the nature of the work performed in order to satisfy the performance obligation, management’s estimation of percentage of completion requires significant judgement. The assumptions and factors that can affect the accuracy of the estimate, include but are not limited to, the estimated costs for a contract in total, estimated costs to completion at the reporting date and estimated portion of performed obligation delivered.

(ii) Valuation of assets and liabilities acquired in business combinations

In a business combination, the Company may acquire the assets and assume certain liabilities of an acquired entity. The estimate of fair values for these transactions involves judgment in determining the fair values assigned to the tangible and intangible assets acquired and the liabilities assumed on the acquisition. The determination of these fair values involves a variety of assumptions, including estimates surrounding the costs to acquire or reproduce a similar asset, expected forecasted revenue and expenses and appropriate discount rates. Contingent consideration resulting from business combinations which is classified as a financial liability, is recorded at fair value at the acquisition date as part of the business combination based on expected discounted cash flows and is remeasured to fair value at each reporting date with any subsequent change in fair value recognized in the Consolidated Statements of Net (Loss)/Income and Comprehensive (Loss)/Income. The estimation of contingent consideration can require the Company to make estimates of future performance of the acquired business.

(iii) Impairment of intangible assets and goodwill

Management assesses indicators of impairment for intangible assets and goodwill at each reporting date and performs a quantitative impairment test for goodwill at least annually and whenever events or circumstances indicate that the carrying amount may not be recoverable. When performing quantitative assessments, forecasts incorporate a number of key estimates and assumptions about future events, which are subject to uncertainty and might materially differ from the actual results. The key assumptions are annual revenue growth rate, operating margins, and pre-tax discount rates. In making these key estimates and judgements, management takes into consideration historical data from both external and internal sources and consideration of future industry trends existing at the reporting dates. These estimates are regularly compared to actual market data and actual transactions entered into by the Company.

(iv) Share-based compensation

The Company measures the cost of share-based compensation transactions with qualifying directors, employees, officers and consultants by reference to the fair value of the equity instruments at the date at which they are granted. These are offered to qualifying directors, employees, officers and consultants in the form of stock options (“Options”), deferred share units (“DSUs”), restricted share units (“RSUs”) or performance share units (“PSUs”). Options are settled in equity; DSUs, RSUs and PSUs are settled in cash or equity, or a combination of each, at the option of the Company. Estimating fair value for share-based compensation requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining and making assumptions about the most appropriate inputs to the valuation model including the expected term, volatility, and forfeiture rate. The expected term is determined based on management’s estimate of the period of time between grant date and exercise date.

(v) Valuation of investments held in a fund

For investments in private companies carried at fair value, the Company determines these fair values using a market approach and/or income approach based on a variety of assumptions, including but not limited to transaction price in similar transactions, valuation of comparable companies, and sustainable earnings before interest, taxes, depreciation and amortization provided by the underlying investees, multiplied by a multiplier.

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

(vi) Determination of functional currency

Determination of functional currency requires management to make judgments in evaluating primary and secondary indicators under *IAS 21 The Effect of Changes in Foreign Exchange Rates*. Key judgments include the primary economic environment in which the Company operates, the currency that mainly influences sales prices for its services and the costs of labour, and the country whose competitive forces and regulations mainly determine sales prices.

3. Material accounting policies

(a) Principles of consolidation and equity accounting

A subsidiary is an entity over which the Company has control, where control indicates exposure or rights to variable returns and the ability to affect those returns through power to direct the activities of the investee. Subsidiaries are consolidated from the date on which control is obtained by the Company.

Principal subsidiaries of the Company are as follows:

Entity	Country	Ownership percentage at December 31, 2024	Ownership percentage at December 31, 2023
Beam Digital Ltd.	Canada	100%	100%
Dribbble Holdings Ltd.	Canada	74.49%	74.49%
Tiny Boards Holdings Ltd.	Canada	100%	100%
Meteor Software Holdings Ltd.	Canada	100%	100%
WeCommerce Holdings LP	Canada	100%	100%
MediaNet Solutions, Inc.	United States	100%	—%

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statements of Net (Loss)/Income and Comprehensive (Loss)/Income, Consolidated Statements of Changes in Equity and Consolidated Statements of Financial Position, respectively.

An equity-accounted investee is an entity over which the Company has significant influence but not control or joint control. Investments in equity-accounted investees are accounted for using the equity method of accounting.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Company’s share of the post-acquisition profits or losses of the investee in net income, and the Company’s share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from equity-accounted investees are recognized as a reduction in the carrying amount of the investment.

Inter-company transactions, balances and unrealized gains on transactions between entities are eliminated.

When the Company ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognized in net income. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

(b) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. Consideration transferred, including assets transferred, equity issued by the Company, liabilities incurred to the former owners of the acquired business, any assets or liabilities resulting from contingent consideration arrangements and pre-existing equity interest in the acquired business are measured at fair value, at the acquisition date. For each business combination, the acquirer is determined to be the entity that obtains control of another entity, the acquiree under *IFRS 10 Consolidated Financial Statements*. The acquirer measures the non-controlling interest in the acquiree either at fair value or at the appropriate share of the acquiree's identifiable net assets. Identifiable assets acquired and liabilities and contingent liabilities assumed, that meet the conditions for recognition under *IFRS 3 Business Combinations* are recognized at their fair values, at the acquisition date. Acquisition costs incurred are expensed in the period in which they are incurred except for costs related to shares issued in conjunction with the business combination.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in net income.

Goodwill is measured at the excess of the fair value of consideration transferred and amount of non-controlling interest in the acquiree and acquisition date fair value of existing equity interest in the acquiree over the acquisition fair value of the net identifiable assets acquired and liabilities assumed.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date.

The measurement period is the period from the date of acquisition to the date that the Company obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum period of one year.

After initial recognition, goodwill is measured at cost less any accumulated impairment loss.

(c) Financial instruments

Financial assets include cash and cash equivalents, restricted cash, trade and other receivables, amounts due from equity-accounted investees, derivatives, investments in equity securities, lease receivables, and income taxes receivable. Financial liabilities include trade and other payables, debt, derivatives, amounts due to related parties, contingent consideration payable and lease liabilities.

i. Recognition and measurement

At initial recognition, the Company measures a financial instruments at its fair value. The Company classifies its financial instruments as fair value through profit or loss, amortized cost or fair value through other comprehensive income. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. Derivatives, investments in equity securities and contingent consideration payable are classified as fair value through profit or loss. All of the Company's other financial instruments are classified and measured at amortized cost.

ii. Cash and cash equivalents

Cash and cash equivalents consist of securities with a maturity date of 3 months or less when acquired.

iii. Restricted cash

Restricted cash comprises of cash security deposits held at financial institutions in order to secure foreign exchange contracts and credit card facilities.

iv. Trade receivables

Trade receivables relates to credits provided to the Company's customers. The Company applies a simplified approach in calculating expected credit loss (“ECL”). Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance at each reporting date, based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

v. Derivative financial instruments

The Company’s derivative financial instruments consist of foreign currency and interest rate swap derivatives. The Company enters into forward exchange contracts for the sale of US dollars at specified future dates solely to protect itself from the cash flow risk attributable to the effect of foreign currency fluctuations on anticipated sales of services denominated in US dollars. The interest rate swap derivatives are used solely to economically hedge the variable rates of a portion of the credit facility, transforming the variable rate exposure to fixed-rate obligations. The Company does not utilize derivatives for trading or speculative purposes.

(d) Capital assets

Capital assets are recorded at historical cost, less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is recognized on a basis that closely reflects the expected pattern of consumption of the future economic benefits embodied in that asset, over the asset's estimated useful life.

The estimated useful lives and the methods of depreciation for the current and comparative periods are as follows:

Asset class	Basis	Depreciation period
Building	Declining	25 years
Computer equipment	Straight-line	3 years
Computer software	Straight-line	3 years
Furniture and equipment	Straight-line	5 years
Leasehold improvements	Straight-line	Lesser of initial term and useful life of asset

(e) Intangible assets

Intangible assets consist of customer relationships and contracts, trade name and brands, software and website, foundry relationships, non-compete agreements, and intellectual property. Intangibles acquired in business combinations are recognized at fair value at the acquisition date. Intangible assets are carried at cost, less accumulated amortization and any recognized impairment loss.

Cryptocurrency is classified as an intangible asset and is measured at cost less any accumulated impairment losses, if any.

The Company recognizes amortization using the straight-line method at rates designed to amortize the cost of the intangible assets over their estimated useful lives. As part of the Share Transaction (Note 4), management reviewed the useful lives of all its intangible assets. Intangible assets previously considered to have indefinite useful lives were reassessed and determined to have a foreseeable limit on the period of time over which it is expected to contribute to the cash flows of the reporting entity. Consequently, a revision was made to update the useful lives of certain trade names and brand assets after April 17, 2023 and an additional $1,447,850 was recorded in depreciation and amortization for the period ended December 31, 2023.

The annual amortization rates are as follows:

Asset class	Amortization period
Customer relationships and contracts	5-10 years
Trade names and brand	5 years
Software and website	4-10 years
Foundry relationships	15 years
Non-compete agreements	3 years
Intellectual property	2-3 years

(f) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

The recoverable amount is calculated based on the higher of an asset's, cash-generating unit ("CGU")'s or group of CGU's fair value less costs of disposal and value in use. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Goodwill may be allocated to a group of CGUs that is expected to benefit from the synergies of the combination. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU or group of CGUs to which the asset belongs.

An impairment loss is recognized when the carrying amount of an asset, its CGU or group of CGUs, as applicable, exceeds its recoverable amount. An impairment loss is reversed if there is an indication that an impairment loss recognized in prior periods may no longer exist. An impairment loss with respect to goodwill is never reversed.

(g) Share-based payments

The Company and its subsidiaries have restricted stocks and stock option plans, details of which are set out in Note 15.

Stock options

The Company applies the fair value method for Options granted to directors, officers and employees. The fair value of the stock option at the time of granting is determined using the Black-Scholes option pricing model and recognized as a share-based compensation expense over the vesting period with a corresponding increase in equity. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. When an employee leaves the Company, vested options must be exercised within three months, or the options expire.

Any Options that are unvested are reversed in the period that the employee leaves.

Deferred, restricted and performance share units

The respective share units are grants of notional common shares that are redeemable when vested for cash, shares or a combination of both, at the option of the Company, based on the market value of the Company’s common shares. The Company intends to settle vested deferred and/or share units through the issuance of one common share per share unit. These share units have been accounted for as equity-settled instruments.

For DSUs and RSUs, the cost of the service received as consideration is initially measured based on the market value of the Company’s common shares at the date of the grant. The DSUs vest at the end of a director’s tenure at the Company.

PSUs with non-market based vesting conditions are measured at fair value based on the market value of the shares at the date of grant. Remaining PSUs are expected to vest over a period of one to two years. The Company intends to settle PSUs through the issuance of one common share per share unit. These share units have been accounted for as equity-settled instruments.

Options of subsidiary entities

At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in net income, with a corresponding adjustment to equity.

For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. The Company does not have any awards with non-vesting conditions for the periods presented.

For share-based payments granted based on the shares of any non-wholly owned subsidiaries, the Company has elected to recognize the entire cumulative compensation cost as the parent’s equity and no amount is recorded as non-controlling interest prior to exercise of the share options.

(h) Revenue recognition

The Company generates revenue through digital services, its creative platforms and softwares and applications.

Digital Services revenue

Digital Services revenue is composed of engineering and design revenue. Revenue is recognized over time, when or as the Company satisfies performance obligations by transferring the promised services to its customers. For contracts where the transaction price is based on a fixed fee, the Company uses the percentage-of-completion method to determine the amount of revenue to recognize in each period. Depending on the nature of the project, the stage of completion is measured using the input method by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract or the output method based on the percentage of total deliverables completed compared with all of the milestone requirements outlined by the contract. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the Consolidated Statements of Net (Loss)/Income and Comprehensive (Loss)/Income in the period in which the circumstances that give rise to the revision become known by management. Because of the nature of services offered, there are no obligations for refunds, returns or warranties.

On the Consolidated Statements of Financial Position, the Company reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognized profits or losses exceed progress billings; a contract represents a liability where the progress billings exceed the costs incurred plus recognized profits or losses.

Creative Platform revenue

Revenue from the Creative Platform segment consists of monthly subscriptions for access to the hosted creative market place and social platform, advertising and promotion, virtual courses, and sale of digital goods on the marketplace.

Subscription revenue is recognized over time on a ratable basis over the contractual term, which begins when access to the promised digital goods and service is granted. Revenues received in the year that relate to future access are excluded and instead, are recognized in deferred revenue as a liability. Sale of digital goods on the marketplace are recognized into revenue when a download link for the digital good becomes available to the buyer. Revenue from buyers is recorded on a gross basis while the amounts due to sellers are recorded as marketplace content costs, due to revisions in the marketplace contracts that result in the Company obtaining control of the product prior to transferring it to the buyer.

Revenue from talent support consists of a single recruitment effort or requirement to stand-ready. Revenue from single recruitment efforts are recognized upon receipt of acceptance letter, while revenue related to stand-ready obligations are recognized over time during the contracted period. Revenue from virtual courses is recognized upon delivery of the course material to the end customer, typically in the form of a workshop.

Revenue from advertising and promotion is recognized when the Company satisfies performance obligations based on cost per impression or delivery of the specified sponsorship activity.

Software and Apps

Revenue from the Software and Apps segment consists of software as a service ("SaaS") subscriptions and sale of theme design templates.

SaaS revenue is generated from customers paying for the use of premium versions of the Company’s apps and include monthly or annual subscriptions for continued use of the app’s premium features. The performance obligation associated with app subscription revenue is ongoing access to the app functionality. Subscription revenue associated with the sale of the app is recognized over time on a ratable basis over the contractual term. The contract terms are monthly or annual and revenue recognition begins on the date that the Company’s app is made available to the customer. Payments received in advance of services being rendered are recorded as deferred revenue and recognized over the requisite service period.

Revenue from the sale of themes is generated from customers purchasing theme design templates online via various e-commerce platforms. The subscription provides the customer with the right to use the theme without further performance by the Company. Revenue from the sale of themes is recognized at a point in time when control of the license has transferred to the customer, which is the date when the customer receives the theme. In certain circumstances, the Company provides access to an app for a specific period of time for free with the purchase of a theme. The Company has determined these are separate performance obligations and has allocated consideration based on the stand-alone selling prices.

(i) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to items recognized directly in equity or in other comprehensive income/(loss).

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized.

(j) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. As a lessee, the Company recognizes a right-of-use asset, and a lease liability at the commencement date of a lease.

Lease liabilities include the net present value of fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that are based on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease if the lease term reflects the lessee exercising that option. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Company's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs. The right-of-use asset is depreciated over the shorter of the asset's useful life and lease term on a straight-line basis.

The Company does not recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12-months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(k) Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

(l) Segment reporting

Operating segments are components of an entity that engage in business activities from which they earn revenues and incur expenses, the operations for which can be clearly distinguished for which the operating results are regularly reviewed by a chief operating decision maker to make resource allocation decisions and to assess performance.

The Company's Chief Operating Decision Maker ("CODM") is identified as the Chief Executive Officer and the Chief Financial Officer. The CODM is responsible for allocating resources and assessing each entity's performance. The CODM also receives information about the segments' revenue and EBITDA on a monthly basis. EBITDA is net income for the year, excluding taxes, depreciation and amortization, and interest expense. Corporate expenditures which cannot be attributed between various segments, have not been allocated between segments. The Company will report the following segments: Digital Services, Creative Platform, Software and Apps (formerly called E-Commerce Platform) and all other operating segments, which is set out in Note 21.

(m) (Loss)/earnings per share

Basic (loss)/earnings per share is computed by dividing the net (loss)/income attributable to parent's interest by the weighted average number of common shares outstanding during the year. Basic (loss)/ earnings per share for the comparative year is computed by the weighted average of (i) the number of retrospectively calculated common shares outstanding from the beginning of the period to the acquisition date; and (ii) the number of common shares outstanding from the acquisition date to the end of the period.

Diluted (loss)/earnings per share is determined by adjusting the net income and the weighted average number of common shares outstanding, adjusted for the effects of all dilutive potential common shares, which are comprised of additional shares from the assumed exercise or conversion of options, DSUs, RSUs and PSUs. Anti-dilutive options are not considered in computing the diluted earnings per share.

(n) Adoption of new accounting standards

In January 2020, the IASB issued Classification of Liabilities as Current or Non-current (Amendments to IAS 1), which amended IAS 1, Presentation of Financial Statements (“IAS 1”) to clarify the requirements for presenting liabilities in the statement of financial position as current or non-current. In October 2022, the IASB issued Non-current Liabilities with Covenants, which amended IAS 1 to expand the information an entity provides when its right to defer settlement of a liability for at least 12 months after the reporting period is subject to compliance with covenants and to clarify how such compliance affects the classification of the liability as current or non-current.

The amendments also require new disclosures for non-current liabilities that are subject to future covenants to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. The required annual disclosures include (i) the nature of the covenants; (ii) when the Company is required to comply with the covenants; (iii) the carrying amounts of the related liabilities; and (iv) facts and circumstances, if any, that indicate the Company may have difficulty complying with the covenants.

The Company applied the above amendments effective January 1, 2024. The initial application of the amendments on January 1, 2024 did not have any impact on the classification of the Company’s liabilities. The Company has disclosed, in note 13, the required information relating to covenants to which it must comply in respect of its credit facilities, which is classified as non-current at December 31, 2024.

(o) New standards and interpretations not yet adopted

Amendments to the Classification and Measurement of Financial Instruments: Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures

In May 2024, the IASB issued 'Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)'. The amendments clarify the date of recognition and derecognition of some financial assets and financial liabilities, with a new exception that permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date. It also clarifies guidance on assessing whether a financial asset meets the solely payments of principal and interest criterion, it adds new disclosures for certain instruments with contractual terms that can change cash flows and updates the disclosures for equity instruments designated at fair value through other comprehensive income. The amendments apply for annual reporting periods beginning on or after January 1, 2026, and are applied retrospectively. The Company is currently evaluating the impact of the new standard on its consolidated financial statements.

IFRS 18: Presentation and Disclosure in Financial Statements

In April 2024, the IASB published its new standard IFRS 18 ‘Presentation and Disclosures in Financial Statements' that will replace IAS 1 'Presentation of Financial Statements' which sets out presentation and base disclosure requirements for financial statements. The changes, which mostly affect the income statement, include the introduction of categories and defined subtotals to allow better comparison between entities. It also include the introduction of requirements to improve aggregation and disaggregation of line items presented on the primary financial statements that aim at additional relevant information and ensure that material information is not obscured. Companies will also have to disclose information on Management-defined Performance Measures in the notes to the financial statements. The amendments apply for annual reporting periods beginning on or after January 1, 2027, and are applied retrospectively. The Company is currently evaluating the impact of the new standard on its consolidated financial statements.

4. Reverse acquisition of WeCommerce Holdings Ltd. by Tiny Capital Ltd.

On April 17, 2023, WeCommerce acquired all of the outstanding shares of Tiny Capital.

The Share Transaction was structured as a three-cornered amalgamation pursuant to the provisions of the Business Corporations Act (British Columbia) (the “BCBA”), whereby Tiny Capital amalgamated with 1396773 B.C Ltd., a wholly owned subsidiary of WeCommerce to form a new company (“Amalco"). In consideration for all issued and outstanding shares of Tiny Capital, WeCommerce issued 146,429,569 shares to the shareholders of Tiny Capital. Concurrently with the closing of the Share Transaction, 11,454,725 existing WeCommerce shares held by Tiny Capital and Tiny Holdings Ltd. were cancelled. This resulted in approximately 177.9 million diluted shares being outstanding.

