

## Sabio Reports 25% YoY Revenue Growth in Q2 2025 with Record Second Quarter and First-Half Revenues

Revenue increased 25% to US\$11.2 million in Q2 2025 from US\$8.9 million in Q2 2024, marking the fifth consecutive quarter of double-digit growth and a record-setting first half of the year, with US\$20.2 million in revenue (up 33% YoY), while maintaining strong, 61% gross margins

Ad-supported streaming revenue<sup>2</sup> grew 8% YoY to a record US\$7.4 million; excluding political sales<sup>2</sup>, growth was 13% YoY, marking our sixth consecutive quarter of double-digit growth in our core, Ad-supported streaming business

Mobile ad sales<sup>2</sup> surged 88% YoY to US\$3.5 million, driven by performance marketing and mobile video adoption

92% of first half revenues from repeat customers, underscoring the predictability of Sabio's sales model

Balance sheet strengthened post-quarter with retirement of all convertible notes via private placement; CEO aligned with shareholders through participation

Conference call August 27, 2025 at 10:00 a.m. ET

TORONTO, Aug. 26, 2025 /PRNewswire/ -- Sabio Holdings Inc. (TSXV: SBIO) (OTCQB: SABOF) ("Sabio" or the "Company"), a Los Angeles-based ad-tech company specializing in helping top global brands reach, engage, and validate (R.E.V.) streaming TV audiences, today announced its unaudited financial results for the second quarter ended June 30, 2025. *Unless otherwise indicated, all amounts are expressed in U.S. dollars.*

"Our strong second quarter reflects both the resilience of our core ad-supported streaming business and the accelerating adoption of new offerings," said Aziz Rahimtoola, CEO & Co-founder of Sabio. "We delivered 25% year-over-year revenue growth and achieved the highest first-half sales in our history, surpassing even election-year results. With 92% of first half revenues from repeat customers, programmatic and mobile performance marketing scaling rapidly, and Creator TV distribution expanding, Sabio's sales trajectory has become increasingly predictable. This momentum demonstrates our ability to outpace the forecasted 13% industry growth rate<sup>1</sup> as brands shift their ad spend toward streaming TV.

"Importantly, our Creator TV platform has seen viewership growing over 300% across streaming partners since launch, underscoring its potential to capture the valuable Gen Z and millennial audience. The industry recognition we received this quarter – including a Pollie Award for Best Ad Tech Innovation and the ITVT Award for Most Significant Newcomer – further validates our technology and innovation leadership in ad-supported streaming. Together, these achievements position Sabio to build meaningful shareholder value as we enter the seasonally stronger second half of the year."

### Financial Highlights

Revenue: Q2 2025 consolidated revenue increased 25% to a record US\$11.2 million compared to US\$8.9 million in Q2 2024. Excluding political sales<sup>2</sup>, growth was 29%. This marked our fifth consecutive quarter of double-digit revenue growth.

Ad-supported streaming revenue<sup>2</sup>: Up 8% YoY to a record US\$7.4 million; excluding political sales, this revenue rose 13%, marking our sixth consecutive quarter of double-digit growth in our core, Ad-supported streaming business. Programmatic ad sales contributed US\$0.3 million, recognized net of media costs.

Mobile ad sales<sup>2</sup>: Increased 88% YoY to US\$3.5 million, reflecting strong adoption of Sabio's performance marketing offering.

Gross margin: Stable at 61% in Q2 2025, supported by efficiency gains and programmatic sales mix.

Adjusted EBITDA<sup>2</sup>: Loss of US\$1.2 million versus a US\$0.3 million loss in Q2 2024, driven by investments in Creator TV, programmatic, performance marketing, and cloud infrastructure. Sequentially, cloud costs<sup>2</sup> declined 15% versus Q1 2025 despite higher business activity.

