Eddy Smart Home Solutions Ltd. Announces Q3/2024 Financial Results

November 28, 2024, TORONTO, CANADA – Eddy Smart Home Solutions Ltd. ("Eddy" or the "Company") (TSXV: EDY) is pleased to announce its financial results for the three and nine months ended September 30, 2024.

Q3 2024 Highlights

Growth in In-Building Devices and Contract Revenue

A key operating metric of the Company's success and the value of the business can be measured by both the existing contracted revenue and the growth of the contracted sales backlog.

Eddy has increased the number of in-building devices by 56%, from 67,583 as of September 30, 2023, to 105,43 as of September 30, 2024. This significant growth is expected to drive additional revenue and underscores the increasing market acceptance of Eddy's technology and significant market traction.

As at September 30, 2024, contracted revenue was $41.7 million (an increase of $3.8 million, approximately 10%) over the December 31, 2023, amount of $37.9 million. The future contracted revenue will be recognized over the contract term which averages 60 – 84 months.

Debt Facilities Repayments

On July 15, 2024, the Company repaid in full the amount owed under the working capital facility amounting to $5,589,671. On June 28, 2024, at the closing of the Private Placement, the Credit Facility which amounted to $1,163,880 was fully converted into common shares. These transactions significantly improved the Company's liquidity position, reduced future interest costs and strengthen the balance sheet. As at September 30, 2024, the Company had no draws on the debt facilities.

Reduced Expenses

For the three months ended September 30, 2024, Eddy has significantly reduced its general and administrative (G&A) expenses to $1,001,366 as compared to $1,773,141 for Q3/2023 (G&A decreased by $771,775, representing approximately a 44% improvement).

For the nine months ended September 30, 2024, G&A expenses were $2,993,720 as compared to $5,623,752 for 2023 (general and administrative expenses decreased by $2,630,032, representing approximately a 47% improvement). These spend reductions highlight the company's commitment to operational efficiency and cost management.

Improved Financial Performance

For the three months ended September 30, 2024, Eddy has significantly reduced its net loss to ($932,003), an improvement of $1,050,288, from the net loss of ($1,982,291) for the comparable quarter.

For the nine months ended September 30, 2024, the net loss was ($2,718,035) as compared to ($6,164,117) for 2023 (which represents a significant improvement of $3,446,082).

The 2024, year-to-date improvement reflects higher revenue, enhanced operational efficiencies, and reduced expenses. The average net loss per month was ($302,004), as compared to ($684,902) for 2023.

Revenue

For the three months ended September 30, 2024, revenue was $720,694 as compared to $763,443 reported for Q3/2023. For the nine months ended September 30, 2024, revenue increased by $263,486 to $2,509,552 as compared to $2,246,066 reported for 2023 (an increase of approximately 12%).

Recurring Billings

Billings represent the amount billed to customers for monthly monitoring and equipment rentals.

For the three months ended September 30, 2024, the recurring billings amounted to $695,854 (2023 – $552,855), an increase of $142,999 over the comparable quarter. This represents average monthly recuring revenue of $231,951 (2023 – $184,285), an increase of approximately 26%.

For the nine months ended September 30, 2024, the recurring billings amounted to $2,071,186 (2023 – $1,553,243), an increase of $537,943. This represents average monthly recuring revenue of $230,132 (2023 – $170,360), an increase of approximately 35%.

Basic and Diluted Loss Per Share

Basic and diluted loss per share for the three months ended September 30, 2024, was ($0.15) as compared to ($2.49) for Q3/2023. Basic and diluted loss per share for the nine months ended September 30, 2024, was ($1.04) compared to ($7.75) per share reported for 2023.

On June 28, 2024, the Company completed a non-brokered private placement of 5,333,333 post-consolidation common shares and the prior period share amounts have been retrospectively adjusted to reflect the (100:1) Share Consolidation.

As at September 30, 2024, 6,128,623 (December 31, 2023 - 795,290) Common Shares were issued and outstanding.

About Eddy

Eddy is a leading North American provider and developer of smart water metering products and monitoring services for residential and commercial properties. Eddy's solutions help property owners and developers protect, control, and conserve water usage through advanced sensing devices and behavioral learning software. For more information, visit www.eddysolutions.com.

For further details on the company's financial performance, please review our consolidated financial statements and management's discussion and analysis for the years ended December 31, 2023, and 2022, available on Eddy's SEDAR profile at www.sedar.com.

Forward-Looking Statements

This news release contains forward-looking statements within the meaning of applicable securities laws. These statements reflect management's current expectations and are based on assumptions and estimates that involve risks and uncertainties. Actual results may differ materially from those anticipated in the forward-looking statements. Factors that could cause actual results to differ are discussed in the company's most recent management's discussion and analysis under "Risks And Uncertainties," available at www.sedar.com. Eddy undertakes no obligation to update these statements, except as required by law.

For further information, please contact:

Mark Silver
Executive Chairman and Chief Executive Officer
Tel: 416.221.8998
Email: ir@eddysolutions.com