Upon completion, WeCommerce (renamed Tiny Ltd.), obtained legal control of Tiny Capital, but the shareholders of Tiny Capital obtained voting control over WeCommerce. As a result, Tiny Capital is determined to be the accounting acquirer and the transaction has been accounted for as a reverse acquisition of WeCommerce, the accounting acquiree, by Tiny Capital.

As a reverse acquisition, the post-acquisition comparative historical financial statements of WeCommerce, the legal acquirer and accounting acquiree, become those of Tiny Capital, the legal acquiree and accounting acquirer. These financial statements are those of Tiny Capital Ltd. from January 1, 2023 to April 16, 2023, and thereafter, the consolidated entity of Tiny Capital Ltd. and WeCommerce Holdings Ltd. as Tiny Ltd.

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

The final net assets of WeCommerce acquired on April 17, 2023 are as outlined below.

	$
Cash and cash equivalents	9,962,485
Trade and other receivables	2,424,400
Prepaids and deposits	611,752
Income tax receivable	799,212
Capital assets	174,749
Brand and domain name	27,500,000
Software and technology	59,800,000
Intellectual property	2,900,000
Non-competition agreement	5,500,000
Customer relationships	15,400,000
Goodwill	133,332,434
	258,405,032
Trade and other payables	5,311,371
Deferred revenue	3,844,574
Income taxes payable	217,053
Foreign currency and interest swap derivative	326,349
Contingent consideration payable	1,420,965
Bank loan	46,792,111
Deferred tax liability	11,383,445
	69,295,868
Fair value of net assets acquired	**189,109,164**

The goodwill is attributable to the growth and cost synergies related to the combined operations, as well as talent and workforce from the acquisition.

The Company incurred $2,085,173 of expenses in connection with the reverse acquisition which is recorded in business acquisition costs on the Consolidated Statements of Net (Loss)/Income and Comprehensive (Loss)/Income.

Prior to the reverse acquisition, the Company's investment in WeCommerce Holdings Ltd. was $7,667,901 as at April 17, 2023. As this transaction is accounted for as an acquisition achieved in stages, a gain on step acquisition has been recorded which reflects the difference between the carrying value and fair value of the investment on the acquisition date.

	$
Value of investment on acquisition date (1)	50,515,337
Carrying balance of WeCommerce investment	7,667,901
Gain on step acquisition	42,847,436

(1) Value was determined based on WeCommerce Holdings Ltd.'s closing share price of $4.41 multiplied by 11,454,725 shares outstanding

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

5. Business combinations and dispositions

(a) Business combinations

MediaNet Solutions, Inc. ("MediaNet")

On June 5, 2024, the Company acquired certain assets of MediaNet, an educational software business for $3,980,545 (USD$2,906,356) with cash received from the Private Placement (Note 14).

The final net assets acquired are as outlined below:

	$
Total cash consideration	**3,980,545**
Identifiable assets acquired:	
Prepaid expenses	30,261
Capital assets	12,763
Software	1,150,464
Brand	164,352
Customer relationships	1,232,640
Goodwill	2,034,719
	4,625,199
Identified liabilities assumed:	
Deferred revenue	644,654
Total net assets acquired	**3,980,545**

The goodwill is attributable to the talent and workforce from the acquisition.

For the year ended December 31, 2024, MediaNet contributed revenue and a net loss of $1,459,673 and $208,955, respectively. Had the acquisition occurred on January 1, 2024, management estimates that the acquisition would have contributed unaudited revenue and net income of $2,780,415 and $173,565, respectively. On a consolidated basis, unaudited revenue and net loss would have totaled $195,553,095 and $47,176,979, respectively.

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

Prior year business combinations

Clean Canvas Limited

On September 6, 2023, WeCommerce Holdings LP acquired 100% of the issued and outstanding share capital of Clean Canvas Limited (“Clean Canvas”). Clean Canvas is a leading designer and developer of premium themes, which have been leveraged by over 80,000 Shopify merchants. The goodwill is attributable to workforce, growth from new customers, growth from new IP and technology and potential synergies related to the rationalization of overheads or other fixed costs.

Jagged Pixel

On October 17, 2023, WeCommerce Holdings LP acquired the assets of Jagged Pixel through the issuance of 264,706 Class A Tiny common shares and payment of cash. Jagged Pixel operates Uptime, an automated store monitoring application on Shopify.

Details of the purchase consideration, the net assets acquired, and goodwill are as follows for the year ended December 31, 2023:

	Clean Canvas Limited $	**Jagged Pixel $**	**Total $**
Consideration:			
Cash paid	17,919,032	492,903	18,411,935
Share consideration	—	543,882	543,882
Contingent consideration [(1)]	122,104	—	122,104
Total consideration	**18,041,136**	**1,036,785**	**19,077,921**
Identifiable assets acquired:			
Cash and cash equivalents	3,067,457	—	3,067,457
Trade and other receivables	1,278,638	—	1,278,638
Prepaid expenses	19,545	—	19,545
Capital assets	109,483	—	109,483
Software applications	10,675,804	610,000	11,285,804
Non-competition agreement	—	190,000	190,000
Customer relationships	—	110,000	110,000
Brand	801,538	—	801,538
Goodwill	5,874,262	126,785	6,001,047
	21,826,727	1,036,785	22,863,512
Identifiable liabilities acquired:			
Trade and other payables	60,702	—	60,702
Income taxes payable	702,058	—	702,058
Deferred revenue	153,386	—	153,386
Deferred tax liability	2,869,445	—	2,869,445
	3,785,591	—	3,785,591
Fair value of net assets acquired	**18,041,136**	**1,036,785**	**19,077,921**

(1) In the event that EBITDA achieved by Clean Canvas shall exceed a certain threshold throughout the earn out period, an additional consideration shall be payable at the end, to the seller. The fair value of the contingent consideration was estimated using the Black-Scholes model. The potential earn-out for the contingent consideration ranges from USD$nil to USD$1,200,000.

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

(b) Dispositions

8020 Design Ltd.

On November 20, 2024, Beam entered into a share repurchase agreement with 8020 Design Ltd. 8020 Design Ltd. repurchased 100% of the outstanding shares held by the Company. The repurchase consideration consists of $400,000 on the closing date.

Frosty Studio Ltd.

On December 5, 2024, Beam entered into a share repurchased agreement with Frosty Studio Ltd. Frosty Studio Ltd. repurchased 100% of the outstanding shares held by the Company. The repurchase consideration was for $1,470,609 (USD$1,050,000). and consists of $840,348 (USD$600,000) on the closing date, $420,174 (USD$300,000) on or before the three-month anniversary and the remaining $210,087 (USD$150,000) on or before the six-month anniversary.

The proceeds received from the dispositions were directly used to repay the Company's revolving commitment facility (see Note 13). The gain and loss on the disposal of the subsidiaries as at December 31, 2024 was:

	8020 Design Ltd. $	**Frosty Studio Ltd.** $	**Total** $
Consideration:			
Cash received	400,000	840,348	1,240,348
Receivable from Frosty Studio Ltd.	–	630,261	630,261
Forgiven operating receivable from Frosty Studio Ltd.	–	(109,649)	(109,649)
Total disposal consideration	**400,000**	**1,360,960**	**1,760,960**
Carrying amount of net assets sold	(204,615)	(1,659,545)	(1,864,160)
Gain/(loss) on disposal of subsidiary	**195,385**	**(298,585)**	**(103,200)**

As a result of the dispositions, the Company derecognized net assets as follows:

	8020 Design Ltd. $	**Frosty Studio Ltd.** $	**Total** $
Total assets	840,440	5,415,440	6,255,880
Total liabilities	(571,083)	(2,353,217)	(2,924,300)
Non-controlling interest	(64,742)	(1,413,971)	(1,478,713)
Accumulated other comprehensive loss	–	11,294	11,294
Total net assets	**204,615**	**1,659,546**	**1,864,161**

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

Prior year dispositions

Button Inc.

On August 21, 2023, Beam sold 100% of its issued and outstanding share capital of Button Inc. to Button Research Group, Ltd.

Knit Agency

On August 31, 2023, WeCommerce sold operating assets of Knit Agency to Shopwell Design Ltd.

The loss on disposal of subsidiaries as at December 31, 2023 was:

	Button Inc. $	Knit Agency $	Total $
Consideration:			
Cash received	808,147	1	808,148
Fair value of contingent consideration	–	478,000	478,000
Total disposal consideration	**808,147**	**478,001**	**1,286,148**
Carrying amount of net assets sold	(971,513)	(3,652,759)	(4,624,272)
Loss on disposal of subsidiary	**(163,366)**	**(3,174,758)**	**(3,338,124)**

As a result of the sales, the Company derecognized net assets of:

	Button Inc. $	Knit Agency $	Total $
Total assets	1,968,478	3,652,758	5,621,236
Total liabilities	(296,754)	–	(296,754)
Non-controlling interest	(700,211)	–	(700,211)
Total net assets	**971,513**	**3,652,758**	**4,624,271**

6. Trade and other receivables

	December 31, 2024	December 31, 2023
Trade receivables	**$ 13,468,684**	$ 17,095,862
Unbilled revenue	**1,454,857**	2,045,440
Other receivables	**14,977**	311,511
	14,938,518	19,452,813
Allowance for expected credit loss	**(879,514)**	(514,641)
Trade and other receivables, net	**14,059,004**	18,938,172

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

7. Capital assets

	Land $	Building $	Computer equipment $	Computer software $	Furniture and equipment $	Leasehold improvements $	Total $
Cost							
Balance January 1, 2023	**2,906,428**	**2,005,938**	**2,108,853**	**320,502**	**720,982**	**680,844**	**8,743,547**
Acquired through business combination (Note 4, 5)	–	–	288,526	–	–	–	**288,526**
Additions	–	–	351,507	96,031	28,592	77,341	**553,471**
Disposals	–	–	(460,878)	(115,703)	(221,711)	(641,814)	**(1,440,106)**
Sale of subsidiaries (Note 5)	–	–	(50,419)	–	–	–	**(50,419)**
Foreign exchange	–	–	10,360	–	–	–	**10,360**
Balance December 31, 2023	**2,906,428**	**2,005,938**	**2,247,949**	**300,830**	**527,863**	**116,371**	**8,105,379**
Acquired through business combination (Note 5)	–	–	–	12,763	–	–	**12,763**
Additions	–	–	466,047	16,918	3,911	–	**486,876**
Disposals	–	–	(564,075)	(14,935)	(9,497)	–	**(588,507)**
Sale of subsidiaries (Note 5)	–	–	(61,550)	–	–	–	**(61,550)**
Foreign exchange	–	–	71,978	1,497	119	–	**73,594**
Balance December 31, 2024	**2,906,428**	**2,005,938**	**2,160,349**	**317,073**	**522,396**	**116,371**	**8,028,555**
Accumulated depreciation							
Balance January 1, 2023	**–**	**96,643**	**1,323,580**	**216,178**	**326,575**	**67,417**	**2,030,393**
Additions	–	56,964	527,784	35,041	98,488	64,566	**782,843**
Disposals	–	–	(375,408)	(46,961)	(125,749)	(96,676)	**(644,794)**
Sale of subsidiaries (Note 5)	–	–	(18,502)	–	–	–	**(18,502)**
Foreign exchange	–	–	(7,536)	–	–	–	**(7,536)**
Balance December 31, 2023	**–**	**153,607**	**1,449,918**	**204,258**	**299,314**	**35,307**	**2,142,404**
Additions	–	73,344	474,554	45,524	57,586	17,991	**668,999**
Disposals	–	–	(360,729)	–	(8,099)	–	**(368,828)**
Sale of subsidiaries (Note 5)	–	–	(49,543)	–	–	–	**(49,543)**
Foreign exchange	–	–	138,325	1,124	119	–	**139,568**
Balance December 31, 2024	**–**	**226,951**	**1,652,525**	**250,906**	**348,920**	**53,298**	**2,532,600**
Net book value							
December 31, 2023	2,906,428	1,852,331	798,031	96,572	228,549	81,064	5,962,975
December 31, 2024	**2,906,428**	**1,778,987**	**507,824**	**66,167**	**173,476**	**63,073**	**5,495,955**

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

8. Intangible assets

	Customer relationships and contracts $	Trade name and brands $	Software and website $	Foundry relationships $	Non-compete agreements $	Intellectual property $	Total $
Cost							
Balance January 1, 2023	**24,462,596**	**12,489,591**	**15,968,300**	**1,111,962**	**–**	**1,675,968**	**55,708,417**
Acquired through business combination (Note 4, 5)	15,510,000	28,299,833	71,087,509	–	5,690,000	2,900,000	123,487,342
Additions	–	–	–	–	–	110,729	110,729
Sale of subsidiaries (Note 5)	(253,800)	(1,085,600)	(2,900,000)	–	–	(376,664)	(4,616,064)
Impairment (Note 9)	(2,831,539)	(622,724)	–	–	–	–	(3,454,263)
Foreign exchange	(497,124)	(289,980)	(341,118)	(26,108)	–	(1,604)	(1,155,934)
Balance December 31, 2023	**36,390,133**	**38,791,120**	**83,814,691**	**1,085,854**	**5,690,000**	**4,308,429**	**170,080,227**
Acquired through business combination (Note 5)	1,232,640	164,352	1,150,464	–	–	–	2,547,456
Additions	–	–	–	–	–	30,416	30,416
Disposals	(1,440,276)	(230,191)	(734,710)	–	–	(109,402)	(2,514,579)
Foreign exchange	1,615,427	1,035,389	1,555,068	95,482	–	8,194	4,309,560
Balance December 31, 2024	**37,797,924**	**39,760,670**	**85,785,513**	**1,181,336**	**5,690,000**	**4,237,637**	**174,453,080**
Accumulated amortization							
Balance January 1, 2023	**3,054,200**	**218,508**	**6,446,941**	**74,130**	**–**	**394,268**	**10,188,047**
Additions	4,697,694	5,788,619	13,007,339	72,699	1,304,918	1,035,954	**25,907,223**
Disposition of subsidiaries (Note 5)	(164,971)	(130,154)	(270,137)	–	–	–	**(565,262)**
Foreign exchange	(46,492)	(17,827)	(70,983)	(1,741)	–	(661)	**(137,704)**
Balance December 31, 2023	**7,540,431**	**5,859,146**	**19,113,160**	**145,088**	**1,304,918**	**1,429,561**	**35,392,304**
Additions	4,740,102	7,760,735	18,308,730	75,613	1,905,856	1,544,491	34,335,527
Disposals	(864,180)	(138,132)	(602,931)	–	–	(5,520)	(1,610,763)
Foreign exchange	495,898	288,128	569,019	16,572	–	3,773	1,373,390
Balance December 31, 2024	**11,912,251**	**13,769,877**	**37,387,978**	**237,273**	**3,210,774**	**2,972,305**	**69,490,458**
Net book value							
December 31, 2023	28,849,702	32,931,974	64,701,531	940,766	4,385,082	2,878,868	134,687,923
December 31, 2024	**25,885,673**	**25,990,793**	**48,397,535**	**944,063**	**2,479,226**	**1,265,332**	**104,962,622**

In June 2024, the Company (Digital Services segment) sold cryptocurrency assets for proceeds of $1.7 million. The carrying value of the cryptocurrency at the time of sale was $0.1 million (2023: $0.1 million), resulting in a gain on disposal of intangible assets of $1.6 million.

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

9. Goodwill

	Digital Services $	Creative Platform $	Software and Apps $	All Other Operating Segments $	Total $
Balance, January 1, 2023	**12,953,444**	**19,932,958**	**–**	**128,120**	**33,014,522**
Acquisition through business combination (Note 4, 5)	–	–	139,333,481	–	139,333,481
Sale of subsidiaries (Note 5)	(1,057,526)	–	(97,416)	–	(1,154,942)
Impairment	(10,051,760)	–	–	(128,120)	(10,179,880)
Foreign exchange	(235,281)	(482,367)	(927,732)	–	(1,645,380)
Balance, December 31, 2023	**1,608,877**	**19,450,591**	**138,308,333**	**–**	**159,367,801**
Acquisition through business combination (Note 5)	–	–	–	2,034,719	2,034,719
Sale of subsidiaries (Note 5)	(1,045,122)	–	–	–	(1,045,122)
Impairment	–	–	(18,687,379)	–	(18,687,379)
Foreign exchange	11,720	1,710,346	410,963	102,957	2,235,986
Balance, December 31, 2024	**575,475**	**21,160,937**	**120,031,917**	**2,137,676**	**143,906,005**

Goodwill has been allocated to the following CGUs or group of CGUs in each reporting segment:

- Digital services (allocated to one CGU)
- Creative platform (allocated to two separate CGUs)
- Software and apps (allocated to one group of CGUs)
- All other operating segments (allocated to one CGU)

The Company sold two businesses within the Digital Services reporting segment (Note 5), of which one business had a goodwill of $1,045,122 which was derecognized as a part of disposition.

(a) Impairment testing for CGUs containing goodwill

The Company performs an impairment test annually on December 31 each year or at each reporting date if there is an indication of impairment. For the purposes of impairment testing, goodwill is allocated to the Company's CGU or group of CGUs which represent the lowest level within the Company at which goodwill is monitored for internal management purposes. The recoverable amount of goodwill is determined based on the greater of the value in use and the fair value less costs to sell of the Company's CGU or group of CGUs.

The recoverable amount of goodwill for each CGU or group of CGUs is determined by management's experience and future expectations of the business performance including consideration of historical data from external and internal sources. Key assumptions utilized within each of the value-in-use models include:

- Revenue growth rate is based upon management's current and long-term forecasts and considers historical growth rates;
- Operating margin reflects the anticipated costs and has considered the anticipated revenue growth rate and impact of inflation;
- Discount rate is a pre-tax rate that reflects the time value of money and risk associated with the CGU or group of CGUs; and

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

- Terminal growth rate is based on the long-term growth prospects of the business beyond a five-year term.

Excluding WeCommerce within Software and Apps, discussed below, the Company did not identify impairment within the CGUs or group of CGUs. The assumptions for the year ended December 31, 2024 were:

	Digital Services	Creative Platform	Software and Apps
Annual revenue growth rates	(3%)-3%	3%-28%	4%-7%
Operating margins	9%	11%-16%	28%-34%
Pre-tax discount rate	24 %	20%-21%	14 %
Terminal growth rate	2%	2%	2%

The assumptions for the year ended December 31, 2023 were:

	Digital Services	Creative Platform	Software and Apps
Annual revenue growth rates	(19%)-10%	(10%)-35%	10%-19%
Operating margins	(2%)-17%	14%-27%	34%-43%
Pre-tax discount rate	21%-25%	19 %	16 %
Terminal growth rate	2%	2%	2%

As at December 31, 2024, a sensitivity analysis was also completed for these CGUs. Based on the analysis, a 1% change in revenue or forecast expenses would result in impairment for a CGU within the Digital Services segment. Any reasonable changes to key assumptions in the other CGUs, excluding WeCommerce, would not result in an impairment loss.

(b) Impairment test for WeCommerce consolidated group of CGUs

Due to continued headwinds in ecommerce and increased competition across the Shopify ecosystem, the revenue growth has been slower than forecasted for the WeCommerce CGU group.