Cash & liquidity: Cash of US\$2.2 million as of June 30, 2025. Subsequent to quarter end, Sabio retired all CAD \$1.7 million of convertible notes through a new CAD \$1.8 million debenture financing subscribed in part by Sabio's CEO, strengthening the Company's balance sheet.

### Business Highlights

**Creator Television® ("Creator TV")**: Expanded distribution in June and July 2025 to Amazon Fire TV Channels, Xumo Play, and LiveTVx on Google TV. Viewership grew over 300% across platforms.

**Industry Recognition**: Creator TV named "Most Significant Newcomer" at the 21st Annual InteractiveTV Today (ITVT) Awards. Sabio also received a Pollie Award from the AAPC for "Best Ad Tech Innovation."

**App Science™**: Continued as a differentiator powering 90% of campaigns run by top customers; database now tracks 80 million U.S. households.

**Customer Growth**: 33% of brands spending<sup>2</sup> in the first half of 2025 were new to Sabio, up from 28% in the prior year's period.

**Geographic Expansion**: European and UK revenues continued at triple-digit growth rates; U.S. growth led by New York, Los Angeles, and Detroit offices, with strong momentum in Washington D.C. advocacy.

**Capital Markets**: Normal Course Issuer Bid approved by TSX-V to repurchase up to 5% of outstanding shares.

### Business Outlook

Sabio exited Q2 2025 with record first-half revenues and strong sales momentum heading into the second half, which has historically been seasonally stronger. Management expects continued adoption of programmatic CTV/OTT, Creator TV, and mobile performance marketing to continue double-digit revenue growth.

While macroeconomic uncertainties may weigh on short-term advertising budgets, Sabio's combination of repeat revenue (92%)<sup>2</sup>, rapid programmatic adoption (94% month-over-month growth in H1 2025), and ongoing international expansion position it well to continue outpacing the forecasted 13% growth rate of the U.S. Connected TV market.<sup>2</sup>

### Notice of Conference Call

Sabio will host a live webinar to discuss its Q2 2025 financial results and corporate developments:

**Date & Time**: Wednesday, August 27, 2025 at 10:00 a.m. ET / 7:00 a.m. PT

**Event**: Presentation and Q&A Webinar with Sabio Holdings

**Host**: Aziz Rahimtoola, CEO, and senior management team

**Webcast Registration Link**: [https://us02web.zoom.us/webinar/register/8017556242430/WN\\_-QI6ycWHR1qIEMSZ7jReXg](https://us02web.zoom.us/webinar/register/8017556242430/WN_-QI6ycWHR1qIEMSZ7jReXg)

An archived replay of the webcast will be available in the Financial Information section of Sabio's corporate website following the event: [sabioholding.com/investors/financial-information](https://sabioholding.com/investors/financial-information).

- 1 Digital video ad spend is booming despite challenges, Ocean Media, [oceanmediainc.com/2025-ctv-trends/#:~:text=CTV%20has%20firmly%20established%20itself.online%20video%20segment%20by%2043%25](https://oceanmediainc.com/2025-ctv-trends/#:~:text=CTV%20has%20firmly%20established%20itself.online%20video%20segment%20by%2043%25).
- 2 Digital video ad spend is booming despite challenges, Ocean Media, [oceanmediainc.com/2025-ctv-trends/#:~:text=CTV%20has%20firmly%20established%20itself.online%20video%20segment%20by%2043%25](https://oceanmediainc.com/2025-ctv-trends/#:~:text=CTV%20has%20firmly%20established%20itself.online%20video%20segment%20by%2043%25).

