

Vision Marine Technologies Inc.

Divestiture of rental business and lack of new product sales create revenue air pocket in Q2 FY25. Newly announced partnerships signal E-Motion sales in the pipeline. Re-setting PT to \$10.00 on new share count.

United States
Recreational Vehicles

April 30, 2025

Lucas Ward
(561) 427-7788
lward@ascendant.com

COMPANY UPDATE

Rating: BUY

Ticker: VMAR

Price: \$6.31

Target: \$10.00
(From \$2,700)

Q2 FY25 revenues down 86% yoy: EPS for Q2 FY25 (Feb) came in at \$(2.63), on revenues of C\$105,000, down 86% yoy. This compares to EPS of \$(1.44) on revenues of C\$142,000 in Q1, and EPS of \$(33.42) on revenues of C\$729,000 for the prior year period. VMAR has experienced extreme share count dilution from raising over \$21 million in the current fiscal year. The company announced a reverse stock split of 1:10 effective March 31, 2025, it's third reverse stock split since August of last year. All numbers have been adjusted for a reverse stock split of 1:15 on August 19, 2024, a reverse stock split of 1:9 in October 7, 2024, and an additional reverse stock split of 1:10 effective March 31, 2025. No guidance was provided.

New product revenues have yet to compensate for divested rental sales: Sales from the company's boat rental business have gone to zero following divestiture of its boat rental operation. At the same time, significant sales from new products (E-motion electric drivetrains and Phantom rotomolded boats) have not yet materialized, though the company has announced orders for both the E-Motion and the Phantom from multiple OEMs over the past year. We are therefore revising our revenue estimates down to \$0.9 million (from \$4 million) for FY25 and initiating a FY26 revenue of estimate of \$3.5 million.

Adjusting EPS estimates: We are raising our FY25 EPS estimate to \$(6.51) from \$(7.29) previously on higher share-count. We are initiating a FY26 EPS estimate of \$(6.31). Consensus estimates for FY25 and FY26 are currently unavailable.

Vision Marine continues to build E-Motion IP with patent filings and partnership announcements: In keeping with its custom, VMAR has issued a barrage of press releases over the past 6 months, including patent filings for vessel connectivity, water pump control, outboard power control unit, distributed control system architecture, fault detection technology, and battery encryption technology. Clearly the company is aiming to create an IP moat around its marine electric engine and drivetrain technology.

New production and marketing partnerships announced: In the past 4 months, VMAR has announced partnerships with Armada (US, pontoons), STERK (Germany, Electric Boats), and Electrified Marina (US, Electric boats), adding to OEM agreements previously announced with Massimo Marine (Pontoons), and Smoker Craft (US, Pontoons), and purchase orders from Group Beneteau and Wired Electric Pontoons. Despite the announcements, the company has provided no concrete guidance RE timing, quantity, or even length of the sales cycle for existing purchase orders.

Financings provide runway: Thanks to multiple financings, Vision Marine closed the Feb quarter with C\$15.3 million (\$10.7 million) in cash, giving it operating runway of at least 4 quarters. The company has signaled it is looking for acquisitions.

Re-setting 12-month price target to \$10.00: Our new 12-month price target of \$10.00 (versus a split-adjusted PT of \$2700) reflects dramatic share-count dilution and a much slower ramp of E-Motion sales relative to our previous forecast. Our target is based on an NPV analysis and represents 50% upside from the current share price. Risks to our PT include slower than expected sales and further share-count dilution from financings.

Company Description

Based in Boisbriand, Quebec, Vision Marine, Inc. is a high-performance electric boat and electric outboard motor manufacturer.

Stock Data

Exchange:	NasdaqCM
52-week Range:	\$4.04-1,039.50
Shares Outstanding (million):	1.1
Market cap (\$million):	\$7
EV (\$million):	(\$3.5)
Debt (\$million):	\$0.2
Cash (\$million):	\$10.7
Avg. Daily Trading Vol (\$ millions):	\$1.2
Float (million shares):	1.1
Short Interest (million shares):	0.028
Dividend, annual (yield):	NA

Revenues (US\$ million)

	<u>FY25E</u> <u>(Cur.)</u>	<u>FY25E</u> <u>(Old.)</u>	<u>FY26E</u> <u>(Cur.)</u>	<u>FY26E</u> <u>(Old.)</u>
Q1 Nov	0.1A		0.5E	
Q2 Feb	0.1A		0.7E	
Q3 May	0.3E	1.6E	1.0E	
Q4 Aug	<u>0.5E</u>	<u>2.2E</u>	<u>1.3E</u>	
Total	0.9E	4.0E	3.6E	
EV/Rev	NM		NM	

Earnings per Share (pro forma)

	<u>FY25E</u> <u>(Cur.)</u>	<u>FY25E</u> <u>(Old.)</u>	<u>FY26E</u> <u>(Cur.)</u>	<u>FY26E</u> <u>(Old.)</u>
Q1 Nov	(1.44)A		(1.63)E	
Q2 Feb	(2.63)A		(1.56)E	
Q3 May	(1.67)E	(2.00)E	(1.65)E	
Q4 Aug	<u>(1.55)E</u>	<u>(1.64)E</u>	<u>(1.47)E</u>	
Total	\$(6.51)E	\$(7.29)E	\$(6.31)E	
PE	NA		NA	

* Reflects a 1:15 reverse stock split in August 2024

* Reflects a 1:9 reverse stock split in October 2024

* Reflects a 1:10 reverse stock split in March 2025

Important Disclosures

Ascendant Capital Markets LLC seeks to do business with companies covered by its research team. Consequently, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making an investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 16.