The carrying amount of the CGU group has been determined to be higher than its recoverable amount of $190,140,052 and an impairment loss of $18,687,379 (2023: $nil) was recognized. The impairment was recorded entirely to goodwill. This amount is included within impairment of non-financial assets within the Consolidated Statements of Net (Loss)/Income and Comprehensive (Loss)/Income. As a result of the impairment, the remaining goodwill balance is $120,031,917.

Following the impairment loss recognized in the WeCommerce CGU group, the recoverable amount is equal to the carrying amount. Therefore, any adverse movement in a key assumption could lead to further impairment.

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

10. Investments

Investments consist of investment in equity-accounted investees that are accounted for using the equity method as well as investment in unlisted equity securities that are carried at fair value.

	December 31, 2024	December 31, 2023
Investment in equity-accounted investees:		
Tiny Fund I LP	$ **38,177,751**	$ 30,930,394
Other equity-accounted investees	**3,272,521**	5,045,901
Investment in equity-accounted investees	**41,450,272**	35,976,295
Investment in unlisted equity securities	**3,360,335**	3,046,853
	44,810,607	39,023,148

(a) Tiny Fund I LP

The Company holds a 20.34% interest in the LP units of Tiny Fund I LP, which is a U.S. investment fund. Tiny Fund I LP is accounted for using the equity method to retain the fair value accounting of the underlying investments of the fund.

In addition, the Company holds a 50% interest in TFC Investment Ltd., a private Canadian-incorporated jointly controlled entity. TFC Investment Ltd. holds all the shares of an LLC that serves as the general partner for the U.S. fund. Under the various agreements associated with TFC Investment Ltd., the Company is entitled to a 50% interest in the GP earnings, which includes 30% carried interest after an annualized 8% hurdle rate is reached, and all of the earnings of the 20.34% LP units. The carried interest is calculated on an asset-by-asset basis. Due to the nature of the arrangement, the Company had historically accounted for its equity interest in TFC Investment Ltd. using the hypothetical liquidation value.

	Tiny Fund I LP $
Balance, January 1, 2023	**18,078,787**
Capital calls	14,350,216
Distributions	(1,713,659)
Share of earnings	994,062
Foreign exchange	(779,012)
Balance, December 31, 2023	**30,930,394**
Capital calls	3,766,035
Distributions	(1,817,260)
Share of earnings	2,281,427
Foreign exchange	3,017,155
Balance, December 31, 2024	**38,177,751**

In January 2024, Tiny Fund I LP used the funds from the capital calls to acquire Retail Store Networks, Inc (d/b/a WholesalePet.com) for $12,392,225 (USD$9,250,000). Refer to Note 22 for details of capital call commitment relating to the Company's LP interest.

(b) Other equity-accounted investees

The Company has interests in other equity-accounted investees of $3,272,521 as at December 31, 2024, and $5,045,901 as at December 31, 2023. During the years ended December 31, 2024 and December 31, 2023, these equity-accounted investees had a fair value loss of $374,813 and gain of $127,404, respectively.

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

For the years ended December 31, 2024 and December 31, 2023, the Company received distributions of $548,016 and $373,173, respectively.

On February 5, 2024, the Company sold 89% of its investment in an equity-accounted investee as part of a share repurchase agreement for consideration of $1,377,078 (USD$1,018,022). Of this amount, $497,823 (USD$368,022) was in cash, which was received during the year. The remainder eliminates the Company's outstanding obligation within due to related parties to the equity-accounted investee for the Company's initial investment in its shares.

(c) Unlisted equity securities

The Company has investments in unlisted equity securities of $3,360,335 as at December 31, 2024 and $3,046,853 as at December 31, 2023. During the years ended December 31, 2024 and December 31, 2023, these unlisted equity securities had a fair value gain of $239,475 and $nil, respectively.

11. Trade and other payables

		December 31, 2024		December 31, 2023
Trade payables and accrued liabilities	$	**11,193,765**	$	12,647,263
Seller’s liability		**7,742,558**		7,834,477
Accrued payroll and employee benefits		**3,284,761**		5,760,395
Sales taxes payable		**1,315,634**		1,727,676
Interest payable		**982,179**		1,180,521
Other		**—**		160,848
Trade and other payables		**24,518,897**		29,311,180

12. Right-of-use assets and lease liabilities

The Digital Services segment has three leases for the following office premises:

- The Vancouver lease is a five-year lease which commenced on January 1, 2022, with an extension option for an additional five-year term. On November 1, 2023, the Company completed a lease assignment where it transferred all of its rights, title and interest in the lease and premise to the assignee.
- The Victoria Yates office is a five-year lease which commenced in 2021 with no extension option and was subsequently sublet in 2022. The sublease is classified as a finance lease, resulting in the derecognition of the related right-of-use asset and recognition of a lease receivable in the Consolidated Statements of Financial Position. Refer to note 12(c) below.
- The Victoria Fort office is a three-year lease which commenced on February 1, 2023, with an extension option for an additional three-year term.

(a) Right-of-use assets

Balance, January 1, 2023	$	**567,326**
Additions		75,509
Derecognition		(449,134)
Amortization		(141,264)
Balance, December 31, 2023		**52,437**
Amortization		(25,170)
Balance, December 31, 2024		**27,267**

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

(b) Lease liabilities

Balance, January 1, 2023	**$**	**1,160,420**
Additions		75,509
Derecognition		(481,573)
Finance expense		50,356
Lease payments		(333,333)
Balance, December 31, 2023		**471,379**
Finance expense		18,900
Lease payments		(221,648)
Balance, December 31, 2024		**268,631**

Costs not included in the measurement of the lease liabilities are related to low-value leases and short-term leases and at December 31, 2024 were $101,972 (December 31, 2023: $123,568). There were no leases with variable payment terms.

(c) Lease receivable

The Company is considered an intermediate lessor related to a lease the Company has for the Victoria Yates Office. As of December 31, 2024, the Company had lease receivables as follows:

		December 31, 2024		December 31, 2023
Current portion of lease receivables	**$**	**111,758**	$	111,727
Lease receivables		**26,619**		128,112
		138,377		239,839

Finance income on lease receivables for the year ended December 31, 2024 was $14,261 (December 31, 2023: $22,891) and is recorded in other income/(expenses). The following table presents the contractual undiscounted cash inflows for lease receivables:

	$
2025	115,723
2026	28,931
Total undiscounted lease receivables	144,654
Unearned interest income	(6,277)
Total lease receivables	**138,377**

13. Debt

		December 31, 2024		December 31, 2023
Term loan (c)	**$**	**39,202,372**	$	43,713,472
Revolving credit facilities (a), (c), (e), (g)		**74,934,743**		83,489,941
Revolving term credit facilities (b), (d)		**2,799,800**		4,000,000
CEBA Loans (f)		**–**		40,000
		116,936,915		131,243,413
Less: Current portion		**(16,161,159)**		(10,581,741)
		100,775,756		120,661,672

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

	Term loan $	Revolving credit facilities $	Revolving term credit facilities $	CEBA loans $	Total $
Balance, January 1, 2023	**–**	**69,633,864**	**–**	**160,000**	**69,793,864**
Acquisition of debt	46,792,111	–	–	–	46,792,111
Drawing	–	15,921,093	13,648,005	–	29,569,098
Financing cost additions	–	(465,150)	–	–	(465,150)
Repayments	(2,696,650)	–	(9,684,960)	(120,000)	(12,501,610)
Amortization of finance costs	–	201,010	–	–	201,010
Foreign exchange	(381,989)	(1,800,876)	36,955	–	(2,145,910)
Balance, December 31, 2023	**43,713,472**	**83,489,941**	**4,000,000**	**40,000**	**131,243,413**
Drawing	–	4,069,949	8,899,500	–	12,969,449
Financing cost additions	–	(115,597)	–	–	(115,597)
Repayments	(7,888,403)	(19,399,378)	(10,150,209)	(40,000)	(37,477,990)
Amortization of finance costs	–	291,856	–	–	291,856
Foreign exchange	3,377,303	6,597,972	50,509	–	10,025,784
Balance, December 31, 2024	**39,202,372**	**74,934,743**	**2,799,800**	**–**	**116,936,915**

(a) National Bank of Canada Revolving Commitment Facility

The Company has a revolving commitment with National Bank of Canada with an outstanding amount of $63,089,299 as at December 31, 2024 (2023: $66,324,946). In 2022, the Company, specifically Beam in the Digital Services segment, entered into a credit agreement with National Bank of Canada for a revolving commitment facility of $70,000,000 and an additional commitment facility not exceeding $50,000,000. The interest rate is based on either the Base Rate, CORRA, Canadian Prime, or SOFR according to type of loan drawn, plus a variable spread ranging from 1.50% to 3.50% per annum and a 0.1% adjustment for SOFR loans. The maturity date of the facility is May 20, 2027. The Company has entered into interest rate swaps to exchange the variable SOFR rate for a fixed rate. Refer to Note 23(c).

On June 28, 2024, the Company amended the loan covenants to maintain the minimum interest coverage ratio and maximum leverage ratio at 3.00 and 4.00, respectively, for the trailing twelve month period.

The Company also amended the total commitment of the credit facility. As per the new terms, the total maximum outstanding amount of the facility will be as mentioned below:

- $64,000,000 as at December 31, 2024
- $61,000,000 as at March 31, 2025; and
- $58,000,000 as at June 30, 2025

The Company is scheduled to pay down $3,000,000 each quarter until June 30, 2025. Subsequent to year-end, the Company made a $3,743,715 payment during the first quarter. Based on the new requirements, the Company was in compliance with the covenants and the outstanding amount was lower than the maximum allowable debt as at December 31, 2024 and does not anticipate to be offside in 2025. The fair value of the debt approximates the carrying value.

All obligations of Beam under the revolving commitment are secured by the assets of Beam's business. The revolving commitment contains certain customary non-financial covenants.

(b) Scotiabank revolving term loan

In 2022, Dribbble in the Creative Platform segment entered into an agreement with Scotiabank with respect to a USD$25,000,000 revolving term loan, and a USD$1,500,000 working capital facility. The facility bears interest at a variable rate spread on SOFR and matures on October 11, 2025. Principal and interest payments are amortized over the remaining 48 month term.

As at December 31, 2024, Dribbble does not have an outstanding balance with the Scotiabank facility (2023: $nil).

(c) J.P. Morgan Chase Bank, N.A. term loan

On April 17, 2023, WeCommerce Holdings LP entered into an agreement with JPMorgan Chase Bank, N.A with respect to a USD$35,000,000 senior term loan with a USD$5,000,000 swingline, and a USD$20,000,000 senior revolving credit facility.

The revolving credit facility bears interest at a variable rate spread on SOFR and matures on April 6, 2026. As at December 31, 2024, the interest rates on the term loan and revolving credit facility were 8.17% and 8.05% respectively. The loan covenants for the credit facility includes:

- The Total Net Leverage Ratio on the last day of each fiscal quarter should not be greater than 3.50 times. Total Net Leverage is defined in the Facility agreement calculated as Total Indebtedness to Adjusted Consolidated EBITDA. Adjusted Consolidated EBITDA as defined in the credit agreement is different than Adjusted EBITDA as presented in the Management Discussion & Analysis as it is adjusted for, among other items, purchase accounting adjustments and pull forward synergies resulting from acquisitions.
- The Fixed Charge Coverage Ratio (“FCCR”) on the last day of each fiscal quarter and at the end of any period of four consecutive fiscal quarters cannot be less than 1.25 times. FCCR is defined as Adjusted Consolidated EBITDA less certain allowable expenses to fixed charges.

As at December 31, 2024, WeCommerce was in compliance with all debt covenants. As at December 31, 2024, WeCommerce had $51,790,289 (USD$36,000,000) outstanding under the facility (2023: $57,953,467 (USD$43,750,000)) of which $8,272,060 will be repayable within 1 year. On March 20, 2025, the Company entered into an amendment to extend both the senior term loan and senior revolving credit facility terms to May 20, 2027.

All obligations of WeCommerce under the credit agreement are guaranteed by its material wholly owned subsidiaries (the “Guarantors”) and secured by a security interest in the assets of WeCommerce and the Guarantors, and WeCommerce’s equity interests in the Guarantors. The credit agreement contains certain customary non-financial covenants.

(d) Roynat revolving term loan

On August 10, 2023, the Company entered into an agreement with Roynat Inc. (“Roynat”) with respect to a $25,000,000 revolving term loan. The revolving term loan bears interest at the Canadian variable rate plus 3.50% per annum.

The term of the loan is 12 months and was renewed on May 31, 2024. The loan may be renewed annually by May 31. Each draw on the loan will be added to the current principal balance outstanding on the loan facility with interest only payments occurring monthly.

The financial covenants on the loan are as follows:

- Minimum consolidated fixed charge ratio of 1.20:1 at all times, tested quarterly, on a rolling four quarter basis; and
- Maximum consolidated total funded debt to EBITDA ratio of 4.25:1 at all times, tested quarterly, on a rolling four quarter basis.

As at December 31, 2024, the Company had a balance of $2,799,800 drawn on the revolving term loan (2023: $4,000,000). The fair value of the debt approximates the carrying value.

All obligations of the Company under the revolving term loan are secured by a security interest in a building of the Company's in Victoria, BC, as well as the shares of all subsidiaries which in the opinion of Roynat or its advisors contribute greater than 10% of the consolidated EBITDA of the Company. The revolving commitment contains certain customary non-financial covenants. As at December 31, 2024, the Company was in compliance with all debt covenants.

(e) Royal Bank of Canada line of credit

In 2021, the Company borrowed $2,925,000 from RBC to finance the purchase of a property in Victoria, BC for $4,500,000. This is a revolving demand facility secured against the property. The interest rate on the facility is Royal Bank Prime. On January 17, 2024, Tiny paid off the line of credit (December 31, 2023: $2,925,000) and subsequently, security was released on the property.

(f) Canada Emergency Business Account ("CEBA") loans

In 2021, the Company received an interest-free CEBA loan of $160,000. Under the terms of the CEBA loan, borrowers were entitled to a 33% loan forgiveness if 67% is repaid on or before December 31, 2023. Any amounts after December 31, 2023, interest payments at a rate of 5% per annum are required until full principle is due on December 31, 2025.

On January 15, 2024, the Company repaid the remaining loan of $40,000. As at December 31, 2024, there was no balance outstanding (2023: $40,000).

(g) Royal Bank of Canada revolving demand facility

In 2019, the Company entered into an amended agreement with Royal Bank of Canada with respect to a $200,000 revolving demand facility. The revolving demand facility bears interest at Royal Bank Prime rate plus 1.05% per annum.

The facility is secured by a general security agreement constituting a first ranking security interest in all personal property of Dribbble Holdings Ltd., Tiny Capital Ltd., and Tiny Boards Ltd.

As at December 31, 2024, there was no amount drawn on the facility (2023: nil).

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

(h) Undrawn facilities

The following table shows the total amount of undrawn facilities available at December 31, 2024:

	December 31, 2024
Revolving credit facilities (a), (c), (e), (g)	**7,678,034**
Revolving term credit facilities (d)	**22,200,200**
	29,878,234

14. Share capital

In relation to the Share Transaction, as described in Note 1, the Company's historical common shares were cancelled and Tiny received WeCommerce shares. As such, the authorized share capital of the Company consists of an unlimited number of common shares without par value.

The following table shows the changes in common shares, which have been retrospectively adjusted to reflect the share structure of Tiny subsequent to the reverse acquisition:

	Number of common shares #	$
Balance on January 1, 2023	**144,861,516**	**6,932,471**
Issuance of shares	3,408,527	13,548,005
Reverse acquisition (Note 4)	30,749,622	138,593,826
Issuance of common shares on exercise of share options and restricted share units	298,161	1,856,033
Balance on December 31, 2023	**179,317,826**	**160,930,335**
Issuance of common shares on exercise of share options and restricted share units (Note 15)	302,284	1,747,559
Issuance of shares (a), (b)	7,825,348	20,766,028
Balance on December 31, 2024	**187,445,458**	**183,443,922**

(a) On June 4, 2024, the Company closed a private placement with Hosking Partner LLP ("Private Placement") issuing 7,667,914 class A common shares at a price of $2.68 for gross proceeds of $20,550,010. The Company incurred transaction costs of $120,892 associated with this financing, resulting in net proceeds of $20,429,118. The Company used the proceeds to acquire MediaNet (Note 5a), pay down its debt facilities, working capital and general corporate purposes.

(b) On July 3, 2024, the Company announced it had appointed Mike McKenna as Chief Financial Officer ("CFO") succeeding David Charron. In connection with the CFO transition and David's departure, the Company issued 157,434 class A common shares at a price of $2.14 on July 15, 2024.

15. Share-based compensation

In June 2022, the shareholders of WeCommerce approved an equity incentive plan (the "Omnibus Plan"). The Omnibus Plan permits the Board to issue Options, RSUs, PSUs and DSUs to eligible directors, employees and consultants. Under the terms of the Omnibus Plan, the Company may issue equity awards up to 10% of the issued and outstanding Shares of the Company from time to time.

On April 17, 2023, as a result of the Share Transaction, all of WeCommerce's previously outstanding awards under the Omnibus Plan were deemed to be replaced and modified with no material impact. Also upon the Share Transaction, all Tiny Capital's outstanding awards were exchanged on a 81.05 to 1 basis for equivalent awards of the Company. As no other changes were made to the terms and conditions of these awards, no adjustments to the fair value of the awards were made upon modification.

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

(a) Stock options

As WeCommerce is the accounting acquiree, all awards issued to employees of WeCommerce prior to the Share Transaction (Note 4) are considered to be issued as replacement awards at the acquisition date.

A summary of the Company's outstanding options and changes during the year that are a part of the Omnibus Plan are as follows:

	Number of options #	Weighted average exercise price $
Outstanding, January 1, 2023	**-**	**-**
Acquired through business combination (Note 4)	92,697	3.62
Exercised	(25,927)	1.14
Forfeited	(3,188)	7.00
Outstanding, December 31, 2023	**63,582**	**4.46**
Exercised	(14,663)	1.14
Forfeited	(8,688)	7.00
Cancelled	(7,000)	7.00
Outstanding, December 31, 2024	**33,231**	**4.72**
Exercisable, December 31, 2023	48,280	4.44
Exercisable, December 31, 2024	**33,231**	**4.72**

(b) RSUs, DSUs, and PSUs

RSUs, DSUs, and PSUs within the Omnibus Plan can be settled in either shares, cash, or a combination of both, at the option of the Company. It is the Company's intent to settle the outstanding RSUs, DSUs, and PSUs in shares. RSUs and DSUs are classified as equity-settled and valued at the closing share price on the grant date. PSUs are classified as equity-settled. PSUs with non-market conditions are measured at fair value on the ten-day VWAP preceding each grant date. The forgoing summary is qualified by the full text of the Omnibus Plan.

As a result of the Share Transaction (Note 4), the outstanding RSUs, DSUs, and PSUs of WeCommerce were not modified but were considered to be replacement awards. The outstanding RSU awards previously issued by Tiny were exchanged for RSUs at the conversion rate applicable to other outstanding instruments. A summary of the outstanding amounts and changes during the year are as follows:

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

	RSUs #	DSUs #	PSUs #
Outstanding, January 1, 2023	**–**	**–**	**–**
Acquired through business combination	491,592	34,798	388,380
Granted	208,561	–	–
Settled	(272,234)	–	–
Forfeited	(106,781)	–	(120,000)
Outstanding, December 31, 2023	**321,138**	**34,798**	**268,380**
Granted	1,443,661	–	–
Settled	(235,287)	–	(52,334)
Forfeited	(14,913)	–	(163,712)
Outstanding, December 31, 2024	**1,514,599**	**34,798**	**52,334**

(c) Unvested shares

In January 2022, Tiny issued 825,547 options to purchase Class A Shares with an exercise price of $0.00001 per share to employees which are subject to vesting over 120 months, calculated to commence in January 2021. In December 2022, the Company issued replacement awards whereby the employees early exercised all outstanding stock options into Class A shares, of which 165,174 were exercised into vested shares and 660,373 were exercised into Restricted stocks which are subject to vesting over 96 months, commencing on December 1, 2022. As at December 31, 2024, 160,449 of these vested shares remained outstanding. No additional awards were granted during the period.

