



## Argo Corporation Reports First Quarter 2025 Financial Results

May 30, 2025

TORONTO, May 30, 2025 /CNW/ - **Argo Corporation** (TSXV: ARGH), (OTCQX: ARGHF) ("**Argo**" or the "**Company**"), a leader in next-generation transit solutions, announced its financial results for the quarter ended March 31, 2025 ("**Q1 2025**"). All figures are in Canadian dollars unless otherwise noted.



### Municipal Deployments

Argo has made significant progress in the commercialization of its Smart Routing™ technology. The Company's first municipal deployment in the town of Bradford West Gwillimbury launched in the second quarter of 2025, as previously announced by the Company. Argo also announced its landmark \$10.9 million 12-month pilot with the City of Brampton in the second quarter of 2025, anticipated to launch later this year. While revenue from these agreements was not reflected in Q1 2025 results, the Company expects to begin recognizing related revenues in the second and third quarters of 2025. Argo continues to advance a robust pipeline of municipal opportunities, positioning the Company for continued growth.

### Research & Development of Smart Routing™ Transit System

In Q1 2025, the Company continued its investment in research and development to enhance its proprietary Smart Routing™ hardware and AI-powered software ecosystem, including vertical integration hardware onboard its Argo X1 electric vehicles. This end-to-end platform combines real-time routing software, electric vehicles and full-service operations to deliver dynamic, on-demand transit services.

### FoodsUp Inc.

The company held a 47.851% interest in FoodsUp Inc. ("**FoodsUp**") as of March 31, 2025. FoodsUp is one of Canada's leading restaurant supply platforms, with annual revenues of \$108 million in fiscal 2024. As previously disclosed, the Company made significant progress towards the divestment of this ownership interest in Q1 2025:

- **Sale of Shares:** The Company received approximately \$2.5 million in proceeds from the sale of an aggregate of 5,855 subordinate-voting shares of FoodsUp Inc.
- **Option Agreements:** The Company entered into two option agreements (collectively, the "**Option Agreements**") granting the holders thereof the irrevocable option to purchase up to a total of 45,932 subordinate-voting shares of FoodsUp. If the transactions contemplated by the Option Agreements are fully exercised, the Company has the potential to receive gross proceeds of between \$21.6 million and \$30.2 million. The Company's ability to complete the transactions provided for in the Option Agreements remain subject to any required approvals, including final approval of the TSX Venture Exchange and approval of the shareholders of the Company.

In addition, in the second quarter of 2025, the Company announced that its board of directors declared a special stock dividend (the "**Stock Dividend**") intended to provide its legacy shareholders with their proportionate stake in the net proceeds realized upon the eventual sale by the Company of its ownership interest in FoodsUp. Pursuant to the Stock Dividend, all of the Company's common shareholders of record on August 13, 2025 (the "**Record Date**") will be entitled to receive, one Preferred Share, Series A of Argo for each common share of Argo held on the Record Date. The payment date for the Stock Dividend is

August 20, 2025. Additional details regarding the Stock Dividend can be found in the Company's press release dated May 21, 2025.

For detailed information, please refer to Argo's condensed interim consolidated financial statements for the three months ended March 31, 2025, and 2024 ("**Q1 2025 Financial Statements**") and its management's discussion and analysis of financial condition and results of operations for the three months ended March 31, 2025, and 2024 (the "**Q1 2025 MD&A**"), filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The following table provides a summary of Argo's financial results for the three months ended March 31, 2025 and 2024:

<b>For the three months ended March 31</b>	<b>2025</b>	<b>2024</b>
<b>REVENUE</b>	\$512,172	\$219,585
Cost of revenue	\$115,987	\$12,956
General and administration	2,570,907	966,946
Operational support	663,431	239,207
Research and development	224,492	49,174
Sales and marketing	10,648	34,802
Provision for trade and other receivables	-	-
Amortization & depreciation	18,490	34,746
Depreciation	25,989	7,584
Total operating expenses	3,629,944	1,345,415
<b>OPERATING LOSS</b>	<b>(\$3,117,772)</b>	<b>(\$1,125,830)</b>
<b>OTHER INCOME (EXPENSES)</b>		
Foreign exchange gain/ (loss)	(14,791)	(40,069)
Interest expenses	(427,312)	(228,616)
Interest income	-	897
Loss on termination	(996,968)	-
Write-off of accounts payable settlements	-	98,202
Fair value gain (loss) on investments	2,726,221	-
Gain on sale of investment	105,864	-

Share of loss of an associate	-	(1,083,495)
<b>Net income/ (loss) from continuing operations</b>		(\$1,724,758) (\$2,378,911)
<b>Discontinued Operations</b>		
Net gain/(loss) from discontinued operations, net of tax	497	(489,791)
Gain from derecognition, net of tax	-	1,341,770
<b>NET GAIN (LOSS)</b>		(\$1,724,261) (\$1,526,932)
Cumulative translation adjustment	(342)	78,655
Cumulative translation adjustment for discontinued operations	-	(252,661)
<b>NET PROFIT (LOSS) AND COMPREHENSIVE PROFIT (LOSS)</b>		(\$1,724,603) (\$1,700,938)
<b>(Loss) Profit per share</b>		(\$0.01) (\$0.02)
<b>(Loss) income per share from continuing operations – Basic and diluted</b>		
<b>Income (loss) per share from derecognition and discontinued operations - Basic and diluted</b>	\$0.00	\$0.01
<b>Weighted average shares outstanding - Basic and diluted</b>	138,683,002	132,944,615

All figures rounded to the nearest dollar. Prepared in accordance with IFRS.

## About Argo

Argo delivers the world's first fully vertically integrated transit system, combining Argo X1 electric vehicles, Smart Routing™ technology, and comprehensive operational management in a single end-to-end solution. By integrating every aspect of the transit experience, Argo enables municipalities to augment traditional fixed-route services to dynamically optimized on-demand service while maintaining standard public transit pricing. The company launched Argo School in September 2024 and began its first municipal deployment in Bradford West Gwillimbury in early 2025. Learn more at [www.rideargo.com](http://www.rideargo.com).

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## Forward-Looking Information

This news release includes certain forward-looking statements as well as management's objectives, strategies, beliefs and intentions. Forward-looking statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate," "estimate," and "intend," and similar words referring to future events and results. Forward-looking statements are based on the current opinions and expectations of management. The forward- looking information set out in this news release relates to future events or our future performance and includes, without limitation, statements concerning the recognition of revenue in future quarters, the future growth of the Company, the completion of the completion of the exercise of the options granted pursuant to the Option Agreements by the holders thereof, Argo's ability to obtain all necessary approvals in respect of the Option Agreements and the Stock Dividend, and Argo's intention with respect to the Stock Dividend. All forward-looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties, as described in more detail in the Company's securities filings available at [www.sedarplus.ca](http://www.sedarplus.ca). Actual events or results may differ materially from those projected in the forward-looking statements, and we caution against placing undue reliance thereon. We assume no obligation to revise or update these forward-looking statements except as required by applicable law. See "Cautionary Note Regarding Forward-Looking Information", "Financial Risk Management Objectives And Policies" and "Other Business Risks and Uncertainties" in the Company's Q1 2025 Financial Statements and its Q1 2025 MD&A for a discussion of the uncertainties, risks and assumptions associated with these statements and other risks. Readers are urged to consider the uncertainties, risks, and assumptions carefully when evaluating

forward-looking information and are cautioned not to place undue reliance on such information. We have no intention and undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities legislation and regulatory requirements.

*Neither the TSX Venture Exchange nor its Regulation Services 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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