Exhibit 1: Vision Marine Technologies Inc. Electric Speed Performance

SHOWCASE

Technology Integration Pushing the Limits of Electric Speed Performance.

prime video Can't Stop. Won't Stop! Now available on Youtube

VISION
MARINE TECHNOLOGIES

2019
30 MPH
VOLT 180

2021
49 MPH
BRUCE 22

2022
109 MPH
HELLKAT

2023
116 MPH
S2

E-MOTION™
ELECTRIC POWERTRAIN TECHNOLOGY

E-Motion™ offers a powerful turnkey technology to manufacturers. Over the years, we have demonstrated its effectiveness to thousands of boating enthusiasts.

Source: Company Reports

Exhibit 2: Vision Marine Technologies Inc. Foundation Technology

CORPORATE OVERVIEW

VISION
MARINE TECHNOLOGIES

Vision Marine: A Robust Foundation in Technology and Scalable Production

1 Proprietary and Patent-Pending Advanced Electric Marine Powertrain Technology

- Third-Party Validated, Industrialized Production Technology
- Extensively Tested for Performance and Reliability

McLAREN
Engineering

2 Industrial Production Ready High Voltage Electric Powertrain

- Supply Chain in place
- Linamar certification is now complete

LINAMAR
Power in Motion

3 Inventory On-Hand Ready To Be Integrated

- With Ready-to-Integrate Products, Vision Marine Aims to Deliver Systems or Fully Integrated Solutions for Boat Sales.

Vision has a unique marine owned battery solution, tailored to marine HV.

Source: Company Reports

Exhibit 3: Vision Marine Technologies Inc. Powertrain Expertise

4 Leading HV Powertrain Integration Expertise



Source: Company Reports

Exhibit 4: Vision Marine Technologies Inc. Distribution Strategy

STRATEGY - THE SHIFT IN BUSINESS MODEL



The Shift – From Powertrain Supplier to Direct to Consumer Electric Boat Distributor

Slower Demand from Manufacturers Drives Vision Marine to Expand Direct-to-Consumer Strategy. With early adopters seeking electric solutions, Vision Marine is strategically shifting to a direct-to-consumer approach to ensure market presence and capture demand. To support this transition, the company has already initiated agreements with multiple boat manufacturers, integrating its technology into complete product offerings.

Strategic Acquisition




Source: Company Reports

Exhibit 5: Vision Marine Technologies Inc. Acquisition Strategy

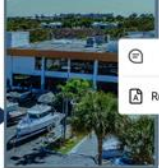
STRATEGY

VISION
MARINE TECHNOLOGIES

Exploring Possibilities for an Acquisition that will Empower Vision Marine with Direct Consumer



Fast-Track Access to Consumers & Accelerated Electric Powertrain Revenue Growth



Drive Revenue Growth
Increasing Sales
Recognize text
Electric Boat Offerings

We believe that an acquisition of a traditional Boat Dealership, will provide for Revenue Stability & Risk Mitigation by :

<ul style="list-style-type: none"> + Providing Immediate revenue & EBITDA generation. + Offsetting short-term volatility in electric + Capturing Full Revenue Per Unit Sold, Eliminating Margin Sharing. 	<ul style="list-style-type: none"> + Reducing downside risk for investors. + Strengthening financial stability during scale-up. + Consolidating Our Technology Advance By Capturing Distribution And Market Shares.
---	--


Source: Company Reports

Exhibit 6: Vision Marine Technologies Inc. Pontoon Platform

MARKET OPPORTUNITY

VISION
MARINE TECHNOLOGIES

The Pontoon Platform: The Low-Hanging Fruit of the Electric Boat Market



18' - 28' BOAT MARKET
Outboard for Lake & River

STARCRAFT MARINE

Barletta

CREST

LEGEND

HARRIS

LOWE BOATS

MONTEGG BAY

KAYAK

MANITOU

BENNINGTON

GODFREY

AVALON LUXURY PONTOONS

Over 60,000 Pontoons Are Sold In America Each Year*

Every 1,000 E-Motion™ Systems has the potential to generate up to \$96M in revenue.

* <https://boatingindustry.com/blogs/2022/10/11/pontoons-continue-to-lead-in-recreational-boating-sales/>

Source: Company Reports

Exhibit 7: Vision Marine Technologies Inc. Rental Market Strategy

BOAT RENTAL SEGMENT



Positioning Vision Marine to Capitalize on an Expanded Offering for the Boat Rental Market



Vision Marine Technologies Partners With JetRide To Leverage Growing Electric Boat Rental Market

June 20, 2024 - Vision Marine Technologies, Inc. (NASDAQ:VMAR) ("Vision Marine" or the "Company"), a pioneer in electric marine propulsion, is thrilled to announce its partnership with JetRide Holding, LLC, a Florida members-only boat club. This strategic alliance marks Vision Marine's expansion in the burgeoning electric boat rental market, leveraging JetRide's extensive network of over 17 boat club locations across Florida.



Vision Marine Technologies to Present New 180E-Integrated Boats at Carefree 2025 Carefree Boat Club Annual Conference

Montreal, Canada, February 17th, 2025 - Vision Marine Technologies Inc. (NASDAQ:VMAR) ("Vision Marine" or the "Company"), a company specializing in electric marine propulsion, announces that it will exhibit at the 2025 Carefree Boat Club Annual Conference from February 17-20, 2025, at the Wyndham Grand Jupiter at Harbourside Place, Florida. As the first and only electric boat provider at the event—and the pioneer in bringing electric boats to the industry...

Source: Company Reports

Exhibit 8: Vision Marine Technologies Inc. Direct Sales Strategy

RECENT AGREEMENTS



Recent Partnerships Driving Direct Sales Strategy

To accelerate market access to high-quality electric boats, we establish factory-direct agreements with manufacturers. This approach reduces costs and overhead while delivering an optimized electric boating platform and a diverse product portfolio across targeted segments.