## Selected Financials

(All figures in US\$ unless otherwise noted)

	For the three months ended		For the six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
Revenue	11,157,319	8,897,431	20,244,585	15,248,964
Gross profit	6,817,374	5,449,794	12,373,793	9,211,798
Gross margin	61 %	61 %	61 %	60 %
Adjusted EBITDA <sup>(2)</sup>	(1,197,152)	(281,774)	(2,798,729)	(1,590,558)
Net increase in cash and cash equivalents during the period	(1,640,564)	(679,723)	(1,120,511)	(971,839)
Cash and cash equivalents - end of the period	2,179,928	1,640,273	2,179,928	1,640,273
	For the three months ended		For the six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
<b>Income (Loss) for the period</b>	<b>(1,377,658)</b>	<b>(1,042,929)</b>	<b>(3,670,860)</b>	<b>(3,055,036)</b>
Finance Costs	346,838	313,482	642,399	627,828
Interest earned	(10,923)	(16,972)	(20,822)	(25,064)
Amortization of intangible Assets	44,754	49,874	89,614	101,021
Stock-based compensation	96,634	58,145	151,319	104,322
Employee retention tax credit received	(583,145)	-	(583,145)	-
Impairment loss on ROU asset	-	-	20,275	-
Gain on early lease termination	-	-	(7,317)	-
Amortization of lease	183,047	179,551	324,496	359,103
Income taxes	12,386	12,830	25,151	24,779
Foreign exchange differences	9,848	5,284	12,729	7,327
State and local taxes	19,125	9,480	48,230	29,348
Severance expenses	61,942	149,481	169,202	235,814
<b>Adjusted EBITDA<sup>(2)</sup></b>	<b>(1,197,152)</b>	<b>(281,774)</b>	<b>(2,798,729)</b>	<b>(1,590,558)</b>

<sup>2</sup> See "Use of Non-IFRS Measures" below.

The financial disclosures in this news release are subject to a number of cautionary statements, assumptions, contingencies and risks as set forth in this news release. The foregoing outlook and expectations constitute forward-looking statements and financial outlook and are qualified in their entirety by the "Forward-Looking Statements" cautionary statement below. Readers are cautioned that this release is for information purposes only and may not be appropriate for other purposes.

### Use of Non-IFRS Measures

This press release makes reference to certain non-IFRS (International Financial Reporting Standards) measures including, but not limited to, Adjusted EBITDA and consolidated revenues (excluding political sales). These measures do not have a standardized meaning prescribed by IFRS and therefore they may not be comparable to similarly titled measures presented by other companies and should not be considered in isolation nor as a substitute for analysis of financial information reported under IFRS. Rather, these non-IFRS measures are provided as additional information to complement IFRS measures by providing a further understanding of operations from management's perspective.

Management uses adjusted earnings before interest, income taxes, depreciation, and amortization ("Adjusted EBITDA") as a key financial metric to evaluate Sabio's operating performance as a complement to results provided in accordance with IFRS. The term "Adjusted EBITDA", as defined by management, refers to net income (loss) before adjusting earnings for finance costs, income taxes, stock-based compensation, amortization, non-recurring items, and severance costs. Refer to reconciliation to Adjusted EBITDA under the "Selected Financials" section of this release and in the Company's MD&A for the three and six months ended June 30, 2025 and June 30, 2024, copies of which can be found under Sabio Holdings Inc.'s profile on SEDAR Plus at [sedarplus.ca](https://sedarplus.ca).

Management believes that the items excluded from Adjusted EBITDA are not connected to and do not represent the operating performance of Sabio. Management believes that Adjusted EBITDA is useful supplemental information as it provides an indication of the results generated by Sabio's main business activities prior to taking into consideration how those activities are financed and taxed as well as expenses related to stock-based compensation, depreciation, amortization, restructuring costs, other expense (income), and foreign exchange (gain) loss. Accordingly, management believes that this measure may also be useful to investors in enhancing their understanding of Sabio's operating performance. It is a key measure used by Sabio's management and board of directors to understand and evaluate Sabio's operating performance, to prepare annual budgets, and to help develop operating plans.

Revenues excluding political ad sales is a supplementary financial measure that represents the Company's total consolidated revenue as reported in its financial statements, excluding revenues derived from political advertising campaigns.

Repeat revenue is a supplementary financial measure. This measure refers to the percentage of quarterly revenue generated from customers who have previously transacted with Sabio (defined as those with the same brand logo). It is derived from internal tracking systems and is used to assess customer retention and revenue predictability. This metric is not audited.