	Unvested shares #
Outstanding, January 1, 2023	**1,054,734**
Granted	–
Vested	(84,761)
Forfeited	(726,968)
Outstanding, December 31, 2023	**243,005**
Vested	(82,556)
Outstanding, December 31, 2024	**160,449**

(d) Options of subsidiary entities

The Company's wholly-owned subsidiaries have stock option plans that are separate from the Omnibus Plan. These options vest until February 2028. To the extent that these options are exercised, the employees would own non-controlling interests in the underlying entities.

A summary of the outstanding amounts and changes during the year are as follows:

	Digital Services #	Creative Platform #	Total #
Outstanding, January 1, 2023	**35,234**	**653,794**	**689,028**
Granted	–	81,333	81,333
Settled	–	(3,360)	(3,360)
Forfeited	(20,196)	(569,290)	(589,486)
Outstanding, December 31, 2023	**15,038**	**162,477**	**177,515**
Forfeited	**–**	**(105,036)**	(105,036)
Outstanding, December 31, 2024	**15,038**	**57,441**	**72,479**
Exercisable, December 31, 2023	6,580	81,398	87,978
Exercisable, December 31, 2024	**10,399**	**37,793**	**48,192**

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

(e) Share-based compensation expense

Total expenses from share-based payment transactions recognized during the year are as follows:

	December 31, 2024	2023
Options including options of subsidiaries	$ 488,765	$ 2,091,592
Unvested shares	96,351	1,000,218
RSUs	1,384,312	1,508,682
PSUs	121,624	70,172
	2,091,052	4,670,664

16. Revenue and deferred revenue

The Company derives its revenue from the transfer of goods and services over time and at a point in time in the following segments, for the years ended December 31, 2024 and December 31, 2023:

	Digital Services $	Creative Platform $	Software and Apps $	All Other Segments $	Total $
Timing of revenue recognition:					
At a point in time	**—**	**40,029,592**	**21,049,421**	**523,474**	**61,602,487**
Over time	**81,501,303**	**11,211,999**	**33,532,324**	**6,384,240**	**132,629,866**
For the year ended December 31, 2024	**81,501,303**	**51,241,591**	**54,581,745**	**6,907,714**	**194,232,353**

	Digital Services $	Creative Platform $	Software and Apps $	All Other Segments $	Total $
Timing of revenue recognition:					
At a point in time	–	45,122,928	12,216,127	791,179	58,130,234
Over time	80,186,311	16,374,213	24,427,840	6,384,015	127,372,379
For the year ended December 31, 2023	**80,186,311**	**61,497,141**	**36,643,967**	**7,175,194**	**185,502,613**

The Company has no customers which individually account for more than 10% of its revenues for the years ended December 31, 2024 and December 31, 2023.

The following table shows how much revenue was recognized in the year and how much relates to performance obligations that were satisfied from deferred revenue:

	Digital Services $	Creative Platform $	Software and Apps $	All Other Segments $	Total $
Balance, January 1, 2023	**1,886,316**	**3,251,758**	**–**	**483,531**	**5,621,605**
Acquired at fair value (Note 4)	–	–	3,844,574	–	3,844,574
Prior year liability recognized as revenue during the period	(1,886,316)	(3,251,758)	(3,836,656)	(435,779)	(9,410,509)
Net additions	3,629,823	3,756,502	3,796,229	210,954	11,393,508
Foreign exchange	–	(88,826)	16,123	–	(72,703)
Balance, December 31, 2023	**3,629,823**	**3,667,676**	**3,820,270**	**258,706**	**11,376,475**
Acquired at fair value (Note 5)	–	–	–	644,654	644,654
Prior year liability recognized as revenue during the period	(3,629,823)	(3,667,676)	(3,820,270)	(258,706)	(11,376,475)
Net additions	4,442,445	3,839,843	3,395,630	996,167	12,674,085
Foreign exchange	–	40,179	323,468	(2,622)	361,025
Balance, December 31, 2024	**4,442,445**	**3,880,022**	**3,719,098**	**1,638,199**	**13,679,764**

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

17. Related party transactions

Related party transactions are conducted in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The transfer of businesses by entities under common control, specifically within the WeCommerce Group, has been accounted for based on the historical cost and is described in Note 1.

During the year ended December 31, 2024, there were transactions with companies whose partners or senior officers are Directors of the Company or related to Directors of the Company. These counterparties are:

- A firm, controlled by Chris Sparling, the Vice Chair of the Board of Directors (Co-Chief Executive Officer until end of May 2024), that provides consulting services.
- A firm, controlled by Andrew Wilkinson, the Chair of the Board of Directors (Co-Chief Executive Officer until end of May 2024), that provides administrative and other support services. This was an election by Mr. Wilkinson to have a portion of his salary paid as a consulting fee; and
- A firm, whose controlling partner is Shane Parrish, a Director of the Company, that provides marketing and advertising services. Effective February 14, 2024, this agreement was terminated to avoid any conflict of interest, with final payments concluded by June 30, 2024.

(a) Related party revenues

	2024	2023
Management fees:		
Entities under control of directors of the company	**$ —**	$ 26,400
Equity-accounted investees	**423,448**	753,590

(b) Related party expenses

	2024	2023
Professional/consulting fees:		
Entities under control of directors of the company	**$ —**	$ 36,345
Equity-accounted investees	**126,771**	—
Marketing fees:		
Equity-accounted investees	**363,122**	176,139

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

(c) Due from equity-accounted investees

	2024	2023
Due from an entity controlled by key management personnel		
Beginning of the year	$ –	$ 1,200,000
Loans advanced	–	–
Loan repayments received	–	(1,200,000)
End of the year	–	–
Due from equity-accounted investees		
Beginning of the year	**1,714,624**	112,385
Loans advanced	**2,422,885**	1,790,513
Loan repayments received	**(760,042)**	–
Foreign exchange	**150,492**	–
Interest charged	**90,434**	53,871
Bad debts written off	–	(242,145)
End of the year	**3,618,393**	**1,714,624**
Balance, end of the year	**3,618,393**	**1,714,624**

In 2021, the Company issued a total of $2,300,000 in promissory notes to an entity controlled by a key management personnel. Portions of the note were repaid throughout 2022 and fully repaid in 2023.

As at December 31, 2024, the Company had a total of $3,397,386 in promissory notes outstanding from two equity-accounted investees. The detailed breakdown of the outstanding promissory notes is as follows:

- Three promissory notes totaling $3,143,880 (2023: $1,600,431) and each note is comprised of:
    - Note #1: $1,480,762 (2023: $1,322,600) is an unsecured note and bears interest at a rate of 3.70% per annum with a maturity date of March 20, 2026;
    - Note #2: $1,476,209 (2023: $277,831) is an unsecured note and bears interest at a rate of 3.98% per annum with a maturity date of February 5, 2027; and
    - Note #3: $186,909 (2023: $nil) is an unsecured note and bears interest at a rate of 3.98% per annum with a maturity date of October 25, 2027.
- Promissory Note of $253,506 (2023: $nil) is an unsecured demand note and bears interest at a rate of 8.00% per annum.

All other amounts are unsecured and non-interest bearing with no repayment terms.

(d) Due to equity-accounted investees

	2024	2023
Due to equity-accounted investees	$ **13,829**	$ 1,387,737

The balances due to equity-accounted investees are unsecured and non-interest bearing with no specific terms of repayment. Of the balance on December 31, 2023, $1,327,324 is due to equity-accounted investees for subscription of shares. On February 5, 2024, the Company sold 89% of its investment in an equity-accounted investee as part of a share repurchase agreement for a purchase price of $1,377,078 (USD$1,018,022). Of this amount, $497,823 (USD$368,022) was in cash, which was received during the period, and the remainder eliminates the Company's outstanding obligation within due to related parties to the equity-accounted investee for the Company's initial investment in its shares.

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

(e) Compensation of key management personnel

The Company's key management personnel have authority and responsibility for overseeing, planning, directing and controlling the activities of the Company and consists of the Board of Directors, the Company's Chief Financial Officer and the Company's Chief Executive Officer. Key management compensation was comprised of:

	2024	2023
Salaries and consulting fees	**$ 2,871,202**	$ 1,607,894
Share-based compensation	**361,896**	327,407

18. Income taxes

Income tax expenses/(recovery) includes the following components:

	2024	2023
Current tax expense		
Current income tax expense	**$ 6,234,884**	$ 3,464,496
Adjustments for prior periods	**1,650,336**	325,471
	7,885,220	3,789,967
Deferred tax expense/(recovery)		
Origination and reversal of temporal differences	**(7,473,561)**	(7,448,981)
Adjustments for prior periods	**(2,455,122)**	(780,623)
	(2,043,463)	**(4,439,637)**

The difference between tax expense for the year and the expected income taxes based on the statutory rate arises as follows:

	2024	2023
(Loss)/income before taxes	**$ (49,602,962)**	$ 10,315,293
Statutory tax rates	**27%**	27%
Tax expense based on the statutory tax rates	**(13,392,800)**	2,785,129
Non-taxable gain on step acquisition	**–**	(11,615,564)
Items not deductible for taxes	**3,283,978**	2,319,633
Differences between Canadian and foreign tax rates	**737,009**	912,361
Difference in Canadian tax rates	**291,337**	(211,514)
True-up of tax losses to statutory returns	**(804,415)**	(455,153)
Impact of investment tax credits	**(433,850)**	(590,686)
Changes in tax benefits not recognized	**8,275,278**	2,416,157
Total income tax (recovery)/expense	**(2,043,463)**	(4,439,637)

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

The Company recognizes tax benefits on losses or other deductible amounts where the probable criteria for the recognition of deferred tax assets has been met. The Company's net deferred tax liabilities are as follows:

	2024	2023
Capital assets and right-of-use assets	**$ (86,690)**	$ 347,104
Intangible assets	**(3,136,310)**	(17,004,771)
Contingent asset	**(110,839)**	(110,839)
Lease receivable	**(37,362)**	(490,291)
Lease liabilities	**72,530**	127,272
Prepaid and accrued expenses	**874,873**	777,482
Investments	**(440,467)**	–
Withholding taxes on profits	**(19,957)**	(214,697)
Forward contracts and promissory note payable	**–**	–
Foreign exchange	**30,929**	(198,189)
Deferred income	**(49,754)**	(90,575)
Taxation of investment tax credits	**(71,323)**	(137,225)
Tax credits carried forward and research deductions	**99,462**	75,394
Tax losses	**795,167**	5,702,485
Financing costs	**678,049**	699,403
Net deferred tax liabilities	**(1,401,692)**	(10,517,447)

	2024	2023
Deferred tax asset	**$ 4,708,306**	$ 1,103,999
Deferred tax liability	**(6,109,998)**	(11,621,446)
	(1,401,692)	(10,517,447)

The movement in temporary tax differences is recorded in the Consolidated Statements of Net (Loss)/ Income and Comprehensive (Loss)/Income.

The Company has the following unrecognized deferred income tax assets:

	2024	2023
Intangible assets and goodwill	**$ 2,293,596**	$ 1,939,689
Investments	**–**	123,758
Tax losses	**8,227,006**	356,241
Accrued expenses and other	**517,635**	227,441
	11,038,237	2,647,129

(a) Scientific Research and Experimental Development ("SR&ED") investment tax credits

All investment tax credits received by the Company relate to SR&ED expenditures. Current year SR&ED credits are recorded in the provision for income taxes. SR&ED credits of $648,563 are recorded in the provision for income taxes for the year ended December 31, 2024 (2023: $628,655).

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

19. (Loss)/earnings per share

Loss/(earnings) per share has been calculated as follows:

		2024	2023
Net (loss)/income attributable to parent's interest	$	**(48,677,428)**	13,940,566
Weighted average number of shares outstanding		**183,961,321**	168,310,050
Weighted average number of shares outstanding including potentially dilutive shares		**183,961,321**	168,874,194
Basic (loss)/earnings per share	$	**(0.26)**	0.08
Diluted (loss)/earnings per share	$	**(0.26)**	0.08

The outstanding number and type of securities that are anti-dilutive during the year are as follows:

	2024 #	2023 #
Stock options	**—**	63,394

The Company's potential dilutive instruments, which includes stock options, RSUs, DSUs and PSUS, have been excluded from the computation of the diluted loss per share for the year ended December 31, 2024, as the effect would be antidilutive.

20. Supplemental cash flow information

Changes in non-cash operating working capital items are as follows:

		2024		2023
Decrease/(increase) in:				
Trade and other receivables	$	**2,716,948**	$	(3,774,344)
Prepaid expenses		**18,772**		96,526
Due to/from related parties		**(139,597)**		(1,137,707)
Other assets		**(59,029)**		46,410
Trade and other payables		**(2,789,610)**		(3,181,836)
Deferred revenue		**1,781,427**		1,756,910
		1,528,911		(6,194,041)

Supplemental disclosure of non-cash financing activities:

	2024		2023
ROU asset and lease liabilities recognized	—	$	75,509
Contingent consideration payout on behalf of subsidiary	—		356,284
Issuance of shares on acquisition of subsidiary	—		539,770
Sale of equity-accounted investee	(1,181,755)		914,799

21. Segment information

(a) Reportable segments

December 31, 2024	**Digital Services $**	**Creative Platform $**	**Software and Apps $**	**Other $**	**Total $**
Revenue	81,501,303	51,241,591	54,581,745	6,907,714	194,232,353
Earnings/(loss) from operations	12,050,747	1,420,654	(14,230,811)	(15,017,812)	(15,777,222)
Net income/(loss)	1,064,756	2,487,118	(33,154,153)	(17,957,220)	(47,559,499)

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

December 31, 2023	Digital Services $	Creative Platform $	Software and Apps $	Other $	Total $
Revenue	80,186,311	61,497,141	36,643,967	7,175,194	185,502,613
Earnings/(loss) from operations	5,347,211	4,242,880	(13,683,452)	(15,080,331)	(19,173,692)
Net income/(loss)	(5,633,984)	1,536,939	(19,158,859)	38,010,834	14,754,930

Assets and liabilities are attributed as follows. Corporate assets and liabilities, including investments in equity-accounted investees, which cannot be attributed between various segments, have not been allocated between segments:

At December 31, 2024	Digital Services $	Creative Platform $	Software and Apps $	Other $	Total $
Total assets	30,484,863	52,560,485	204,375,173	63,109,277	350,529,798
Total liabilities	75,916,084	18,723,156	63,356,577	10,463,433	168,459,250

At December 31, 2023	Digital Services $	Creative Platform $	Software and Apps $	Other $	Total $
Total assets	39,104,479	49,847,481	254,795,740	48,887,437	392,635,137
Total liabilities	83,077,731	20,953,399	70,370,626	15,679,700	190,081,456

(b) Geographic information

For geographical reporting, revenues are attributed to the geographic location in which the customer is located:

	2024	2023
Canada	**$ 8,309,902**	$ 9,673,653
United States	**132,133,263**	121,033,917
Asia	**14,881,913**	4,770,614
Europe	**23,649,638**	24,626,457
Australasia	**7,008,478**	4,776,338
Other	**8,249,159**	20,621,634
	194,232,353	185,502,613

22. Contingencies and commitments

Due to the size, complexity, and nature of the Company's operations, various legal, tax, environmental, and regulatory matters are outstanding from time to time. By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The Company accrues for such items when a liability is both probable and the amount can be reasonably estimated. In the opinion of management, based on the information currently available, these matters will not have a material adverse effect on the financial statements of the Company.

Contingent consideration

Total contingent consideration payable is comprised of:

- $860,566 (December 31, 2023: $122,104) relating to the acquisition of Clean Canvas

  WeCommerce acquired Clean Canvas on September 6, 2023. The contingent consideration is to be paid if Clean Canvas achieves minimum EBITDA targets during the 18 months following the closing date. The contingent consideration is to be settled through cash, the issuance of shares or through a combination of cash and shares. Under no circumstances will the total payment exceed USD$1,200,000 and shares issued under the transaction are subject to a restriction on transfer for a period of 12 months following the date of their issuance.

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

- $nil (December 31, 2023: $1,079,800) relating to the acquisition of Frosty

  Beam acquired Frosty during the year ended December 31, 2021. On January 3, 2024, the Company paid $594,098 (USD$444,444) to the seller for exceeding certain revenue thresholds for the year ending December 31, 2023. On December 5, 2024, the Company sold Frosty and the remaining contingent consideration was included in part of the total derecognized net assets (Note 5).

Amounts are included in contingent consideration until they are settled.

Liabilities for contingent consideration related to business acquisitions are recorded at fair value on acquisition and are adjusted quarterly for changes in fair value. Changes in fair value of contingent consideration liabilities can result from changes in anticipated milestone payment and changes in assumed discount periods and rates. These inputs are unobservable in the market and therefore, categorized as Level 3 inputs.

The fair value of the contingent consideration was estimated by calculating the present value of the future expected cash flows. The following table presents the changes in the fair value of the Company's liability for contingent consideration:

Balance on January 1, 2023	**$**	**9,979,778**
Acquired through business combination		1,543,069
Payment of contingent consideration through issuance of shares		(356,284)
Payment of contingent consideration		(984,118)
Adjustment to fair value		(8,736,587)
Foreign exchange		(245,385)
Balance on December 31, 2023		**1,200,473**
Payment of contingent consideration		(659,433)
Sale of subsidiary (Note 5)		(595,776)
Adjustment to fair value		871,607
Foreign exchange		104,815
Balance on December 31, 2024		**921,686**

Capital commitment

In connection with the LP interest held by the Company in Tiny Fund I LP, the Company has committed to fund 20.34% of the total $211,876,247 (USD$147,248,764) capital commitment. As at December 31, 2024, the Company has no amount owing related to its capital commitment (December 31, 2023: USD$2,808,424). On January 12, 2024, the Company received a capital call and paid for the remaining commitment of $3,757,284 (USD$2,808,424).

Additionally, Digital Services has a partnership interest held in MetaLab Ventures Fund I (Canada) LP. Digital Services has committed to fund $2,877,800 (USD$2,000,000) to the fund which has a total size of $20,432,380 (USD$14,200,000). During the year, the Company paid total capital call commitments of $992,110 (USD$730,000). As at December 31, 2024, Digital Services had a remaining capital commitment of $964,063 (USD$670,000) that had not yet been called (December 31, 2023: USD$1,400,000).

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

Indemnifications in contracts

The Company has entered agreements with third parties that include indemnification provisions that are customary in the industry. These indemnification provisions generally require the Company to compensate the other party for certain damages and costs incurred as a result of third-party claims or damages arising from these transactions. The maximum amount of potential future indemnification is unlimited; however, the Company currently holds commercial and product liability insurance. This insurance limits the Company's exposure and may enable it to recover a portion of any future amounts paid. Historically, the Company has not made any indemnification payments under such agreements and the Company believes that the fair value of these indemnification obligations is minimal. Accordingly, the Company has not recognized any liabilities relating to these obligations for any period presented.