LATEST PRODUCTION AGREEMENTS

<p>FEBRUARY, 2025</p> <p>STERK</p> <p>Vision Marine Technologies Inc. Signs Global Exclusive Supply Agreement with STERK for Electric Boats/Vision Marine Technologies Inc. Signs Global Exclusive Supply Agreement with STERK for Electric Boats</p>	<p>DECEMBER, 2024</p> <p>Massimo Marine</p> <p>Vision Marine Technologies and Massimo Marine Announce Production Partnership for First Commercial Electric Pontoon Platform</p>	<p>DECEMBER, 2024</p> <p>ARMADA PONTONS • PEDALOS</p> <p>Vision Marine and Armada Partner to Produce an Innovative Electric Pontoon for North America's Regulated Lakes</p>	<p>NOVEMBER, 2024</p> <p>SMOKER CRAFT, INC.</p> <p>Vision Marine Partners With A Major Pontoon Manufacturer To Produce Cutting-Edge Electric Pontoons</p>
--	--	--	--

Source: Company Reports

Exhibit 9: Vision Marine Technologies Inc. OEM Design Wins

BOAT MANUFACTURERS



Vision Marine Remains Committed to Supplying Its Boat Manufacturing Partners



First Order Of 25 Systems From A Major Manufacturer



Wired Pontoon Completes Its First 25 Units Purchase Order For The 180e

Source: Company Reports

Exhibit 10: Vision Marine Technologies Inc. Patents and IP

PROPRIETARY TECHNOLOGIES & PATENTS



Protecting Our Leading Proprietary Technologies
To date, Vision has filed 10 out of a planned 25 patents

Strategic patent filing for key components essential for electric HV marine propulsion.



Adaptive Water Pump Control
March, 2025

Power Control Unit Patent
February, 2025

Distributed Control Patent Application
February, 2025

Independent Fault Detection Technology
January, 2025

Battery Encryption System
January, 2025

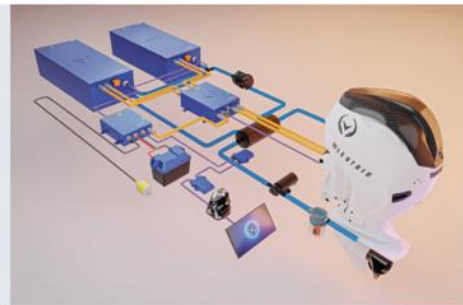
Unique Vehicle Control Unit
June, 2024

Custom HV Marine Designed Battery Pack
May, 2024

Power Control Management Software
May, 2024

Electric Marine Vessel Cooling System Control
May, 2024

Advanced System Communication Encryption
April, 2024



Charges Anywhere


Regular Shore Power
Compatible 120/240V

+180 HP

Unparalleled
Performance


Source: Company Reports

Exhibit 11: Vision Marine Technologies Inc. Next Steps



The Acquisition Strategy – Next Steps


Finding the right dealership and network to acquire



Source: Company Reports

Exhibit 12: Vision Marine Technologies Inc. Financial Highlights

FINANCIAL



Financial Highlights

Financial Strength – Positioned for Growth & Acquisition

- Since the beginning of the current fiscal year, Vision Marine raised over \$ 21 M USD strengthening our capital structure and balance sheet.
- Approval of Stock repurchase program (Feb. 2025) demonstrates confidence in long-term value.

Source: Company Reports

Exhibit 13: Vision Marine Technologies Inc. Selected Financial Data

FINANCIAL



Financial Summary in Canadian Dollars

	For the fiscal year ended August 31, 2024	For the fiscal year ended August 31, 2023
Net Sales	\$ 3,794,345 **	\$ 5,561,502
Cost of Sales	\$ 2,296,907	\$ 4,115,076
Gross Profits	\$ 1,497,438	\$ 1,536,426
Total Operating Cost	\$ 14,731,988	\$ 21,779,493
Income/(Loss) from Operations	(13,234,550)	\$ (20,243,067)
Net Income (Loss)	\$ (14,060,620)	\$ (20,877,186)

Balance Sheet Data

(As of February 28th, 2025)

	CAD \$
Total Cash & Short-Term Investments	\$ 15,324,176
Working Capital	\$ 23,300,099
Current Assets	\$ 25,663,790
Current Liabilities	\$ 2,363,691
Total Stockholders' Equity	\$ 23,727,321

**Revenue decline primarily driven by the divestiture of EB Rental Limited in Newport Beach, California.

Source: Company Reports

Exhibit 14: Vision Marine Technologies Inc. Capitalization Structure

CAPITALIZATION



Capitalization Structure As of April 8, 2025

Common Shares and Pre-funded Warrants ¹	1,105,794
Options (WAEP: US \$ 4,561.28)	810
Warrants (WAEP: US \$ 33.75)	265,184
Fully Diluted Common Shares	1,371,788

¹ 1,105,746 Common Shares currently outstanding and 48 common shares issuable upon exercise of Pre-funded Warrants



Source: Company Reports

Exhibit 15: Vision Marine Technologies Inc. Corporate Highlights

INVESTMENT HIGHLIGHTS



Investing in the Future of Electric

- ✓ **Technology Ready** – Best-in-class electric propulsion already proven & validated.
- ✓ **Production Ready** – Linamar enables rapid scaling up to 18,000 units/year.
- ✓ **Market Ready** – Rising demand for electric pontoons & fleet sales.
- ✓ **Strategic Growth** – Vision Marine is positioned to secure factory-direct agreements & expand its sales network to capture full market value.

