SUPERSEDED — NOT THE CURRENT CALL

This May 7, 2026 report is no longer current. Microcap Research published a newer IC Group Holdings Inc. (ICGH) update on Aug 27, 2026, which reaffirmed the Spec. Buy rating at C$1.10.

Current report: https://microcapresearch.ca/reports/icgh-ic-group-holdings-inc-2026-q2update

Microcap Research INDEPENDENT EQUITY ANALYSIS ICGH-2026-05

IC Group Holdings Inc.

TSXV: ICGH · MARKETING TECHNOLOGY · MAY 7, 2026

RATING	12-MO TARGET	AT PUBLICATION	IMPLIED UPSIDE	MARKET CAP
Spec. Buy	C$1.10	C$0.50	120%	C$20.5M

Bottom line: Microcap Research rates IC Group Holdings Inc. (TSXV: ICGH) Spec. Buy with a 12-month price target of C$1.10, about 120% above the C$0.50 share price at publication on May 7, 2026. Market capitalisation at publication: C$20.5M.

Canada's hidden MarTech compounder: 50% organic revenue growth, Tier-1 A2P messaging infrastructure, and a SaaS fan engagement platform covering 94 professional sports teams — all trading below 1x revenue with zero institutional coverage.

KEY STATISTICS — AS OF MAY 7, 2026

Market Cap	C$20.5M
EV/Revenue	0.94x
EV/Adj. EBITDA	~18x
Revenue (FY2025)	C$26.9M
ARR	C$18.3M
Gross Margin	46%

CONTENTS

Executive Summary

IC Group Holdings Inc. (TSXV: ICGH) is a Canadian marketing technology company delivering consumer engagement, mobile messaging, and specialty insurance solutions to over 150 enterprise customers across North America and Europe. The Company went public via reverse takeover in February 2025 and remains undiscovered by institutional sell-side coverage — a hallmark inefficiency in the TSX Venture universe.

> We initiate coverage with a **Speculative Buy** rating and a 12-month price target of C$1.10, representing approximately 120% upside from current levels. The Company trades at <1x trailing EV/Revenue while growing revenue 50% organically — an extraordinary dislocation for a recurring-revenue software business.

Company Overview

IC Group Holdings operates through three distinct but complementary segments, each with meaningful recurring revenue characteristics:

- **IC Engage (C$12.5M revenue, 68% gross margin):** Digital promotions platform for Fortune 500 brands, plus the Fannex SaaS live-event fan engagement platform covering 94 professional sports teams across North America and Europe. Revenue driven by multi-year master service agreements and transactional fees.
- **IC Mobile (C$12.5M revenue, 21% gross margin):** One of only three Tier-1 A2P messaging aggregators in Canada with direct carrier connections to Bell, Rogers, and Telus. Over 95% of segment revenue is Annual Recurring Revenue from enterprise SMS/MMS/RCS messaging.
- **IC Insurance (C$1.9M revenue, 65% gross margin):** Specialty insurance solutions operating as a Lloyd's of London and Aviva Canada Coverholder. Products include event cancellation, prize indemnity, and crisis management for sports and entertainment.

Investment Thesis — Five Pillars

1. EXCEPTIONAL ORGANIC GROWTH AT SCALE

IC Group delivered 50% revenue growth in FY2025 to C$26.9M, of which approximately 95% was organic. IC Mobile grew 85% organically; IC Engage grew 31%. Adjusted EBITDA grew 66% to C$1.4M, and Q4 2025 Adj. EBITDA of C$0.63M was 55% higher than Q3 2025 — signaling accelerating momentum into FY2026.

2. IC MOBILE: DEFENSIBLE TIER-1 INFRASTRUCTURE

IC Mobile is one of only three Tier-1 A2P messaging aggregators in Canada — a structurally protected position requiring direct carrier interconnects that take years to establish. Over 95% of IC Mobile revenue is ARR. The RCS/RBM opportunity is a significant catalyst: Apple's 2024 announcement to support RCS unified the protocol across iOS and Android, potentially enabling higher per-message economics across 100% of the Canadian mobile market.

3. FANNEX — A SAAS PLATFORM AT INFLECTION

The February 2025 acquisition of Emotion Media (Fannex) brought a live-event fan engagement SaaS platform covering 94 professional sports teams. Acquired for effectively C$3.5M net of assumed debentures, the platform creates a powerful cross-sell: enterprise brands on IC Mobile can now be offered fan engagement campaigns at live events. IC Engage gross profit grew 8% sequentially in Q4 2025 to C$2.5M at a 72% margin.

4. DEEPLY DISCOUNTED VALUATION

ICGH trades at 0.94x trailing EV/Revenue — extraordinary for a company growing 50% with 68%+ recurring revenue. Comparable MarTech, CPaaS, and SaaS companies with similar growth profiles typically trade at 3x–8x revenue. The discount reflects TSXV listing with no institutional coverage, a going-concern audit note, and net losses from one-time public company transition costs — all temporal and/or addressable issues.