23. Financial instruments

(a) Classification and measurement

The following table summarizes information regarding the classification and carrying values of the Company's financial instruments:

	Amortized cost	Fair value through profit or loss	December 31, 2024
	$	$	$
Financial Assets			
Cash and cash equivalents	22,862,394	–	22,862,394
Trade and other receivables	14,059,004	–	14,059,004
Due from equity-accounted investees	3,618,393	–	3,618,393
Lease receivables	138,377	–	138,377
Derivatives	–	683,639	683,639
Investments in unlisted equity securities*	–	3,360,335	3,360,335
Financial Liabilities			
Trade and other payables	24,518,897	–	24,518,897
Due to related parties	13,829	–	13,829
Lease liabilities	268,631	–	268,631
Debt	116,936,915	–	116,936,915
Derivatives	–	19,784	19,784
Contingent consideration payable	–	921,686	921,686

* Included in Investments on the Consolidated Statements of Financial Position

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

	Amortized cost $	Fair value through profit or loss $	December 31, 2023 $
Financial Assets			
Cash and cash equivalents	26,933,635	–	26,933,635
Restricted cash	255,720	–	255,720
Trade and other receivables	18,938,172	–	18,938,172
Due from equity-accounted investees	1,714,624	–	1,714,624
Lease receivables	239,839	–	239,839
Derivatives	–	264,949	264,949
Investments in unlisted equity securities*	–	3,046,853	3,046,853
Financial Liabilities			
Trade and other payables	29,311,180	–	29,311,180
Due to related parties	1,387,737	–	1,387,737
Lease liabilities	471,379	–	471,379
Debt	131,243,413	–	131,243,413
Derivatives	–	64,959	64,959
Contingent consideration payable	–	1,200,472	1,200,472

* Included in Investments on the Consolidated Statements of Financial Position

(b) Fair value

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs in making the measurements. The levels of the fair value hierarchy are defined as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Inputs for the asset or liability that are not based on observable market data.

Cash and cash equivalents, restricted cash, trade and other receivables, trade and other payables, due to related parties, due from equity-accounted investees, and lease liabilities are carried at amortized cost, which carrying values approximate their fair values due to the relatively short-term maturity of these financial instruments. The carrying value of debt is initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method.

The Company evaluates the fair value of its unlisted equity investments in privately held companies relative to periodic third-party valuations over the private companies, financial reporting, estimated value in an exchange with a third party and, where applicable, indications of impairment.

The fair values of derivative contracts are measured using a Level 2 fair value measurement.

The fair values of contingent consideration payable are measured based on management's forecast of operating results of the relevant acquired subsidiaries (e.g. revenue and adjusted EBITDA) and estimated discount rates. Accordingly, the valuations involve the use of unobservable inputs and is categorized as Level 3 fair value measurements. Changes in the fair value of contingent consideration payable can result from changes in anticipated milestone payments and changes in assumed discount periods and rates. Contingent consideration payable is remeasured at fair value each reporting period with the gain or loss being recognized through the Consolidated Statements of Net (Loss)/Income and Comprehensive (Loss)/Income.

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

There were no transfers between levels of the fair value hierarchy in the years ended December 31, 2024 and 2023.

(i) Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash and cash equivalents, restricted cash, trade and other receivables, lease receivable and receivables from equity-accounted investees. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash and cash equivalents with high-credit quality financial institutions. The Company considers the risk of financial loss on cash and cash equivalents to be remote.

The Company reduces credit risk with respect to trade receivables by regularly assessing the credit risk associated with these accounts and closely monitoring any overdue balances. In the opinion of management, concentration risk exposure to the Company is low.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective in managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The Company manages liquidity risk through the management of its capital structure in conjunction with cash flow forecasting including anticipated investing and financing activities.

The tables below categorize the Company's financial liabilities into relevant maturity groupings based on the remaining periods at the consolidated statement of financial position dates to the contractual maturity dates. Contingent consideration payable is to be settled through a combination of share issuance and cash as distinguished by its total contractual cash flows. All other financial liabilities are settled in cash.

December 31, 2024	1 year or less $	Between 1 and 5 years $	Over 5 years $	Total contractual cash flows $	Carrying amount $
Trade and other payables	24,518,897	–	–	24,518,897	24,518,897
Income tax payable	5,989,747	–	–	5,989,747	5,989,747
Debt[(1)]	16,161,159	100,775,756	–	116,936,915	116,936,915
Contingent consideration payable[(2)]	61,120	–	–	61,120	921,686
Due to related parties	13,829	–	–	13,829	13,829
Lease liabilities	220,226	48,405	–	268,631	268,631
	46,964,978	**100,824,161**	**–**	**147,789,139**	**148,649,705**

[(1)] *Interest charges are excluded from the amounts presented above.*
[(2)] *A portion of the contingent consideration payable can be settled through cash and the issuance of shares, at the discretion of the Company.*

December 31, 2023	1 year or less $	Between 1 and 5 years $	Over 5 years $	Total contractual cash flows $	Carrying amount $
Trade and other payables	29,311,180	–	–	29,311,180	29,311,180
Income tax payable	3,404,395	–	–	3,404,395	3,404,395
Debt	10,581,741	120,661,672	–	131,243,413	131,243,413
Contingent consideration payable [(1)]	1,079,800	–	–	1,079,800	1,200,472
Due to related parties	1,387,737	–	–	1,387,737	1,387,737
Lease liabilities	216,366	255,013	–	471,379	471,379
	45,981,219	**120,916,685**	**–**	**166,897,904**	**167,018,576**

[1)] Interest charges are excluded from the amounts presented above.
[(2)]A portion of contingent consideration payable will can be settled through cash and the issuance of shares, at the discretion of the Company.

(iii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates against the functional currency. The Company operates in Canada, the United States, the United Kingdom, Singapore, and Spain and is therefore exposed to foreign exchange risk arising from transactions denominated in foreign currencies. The operating results and the financial position of the Company are reported in Canadian dollars ("CAD"). The functional currency of the parent entity, and some subsidiaries, is CAD and is therefore exposed to foreign currency risk from financial instruments denominated in currencies other than CAD. The Company has one small subsidiary whose functional currency is Euros, one small subsidiary whose functional currency is the UK pound sterling, and multiple subsidiaries whose functional currency is the United States dollar ("USD").

The Company is exposed to foreign currency risk through the following foreign currency denominated financial assets and liabilities, expressed in CAD:

		December 31, 2024		December 31, 2023
Cash	**$**	**21,001,036**	$	21,951,281
Trade and other receivables		**12,818,752**		18,822,546
Trade and other payables		**14,550,897**		24,452,306
Due from equity-accounted investees		**3,246,976**		–
Debt		**114,137,116**		57,953,467
Total exposure		**165,754,777**		123,179,600

A change in the closing exchange rate of each functional currency will cause a change in net income. When applying a sensitivity analysis of 1% strengthening of the currencies with which the Company has exposure to, only the USD produces a material difference. If the USD strengthened by 1%, then there would be a corresponding decrease of CA$1.0 million to net income. This is primarily driven by debt and trade payables, which are offset by cash and trade receivables.

(c) Derivative financial instruments

(i) Interest rate swap derivatives

The Company has entered into interest rate swap contracts to manage risk on its debt. The Company does not designate its interest rate swap contracts as hedging instruments.

In 2022, the Company entered into an interest rate swap related to its revolving debt facility through April 27, 2027. As at December 31, 2024, the Company had interest rate swap coverage of USD$43,900,000 (December 31, 2023: USD$49,700,000) in line with principal repayments made during the year. The Company incurs a fixed rate in exchange for the variable rate, plus a rate based on credit spread along with an additional 0.1% adjustment for SOFR loans. As at December 31, 2024, the fixed interest rate was 3.64% + credit spread of 3.50% + 0.1% SOFR totaling 6.24%. The Company recognized a fair value derivative asset of $683,639 at December 31, 2024 (December 31, 2023: $264,949 derivative asset). Changes in the fair value during the period was recorded in fair value gain/(loss) to financial instruments.

(Tabular amounts expressed in Canadian dollars, unless otherwise noted)

As part of the Share Transaction, the Company acquired two interest rate swap contracts exchanging variable interest for fixed interest on the term credit facility of USD$35,000,000 through April 6, 2026 for $326,349. The fixed interest blended rate was 4.25% + credit spread of 3.50% totaling 7.75%. The Company recognized a fair value derivative liability of $19,784 at December 31, 2024 (December 31, 2023: $64,959 derivative liability). Changes in the fair value during the period was recorded in fair value gain/(loss) to financial instruments.

(d) Capital management

The Company's objective when managing its capital structure is to maintain a strong financial position and to provide returns with sufficient liquidity to undertake further growth for the benefit of its shareholders. The Company defines capital as the aggregate of its share capital and debt.

The calculation of the Company's capital is summarized below:

		December 31, 2024		December 31, 2023
Debt	**$**	**116,936,915**	$	131,243,413
Share capital		**183,443,922**		160,930,335
Total exposure	**$**	**300,380,837**	$	292,173,748

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, or change staffing levels to mitigate future liabilities.

The Company's credit facilities include certain reporting requirements covering, among other things, annual financial statements and forecasts.

As a result of the increasing foreign exchange rates, management made additional payments to its bank loan to manage its capital. The Company is subject to certain financial covenants on its debt obligations. The Company's strategy is to ensure it remains in compliance with all of its existing covenants so as to ensure continuous access to required debt to fund growth. Management reviews results and forecasts to monitor the Company's compliance.

24. Subsequent events

(a) Majority acquisition of Serato Audio Research Limited

On March 31, 2025, the Company entered into an arms-length definitive agreement (as may be amended or supplemented from time to time, the "Acquisition Agreement") to acquire a 66% interest in Serato Audio Research Limited ("Serato"), the leading global DJ software company based in Auckland, New Zealand (the "Acquisition"). Pursuant to the Acquisition Agreement, the Company has agreed to acquire 66% of the shares of Serato from the current shareholders of Serato (the "Sellers") for an aggregate base purchase price of US$66,000,000 (the "Purchase Price"), payable on closing, subject to customary closing adjustments, plus contingent consideration based on Serato's performance in the two years following closing of the Acquisition. The Purchase Price will be paid through: (i) the issuance of 29,360,452 Common Shares to the Sellers having an aggregate value of US$23,600,000 (the "Completion Shares"), and (ii) the payment of up to US$42,400,000 in cash.

Each Completion Share will be issued at a price of US$0.8038 (CAD$1.15) per share and will be subject to a statutory four month hold period in accordance with applicable Canadian securities laws. In addition, the Sellers have agreed to contractual restrictions on the sale of their Completion Shares whereby the transfer of such shares will be restricted for a period of 24 months following closing, with 50% of such Completion Shares becoming freely trading upon the first anniversary of the closing date and 12.5% being released quarterly thereafter.

The completion of the Acquisition is subject to customary mutual conditions for transactions of this nature, including: the accuracy of representations and warranties; the fulfilment of certain covenants; the receipt of certain regulatory approvals, including the approval of the New Zealand Overseas Investment Office and the approval of the TSXV. The Acquisition is expected to close in Q2 2025, subject to the satisfaction of customary closing conditions and regulatory approvals.

(b) Bought deal financing and concurrent private placement

On April 9, 2024, the Company entered into an underwriting agreement with Canaccord Genuity Corp. and Roth Canada, Inc., (the "Co-Lead Underwriters"), as co-lead underwriters, and Scotia Capital Inc., Cormark Securities Inc. and Ventum Financial Corp. to issue and sell, on a bought deal basis, 17,400,000 subscription receipts of the Company (the "Subscription Receipts"), at a price of $1.15 per Subscription Receipt for gross proceeds of $20,010,000 (the "Offering"). The net proceeds of the Offering will be used to finance a portion of the cash component of the Purchase Price, as defined in Note 24(a). The Company has granted the Underwriters an option to purchase up to an additional 15% of the number of Subscription Receipts sold in the Offering on the same terms and conditions as the Offering, exercisable by the Co-Lead Underwriters at any time, in whole or in part, up to the earlier of: (i) thirty days following the closing of the Offering and (ii) the termination of the agreement related to the Acquisition (the "Over-Allotment Option"). If the Underwriters exercise the Over-Allotment Option in full, an additional 2,610,000 Subscription Receipts will be issued, listed, and admitted to trading. If the closing of the Acquisition occurs on or prior to the closing of the Over-Allotment Option, the Company will deliver Class A common shares ("Common Shares") and warrants, instead of Subscription Receipts, to investors on the closing of the Over-Allotment Option.

Upon satisfaction or waiver of certain closing conditions of the Acquisition and Concurrent Private Placement (as defined herein) each Subscription Receipt, without payment of additional consideration or further action by the holder thereof will be exchanged for: (a) one Common Share and one-half of one Common Share purchase warrant (each whole warrant, a “Warrant”). Each Warrant will entitle the holder thereof to purchase one Common Share at an exercise price of $1.45 until April 9, 2027, subject to acceleration in certain circumstances.

In connection with the closing of the Offering, the Company expects to enter into subscription agreements with certain investors pursuant to which the Company will agree to sell up to $34,600,000 aggregate principal amount of convertible debentures of the Company (the "Convertible Debentures") on a "private placement" basis (the "Concurrent Private Placement"), with an original issue discount of 7.5%, for aggregate gross proceeds of up to $32,000,000. Each Convertible Debenture will have a face value (i.e. principal amount) of $1,000 and will be offered and sold at a price of $925 per Convertible Debenture. The principal amount of the Convertible Debentures will be convertible into Common Shares at an initial conversion price equal to $1.50 (the "Conversion Price"). The Conversion Price may be adjusted in certain circumstances, subject to a minimum conversion price of $1.15 and other applicable policies of the TSXV. The net proceeds of the Concurrent Private Placement will be used to finance a portion of the cash component of the Purchase Price.

TINY LTD.

Management's Discussion and Analysis

For the years ended December 31, 2024 and December 31, 2023

GENERAL INFORMATION AND CAUTIONARY STATEMENTS

Introduction

The following management's discussion and analysis ("MD&A") dated April 29, 2025, provides information concerning the financial condition and results of operations of Tiny Ltd. ("Tiny" or the "Company") for the years ended December 31, 2024 ("Q4 2024" and "FY2024", respectively) and December 31, 2023 ("Q4 2023" and "FY2023", respectively). The following MD&A should be read in conjunction with the Company's audited annual consolidated financial statements and notes thereto related to the year ended December 31, 2024 ("Financial Statements"). Additional information relating to the Company, including its Annual Information Form for thr year ended December 31, 2024, is available on the Company's website at www.tiny.com and on SEDAR+ at www.sedarplus.com**.**

Basis of presentation

The financial statements represent the audited consolidated financial statements of Tiny Ltd. ("Tiny" or the "Company"), which includes WeCommerce Holdings Limited Partnership ("WeCommerce LP"), Beam Digital Ltd. ("Beam"), Dribbble Holdings Ltd. ("Dribbble") and their majority owned subsidiaries.

On April 17, 2023, WeCommerce Holdings Ltd. (a Canadian company listed on the TSXV (as defined herein) under the symbol "WE") ("WeCommerce") acquired all of

the outstanding shares of Tiny Capital Ltd. ("Tiny Capital") by way of a three-cornered amalgamation (the "Merger") with WeCommerce changing its name to Tiny Ltd.

Upon completion, the shareholders of Tiny Capital obtained control over WeCommerce, resulting in a reverse take-over, where the common shares of Tiny Capital were cancelled and the shareholders of Tiny Capital received shares of WeCommerce (the "Share Transaction"). The resulting MD&A and comparative figures presented in the consolidated Financial Statements are presented as a continuance of Tiny Capital (accounting acquirer).

WeCommerce was incorporated under the Business Corporations Act (British Columbia) (the "BCBCA") on November 27, 2019, and its business involved investing in businesses that develop, sell and support website themes and applications, as well as providing custom solutions for clients on ecommerce platforms. As part of the Share Transaction, the operating business of WeCommerce and its subsidiaries were transferred to WeCommerce LP, which was accounted for as a transaction under common control, where the book value method was applied.

Tiny Capital was incorporated under the BCBCA on January 14, 2016. Tiny Capital was an investment holding company that invested in a variety of businesses either directly, through operating subsidiaries, or through a private equity fund where it served as the general partner. Through its operating subsidiaries and equity investees, including Dribbble and Beam, Tiny Capital engaged in a variety of technology enabled businesses including providing digital product design and engineering agency services, and operating a creative community network and digital asset marketplace.

Tiny maintains its registered office at 510 West Georgia Street, Suite 1800, Vancouver, British Columbia, V6B 0M3.

The MD&A and Financial Statements of the Company have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.cordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

In this MD&A, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars. The information in this MD&A is as of April 29, 2025, which is the date of approval for issuance by the Company's Board of Directors (the "Board of Directors"). Disclosure in this document is current to April 29, 2025, unless otherwise noted.

The Company's Class A common shares (the "Common Shares") are listed on the TSX Venture Exchange ("TSXV") under the symbol "TINY".

Forward-looking Information

This MD&A contains certain forward-looking statements and forward-looking information within the meaning of applicable securities law. Such forward-looking statements and information include, but are not limited to, statements or information with respect to: requirements for additional capital and future financing; estimated future working capital, funds available, uses of funds, future capital expenditures and other expenses for specific operations; incurrence of costs; and general economic conditions.

Forward-looking statements and information are frequently characterized by words such as “plan”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “expect” and other similar words, or statements that certain events or conditions “may” or “will” occur. Although the Company’s management believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that a forward-looking statement or information referenced herein will prove to be accurate. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include risks relating to: [reliance on the Shopify platform; the Company’s limited operating history; reliance on management and key employees; conflicts of interest in relation to the Company’s officers, directors, and consultants; the ability to integrate previous acquisitions or future acquisitions; limitations on claims against a seller of an acquired company; additional financing requirements; risks related to dilution; global financial conditions; management of growth; risks associated with the Company’s strategy of growth through acquisitions; tax risks; reputational risks; payment processing risks; currency fluctuations; competitive markets; uncertainty and adverse changes in the economy; unsustainability of the Company’s rapid growth and inability to attract new customers, retain revenue from existing merchants, and increase sales to both new and existing customers; adverse effects on the Company’s revenue growth and profitability due to the inability to attract new customers or sell additional products to existing customers; future results of operations being harmed due to declines in recurring revenue or contracts not being renewed; cyber security and privacy breaches; changes in client demand; challenges to the protection of intellectual property; infringement of intellectual property; regulatory risks; risks related to legal claims; ineffective operations through mobile devices, which are increasingly being used to conduct commerce; risks related to information technology; and risks associated with internal controls over financial reporting][1]. The Company undertakes no obligation to update forward-looking statements and information if circumstances or management’s estimates should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements and information.

By their nature, forward-looking statements and information, including future-oriented financial information or financial outlook, are based on assumptions and involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied herein to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information, including, without limitation: the potential impact of the Company’s acquisitions and dispositions on relationships, including with regulatory bodies, stock exchanges, lenders, service providers, employees and competitors; risks related to the successful integration of acquired businesses; credit, liquidity and additional financing risks; potential conflicts of interest; general economic conditions; industry conditions; currency fluctuations; competition from other industry participants; and stock market volatility. This list is not exhaustive of factors that may affevt any of the forward-looking information contained herein.

For a more detailed discussion of these risk factors, see the list of risk factors in the Company’s Annual Information Form dated April 29, 2025 which is available on SEDAR+ at www.sedarplus.com under the Company’s profile.