Partner with Vision Marine to Drive the Future of Integrated Electric Boating.

Source: Company Reports

Exhibit 16: Vision Marine Technologies Inc. Manufacturing Partners

PRODUCTION CAPABILITIES



Mass Production: A Secure, Tested Product with a Ready Industrial Power Base

Solid **assembly chain** agreements in place. Ready to deliver world-class technology.



Linamar Corporation TSE: LNR

- Linamar will help mitigate supply chain related bottlenecks. More than 90% of our components are sourced in North America.
- Linamar has productive capacity of up to 18,000 E-Motion™ outboard motors per year.



Intensive **Testing** - The E-Motion™ was Validated by McLaren Engineering.



- Vision Marine has completed 24 months of intensive bench testing, establishing the reliability of its product and unlocking enhanced power.

CONTINUOUS
+180 HP
AT THE PROPELLER

MOTOR
97%
EFFICIENCY

Source: Company Reports

Exhibit 17: Vision Marine Technologies Inc. E-Motion Price and Performance Comparison

SHOWCASE

VISION
MARINE TECHNOLOGIES

A Leading Solution In The Market.

Which Solution is Ready and Available in the Market Today?

VISION MARINE TECHNOLOGIES	evoy SeaBreeze Storm	MERCURY Avator	TOHATSU Electric	YAMAHA Deep Blue 50RXL
<p>180+ HP \$ 74,999 USD</p>	<p>120 HP \$ 138,366 USD</p> <p>300 HP \$ 178,000 USD</p>	<p>5 HP \$ 5,900 USD</p>	<p>5 HP \$ 11,999 USD</p>	<p>50 HP \$ 91,000 USD</p>

Source: Company Reports

Exhibit 18: Vision Marine Technologies Inc. Wired Electric Pontoon Purchase Order

WIRED PONTOONS

WIRED
ELECTRIC PONTOONS

VISION
MARINE TECHNOLOGIES

Wired Pontoon Completes Its First 25 Units Purchase Order For The 180e

Wired Pontoon is revolutionizing the boating experience with its range of electric pontoons. Offering a unique and exciting way to explore waterways, Wired Pontoon emphasizes pleasure, power, and respect for nature. Their electric pontoons allow for silent navigation while respecting the tranquility of natural settings.

"Over the past 12 months, we've seen a decline in the demand for Internal Combustion Engine pontoons, with our customers increasingly seeking eco-friendly alternatives. After evaluating various options, we found the E-Motion™ system to be the ideal fit for our clientele."

Curt Jensen - Wired Pontoon, President

Source: Company Reports

Exhibit 19: Vision Marine Technologies Inc. Group Beneteau Purchase Order

GROUPE BENETEAU



FOUR WINNS

**First Order Of 25 Systems From
A Major Manufacturer**



✓ 30% Deposit

✓ Production Training Completed

Production validation in progress. Delivery imminent.



27 production sites, 400 dealers, 7 separate brands of boats, and produces over 10,000 boats per year













Source: Company Reports

Exhibit 20: VMAR Consensus Expectations

4/27/25

	Revenue (USD million)			EPS (USD)	
	FY2025E	FY2026E		FY2025E	FY2026E
Q1 Nov	\$0.1A	NA	Q1 Nov	\$(1.56)A	NA
Q2 Feb	\$0.1A	NA	Q2 Feb	\$(1.63)A	NA
Q3 May	NA	NA	Q3 May	NA	NA
Q4 Aug	NA	NA	Q4 Aug	NA	NA
Total	NA	NA	Total	NA	NA

*Quarterly estimates may not add to annual estimates due to variations in contributing estimates and rounding.

Source: Company reports, CapitalIQ, Ascendant Capital Markets estimates

Exhibit 21: VMAR Daily Stock Price Chart Since IPO



* Reflects a 1:15 reverse stock split in August 2024

* Reflects a 1:9 reverse stock split in October 2024

* Reflects a 1:10 reverse stock split in March 2025

Source: <https://bigcharts.marketwatch.com/>

FINANCIAL MODEL

Vision Marine Technologies Inc.

