Advantex Announces Q3 2026 Financial Results

Toronto, Ontario – May 15, 2026 – Advantex Marketing International Inc. (CSE: ADX) ("Advantex" or the "Company") today announced its financial results for the third quarter and nine months ended March 31, 2026. All results are reported under International Financial Reporting Standards ("IFRS") and in Canadian dollars, unless otherwise specified.

Key Financial Highlights:

- **Revenue:** Total revenue for Q3 2026 was $1.56 million, an increase of 48.6% from $1.05 million in Q3 2025. The growth was driven by continued expansion of the Company's merchant cash advance ("MCA") program and increased uptake of the MCA Aeroplan product.
- **Gross Profit:** Gross profit for Q3 2026 was $0.81 million, compared to $0.76 million in Q3 2025. The increase reflects higher revenues from both the MCA and Aeroplan programs, partially offset by increased bad debt provisioning in anticipation of economic uncertainties.
- **EBITDA (before interest, taxes, depreciation and amortization):** Income from operations before cash and non-cash interest expenses was $0.14 million, compared to $0.33 million in Q3 2025. The decrease primarily reflects increased investments in sales, marketing and administrative infrastructure to support business growth, along with higher provision for credit losses.
- **Net Loss:** Net loss for Q3 2026 was $0.43 million, compared to a net loss of $0.45 million in Q3 2025.

Merchant Cash Advance (MCA) Program:

- Revenue from the MCA program was $0.85 million in Q3 2026, an increase of 63.8% from $0.52 million in Q3 2025.
- Transaction credits (net of provisions) increased to $9.36 million at March 31, 2026, compared to $7.87 million at June 30, 2025.
- During the quarter, the Company continued enhancing its credit monitoring and risk management practices amid ongoing macroeconomic uncertainty, inflationary pressures and potential tariff-related impacts on small businesses.

Aeroplan Program:

- Revenue from the Aeroplan program increased 33.9% to $0.72 million in Q3 2026, compared to $0.54 million in Q3 2025.
- Growth was driven by continued merchant adoption of the MCA Aeroplan product, which combines working capital financing with Aeroplan loyalty rewards for consumers.

Strategic and Operational Highlights:

- **Extended Debenture Maturity:** In December 2025, the Company secured agreement from holders of its 9% debentures to extend the maturity date to December 31, 2027, while also resetting financial covenants. The Company remained in compliance with the revised covenants as at March 31, 2026.
- **Additional Funding Capacity:** During fiscal 2026, the Company entered into a Receivables Purchase Agreement with a new funding partner providing access to up to $20 million in small business financing capacity to support future MCA growth initiatives.
- **Accord Facility Notice:** During the quarter, Accord Financial Inc. provided notice to terminate its credit facility agreement effective July 31, 2026. The Company continues to evaluate alternative funding arrangements to support ongoing growth.
- **AI-Assisted Underwriting and Workflow Automation:** During the quarter, the Company expanded the use of AI-assisted tools in its credit adjudication process, including analysis of Flinks data and merchant bank statement documentation. The enhanced process improves the Company's ability to evaluate prospective merchants through deeper qualitative and quantitative analysis while materially improving operational efficiency.

Management believes these enhancements have significantly accelerated underwriting and funding timelines, reducing turnaround times for many merchant applications to as little as two business days.

Outlook:

Advantex continues to believe the MCA industry presents a significant growth opportunity as traditional institutional lenders remain cautious in servicing independent small businesses. The Company believes its transparent pricing model, Aeroplan partnership and operational experience position it well for continued growth.

While inflation has moderated from peak levels, core inflation remains elevated and the Bank of Canada has paused further interest rate reductions for the foreseeable future, with the possibility of future increases should inflationary pressures persist. In addition, rising unemployment levels, increasing personal bankruptcies and economic uncertainty associated with tariff measures imposed by the United States continue to create a challenging operating environment for small businesses across Canada.

Management expects these macroeconomic conditions may continue to pressure consumer spending and merchant performance in the near term. As a result, the Company remains focused on disciplined underwriting, active credit monitoring and maintaining access to diversified funding sources to support the continued growth of its MCA platform.

However, despite these economic headwinds, management believes the continued demand for alternative working capital solutions among independent merchants provides a meaningful long-term growth opportunity for the Company.

About Advantex:

Advantex Marketing International Inc. is a provider of merchant cash advance services to small independent merchants across Canada. The Company also operates a partnership with Aeroplan, allowing participating merchants to offer Aeroplan points to customers. Advantex is listed on the Canadian Securities Exchange under the symbol ADX.

Forward-Looking Information:

This news release contains certain "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information includes, but is not limited to, the Company's future financial performance, business strategy, future financing, and its ability to meet obligations and achieve operational goals. The forward-looking information is based on current expectations and assumptions made by management in light of its experience and perception of historical trends, current conditions, and expected future developments.

Forward-looking information is subject to known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those anticipated or implied by such forward-looking information. These risks include, but are not limited to, general economic conditions, tariffs, inflation, interest rates, the ability to raise additional financing, continued access to funding facilities, and risks related to the Company's business and operations.

The Company undertakes no obligation to update forward-looking information, except as required by law. Readers are encouraged to consult the Company's public filings for a full discussion of risks and uncertainties related to forward-looking information.

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