Non-IFRS financial measures

This MD&A references certain non-IFRS measures and ratios, hereafter, referred to as “non-IFRS measures”. These measures are not recognised measures under IFRS, and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the results of operations from management’s perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of the financial information reported under IFRS.

The Company uses non-IFRS measures including “EBITDA”, “EBITDA %”, "Adjusted EBITDA", "Adjusted EBITDA %". “recurring revenue”, "recurring revenue %", "free cash flow", "free cash flow per share", "adjusted free cash flow post debt servicing", and "adjusted free cash flow per share". Management uses these non-IFRS measures to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation. As required by Canadian securities laws, the Company reconciles these non-IFRS measures to the most comparable IFRS measures in this MD&A. For definitions and reconciliation of these non-IFRS measures to the relevant reported measures, see “Non-IFRS measures”.

Use of Operating Metrics

The Company uses supplementary measures and operating metrics to assess performance beyond traditional financial statements. These metrics help evaluate growth, efficiency, customer engagement, and profitability and include recurring subscription revenue, revenue growth, digital goods revenue and user growth. Certain of these operating metrics, may constitute supplementary financial measures as defined in National Instrument 52-112 "Non-GAAP and Other Financial Measures Disclosure". These supplementary measures are not derived from directly comparable measures contained in the Financial Statements but may be used by management and disclosed on a periodic basis to depict the historical or future expected financial performance, financial position or cash flow of the Company.

COMPANY OVERVIEW

Tiny is a technology holding company that pursues a strategy of acquiring majority stakes in high-quality businesses. As of the reporting date, Tiny operates through three reportable business segments: **Digital Services, Software and Apps**, and **Creative Platform**. All other standalone businesses, including a stake in a private investment fund, are grouped under the **Other** segment.

Digital Services Segment

This segment provides end-to-end digital product design, engineering, and marketing services. Tiny's Digital Services segment serves a broad client base ranging from start-ups to Fortune 500 companies, assisting in the development of premium digital products for both mobile and web platforms. By leveraging its deep insight into end-user behavior, the segment takes a strategy-driven approach to product design, engineering, branding, and marketing. The Digital Services segment includes the following legal entities:

- Beam Digital Ltd.
- HappyFunCorp LLC (“HappyFunCorp”)
- MetaLab Design Ltd.
- Z1 Digital Product Studio SL (“Z1”)

Software and Apps Segment

This segment provides a suite of e-commerce software tools designed to support merchants in launching and growing their online stores. Tiny's Software and Apps businesses are primarily focused on the Shopify ecosystem, offering products and services for customer engagement, including review management, loyalty programs, customer insights/survey tools and retention applications. The segment also provides digital Shopify theme templates designed to enhance online storefronts. The Software and Apps segment includes the following legal entities:

- WeCommerce Holdings Limited Partnership
- Archetype Themes Limited Partnership
- KnoCommerce Inc.
- Clean Canvas Ltd.
- Repeat Inc.

Creative Platform Segment

The Creative Platform segment includes Dribbble and Creative Market, both of which provide digital asset marketplaces and services to the global design community. Dribbble is a leading social network for creative professionals, while Creative Market offers a marketplace for digital goods such as graphics, fonts, and templates. The Creative Platform segment generates revenue primarily through its services marketplace, digital asset sales, subscriptions, enterprise licensing, and digital advertising. The Creative Platform segment includes the following legal entities:

- Dribbble Holdings Ltd.
- Creative Market Labs Inc. (“Creative Market”)

Other Segment

The Other segment encompasses various additional businesses within Tiny's portfolio, including operations related to Tiny’s corporate head office. The companies included in this segment are:

- Meteor Software Holdings Ltd. ("Meteor", open source development framework and cloud hosting company)
- Tiny Boards Holdings Ltd. ("We Work Remotely", remote job boards platform)

- MediaNet Solutions, Inc. ("MediaNet", special education software)
- Tiny Ltd. (Head Office)
- Tiny Capital (US) Ltd.
- Tiny India Pvt Ltd.
- Tiny Fund I LP ("Tiny Fund")

Tiny Fund, a private equity fund established in August 2020, has total committed capital of US$147.2 million. Tiny holds a 20.34% interest in the fund's limited partnership units and accounts for its interest on an equity basis. Tiny's consolidated financial results do not include the aggregate revenues, expenses, or profits from the underlying investments of Tiny Fund. Tiny is also a 50% owner of the general partner of Tiny Fund, entitling it to a 50% share of the general partner's earnings, including 30% carried interest, which is realized after an annualized 8% hurdle rate is met. The carried interest is calculated on an asset-by-asset basis.

Tiny Fund Portfolio

Tiny Fund's portfolio consists of investments in the following businesses:

- Abstract Studio Design Inc. (design collaboration tool)
- AeroPress Inc. (producer of the Aeropress coffee maker and accessories)
- BeFunky Inc. (digital media and AI photo editing software suite)
- Dribbble Holdings Ltd. (minority investment)
- Girlboss Holdings Inc. (women and career focused online community and media brand)
- Medimap Systems Inc. (Canadian medical clinic and services search platform); subsequently sold in January 2025
- Mateina Inc. (Canadian organic yerba mate producer)
- Letterboxd Ltd. (a global social platform for film discovery and discussion)
- Conference Badge Inc. (online platform for creating custom conference badges)
- Frosty Pop Games Inc. (developer of mobile video games, minority investment)
- WholesalePet (wholesale B2B pet supply marketplace)

Business Strategy and Management

Tiny operates its business model on a decentralized basis, where its portfolio companies are managed independently, with a corporate management team focused on strategic capital allocation, portfolio management, and senior executive hiring and incentives. Tiny seeks to acquire businesses that exhibit the following characteristics:

- Strong profitability
- Sustainable competitive advantage
- Simple business model
- Proven operational track record over multiple years
- High-quality management teams or a potential to hire strong leaders
- Ethical and responsible business practices

Since its incorporation in January 2016, Tiny, along with its subsidiaries and equity-accounted investees, has invested in or acquired over 35 companies.

OVERALL PERFORMANCE AND SELECTED ANNUAL INFORMATION

The following table summarizes the Company's overall performance for the year ended December 31, 2024, as compared with the prior year:

	For the years ended December 31,	
	2024	2023
Revenue	**194,232,353**	185,502,613
Operating loss	**(15,777,222)**	(19,173,692)
Net (loss)/income	**(47,559,499)**	14,754,930
EBITDA (1)	**(3,350,988)**	46,406,427
EBITDA % (1)	**(2)%**	25%
Adjusted EBITDA (1)	**31,005,912**	27,402,341
Adjusted EBITDA % (1)	**16%**	15%
Recurring revenue (1)	**38,665,385**	29,514,301
Recurring revenue % (1)	**20%**	16%
Cash provided by/(used in) operating activities	**19,901,895**	3,385,040
Free cash flow (1)	**9,345,658**	(2,608,589)
Adjusted free cash flow post debt servicing(1)	**8,985,904**	6,531,905
Basic (loss)/earnings per share	**(0.26)**	0.08
Diluted (loss)/earnings per share	**(0.26)**	0.08
Free cash flow per share(1)	**0.05**	(0.02)
Adjusted free cash flow per share(1)	**0.05**	0.04

	December 31, 2024	December 31, 2023
Total assets	**350,529,798**	392,635,137
Investment in Tiny Fund I LP	**38,177,751**	30,930,394
Total liabilities	**168,459,250**	190,081,456
Non-current financial liabilities	**106,934,158**	132,538,131

(1) Refer to Non-IFRS Measures section on page 14

ANNUAL HIGHLIGHTS

- Revenue in FY2024 was $194.2 million, an increase of $8.7 million (5%) compared to FY2023. The increase is partly driven by full-year inclusion of WeCommerce in FY2024, offset by the disposition of certain operations under the Digital Services segment in Q4 2024. Excluding the disposed entities, revenue in FY2024 would have been $181.8 million, an increase of $5.1 million (3%) compared to FY2023.
- Recurring revenue(1) in FY2024 was $38.7 million and made up 20% of total revenue, an increase of $9.2 million compared to FY2023. The growth is largely attributable to the acquisition of MediaNet on June 5, 2024 which consists of a 98% recurring revenue base, combined with the full-year inclusion of WeCommerce.
- EBITDA(1) in FY2024 was $(3.4) million compared to $46.4 million in FY2023. EBITDA in 2023 included a gain on share transaction of $42.8 million as a result of the Company going public. EBITDA was also impacted by an additional non-cash $5.0 million goodwill impairment in 2024 compared to 2023, which was largely driven by market valuation dynamics within the Software and Apps segment.
- Adjusted EBITDA(1) in FY2024 was $31.0 million compared to $27.4 million in FY2023. Improvement in Adjusted EBITDA is attributable to the full year inclusion of WeCommerce and the acquisition of MediaNet. The Company's adjusted EBITDA Q4 2024 of $10.1 million, representing an increase of 38% from Q3 2024.
- Cash on hand on December 31, 2024 was $22.9 million compared to $26.9 million on December 31, 2023.

- Total debt outstanding on December 31, 2024 was $116.9 million compared to $131.2 million on December 31, 2023. The decrease of $14.3 million is due to debt repayments, net of drawings, of $24.5 million offset with foreign exchange fluctuations on debt of $10.0 million. In 2024, the Company repaid a total of $37.5 million of debt during the year.
- The Company's cash flow from operations for FY2024 was $19.9 million, compared to $3.4 million in FY2023. The difference is largely attributable to an unrealized foreign exchange gain of $10.2 million in 2024, compared to $(1.9) million in 2023 due to significant movements in USD/CAD foreign exchange rates. Net of unrealized foreign exchange, cash flow from operations was $9.7 million for FY2024 compared to $5.3 million in FY2023, an increase of $4.4 million. This is the result of increases in revenue combined with the early results of cost management measures implemented in Q3 2024.
- Free cash flow[1] in FY2024 was $9.3 million compared to $(2.6) million in FY2023. The increase is the result of improved cost management and lower non-recurring costs incurred as a result of the Share Transaction in FY2023. When factoring in non-recurring costs and scheduled debt payments, the Adjusted Free Cash Flow Post Debt Servicing[1] in FY2024 was $9.0 million compared to $6.5 million in FY2023.
- Net loss in FY2024 was $47.6 million compared to net income of $14.8 million in FY2023, a decline of $62.4 million compared to prior period. Net income in 2023 included a gain on share transaction of $42.8 million as a result of the Company going public. The Company also observed greater fluctuations in USD/CAD foreign exchange rates, and incurred higher interest, depreciation and impairment expense in FY2024 compared to FY2023.
- Total assets on December 31, 2024 were $350.5 million compared to $392.6 million on December 31, 2023.

SUBSEQUENT EVENTS

Appointment of new Board Member

On January 27, 2025, the Company appointed Alex Conconi to its Board of Directors. Mr. Conconi brings invaluable experience and expertise to the Board of Directors with his track record in entrepreneurship, investment and leadership. He is the Founder of Conconi Growth Partners, a private investment company based in Vancouver. He is also the Founder of Neighbourhood Holdings, a Canadian mortgage lender, and Lendesk Technologies, a mortgage technology company acquired by Rocket Mortgage. Mr. Conconi has invested over 70 North American start-ups. He holds an MSc in Finance and a BSc in Economics (Distinction).

Majority acquisition of Serato Audio Research Limited

On March 31, 2025, the Company entered into an arms-length definitive agreement (as may be amended or supplemented from time to time, the "Acquisition Agreement") to acquire a 66% interest in Serato Audio Research Limited ("Serato"), the leading global DJ software company based in Auckland, New Zealand (the "Acquisition"). Pursuant to the Acquisition Agreement, the Company has agreed to acquire 66% of the shares of Serato from the current shareholders of Serato (the "Sellers") for an aggregate base purchase price of US$66,000,000 (the "Purchase Price"), payable on closing, subject to customary closing adjustments, plus contingent consideration based on Serato's performance in the two years following closing of the Acquisition. The Purchase Price will be paid through: (i) the issuance of 29,360,452 Common Shares to the Sellers having an aggregate value of US$23,600,000 (the "Completion Shares"), and (ii) the payment of up to US$42,400,000 in cash.

Each Completion Share will be issued at a price of US$0.8038 (CAD$1.15) per share and will be subject to a statutory four month hold period in accordance with applicable Canadian securities laws. In addition, the Sellers have agreed to contractual restrictions on the sale of their Completion Shares whereby the transfer of such shares will be restricted for a period of 24 months following closing, with 50% of such Completion Shares becoming freely trading upon the first anniversary of the closing date and 12.5% being released quarterly thereafter.

The completion of the Acquisition is subject to customary mutual conditions for transactions of this nature, including: the accuracy of representations and warranties; the fulfilment of certain covenants; the receipt of certain regulatory approvals, including the approval of the New Zealand Overseas Investment Office and the approval of the TSXV. The Acquisition is expected to close in Q2 2025, subject to the satisfaction of customary closing conditions and regulatory approvals.

Bought deal financing and concurrent private placement

On April 9, 2024, the Company entered into an underwriting agreement with Canaccord Genuity Corp. and Roth Canada, Inc., (the "Co-Lead Underwriters"), as co-lead underwriters, and Scotia Capital Inc., Cormark Securities Inc. and Ventum Financial Corp. to issue and sell, on a bought deal basis, 17,400,000 subscription receipts of the Company (the "Subscription Receipts"), at a price of $1.15 per Subscription Receipt for gross proceeds of $20,010,000 (the "Offering"). The net proceeds of the Offering will be used to finance a portion of the cash component of the Purchase Price. The Company has granted the Underwriters an option to purchase up to an additional 15% of the number of Subscription Receipts sold in the Offering on the same terms and conditions as the Offering, exercisable by the Co-Lead Underwriters at any time, in whole or in part, up to the earlier of: (i) thirty days following the closing of the Offering and (ii) the termination of the agreement related to the Acquisition (the "Over-Allotment Option"). If the Underwriters exercise the Over-Allotment Option in full, an additional 2,610,000 Subscription Receipts will be issued, listed, and admitted to trading. If the closing of the Acquisition occurs on or prior to the closing of the Over-Allotment Option, the Company will deliver Class A common shares ("Common Shares") and warrants, instead of Subscription Receipts, to investors on the closing of the Over-Allotment Option.

Upon satisfaction or waiver of certain closing conditions of the Acquisition and Concurrent Private Placement (as defined herein) each Subscription Receipt, without payment of additional consideration or further action by the holder thereof will be exchanged for: (a) one Common Share and one-half of one Common Share purchase warrant (each whole warrant, a “Warrant”). Each Warrant will entitle the holder thereof to purchase one Common Share at an exercise price of $1.45 until April 9, 2027, subject to acceleration in certain circumstances.

In connection with the closing of the Offering, the Company expects to enter into subscription agreements with certain investors pursuant to which the Company will agree to sell up to $34,600,000 aggregate principal amount of convertible debentures of the Company (the "Convertible Debentures") on a "private placement" basis (the "Concurrent Private Placement"), with an original issue discount of 7.5%, for aggregate gross proceeds of up to $32,000,000. Each Convertible Debenture will have a face value (i.e. principal amount) of $1,000 and will be offered and sold at a price of $925 per Convertible Debenture. The principal amount of the Convertible Debentures will be convertible into Common Shares at an initial conversion price equal to $1.50 (the "Conversion Price"). The Conversion Price may be adjusted in certain circumstances, subject to a minimum conversion price of $1.15 and other applicable policies of the TSXV. The net proceeds of the Concurrent Private Placement will be used to finance a portion of the cash component of the Purchase Price.

RESULTS OF OPERATIONS

	For the years ended December 31,	
	2024	2023
Revenue	**$ 194,232,353**	185,502,613
Expenses		
Compensation	**103,860,054**	101,115,189
Marketplace content costs	**27,788,494**	29,316,636
Hosting fees	**9,012,136**	9,433,359
Travel, meals and entertainment	**2,422,204**	2,361,684
Share-based compensation	**2,091,052**	4,670,664
Professional fees	**10,124,238**	9,698,547
Subscription and other	**9,304,008**	9,878,342
Management and strategic fees	**—**	—
Depreciation and amortization	**35,321,552**	27,119,931
Business acquisition costs	**1,163,534**	2,948,294
Advertising and promotion	**7,232,548**	7,370,826
Bad debts	**1,322,105**	602,929
Bank charges	**367,650**	159,904
	210,009,575	**204,676,305**
Operating loss	**(15,777,222)**	(19,173,692)
Other (expenses)/income	**(33,825,740)**	29,488,985
(Loss)/income before taxes	**(49,602,962)**	10,315,293
Income tax recovery	**2,043,463**	4,439,637
Net (loss)/income	**(47,559,499)**	14,754,930

Revenue

	For the years ended December 31,	
	2024	2023
Digital Services	**$ 81,501,303**	$ 80,186,311
Software and Apps	**54,581,745**	36,643,967
Creative Platform	**51,241,591**	61,497,141
Other	**6,907,714**	7,175,194
	194,232,353	185,502,613

The Company generated revenue of $194.2 million for the year ended December 31, 2024, which represents an increase of $8.7 million (5%) compared to the prior year. Recurring revenue increased to $38.7 million in 2024, up from $29.5 million (31%) in 2023 due to the full year inclusion of Software and Apps in 2024.

Digital Services's revenue increased by $1.3 million (2%) compared to the prior year, primarily driven by new contracts signed with large enterprise customers. The segment has grown steadily in 2024 as the market improves and the platform diversifies its customer base. The segment also sold Frosty Studio Ltd. and 8020 Design Ltd. in Q4, which was compressing overall revenue growth.

Software and Apps's revenue was $54.6 million, an increase of $17.9 million (49%) compared to the prior year due to a full year inclusion of the segment in 2024, whereas the prior year only included revenue from April 17, 2023 onwards.

Creative Platform revenue declined by $10.3 million (17%) compared to the prior year. This decline was primarily driven by lower transactional marketplace revenue in Creative Market, partially offset by increase in enterprise licensing revenue. The decline in revenue was also driven by Dribbble's education platform, hiring suite due to macro conditions and removal of the search paywall, and display advertising. In 2025, the Company is targeting to focus on overall marketplace stabilization and increasing the transaction activity in marketplace and advertising.

Revenue from the other segment decreased by $0.3 million (4%) compared to the prior year. This decline was due to reduced discretionary spending observed in the market. A portion of the decline was offset by the revenue generated during the year of $1.5 million from the MediaNet acquisition in June 2024.

Expenses

Compensation

Compensation includes salaries, benefits, and severance paid to employees, and wages to contractors.

	For the years ended December 31,	
	2024	2023
Digital Services	**$ 57,085,102**	$ 63,075,205
Software and Apps	**24,010,519**	15,645,855
Creative Platform	**13,176,578**	13,961,550
Other	**9,587,855**	8,432,579
	103,860,054	101,115,189

The Company had compensation cost of $103.9 million in 2024 compared to $101.1 million in 2023, an increase by $2.7 million (3%). This increase was due to the full year inclusion of Software and Apps in 2024 of $24.0 million compared to the partial results from April 17, 2023 onwards of $15.6 million, and the Clean Canvas and MediaNet acquisitions.

Digital Service's compensation decreased by $6.0 million (18%) compared to the prior year. This was driven by lower headcount and staffing costs due to restructuring. Button Inc. contributed around 2.5% of Digital Service's total compensation expense in 2023, which is no longer present in 2024 after it was sold in Q3 2023.