Cloud costs is a supplementary financial measure. This measure reflects the Company's expenditures related to cloud infrastructure services, including hosting and data processing, and delivery of ad tech solutions. It is tracked internally and disclosed to provide insight into operational efficiency and cost management. This metric is not audited and is not presented in the Company's financial statements.

Ad-supported streaming sales and mobile ad sales are supplementary financial measures that represent the proportion of the Company's consolidated revenue as reported in its financial statements contributed by the Company's ad-supported and mobile display product offerings, as is also presented in the Company's MD&A for the three and six months ended June 30, 2025, and June 30, 2024, copies of which can be found under Sabio's profile on SEDAR+ at [sedarplus.ca](https://sedarplus.ca).

### About Sabio

Sabio Holdings (TSXV: SBIO, OTCQB: SABOF) is a technology and services leader in the fast-growing ad-supported streaming space. Its cloud-based, end-to-end technology stack works with top blue-chip, global brands and the agencies that represent them to reach, engage, and validate (R.E.V.) streaming audiences.

Sabio consists of a proprietary ad-serving technology platform that partners with the top ad-supported streaming platforms and apps in the world, App Science™, a non-cookie-based software as a service (SAAS) analytics and insights platform with AI natural language capabilities, and Creator Television® (Creator TV), the first creator-led streaming network and content studio dedicated to bringing the authenticity and energy of social media storytelling to TV. For more information, visit: [sabio.inc](https://sabio.inc).

### Forward-Looking Statements

*This press release may contain certain forward-looking information and statements ("forward-looking information") within the meaning of applicable Canadian securities legislation, which is often, but not always, identified by the use of words such as "believes," "anticipates," "plans," "intends," "will," "should," "expects," "continue," "estimate," "forecasts," or the negative thereof and other similar expressions. All statements herein other than statements of historical fact constitute forward-looking information, including but not limited to statements in respect of: the success and adoption of new product offerings, including Creator TV and App Science™; results, including sales, expenses, and customer retention, of the ad-supported streaming sales; the Company's outlook for the second half of 2025, including expected revenue gains and seasonal performance trends; expected continuation of double-digit revenue growth and expansion into international markets; the anticipated normalization of cloud computing costs; the expected return to profitability in the latter half of 2025; the impact of recent investments (including Sales Force expansion and IT infrastructure migration) on future performance; and sales trajectory becoming increasingly predictable; continued growth in programmatic ad buying and mobile performance marketing; expected viewership and audience engagement growth for Creator TV; and ongoing customer acquisition momentum. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements. The Company undertakes no obligation to comment on analyses, expectations, or statements made by third parties in respect of the Company, its securities, or financial or operating results (as applicable). Material assumptions used to develop the forward-looking information in this press release include, but are not limited to: continued customer demand in core markets, successful execution of new product rollouts, stabilization of input costs including cloud infrastructure, retention of key personnel, no material changes in applicable regulatory frameworks, and general economic conditions remaining consistent with management expectations. Although the Company believes that the expectations reflected in forward-looking information in this press release are reasonable, such forward-looking information has been based on expectations, factors, and assumptions concerning future events that may prove to be inaccurate and are subject to numerous risks and uncertainties, certain of which are beyond the Company's control, including the other risk factors disclosed in the Company's annual information form and management's discussion and analysis (MD&A), which are publicly available on SEDAR Plus at [www.sedarplus.ca](http://www.sedarplus.ca). The Company has assumed that the material factors referred to herein will not cause such forward-looking statements and information to differ materially from actual results or events. However, there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. The forward-looking information contained in this press release is expressly qualified by this cautionary statement and is made as of the date hereof. The Company disclaims any intention and has no obligation or responsibility, except as required by law, to update or revise any forward-looking information, whether as a result of new information, future events, or otherwise.*

*This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.*

*Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

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