Income Statement (C\$ mils, except where noted)	2021	2022	2023	2024	Nov-24	Feb-25	May-25	Aug-25	2025	Nov-25	Feb-26	May-26	Aug-26	2026
Fiscal Year End: August 31	FY-A	FY-A	FY-A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Revenue	3.5	7.4	5.7	3.8	0.142	0.1	0.4	0.7	1.4	0.8	1.0	1.4	1.9	5.1
Cost Of Goods Sold (1)	1.9	4.1	4.1	2.3	0.2	0.1	0.2	0.4	0.9	0.5	0.6	0.8	1.0	3.0
Gross Profit	1.6	3.3	1.5	1.5	(0.1)	(0.0)	0.1	0.3	0.4	0.3	0.4	0.6	0.9	2.1
Operating expenses														
R & D Exp.	1.5	2.2	5.7	2.7	0.3	0.8	0.4	0.4	1.8	0.5	0.5	0.6	0.6	2.2
Selling General & Admin Exp.	5.7	10.8	14.3	10.9	2.5	3.4	3.0	3.0	11.9	3.0	3.0	3.2	3.2	12.4
Stock-Based Compensation	7.1	2.7	1.1	0.2	0.0	0.0	-	-	0.0	-	-	-	-	0.0
Depreciation & Amort.	0.2	0.3	0.6	0.8	0.1	0.1	0.1	0.1	0.4	0.1	0.1	0.1	0.1	0.2
Gain on deconsolidation of subsidiary	0.0	0.0	0.0	(0.2)	0.0	0.0								
Other Operating Expense/(Income)	0.0	0.0	(0.1)	0.0	0.0	(0.0)	0.0	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
Total operating expenses	14.5	16.1	21.7	14.6	2.9	4.3	3.5	3.5	14.1	3.6	3.6	3.9	3.9	14.8
Operating Income	(12.9)	(12.8)	(20.1)	(13.1)	(3.0)	(4.3)	(3.3)	(3.1)	(13.7)	(3.2)	(3.1)	(3.3)	(3.0)	(12.7)
Interest Expense	(0.2)	(0.2)	(0.1)	(0.2)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)
Interest and Invest. Income	0.0	0.4	0.1	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.2
Currency Exchange Gains (Loss)	(1.6)	0.3	0.5	0.1	(0.0)	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.3
Other Non-Operating Inc. (Exp.) (3)	0.2	0.1	1.4	7.6	1.5	0.6	0.6	0.6	3.3	0.6	0.6	0.6	0.6	2.4
EBT Before Extraordinary Items	(14.5)	(12.3)	(18.2)	(5.5)	(1.6)	(3.6)	(2.6)	(2.5)	(10.3)	(2.6)	(2.5)	(2.6)	(2.3)	(10.0)
Impairment of Goodwill	0.0	0.0	0.0	(8.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gain (Loss) On Sale Of Invest. (2)	0.0	0.1	(2.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Unusual Items	(0.5)	(0.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT After Extraordinary Items	(15.0)	(12.9)	(20.8)	(14.2)	(1.6)	(3.6)	(2.6)	(2.5)	(10.3)	(2.6)	(2.5)	(2.6)	(2.3)	(10.0)
Income Tax Expense	0.1	0.3	(0.3)	(0.3)	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income GAAP (C\$)	(15.1)	(13.1)	(20.5)	(14.0)	(1.6)	(3.6)	(2.6)	(2.5)	(10.3)	(2.6)	(2.5)	(2.6)	(2.3)	(10.0)
Net Income Pro Forma (C\$)	(15.1)	(13.1)	(17.9)	(5.3)	(1.6)	(3.6)	(2.6)	(2.5)	(10.3)	(2.6)	(2.5)	(2.6)	(2.3)	(10.0)
Diluted EPS (C\$)	(1.98)	(1.56)	(2991.78)	(152.59)	(1.97)	(3.77)	(2.39)	(2.22)	(9.32)	(2.33)	(2.23)	(2.37)	(2.10)	(9.03)
Diluted EPS Pro Forma (C\$)	(1.98)	(1.56)	(2607.74)	(57.49)	(1.97)	(3.77)	(2.39)	(2.22)	(9.32)	(2.33)	(2.23)	(2.37)	(2.10)	(9.03)
Weighted Avg. Diluted Shares Out.	0.005	0.006	0.007	0.1	0.8	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Revenue (USD)	2.8	5.7	4.2	2.8	0.1	0.1	0.3	0.5	0.9	0.5	0.7	1.0	1.3	3.6
Net Income Pro Forma (USD)	(12.0)	(10.2)	(13.2)	(3.8)	(1.2)	(2.5)	(1.8)	(1.7)	(7.2)	(1.8)	(1.7)	(1.8)	(1.6)	(7.0)
Diluted EPS Pro Forma (USD)	(2185.45)	(1662.97)	(1929.54)	(41.97)	(1.44)	(2.63)	(1.67)	(1.55)	(6.51)	(1.63)	(1.56)	(1.65)	(1.47)	(6.31)
Margins														
Gross margin	46%	45%	27%	39%	40%	40%	40%	45%	31%	40%	40%	40%	45%	42%
Selling General & Admin Exp.	163%	148%	254%	288%	1776%	3199%	811%	408%	880%	387%	293%	229%	168%	243%
R & D Exp.	42%	31%	101%	72%	178%	750%	108%	54%	136%	65%	49%	43%	32%	43%
Depreciation & Amort.	5%	4%	10%	22%	87%	109%	18%	9%	27%	8%	5%	4%	3%	4%
Operating margin	-367%	-174%	-356%	-345%	-2090%	-4075%	-897%	-426%	-1014%	-419%	-307%	-235%	-158%	-249%
Tax rate, GAAP	1%	2%	2%	5%	2%	2%	2%	2%	0%	2%	2%	2%	2%	0%
Net margin	-430%	-178%	-363%	-368%	-1120%	-3425%	-714%	-334%	-762%	-332%	-241%	-187%	-122%	-196%
Y/Y % change														
Revenue	36%	109%	-23%	-33%	-86%	-86%	-42%	-49%	-64%	444%	874%	278%	159%	277%
COGS	1%	113%	1%	-82%	-65%	-78%	-57%	-44%	28%	141%	454%	278%	159%	219%
Gross Profit	132%	105%	-53%	-3%	-112%	-103%	18%	-54%	-72%	NM	NM	278%	159%	405%
Selling General & Admin Exp.	288%	90%	32%	-24%	-28%	17%	47%	19%	9%	19%	-11%	7%	7%	4%
Total Operating Expenses	419%	11%	35%	-33%	-38%	21%	18%	1%	-3%	22%	-17%	11%	11%	5%
Operating Income	514%	-1%	58%	-35%	-30%	30%	18%	15%	5%	9%	-27%	-1%	-4%	-8%
Net income	576%	-13%	57%	-32%	-251%	-57%	-12%	-32%	-26%	61%	-31%	-1%	-6%	-3%
Diluted EPS Excl. Extra Items	330%	-21%	NM	-98%	-116%	-92%	-93%	-144%	-84%	18%	-41%	-1%	-6%	-3%
Depreciation rate %	16%	6%	14%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%

Source: Company reports, Ascendant Capital Markets estimates

Vision Marine Technologies Inc.