Software and Apps's compensation was $24.0 million compared to $15.6 million in the prior year. The increase is due to its full year inclusion as the 2023 results did not include the Q1 2023 compensation of $6.7 million. The remaining increase relates to the full year inclusion of Clean Canvas which was acquired on September 7, 2023. This was partially offset by headcount restructuring within the segment's entities.

Creative Platform's compensation decreased by $0.8 million (6%) compared to the prior year due to lower headcount.

The compensation expense for the Other segment increased by $1.2 million (14%) compared to the prior year due to the acquisition of MediaNet in June 2024.

Marketplace content costs

Marketplace content costs include fees paid to third party merchants and creator royalties for the sale of digital goods.

	For the years ended December 31,	
	2024	2023
Software and Apps	**$ 7,213,333**	5,569,719
Creative Platform	**20,575,161**	23,746,917
	27,788,494	29,316,636

The Company had marketplace content costs of $27.8 million in 2024, down by $1.5 million (5%) from $29.3 million in 2023. Software and Apps saw higher costs due to the full year inclusion in 2024. This was offset by lower costs in Creative Platform due to declining revenue in marketplace and education platform.

Hosting fees

Hosting fees are costs paid for web hosting.

		For the years ended December 31,	
		2024	2023
Software and Apps	**$**	**3,106,505**	2,251,296
Creative Platform		**4,523,403**	5,802,606
Other		**1,382,228**	1,379,457
		9,012,136	9,433,359

The Company had hosting fees of $9.0 million in 2024, compared to $9.4 million in 2023, a decrease by $0.4 million (4%). Software and Apps contributed an increase of $0.9 million due to the full year inclusion in 2024. This was offset by $1.3 million decline in hosting fees in Creative Platform driven by declining revenue, cost rationalization efforts and lower payment processor costs. The Company is actively working to lower hosting costs through development efforts and contract negotiations.

Travel, meals, and entertainment

Travel, meals, and entertainment expenses include costs incurred to attend investor conferences and non-deal marketing.

The Company had total travel, meals, and entertainment expenses of $2.4 million in 2024, an increase by $0.1 million (3%) compared to 2023. The increase is due to the full year inclusion of Software and Apps segment in 2024.

Share-based compensation

Share-based compensation includes costs for share issuances to employees and senior management.

The Company had total share-based compensation of $2.1 million in 2024, which decreased by $2.6 million (55%) compared to $4.7 million in 2023. The higher expense in 2023 is primarily attributed to increased vesting of shares in 2023 and new awards granted to senior management and long-standing employees in 2023.

Professional fees

Professional fees include amounts paid for audit, legal, tax, human resources, and other professional services.

The Company had professional fees of $10.1 million in 2024, up $0.4 million (4%) from 2023 due to additional expenses in relation to audit, legal and consulting for operating one full year as a public company.

Subscription and other

Subscription and other include expenses for software, digital services, and other general and administrative costs.

The Company had subscription and other expenses of $9.3 million in 2024, which decreased by $0.6 million (6%) from $9.9 million in 2023. The decline was driven by cost rationalization initiatives in 2024 across all the segments.

Depreciation and amortization

Depreciation and amortization include amounts recognized for intangible and capital assets.

		For the years ended December 31,		
		2024		2023
Digital Services	**$**	**2,789,167**	$	3,768,059
Software and Apps		**27,262,607**		18,689,760
Creative Platform		**3,862,415**		3,332,747
Other		**1,407,363**		1,329,365
		35,321,552		27,119,931

The Company had depreciation and amortization of $35.3 million in 2024, up $8.2 million (30%) from 2023 due to amortization of Software and Apps' intangible assets and its full year inclusion in 2024 of $27.3 million compared to $18.7 million in 2023.

Advertising and promotion

Advertising and promotion include costs for media advertisements and promotions at investor conferences and non-deal marketing.

The Company had advertising and promotion costs of $7.2 million in 2024, which decreased by $0.1 million (2%) compared to 2023. This was driven by Software and Apps' focus to decrease the paid advertising spend, and Creative Platform's reduction in paid marketing spend, as a part of cost rationalization. This was partially offset by increased cost in the Other segment due to acquisition of MediaNet (June 2024).

NON-IFRS MEASURES

Investors are cautioned that the non-IFRS measures used below should not replace net income or loss (as determined in accordance with IFRS) as an indicator of the Company's performance. These are supplemental measures management uses in managing the business and making decisions. These measures do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other issuers. These measures are not intended as a substitute for IFRS measures.

EBITDA and EBITDA %

EBITDA is defined as earnings (net income or loss) before finance costs, income taxes, depreciation and amortization. EBITDA is reconciled to net income (loss) from the financial statements.

EBITDA % ratio is determined by dividing EBITDA by total revenue for the period.

EBITDA and EBITDA % is frequently used to assess profitability before the impact of finance costs, income taxes, depreciation and amortization. Management uses non-IFRS measures in order to facilitate operating performance comparisons from period to period and to prepare annual operating budgets. EBITDA and EBITDA % are measures commonly reported and widely used as a valuation metric.

Adjusted EBITDA and Adjusted EBITDA %

Adjusted EBITDA removes unusual, non-recurring, non-cash or non-operating items from EBITDA such as gains, losses or costs associated with the acquisition or disposal of businesses, share of loss from associates, fair value changes in investments, stock-based payments. The Company believes adjusted EBITDA provides improved continuity with respect to the comparison of its operating performance over a period of time. Adjusted EBITDA is reconciled to net income/(loss) from the financial statements.

Adjusted EBITDA % is determined by dividing Adjusted EBITDA by total revenue for the year.

Adjusted EBITDA and Adjusted EBITDA % is frequently used by securities analysts and investors when evaluating a company's ability to generate liquidity from its core operations. It provides a basis to evaluate profitability and performance trends by excluding items that the Company does not consider to be controllable or reoccurring activities for this purpose, along with non-cash items which is an industry standard. Adjusted EBITDA and EBITDA % are measures commonly reported and widely used as a valuation metric.

Recurring Revenue and Recurring Revenue %

Recurring Revenue consists of revenues generated through subscriptions that grant access to products and services with recurring billing cycles. The subscriptions are recognized over a time period in accordance with IFRS 15. Recurring Revenue is a part of total revenue disclosed in the financial statements, as determined in accordance with IFRS 15.

Recurring Revenue represents revenues that are stable and the Company expects to earn continuously. Recurring Revenue % is determined by dividing Recurring Revenue by total revenue for the year.

Recurring Revenue is frequently used to determine any indicators of future revenue growth and revenue trends. Recurring Revenue and Recurring Revenue % are measures commonly reported and widely used as a valuation metric.

Free Cash Flow, Free Cash Flow per Share, Adjusted Free Cash Flow Post Debt Servicing, Adjusted Free Cash Flow per Share

Free Cash Flow refers to net cash flows from operating activities after interest paid on debt facilities and capital expenditures and before business acquisition costs. Free Cash Flow is also reconciled from EBITDA where it is the net of EBITDA after income taxes paid, interest paid on debt facilities and before non-cash expenses, business acquisition costs, changes in non-cash working capital and capital expenditures.

Free Cash Flow per Share is determined by dividing Free Cash Flow by the weighted average number of Common Shares outstanding during the period.

Adjusted Free Cash Flow Post Debt Servicing refers to free cash flow before acquisition-related compensation, non-recurring project costs, non-recurring professional fees, severance, non-recurring bad debt expense and after scheduled payments on debt facilities.

Adjusted Free Cash Flow per Share is determined by dividing Adjusted Free Cash Flow Post Debt Servicing by the weighted average number of common shares outstanding during the period.

Free Cash Flow, Free Cash Flow per Share, Adjusted Free Cash Flow Post Debt Servicing, and Adjusted Free Cash Flow per Share are frequently used by securities analysts and investors when valuing a business and its underlying assets. It provides a basis to evaluate how much cash is available to repay debt and to reinvest in the Company, which is an important indicator of financial strength and performance.

NON-IFRS MEASURES RECONCILIATIONS

EBITDA and Adjusted EBITDA

	For the years ended December 31,	
	2024	2023
Net (loss)/income	**$ (47,559,499)**	$ 14,754,930
Income tax expense/(recovery)	**(2,043,463)**	(4,439,637)
Depreciation and amortization	**35,321,552**	27,119,931
Interest expense	**10,930,422**	8,971,203
EBITDA	**(3,350,988)**	46,406,427
EBITDA Adjustments		
Share of loss from associate	**(2,146,089)**	(1,194,372)
Gain on share transaction	**—**	(42,847,439)
Loss on disposal of subsidiary	**103,200**	3,338,124
Gain on sale of intangibles	**(1,481,060)**	—
Fair value gain on investments	**(2,088,843)**	(1,316,297)
Fair value on contingent consideration	**871,607**	(8,736,588)
Business acquisition costs	**1,163,534**	2,948,294
Share based payments	**2,091,052**	4,670,664
Impairment of non-financial assets	**18,687,379**	13,634,143
Foreign exchange	**9,878,673**	(1,720,043)
Other (income)/expense(1)	**(929,549)**	382,281
Acquisition-related compensation	**—**	1,349,492
Non-recurring severance expense	**5,011,331**	5,140,649
Non-recurring project costs(2)	**1,703,874**	353,502
Non-recurring professional fees(3)	**1,491,791**	4,993,504
Adjusted EBITDA	**31,005,912**	27,402,341

(1) Relates to other minor non-operating items
(2) Non-recurring project related to advertising and promotion expense for a specific project that will not continue in the future.
(3) Non-recurring professional fees relates to legal fees for the go-public transaction and amalgamation with WeCommerce, restructuring, and software implementation costs

EBITDA % and Adjusted EBITDA %

	For the years ended December 31,	
	2024	2023
EBITDA	**$ (3,350,988)**	46,406,427
Revenue	**194,232,353**	185,502,613
EBITDA %	**(2)%**	25%
Adjusted EBITDA	**31,005,912**	27,402,341
Revenue	**194,232,353**	185,502,613
Adjusted EBITDA %	**16%**	15%

For the year ended December 31, 2024, EBITDA decreased by $49.8 million (107%), to $(3.4) million, from $46.4 million in 2023. This decrease is mainly due to the one-time non-cash gain on share transaction of $42.8 million in 2023. Without the gain, EBITDA for 2023 would have been $4.3 million. The improvement in EBITDA is a result of the cost saving initiatives in 2024 compared to additional one-time costs incurred from the Company becoming public in 2023.

For the year ended December 31, 2024, Adjusted EBITDA increased by $3.6 million (13%), to $31.0 million, from $27.4 million in 2023. This increase was driven by higher revenue in 2024 and cost saving initiatives across all segments and head office, as well as, full year inclusion of WeCommerce in Software and Apps.

Recurring Revenue and Recurring Revenue %

	For the years ended December 31,	
	2024	2023
Recurring revenues	**$ 38,665,385**	$ 29,514,301
Non-recurring revenues	**155,566,968**	155,988,312
Total revenue	**194,232,353**	185,502,613
Recurring revenue % of total revenue	**20%**	16%

For the year ended December 31, 2024, recurring revenue increased by $9.2 million (31%), to $38.7 million, from $29.5 million in 2023. Software and Apps contributed 87% of the total recurring revenue compared to 81% in 2023, with the increase a result of the full year inclusion in 2024.

Recurring revenue contributed 20% of total revenue in 2024, an increase by 4% from 16% in 2023. This was primarily driven by acquisition of MediaNet in June 2024 which consists of a 98% recurring revenue base. Management is consistently focused on opportunities to enhance the recurring revenue of the Company.

Free Cash Flow and Free Cash Flow per Share

	For the years ended December 31,	
	2024	2023
Cash provided by/(used in) operating activities	**$ 19,901,895**	$ 3,385,040
Business acquisition costs	**1,163,534**	2,948,294
Interest paid on debt	**(11,232,895)**	(8,388,452)
Capital expenditures	**(486,876)**	(553,471)
Free Cash Flow	**9,345,658**	(2,608,589)
Weighted average number of shares outstanding	**183,961,321**	168,310,050
Free cash flow per share	**0.05**	(0.02)

	For the years ended December 31,	
	2024	2023
EBITDA	**$ (3,350,988)**	$ 46,406,430
Income taxes paid	**(6,106,597)**	(4,192,940)
Interest paid on debt	**(11,232,895)**	(8,388,452)
Impairment of non-financial assets	**18,688,857**	13,634,143
Unrealized foreign exchange (gain)/loss	**10,196,573**	(1,868,548)
Gain on share transaction	**—**	(42,847,439)
Non-cash expenses[1]	**(1,054,861)**	(1,552,565)
Business acquisition costs	**1,163,534**	2,948,294
Changes in non-cash working capital	**1,528,911**	(6,194,041)
Capital expenditures	**(486,876)**	(553,471)
Free Cash Flow	**9,345,658**	(2,608,589)

(1) Non-cash expenses relates to specific non-cash items from the cash provided by operating activities. This includes share-based compensation, fair value adjustment to financial instruments, gain on disposal of intangible assets, loss on sale of subsidiaries, fair value adjustment to contingent consideration, loss on sale or disposal of assets, share of earnings from unlisted equity investments, bad debts and interest income.

For the year ended December 31, 2024, free cash flow improved by $12.0 million largely due to the cost rationalization efforts during the year. In addition, the Company did not incur as many one-time public company costs compared to 2023. The Company repaid debt, net of drawings, of $24.5 million in 2024.

Adjusted Free Cash Flow Post Debt Servicing and Adjusted Free Cash Flow per Share

	For the years ended December 31,	
	2024	2023
Free cash flow	**$ 9,345,658**	$ (2,608,589)
Acquisition-related compensation	**—**	1,349,492
Non-recurring bad debt expense[1]	**833,196**	—
Non-recurring project costs	**844,617**	353,499
Non-recurring professional fees	**2,028,206**	4,993,504
Severance	**4,109,353**	5,140,649
Scheduled debt payments	**(8,175,126)**	(2,696,650)
Adjusted free cash flow post debt servicing	**8,985,904**	6,531,905
Weighted average number of shares outstanding	**183,961,321**	168,310,050
Adjusted free cash flow per share	**0.05**	0.04

(1) Non-recurring bad debt expense relates to revenue that was recognized in the prior year.

For the year ended December 31, 2024, adjusted free cash flow post debt servicing increased by $2.5 million due to higher revenue, partially offset by higher debt repayments in 2024.

LIQUIDITY AND CAPITAL RESOURCES

Overview

Cash on hand was $22.9 million at December 31, 2024 compared to $26.9 million at December 31, 2023.

The Company's main sources of funding are cash generated from operations, debt financing, and capital raised from equity. The funds from debt financing and equity are generally used to purchase businesses that the Company believes are accretive. As at December 31, 2024, the Company had negative working capital of $19.3 million compared to negative $6.0 million at December 31, 2023. The change was driven by increase in debt repayments during the year. For the year ended December 31, 2024, the Company generated $19.9 million of positive cash flows from operations. In addition, the Company had $29.9 million of undrawn facilities readily available at December 31, 2024. The Company continues to remain focused on increasing cash flow through organic growth and cost rationalization, where appropriate.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective in managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The Company manages liquidity risk through the management of its capital structure in conjunction with cash flow forecasting including anticipated investing and financing activities. Management believes it has sufficient cash and liquidity to fund current liabilities and future cash outflows over the next 12 months.

The tables below categorize the Company's financial liabilities into relevant maturity groupings based on the remaining periods at the consolidated statement of financial position dates to the contractual maturity dates. Contingent consideration payable is to be settled through a combination of share issuance and cash as distinguished by its total contractual cash flows. All other financial liabilities are settled in cash.

December 31, 2024	**1 year or less $**	**Between 1 and 5 years $**	**Over 5 years $**	**Total contractual cash flows $**	**Carrying amount $**
Trade and other payables	24,518,897	–	–	24,518,897	24,518,897
Income tax payable	5,989,747	–	–	5,989,747	5,989,747
Debt(1)	16,161,159	100,775,756	–	116,936,915	116,936,915
Contingent consideration payable(2)	61,120	–	–	61,120	921,686
Due to related parties	13,829	–	–	13,829	13,829
Lease liabilities	220,226	48,405	–	268,631	268,631
	46,964,978	**100,824,161**	**–**	**147,789,139**	**148,649,705**

(1) Interest charges are excluded from the amounts presented above.
(2) A portion of the contingent consideration payable can be settled through cash and the issuance of shares, at the discretion of the Company.

December 31, 2023	**1 year or less $**	**Between 1 and 5 years $**	**Over 5 years $**	**Total contractual cash flows $**	**Carrying amount $**
Trade and other payables	29,311,180	–	–	29,311,180	29,311,180
Income tax payable	3,404,395	–	–	3,404,395	3,404,395
Debt(1)	10,581,741	120,661,672	–	131,243,413	131,243,413
Contingent consideration payable(2)	1,079,800	–	–	1,079,800	1,200,472
Due to related parties	1,387,737	–	–	1,387,737	1,387,737
Lease liabilities	216,366	255,013	–	471,379	471,379
	45,981,219	**120,916,685**	**–**	**166,897,904**	**167,018,576**

(1) Interest charges are excluded from the amounts presented above.
(2) A portion of the contingent consideration payable can be settled through cash and the issuance of shares, at the discretion of the Company.

Cash Flows

	For the years ended December 31,	
	2024	2023
Cash provided by/(used in) operating activities	**$ 19,901,895**	$ 3,385,040
Cash (used in)/provided by financing activities	**(15,270,878)**	11,475,279
Cash (used in)/provided by investing activities	**(8,421,585)**	(18,510,226)
Foreign exchange on cash	**(280,674)**	(618,293)
Decrease in cash	**(4,071,242)**	(4,268,200)

Operating activities

During the year ended December 31, 2024, cash flows provided by operating activities was $19.9 million compared to cash flows provided by operating activities of $3.4 million in the prior year. The change of $16.5 million is attributable to increase in revenue in 2024 of $8.7 million, improved non-cash working capital of $7.7 million, and decrease in marketplace content costs of $1.5 million.

Financing activities

During the year ended December 31, 2024, cash flows used in financing activities was $15.3 million compared to cash flows provided by financing activities of $11.5 million in the prior year. The net change of $26.7 million is attributable to $44.1 million of net cash paid related to the Company's debt and less funds from equity-accounted investees of $1.3 million. This change was offset by higher proceeds from share issuances of $8.2 million. Dividends were $nil this year compared to $9.0 million paid in the prior year before the Share Transaction.

Investing activities

During the year ended December 31, 2024, cash flows used in investing activities was $8.4 million compared to cash flows used in investing activities of $18.5 million in the prior year. The change of $10.1 million is attributable to less net cash in purchasing investments of $11.9 million. This was partially offset by funds paid to related parties of $1.4 million and $0.5 million decrease in cash from acquisitions in 2024.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes the results of the Company's operations for the last eight quarters. This unaudited quarterly information has been prepared in accordance with IFRS.