5. MULTIPLE NEAR-TERM CATALYSTS

- New IC Mobile enterprise messaging contract (April 2026) adding up to C$1.0M incremental ARR
- Renewal of five-year agreement with a major US enterprise technology company valued at up to US$7.8M cumulative through 2030
- RCS/MMS platform launch enabling higher-margin messaging formats
- Players Health acquisition (October 2025) deepening IC Insurance's sports footprint
- Potential TSX main board uplisting broadening institutional investor eligibility

Financial Summary

METRIC	FY2024	FY2025	YOY CHANGE
Revenue (C$M)	$17.9M	**$26.9M**	+50%
Gross Profit (C$M)	$9.6M	**$12.4M**	+29%
Gross Margin	54%	**46%**	-8 pts
ARR (C$M)	~$11.3M	**$18.3M**	+62%
Adj. EBITDA (C$M)	$0.8M	**$1.4M**	+66%
Net Loss (C$M)	$(5.5)M	**$(3.5)M**	37% improvement

Valuation

We use an EV/Revenue approach given early-stage Adj. EBITDA generation and the comparability of revenue multiples across MarTech and CPaaS peers. Our base case applies 1.5x FY2025 EV/Revenue, yielding a price target of C$1.10. Comparable public companies in CPaaS (Bandwidth, Sinch), digital promotions, and sports tech trade at 1.5x–4x trailing revenue.

SCENARIO	EV MULTIPLE	PRICE / SHARE	VS. CURRENT
Bear Case	1.0x EV/Rev	C$0.52	~flat
Base Case	1.5x EV/Rev	C$0.85–1.10	~+70–120%
Bull Case	2.0x EV/Rev	C$1.18	~+136%
Analyst High	—	C$1.46	~+192%

Key Risks

- **Going Concern / Covenant Breach (HIGH):** Senior lender has waived enforcement until January 1, 2027. Negative working capital of ~C$0.5M. Management expects resolution via operating cash flow.
- **Gross Margin Compression (MEDIUM):** IC Mobile mix shift toward wholesale messaging is diluting consolidated gross margin from 54% to 46%. Carrier price increases not yet fully passed through.
- **Revenue Concentration (MEDIUM):** US enterprise customers represent ~76% of revenue. Top customer relationships are large and multi-year but customer-level concentration exists.
- **Key Person Risk (MEDIUM):** No key-man insurance. Success heavily tied to CEO Duncan McCready and small leadership team.
- **Illiquidity / Small Cap Risk (HIGH):** ~C$20M market cap, no formal sell-side coverage, thin TSXV trading volume. Not suitable for large positions.

Conclusion

IC Group Holdings (TSXV: ICGH) is a rare find: a profitable-on-an-adjusted-basis, 50%-growth MarTech company trading below 1x revenue with defensible Tier-1 messaging infrastructure, a rapidly scaling SaaS platform across 94 professional sports teams, and a specialty insurance business generating high-margin recurring commissions. The going-concern note is the primary sentiment overhang, but the underlying lender relationship has been explicitly supportive and Q4 2025 momentum is strong.

At C$0.50 per share and ~C$20.5M market cap, the market ascribes essentially zero premium for the RCS opportunity, Fannex's sports tech footprint, IC Insurance's Coverholder licensing, or any multiple expansion as the company matures. We rate ICGH **Speculative Buy** with a C$1.10 price target.

IC Group Holdings Inc. (ICGH) — key questions

> **What is Microcap Research's rating and price target on IC Group Holdings Inc. (ICGH)?**
>
> This May 7, 2026 report is no longer current. Microcap Research published a newer IC Group Holdings Inc. (ICGH) update on Aug 27, 2026, which reaffirmed the Spec. Buy rating at C$1.10. As published, this report said: Microcap Research rates IC Group Holdings Inc. (TSXV: ICGH) Spec. Buy with a 12-month price target of C$1.10, about 120% above the C$0.50 share price at publication on May 7, 2026. Market capitalisation at publication: C$20.5M.

> **What does IC Group Holdings Inc. (ICGH) do?**
>
> IC Group Holdings operates through three distinct but complementary segments, each with meaningful recurring revenue characteristics:

What is the investment thesis for IC Group Holdings Inc. (ICGH)?

Canada's hidden MarTech compounder: 50% organic revenue growth, Tier-1 A2P messaging infrastructure, and a SaaS fan engagement platform covering 94 professional sports teams — all trading below 1x revenue with zero institutional coverage.

How is IC Group Holdings Inc. (ICGH) valued?

We use an EV/Revenue approach given early-stage Adj. EBITDA generation and the comparability of revenue multiples across MarTech and CPaaS peers. Our base case applies 1.5x FY2025 EV/Revenue, yielding a price target of C$1.10. Comparable public companies in CPaaS (Bandwidth, Sinch), digital promotions, and sports tech trade at 1.5x–4x trailing revenue.

What are the key risks for IC Group Holdings Inc. (ICGH)?

Risks flagged in this report — Going Concern / Covenant Breach (HIGH); Gross Margin Compression (MEDIUM); Revenue Concentration (MEDIUM); Key Person Risk (MEDIUM); Illiquidity / Small Cap Risk (HIGH)

What are the key financial metrics for IC Group Holdings Inc. (ICGH)?

As of May 7, 2026 — Market Cap: C$20.5M · EV/Revenue: 0.94x · EV/Adj. EBITDA: ~18x · Revenue (FY2025): C$26.9M · ARR: C$18.3M · Gross Margin: 46%.

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