Balance Sheet (C\$ millions)	Aug-21	Aug-22	Aug-23	Aug-24	Nov-24	Feb-25	May-25	Aug-25	Nov-25	Feb-26	May-26	Aug-26
Fiscal Year End: August 31	Q4A	Q4A	Q4A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
<u>Current Assets</u>												
Total Cash & ST Investments	18.1	5.8	3.4	0.1	1.0	15.3	12.7	10.4	7.8	5.4	2.9	0.6
Accounts Receivable	0.0	0.1	0.6	0.1	0.1	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Other Receivables	0.4	1.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Inventory	2.0	2.1	2.4	6.2	6.3	7.2	7.2	7.2	7.2	7.2	7.2	7.2
Prepaid Exp.	0.5	2.5	2.0	2.2	3.0	2.8	2.8	2.8	2.8	2.8	2.8	2.8
Restricted Cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Current Assets	0.2	0.0	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total Current Assets	21.3	11.6	8.5	8.6	10.5	25.7	23.1	20.7	18.2	15.8	13.2	10.9
Gross Property, Plant & Equipment	5.0	5.8	6.8	4.4	4.5	4.6	4.6	4.6	4.6	4.6	4.6	4.6
Right of Use Asset				0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Accumulated Depreciation	(0.6)	(1.3)	(2.0)	(2.9)	(3.0)	(3.1)	(3.2)	(3.2)	(3.3)	(3.3)	(3.4)	(3.4)
Long-term Investments	2.9	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Goodwill	9.0	9.4	9.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Intangibles	1.2	1.1	1.0	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Deferred Tax Assets, LT	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Other Long-Term Assets	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Assets	38.8	29.1	24.0	11.4	13.2	28.3	25.6	23.2	20.6	18.1	15.5	13.2
<u>Liabilities</u>												
Accounts Payable	0.6	0.7	1.8	4.5	2.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Accrued Exp.	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short-term Borrowings	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Provision on onerous contracts			0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Contract liabilities			1.8	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Curr. Port. of LT Debt	0.0	0.1	0.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Curr. Port. of Leases	0.6	0.6	0.6	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Curr. Income Taxes Payable	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Unearned Revenue, Current	0.9	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Current Liabilities	0.2	0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Current Liabilities	2.7	2.9	4.9	5.7	3.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Long-Term Debt	0.1	0.2	0.0	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Long-Term Leases	2.4	1.9	2.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Def. Tax Liability, Non-Curr.	0.1	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Derivative liabilities	0.0	0.0	5.6	2.2	0.4	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Total Liabilities	5.3	5.1	12.5	8.4	4.1	4.6	4.6	4.6	4.6	4.6	4.6	4.6
<u>Shareholders's Equity</u>												
Common Stock	42.8	43.4	50.4	55.4	63.0	80.8	80.8	80.8	80.8	80.8	80.8	80.8
Additional Paid In Capital	7.9	10.6	11.7	12.1	12.2	12.6	12.6	12.6	12.6	12.6	12.6	12.6
Retained Earnings	(17.6)	(30.7)	(51.5)	(65.6)	(67.2)	(70.8)	(73.5)	(75.9)	(78.5)	(81.0)	(83.6)	(85.9)
Treasury Stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Comprehensive Inc. and Other	0.4	0.7	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Total Equity	33.5	24.0	11.6	3.0	9.1	23.7	21.1	18.6	16.1	13.6	11.0	8.6
Total Liabilities And Equity	38.8	29.1	24.0	11.4	13.3	28.3	25.6	23.2	20.6	18.1	15.5	13.2
Balance Sheet Drivers												
Balance Sheet (C\$ millions)	Aug-21	Aug-22	Aug-23	Aug-24	Nov-24	Feb-25	May-25	Aug-25	Nov-25	Feb-26	May-26	Aug-26
Fiscal Year End: August 31	Q4A	Q4A	Q4A	Q4A	Q1A	Q2A	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
<u>Book & Cash Value (C\$ per share)</u>												
Book Value per Share (diluted)	543.42	3,900.32	1,396.33	18.47	11.31	24.80	19.07	16.84	14.52	12.28	9.92	7.82
Cash per Share (diluted)	294.16	945.47	405.61	0.39	1.19	16.02	11.53	9.36	7.09	4.90	2.59	0.53
Net cash per Share (diluted)	293.12	908.56	368.74	(2.42)	0.64	15.60	11.17	9.00	6.73	4.55	2.23	0.17

Source: Company reports, Ascendant Capital Markets estimates

Vision Marine Technologies Inc.