	2024				2023			
	Q4	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Revenue	**47,596,065**	**46,691,278**	**51,005,412**	**48,939,598**	**51,175,456**	**50,522,913**	**47,472,296**	**36,331,948**
Total operating expenses	48,134,743	52,147,302	55,957,491	53,263,318	54,830,817	54,072,042	58,371,657	37,401,789
(Loss)/earnings from operations	**(538,678)**	**(5,456,024)**	**(4,952,079)**	**(4,323,720)**	**(3,655,361)**	**(3,549,129)**	**(10,899,361)**	**(1,069,841)**
Other income/(expense)	(26,232,179)	(2,023,605)	(2,007,471)	(4,069,206)	(5,414,410)	(3,780,699)	41,977,029	(3,292,932)
Earnings/(loss) before taxes	**(26,770,857)**	**(7,479,629)**	**(6,959,550)**	**(8,392,926)**	**(9,069,771)**	**(7,329,828)**	**31,077,668**	**(4,362,773)**
Income tax recovery/(expense)	(620,412)	(2,162,378)	5,287,794	(461,541)	1,131,654	1,429,075	1,597,046	281,862
Net income/(loss)	**(27,391,269)**	**(9,642,007)**	**(1,671,756)**	**(8,854,467)**	**(7,938,117)**	**(5,900,753)**	**32,674,714**	**(4,080,911)**
Cash provided by/(used in) operating activities [2]	**13,438,850**	**2,922,595**	**(797,399)**	**4,337,849**	**7,343,407**	**3,136,089**	**(6,274,992)**	**(819,464)**
Non-IFRS Measures								
Net income/(loss)	**(27,391,269)**	**(9,642,007)**	**(1,671,756)**	**(8,854,467)**	**(7,938,117)**	**(5,900,753)**	**32,674,714**	**(4,080,911)**
Income tax (recovery)/expense	620,412	2,162,378	(5,287,794)	461,541	(1,131,654)	(1,429,075)	(1,597,046)	(281,862)
Depreciation and amortization	8,893,467	8,829,714	8,873,617	8,724,754	9,010,821	8,906,495	7,473,372	1,729,243
Interest expense	2,412,102	2,548,380	2,950,853	3,019,087	3,010,435	2,566,182	2,084,900	1,309,686
EBITDA [1]	**(15,465,288)**	**3,898,465**	**4,864,920**	**3,350,915**	**2,951,485**	**4,142,849**	**40,635,940**	**(1,323,844)**
Revenue	47,596,065	46,691,278	51,005,412	48,939,598	51,175,456	50,522,913	47,472,296	36,331,948
EBITDA % [1]	**(32)%**	**8%**	**10%**	**7%**	**6%**	**8%**	**86%**	**(4)%**

Notes:

Reference to "Q1" is to the three-month period ended March 31; Reference to "Q2" is to the three-month period ended June 30; Reference to "Q3" is to the three-month period ended September 30 and reference to "Q4" is to the three-month period ended December 31.

[1] Non-IFRS measure (please refer to reconciliation on page 14).

[2] In connection with the preparation of the MD&A, cash provided by/(used in) operating activities and interest paid on debt balances for Q3 2023 have both been adjusted to correct for an understatement of $2,676,669. The Q4 2023 cash provided by/(used in) operating activities and interest paid on debt balances have also been adjusted to correct the balances by the same amount.

	2024				2023			
	Q4	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Non-IFRS Measures								
EBITDA[1]	**(15,465,288)**	**3,898,465**	**4,864,920**	**3,350,915**	**2,951,485**	**4,142,849**	**40,635,940**	**(1,323,844)**
Share of earnings/losses from associates/equity-accounted investees	344,847	(1,831,942)	(384,359)	(274,635)	(2,574,051)	—	199,397	1,180,282
Gain on sale of intangibles	—	—	(1,612,839)	131,779	—	—	—	—
Gain on step acquisition	—	—	—	—	(763,974)	—	(42,083,465)	—
Loss on sale of subsidiaries	103,200	—	—	—	3,174,758	163,366	—	—
Fair value gain/(loss) to financial instruments	(1,569,351)	1,861,943	(565,370)	(1,816,065)	1,289,397	(1,776,782)	(1,069,151)	240,239
Gain on writedown of contingent liability	4,215	817,023	23,634	26,735	(8,871,738)	135,150	—	—
Business acquisition costs	407,171	418,993	292,028	45,342	(95,601)	100,359	2,891,075	52,461
Share-based compensation	776,067	570,944	290,260	453,781	705,259	657,107	2,818,760	489,538
Impairment of non-financial assets	18,687,379	—	—	—	13,634,143	—	—	—
Foreign exchange	5,917,403	(1,069,430)	2,018,954	3,011,746	(3,266,510)	2,018,853	(1,188,602)	716,216
Other income/(expenses)	332,384	(302,369)	(423,402)	(536,162)	(189,834)	645,714	79,892	(153,491)
Acquisition-related compensation	—	—	—	—	340,475	335,292	335,775	337,950
Severance	318,264	2,286,759	1,065,729	1,340,579	1,606,680	1,583,997	1,511,371	438,601
Non-recurring project costs	615	68,038	775,963	859,258	76,042	277,457	—	—
Non-recurring professional fees	203,067	581,128	409,206	298,390	1,510,585	363,062	2,285,052	834,805
Adjusted EBITDA [1]	**10,059,973**	**7,299,552**	**6,754,724**	**6,891,663**	**9,527,116**	**8,646,424**	**6,416,044**	**2,812,757**
Revenue	47,596,065	46,691,278	51,005,412	48,939,598	51,175,456	50,522,913	47,472,296	36,331,948
Adjusted EBITDA % [1]	**21%**	**16%**	**13%**	**14%**	**19%**	**17%**	**14%**	**8%**
Recurring revenue[1]	9,966,563	9,804,004	9,637,944	9,256,874	9,638,884	9,745,427	8,540,693	1,589,298
Non-recurring revenue	37,629,502	36,887,274	41,367,468	39,682,724	41,536,572	40,777,486	38,931,603	34,742,650
Total revenue	**47,596,065**	**46,691,278**	**51,005,412**	**48,939,598**	**51,175,456**	**50,522,913**	**47,472,296**	**36,331,948**
Recurring revenue % [1]	**21%**	**21%**	**19%**	**19%**	**19%**	**19%**	**18%**	**4%**

Notes:
Reference to “Q1” is to the three-month period ended March 31; Reference to “Q2” is to the three-month period ended June 30; Reference to “Q3” is to the three-month period ended September 30 and reference to “Q4” is to the three-month period ended December 31.
[1] Non-IFRS measure (please refer to reconciliation on page 14).

	2024				2023			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Cash provided by/(used in) operating activities [(2)]	**13,438,850**	**2,922,595**	**(797,399)**	**4,337,849**	**7,343,407**	**3,136,089**	**(6,274,992)**	**(819,464)**
Business acquisition costs	407,171	418,993	292,028	45,342	(95,601)	100,359	2,891,075	52,461
Interest paid on debt [(2)]	(2,484,617)	(2,611,353)	(3,094,778)	(3,042,147)	(3,283,667)	(2,323,663)	(2,057,095)	(724,027)
Capital expenditures	(91,684)	(85,070)	(95,713)	(214,409)	(140,408)	(198,183)	(159,331)	(55,549)
Free Cash Flow	**11,269,720**	**645,165**	**(3,695,862)**	**1,126,635**	**3,823,731**	**714,602**	**(5,600,343)**	**(1,546,579)**
EBITDA	**(15,465,288)**	**3,898,465**	**4,864,920**	**3,350,915**	**2,951,485**	**4,142,849**	**40,635,940**	**(1,323,844)**
Income taxes paid	(1,732,231)	(1,802,948)	(1,552,564)	(1,018,854)	(725,273)	162,528	(3,093,441)	(536,754)
Interest paid on debt[(2)]	(2,484,617)	(2,611,353)	(3,094,778)	(3,042,147)	(3,283,667)	(2,323,663)	(2,057,095)	(724,027)
Impairment of non-financial assets	18,688,857	—	—	—	13,634,143	—	—	—
Gain on share transaction	—	—	—	—	(763,974)	—	(42,083,465)	—
Unrealized foreign exchange	7,287,519	(1,180,848)	1,345,498	2,744,404	(2,807,204)	3,103,392	(2,024,160)	(140,576)
Non-cash expenses[(4)]	(1,418,900)	1,949,483	(716,736)	(868,708)	(4,746,690)	(1,552,708)	2,553,517	2,193,316
Business acquisition costs	407,171	418,993	292,028	45,342	(95,601)	100,359	2,891,075	52,461
Changes in non-cash working capital [(2)]	6,078,893	58,443	(4,738,517)	130,092	(199,080)	(2,719,972)	(2,263,383)	(1,011,606)
Capital expenditures	(91,684)	(85,070)	(95,713)	(214,409)	(140,408)	(198,183)	(159,331)	(55,549)
Free Cash Flow[(1)]	**11,269,720**	**645,165**	**(3,695,862)**	**1,126,635**	**3,823,731**	**714,602**	**(5,600,343)**	**(1,546,579)**
Acquisition-related compensation	—	—	—	—	340,475	335,292	335,775	337,950
Non-recurring bad debt expense[(3)]	—	—	833,196	—	—	—	—	—
Non-recurring project costs	615	68,038	775,964	—	76,042	277,457	—	—
Non-recurring professional fees	203,067	581,128	409,206	834,805	1,510,585	1,532,947	1,115,167	834,805
Severance	318,264	2,286,759	1,065,729	438,601	1,606,680	414,112	2,681,256	438,601
Debt, scheduled funds repaid	(1,798,274)	(1,976,161)	(3,068,111)	(1,332,580)	(1,371,910)	—	(1,324,740)	—
Adjusted Free Cash Flow Post Debt Servicing	**9,993,392**	**1,604,929**	**(3,679,878)**	**1,067,461**	**5,985,603**	**3,274,410**	**(2,792,885)**	**64,777**

Notes:

Reference to “Q1” is to the three-month period ended March 31; Reference to “Q2” is to the three-month period ended June 30; Reference to “Q3” is to the three-month period ended September 30 and reference to “Q4” is to the three-month period ended December 31.

(1) Non-IFRS measure (please refer to reconciliation on page 14).

(2) In connection with the preparation of the MD&A, cash provided by/(used in) operating activities and interest paid on debt balances for Q3 2023 have both been adjusted to correct for an understatement of $2,676,669. The Q4 2023 cash provided by/(used in) operating activities and interest paid on debt balances have also been adjusted to correct the balances by the same amount.

(3) Non-recurring bad debt expense relates to revenue that was recognized in the prior year.

(4) Non-cash expenses relates to specific non-cash items from the cash provided by operating activities. This includes share-based compensation, fair value adjustment to financial instruments, gain on disposal of intangible assets, loss on sale of subsidiaries, fair value adjustment to contingent consideration, loss on sale or disposal of assets, share of earnings from unlisted equity investments, bad debts and interest income.

Revenue

Quarter-over-quarter comparison

Revenue was relatively flat quarter-over-quarter in Q4 2024 at $47.6 million compared to $46.7 million in Q3 2024. Revenue in Digital Services increased by $0.7 million from completed projects and acquisition of new clients. The remaining $0.2 million increase is from the consistent revenue growth observed from MediaNet. Revenue in the Creative Platform and Software and Apps segments remained steady quarter-over-quarter.

Recurring revenue % remained the same at 21% quarter-over-quarter.

Year-over-year comparison of Q4

Revenue in Q4 2024 decreased by $3.6 million (7%) when comparing Q4 2023. The net change is a result of a $5.4 million (34%) decline observed in the Creative Platform segment due to lower marketplace transactions and management's approach to improving revenue traffic. This was offset by the increase in revenue due to the MediaNet acquisition of $1.0 million and $0.7 million from Clean Canvas. Revenue from Digital Services remained steady year-over-year.

Recurring revenue as a percentage of total revenue increased from 19% to 21% due to the increased composition of recurring revenue from the Software and Apps segment and the MediaNet acquisition.

Net income/(loss)

Quarter-over-quarter comparison

The Company incurred a net loss of $27.4 million in Q4 2024 compared to a net loss of $9.6 million in Q3 2024. This was primarily driven by goodwill impairment in Software and Apps segment for $18.7 million as part of the Company's annual assessment. This was partially offset by improved revenue by $0.9 million and lower income taxes by $1.3 million quarter-over-quarter.

Year-over-year comparison of Q4

The Company incurred a net loss of $27.4 million in Q4 2024 compared to the net loss of $7.9 million in Q4 2023. This was primarily driven by higher goodwill impairment recognized within the Software and Apps segment compared to the Digital Services segment of $5.0 million, higher fluctuations in foreign exchange of $9.2 million and decline in revenue by $3.6 million. The remaining change is attributable to lower interest expense of $0.6 million from the Company voluntarily repaying additional debt during the year.

OFF-BALANCE SHEET ARRANGEMENTS

As at the date of this MD&A, the Company has not entered into any off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

The most significant accounting judgements and estimates that the Company has made in the preparation of the Financial Statements are described in Notes 2 and 3 for the year ended December 31, 2024.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions are conducted in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The transfer of businesses by entities under common control, specifically within the WeCommerce Group, has been accounted for based on the historical cost and is described in Note 1 of the Financial Statements.

During the year ended December 31, 2024, there were transactions with companies whose partners or senior officers are Directors of the Company or related to Directors of the Company. These counterparties are:

- A firm, controlled by Chris Sparling, the Vice Chair of the Board of Directors (Co-Chief Executive Officer until end of May 2024), that provides consulting services.
- A firm, controlled by Andrew Wilkinson, the Chair of the Board of Directors (Co-Chief Executive Officer until end of May 2024), that provides administrative and other support services. This was an election by Mr. Wilkinson to have a portion of his salary paid as a consulting fee; and
- A firm, whose controlling partner is Shane Parrish, a Director of the Company, that provides marketing and advertising services. Effective February 14, 2024, this agreement was terminated to avoid any conflict of interest, with final payments concluded by June 30, 2024.

(a) Related party revenues

	2024	2023
Management fees:		
Entities under control of directors of the company	**$ —**	$ 26,400
Equity-accounted investees	**423,448**	753,590

(b) Related party expenses

	2024	2023
Professional/consulting fees:		
Entities under control of directors of the company	**$ —**	$ 36,345
Equity-accounted investees	**126,771**	—
Marketing fees:		
Equity-accounted investees	**363,122**	176,139

(c) Due from equity-accounted investees

		2024	2023
Due from an entity controlled by key management personnel			
Beginning of the year	$	–	$ 1,200,000
Loans advanced		–	–
Loan repayments received		–	(1,200,000)
End of the year		**–**	**–**
Due from equity-accounted investees			
Beginning of the year		**1,714,624**	112,385
Loans advanced		**2,422,885**	1,790,513
Loan repayments received		**(760,042)**	–
Foreign exchange		**150,492**	–
Interest charged		**90,434**	53,871
Bad debts written off		**–**	(242,145)
End of the year		**3,618,393**	**1,714,624**
Balance, end of the year		**3,618,393**	**1,714,624**

In 2021, the Company issued a total of $2,300,000 in promissory notes to an entity controlled by a key management personnel. Portions of the note were repaid throughout 2022 and fully repaid in 2023.

As at December 31, 2024, the Company had a total of $3,397,386 in promissory notes outstanding from two equity-accounted investees. The detailed breakdown of the outstanding promissory notes is as follows:

- Three promissory notes totaling $3,143,880 (2023: $1,600,431) and each note is comprised of:
    - Note #1: $1,480,762 (2023: $1,322,600) is an unsecured note and bears interest at a rate of 3.70% per annum with a maturity date of March 20, 2026;
    - Note #2: $1,476,209 (2023: $277,831) is an unsecured note and bears interest at a rate of 3.98% per annum with a maturity date of February 5, 2027; and
    - Note #3: $186,909 (2023: $nil) is an unsecured note and bears interest at a rate of 3.98% per annum with a maturity date of October 25, 2027.
- Promissory Note of $253,506 (2023: $nil) is an unsecured demand note and bears interest at a rate of 8.00% per annum.

All other amounts are unsecured and non-interest bearing with no repayment terms.

(d) Due to equity-accounted investees

		2024	2023
Due to equity-accounted investees	**$**	**13,829**	$ 1,387,737

The balances due to equity-accounted investees are unsecured and non-interest bearing with no specific terms of repayment. Of the balance on December 31, 2023, $1,327,324 is due to equity-accounted investees for subscription of shares. On February 5, 2024, the Company sold 89% of its investment in an equity-accounted investee as part of a share repurchase agreement for a purchase price of $1,377,078 (USD$1,018,022). Of this amount, $497,823 (USD$368,022) was in cash, which was received during the period, and the remainder eliminates the Company's outstanding obligation within due to related parties to the equity-accounted investee for the Company's initial investment in its shares.

(e) Compensation of key management personnel

The Company's key management personnel have authority and responsibility for overseeing, planning, directing and controlling the activities of the Company and consists of the Board of Directors, the Company's Chief Financial Officer and the Company's Chief Executive Officer. Key management compensation was comprised of:

		2024		2023
Salaries and consulting fees	**$**	**2,871,202**	$	1,607,894
Share-based compensation		**361,896**		327,407

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The material accounting policies applied in preparation of this MD&A are consistent with the accounting policies disclosed in Note 3 of the Financial Statements for the year ended December 31, 2024.

CONTROLS CERTIFICATION

In connection with National Instrument 52-109 - *Certification of Disclosure in Issuer's Annual and Interim Filings* ("NI 52-109") , the Chief Executive Officer and Chief Financial Officer, will file a Venture Issuer Basic Certificate with respect to the financial information contained in the Financial Statements and respective MD&A. The Venture Issuer Basic Certification does not include representation relating to establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as described in NI 52-109.

FINANCIAL RISK FACTORS

The Company is exposed to risks as a result of holding financial instruments including credit risk, liquidity risk and currency risk.

(a) Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash and cash equivalents, restricted cash, trade and other receivables, and lease receivable. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash and cash equivalents with high-credit quality financial institutions. The Company considers the risk of financial loss on cash and cash equivalents to be remote.

The Company reduces credit risk with respect to trade receivables by regularly assessing the credit risk associated with these accounts and closely monitoring any overdue balances. In the opinion of management, concentration risk exposure to the Company is low.

(b) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates against the functional currency. The Company operates in Canada, the United States, the United Kingdom, Singapore, and Spain and is therefore exposed to foreign exchange risk arising from transactions denominated in foreign currencies. The operating results and the financial position of the Company are reported in Canadian dollars ("CAD"). The functional currency of the parent entity, and some subsidiaries, is CAD and is therefore exposed to foreign currency risk from financial instruments denominated in currencies other than CAD. The Company has one small subsidiary whose functional currency is Euros, one small subsidiary whose functional currency is the UK pound sterling, and multiple subsidiaries whose functional currency is the United States dollar ("USD").

The Company is exposed to foreign currency risk through the following foreign currency denominated financial assets and liabilities, expressed in CAD:

	December 31, 2024	December 31, 2023
Cash	**$ 21,001,036**	$ 21,951,281
Trade and other receivables	**12,818,752**	18,822,546
Trade and other payables	**14,550,897**	24,452,306
Due from equity-accounted investees	**3,246,976**	–
Debt	**114,137,116**	57,953,467
Total exposure	**165,754,777**	123,179,600

RISK FACTORS

Tiny faces a number of risks that could materially adversely affect the Company’s future business, operations and financial condition and could cause them to differ materially from the estimates described in the MD&A. Current and prospective investors should carefully consider the risk factors listed in the Company’s Annual Information Form for the year ended December 31, 2024, which is available under the Company’s profile on SEDAR+ at www.sedarplus.com as well as the risk factors listed under the heading “General Information and Cautionary Statements” in this MD&A when making investment decisions.

Tiny Ltd.
Additional Information

Directors:
Andrew Wilkinson, Chair
Chris Sparling, Vice-Chair
Alex Conconi
Carla Matheson
Tim McElvaine
Shane Parrish

Officers:
Jordan Taub, Chief Executive Officer
Mike McKenna, Chief Financial Officer and Corporate Secretary

Registered and Records Office:
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OTCMarkets: TNYZF

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