Cash Flow Statement (C\$ millions)	2021	2022	2023	2024	Nov-24	Feb-25	May-25	Aug-25	2025	Nov-25	Feb-26	May-26	Aug-26	2026
Fiscal Year End: August 31	FY-A	FY-A	FY-A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Net Income	(15.1)	(13.1)	(20.9)	(14.1)	(1.6)	(3.6)	(2.6)	(2.5)	(10.3)	(2.6)	(2.5)	(2.6)	(2.3)	(10.0)
Depreciation & Amort.	0.3	0.9	1.1	1.0	0.1	0.1	0.1	0.1	0.4	0.1	0.1	0.1	0.1	0.2
Accretion on L-t Debt and Lease Liabilities			0.2	0.2	0.0	0.0			0.0					0.0
Amort. of Goodwill and Intangibles	0.1	0.0	0.0	0.0	0.0	0.0			0.0					0.0
Goodwill impairment loss				8.7		0.0			0.0					0.0
Transaction costs – Preferred Shares				1.5		0.0			0.0					0.0
Other Amortization	0.0	0.0	0.0	0.0	0.0	0.0			0.0					0.0
(Gain) Loss From Sale Of Assets	0.0	0.0	0.2	0.2	0.0	0.0			0.0					0.0
(Gain) Loss On Sale Of Invest.	0.0	(0.0)	0.0	0.0	0.0	0.0			0.0					0.0
Net Loss on Debentures			2.4	0.0	0.0	0.0			0.0					0.0
Stock-Based Compensation	7.2	3.3	1.1	0.4	0.1	0.4			0.5					0.0
Shares issued for Services			1.7	1.3	0.6	0.4			1.0					0.0
Income Tax Expense			(0.3)	(0.3)	0.0	(0.0)			0.0					0.0
Income Tax Paid			(0.0)	(0.0)	0.0	0.0			0.0					0.0
Income tax recovered				0.0					0.0					0.0
Gain on Derivative Liabilities			(1.8)	(12.1)	(1.7)	(1.5)			(3.1)					0.0
Gain on Lease Termination			(0.1)	(0.2)	0.0	0.0			0.0					0.0
Loss on securities exchange				1.7					0.0					0.0
Loss on warrant re-pricing				0.9					0.0					0.0
Gain on deconsolidation of subsidiary	0.0	0.0	0.0	(0.2)	0.0	0.0			0.0					0.0
Other Operating Activities	0.7	0.5	0.0	(0.0)	(0.0)	(0.0)			(0.0)					0.0
Change in Acc. Receivable	(0.2)	(0.2)	(0.1)	0.3	0.0	(0.1)	0.0	0.0	(0.1)	0.0	0.0	0.0	0.0	0.0
Provision for Onerous Contracts			0.1		0.0	0.0			0.0					0.0
Change In Inventories	(1.5)	(0.1)	(0.4)	(3.8)	(0.1)	(0.8)	0.0	0.0	(0.9)					0.0
Grants and Investment Tax Credits Receivable			0.7		0.0	0.0			0.0					0.0
Other Financial Assets			0.0	0.0	(0.0)	0.0			0.0					0.0
Change in Acc. Payable	0.1	0.2	0.7	3.1	(2.4)	(1.0)	0.0	0.0	(3.4)					0.0
Prepaid Expenses			0.5	(0.2)	(0.9)	0.2			(0.7)					0.0
Contract Liabilities			0.8	(0.1)	0.1	0.0			0.1					0.0
Change in Unearned Rev.	0.4	0.1	0.0	0.0	0.0	0.0			0.0					0.0
Change in Other Net Operating Assets	(0.3)	(2.6)	(0.1)	(0.0)	0.0	0.0			0.0					0.0
Cash from Ops.	(8.3)	(11.0)	(14.0)	(11.6)	(5.7)	(5.8)	(2.6)	(2.4)	(16.5)	(2.5)	(2.4)	(2.6)	(2.3)	(9.8)
Capital Expenditure	(0.5)	(1.2)	(0.9)	(0.5)	(0.0)	(0.0)	0.0	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
Sale of Property, Plant, and Equipment	0.0	0.2	0.4	0.1	(0.0)	(0.1)			(0.1)					0.0
Cash Acquisitions	(5.0)	0.0	0.0	0.0					0.0					0.0
Divestitures	0.0	0.0	0.0	1.1					0.0					0.0
Sale (Purchase) of Intangible assets	(0.5)	(0.0)	0.0	(0.1)					0.0					0.0
Invest. in Marketable & Equity Secur.	(3.4)	0.0	0.0	0.0					0.0					0.0
Net (Inc.) Dec. in Loans Originated/Sold	0.0	0.0	0.0	0.0					0.0					0.0
Other Investing Activities	0.0	0.0	0.0	0.0					0.0					0.0
Cash from Investing	(9.5)	(1.0)	(0.5)	0.6	(0.0)	(0.1)	0.0	0.0	(0.1)	0.0	0.0	0.0	0.0	0.0
Short Term Debt Issued	0.1	0.0	0.2	(0.2)	0.0	0.0			0.0					0.0
Long-Term Debt Issued	0.0	0.0	0.3	0.5	0.3	0.0			0.3					0.0
Short Term Debt Repaid	0.0	0.0	0.0	0.0					0.0					0.0
Long-Term Debt Repaid	(0.1)	(0.2)	(0.2)	(0.4)	(0.3)	(0.1)			(0.4)					0.0
Issuance of Preferred Shares and Warrants				6.5	0.0	0.0								0.0
Issuance of Common Stock	35.5	0.0	12.4	1.8	6.8	20.4			27.1					0.0
Shares Issued Upon Options Conversion			0.2											0.0
Repurchase of Common Stock	0.0	0.0	0.0	0.0					0.0					0.0
Total Dividends Paid	0.0	0.0	0.0	0.0					0.0					0.0
Special Dividend Paid	0.0	0.0	0.0	0.0					0.0					0.0
Repayment of Lease Liabilities			(0.7)	(0.7)	(0.0)	(0.0)								0.0
Other Financing Activities (Advances from related parties)	0.0	0.2	0.0	0.1	(0.1)				(0.1)					0.0
Cash from Financing	34.6	(0.4)	12.1	7.7	6.6	20.3	0.0	0.0	26.9	0.0	0.0	0.0	0.0	0.0
Net Change in Cash	16.9	(12.3)	(2.5)	(3.3)	0.9	14.4	(2.6)	(2.4)	10.3	(2.5)	(2.4)	(2.6)	(2.3)	(9.8)
Cash balance at beginning of period	18.1	5.8	5.8	3.4	0.1	1.0	15.3	12.7	0.1	10.4	7.8	5.4	2.9	10.4
Cash balance at end of period	18.1	5.8	3.4	0.1	1.0	15.3	12.7	10.4	10.4	7.8	5.4	2.9	0.6	0.6

Source: Company reports, Ascendant Capital Markets estimates

ANALYST CERTIFICATION

Each analyst hereby certifies that the views expressed in this report reflect the analyst's personal views about the subject securities or issuers. Each analyst also certifies that no part of the analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report. The analyst who prepared this report is compensated based upon the overall profitability of Ascendant Capital Markets, LLC, which may, from time to time, include the provision of investment banking, financial advisory and consulting services. Compensation for research is based on effectiveness in generating new ideas for clients, performance of recommendations, accuracy of earnings estimates, and service to clients.

Vision Marine Technologies Inc.



Report	Date	PT Split-Adjusted	Rating
1	30-Oct-23	\$6,075.00	BUY
2	28-Jan-24	\$4,725.00	BUY
3	26-Apr-24	\$3,375.00	BUY
4	22-Jul-24	\$2,700.00	BUY
5	27-Apr-25	\$10.00	BUY
-			

- Ascendant Capital Markets, LLC has not received compensation for advisory or investment banking services from the company in the past 12 months.

IMPORTANT DISCLOSURES

This report has been distributed by Ascendant Capital Markets, LLC and is for the sole use of our clients. This report is based on current public information that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. This report contains information from various sources, including United States government publications, The Wall Street Journal and other periodicals, Yahoo! Finance and other sources, and is for informational purposes only and is not a recommendation to trade in the securities of the companies mentioned within the report. We seek to update our research and recommendations as appropriate, but the large majority of reports are published at irregular intervals as we consider appropriate and, in some cases, as constrained by industry regulations.

We may have a business relationship with companies covered in this report. Ascendant Capital Markets, LLC may make a market in the securities of the subject company. We and our affiliates, officers, directors, and employees will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives (including options and warrants) thereof of covered

companies referred to in this report. This report is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any information in this report is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. The price and value of the investments referred to in this report may fluctuate.

Following are some general risks that can adversely impact future operational and financial performance and share price valuation: (1) industry fundamentals with respect to legislation, mandates, incentives, customer demand, or product pricing; (2) issues relating to competing companies or products; (3) unforeseen developments with respect to management, financial condition or accounting policies or practices; or (4) external factors that affect the interest rates, currency, the economy or major segments of the economy. Past performance is not a guide to future performance, future returns are not guaranteed, and loss of original capital may occur. Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors. Our report is disseminated primarily electronically, and, in some cases, in printed form. The information contained in this report is not incorporated into the contents of our website and should be read independently thereof. Copyright 2019 Ascendant Capital Markets, LLC. No part of this material may be copied, photocopied or duplicated by any means or redistributed without the prior written consent of Ascendant Capital Markets, LLC.

Risks & Considerations

Risks to attainment of our share price target include balance sheet/liquidity risks, competition, failure to gain product traction with customers, manufacturing delays, changing macroeconomic factors, investor sentiment towards recreational vehicle and EV stocks, and changes in consumer or government priorities for the boating industry.

Ascendant Capital Markets, LLC Rating System

BUY: We expect the stock to provide a total return of 15% or more within a 12-month period.

HOLD: We expect the stock to provide a total return of negative 15% to positive 15% within a 12-month period.

SELL: We expect the stock to have a negative total return of more than 15% within a 12-month period.

Total return is defined as price appreciation plus dividend yield.

Ratings Distribution and Investment Banking Disclosure (As of April 11, 2025)

Investment Banking Services Past 12 Months				
	Count	Percent	Count	Percent
Buy	52	98%	21	40%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	53	100%	21	40%

Other Important Disclosures

Our analysts use various valuation methodologies including discounted cash flow, price/earnings (P/E), enterprise value/EBITDAS, and P/E to growth rate, among others. Risks to our price targets include failure to achieve financial results, product risk, regulatory risk, general market conditions, and the risk of a change in economic conditions.

Dissemination of Research

Ascendant Capital Markets, LLC research is distributed electronically via the Thomson Reuters platforms, Bloomberg, Capital IQ, and FactSet. Please contact your investment advisor or institutional salesperson for more information.

General Disclaimer

The information and opinions in this report were prepared by Ascendant Capital Markets, LLC. This information is not intended to be used as the primary basis of investment decisions and because of individual client objectives it should not be construed as advice designed to meet the particular investment needs of any investor. This material is for information purposes only and is not an offer or solicitation with respect to the purchase or sale of any security. The reader should assume that Ascendant Capital Markets, LLC may have a conflict of interest and should not rely solely on this report in evaluating whether or not to buy or sell securities of issuers discussed herein. The opinions, estimates, and projections contained in this report are those of Ascendant Capital Markets, LLC as of the date of this report and are subject to change without notice. Ascendant Capital Markets, LLC endeavors to ensure that the contents have been compiled or derived from sources that we believe are reliable and contain information and opinions that are accurate and complete. However, Ascendant Capital Markets, LLC makes no representation or warranty, express or implied, in respect thereof, takes no responsibility for any errors and omissions contained herein, and accepts no liability whatsoever for any loss arising from any use of, or reliance on, this report or its contents. Information may be available to Ascendant Capital Markets, LLC, or its affiliates that is not reflected in this report. This report is not to be construed as an offer or solicitation to buy or sell any security.

Additional Disclosures

Ascendant Capital Markets, LLC is a broker-dealer registered with the United States Securities and Exchange Commission (SEC) and a member of the FINRA and SIPC. Ascendant Capital Markets, LLC is not a Registered Investment Advisor nor is it an investment advisor registered with the Securities and Exchange Commission or with the securities regulators of any state, and at the present time is not eligible to file for federal registration.