

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 10-Q**

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended September 30, 2025

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-41495

**INTELLINETICS, INC.**

(Exact name of registrant as specified in its charter)

|                                                                   |                                         |
|-------------------------------------------------------------------|-----------------------------------------|
| Nevada                                                            | 87-0613716                              |
| (State or Other Jurisdiction of<br>Incorporation or Organization) | (I.R.S. Employer<br>Identification No.) |
| 2190 Dividend Drive<br>Columbus, Ohio                             | 43228                                   |
| (Address of Principal Executive Offices)                          | (Zip Code)                              |
| (614) 921-8170                                                    |                                         |
| (Registrant's telephone number, including area code)              |                                         |

(Former name and former address, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class             | Trading Symbol(s) | Name of each exchange on which registered |
|---------------------------------|-------------------|-------------------------------------------|
| Common Stock, \$0.001 par value | INLX              | NYSE American                             |

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

|                         |                          |                                               |                                     |
|-------------------------|--------------------------|-----------------------------------------------|-------------------------------------|
| Large accelerated filer | <input type="checkbox"/> | (Do not check if a smaller reporting company) | <input type="checkbox"/>            |
| Non-accelerated filer   | <input type="checkbox"/> |                                               | <input type="checkbox"/>            |
| Emerging growth company | <input type="checkbox"/> |                                               | <input checked="" type="checkbox"/> |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes ☐ No ☒

As of November 10, 2025, there were 4,479,123 shares of the issuer's common stock outstanding, each with a par value of \$0.001 per share.

INTELLINETICS, INC.  
Form 10-Q  
September 30, 2025

TABLE OF CONTENTS

|                                                                                                                                             | Page<br>No. |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| <u>PART I</u>                                                                                                                               |             |
| <u>FINANCIAL INFORMATION</u>                                                                                                                | 4           |
| ITEM 1. <u>Financial Statements.</u>                                                                                                        | 4           |
| <u>Condensed Consolidated Balance Sheets as of September 30, 2025 (Unaudited) and December 31, 2024</u>                                     | 4           |
| <u>Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2025 and 2024 (Unaudited)</u>          | 5           |
| <u>Condensed Consolidated Statement of Stockholders' Equity for the three and nine months ended September 30, 2025 and 2024 (Unaudited)</u> | 6           |
| <u>Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2025 and 2024 (Unaudited)</u>                    | 7           |
| <u>Notes to Condensed Consolidated Financial Statements (Unaudited)</u>                                                                     | 8           |
| ITEM 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations.</u>                                       | 21          |
| ITEM 3. <u>Quantitative and Qualitative Disclosures About Market Risk.</u>                                                                  | 30          |
| ITEM 4. <u>Controls and Procedures.</u>                                                                                                     | 30          |
| <u>PART II</u>                                                                                                                              |             |
| <u>OTHER INFORMATION</u>                                                                                                                    | 31          |
| ITEM 1. <u>Legal Proceedings.</u>                                                                                                           | 31          |
| ITEM 1A. <u>Risk Factors.</u>                                                                                                               | 31          |
| ITEM 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds.</u>                                                                 | 31          |
| ITEM 3. <u>Defaults Upon Senior Securities.</u>                                                                                             | 31          |
| ITEM 4. <u>Mine Safety Disclosures.</u>                                                                                                     | 31          |
| ITEM 5. <u>Other Information.</u>                                                                                                           | 31          |
| ITEM 6. <u>Exhibits.</u>                                                                                                                    | 31          |
| <u>SIGNATURES</u>                                                                                                                           | 32          |

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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q and the documents incorporated into this report by reference contain forward-looking statements. In addition, from time to time we may make additional forward-looking statements in presentations, at conferences, in press releases, in other reports and filings and otherwise. Forward-looking statements are all statements other than statements of historical facts, including statements that refer to plans, intentions, objectives, goals, targets, strategies, hopes, beliefs, projections, prospects, expectations or other characterizations of future events or performance, and assumptions underlying the foregoing. The words “may,” “could,” “should,” “would,” “will,” “project,” “intend,” “continue,” “believe,” “anticipate,” “estimate,” “forecast,” “expect,” “plan,” “potential,” “opportunity,” “scheduled,” “goal,” “target,” and “future,” variations of such words, and other comparable terminology and similar expressions and references to future periods are often, but not always, used to identify forward-looking statements. Examples of forward-looking statements include, among other things, statements about the following:

- the effects on our business, financial condition, and results of operations of current and future economic, business, market and regulatory conditions, including the current global inflation, economic downturn, and other economic and market conditions, and their effects on our customers and their capital spending and ability to finance purchases of our products, services, technologies and systems;
- our prospects, including our future business, revenues, recurring revenues, expenses, net income, earnings per share, margins, profitability, cash flow, cash position, liquidity, financial condition and results of operations, backlog of orders and revenue, our targeted growth rate, our goals for future revenues and earnings, and our expectations about realizing the revenues in our backlog and in our sales pipeline;
- our expectation that the shift from an offline to online world will continue to benefit our business;
- our ability to continue to integrate our acquisitions and any future acquisitions, grow their businesses and obtain the expected financial and operational benefits from those businesses;
- the effects of fluctuations in sales on our business, revenues, expenses, net income, earnings per share, margins, profitability, cash flow, capital expenditures, liquidity, financial condition and results of operations;
- our products, services, technologies and systems, including their quality and performance in absolute terms and as compared to competitive alternatives, their benefits to our customers and their ability to meet our customers’ requirements, and our ability to successfully develop and market new products, services, technologies and systems;

- our markets, including our market position and our market share;
- our ability to successfully develop, operate, grow and diversify our operations and businesses;
- our business plans, strategies, goals and objectives, and our ability to successfully achieve them;
- the sufficiency of our capital resources, including our cash and cash equivalents, funds generated from operations, availability credit and financing arrangements and other capital resources, to meet our future working capital, capital expenditure, lease and debt service and business growth needs;
- the value of our assets and businesses, including the revenues, profits and cash flow they are capable of delivering in the future;
- the amount and timing of revenue recognition from customer contracts with commitments for performance obligations, including our estimate of the remaining amount of commitments and when we expect to recognize revenues;
- industry trends and customer preferences and the demand for our products, services, technologies and systems; and
- the nature and intensity of our competition, and our ability to successfully compete in our markets.

Any forward-looking statements we make are based on our current plans, intentions, objectives, strategies, projections and expectations, as well as assumptions made by and information currently available to management. Forward-looking statements are not guarantees of future performance or events, but are subject to and qualified by substantial risks, uncertainties and other factors, which are difficult to predict and are often beyond our control. Forward-looking statements will be affected by assumptions and expectations we might make that do not materialize or that prove to be incorrect and by known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed, anticipated or implied by such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to, those described in Part I, Item 1A, “Risk Factors,” of our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed on March 24, 2025, as well as other risks, uncertainties and factors discussed elsewhere in this Quarterly Report, in documents that we include as exhibits to or incorporate by reference in this report, and in other reports and documents we from time to time file with or furnish to the Securities and Exchange Commission (the “SEC”). In light of these risks and uncertainties, you are cautioned not to place undue reliance on any forward-looking statements that we make.

Any forward-looking statements contained in this report speak only as of the date of this report, and any other forward-looking statements we make from time to time in the future speak only as of the date they are made. We undertake no duty or obligation to update or revise any forward-looking statement or to publicly disclose any update or revision for any reason, whether as a result of changes in our expectations or the underlying assumptions, the receipt of new information, the occurrence of future or unanticipated events, circumstances or conditions or otherwise

As used in this Quarterly Report, unless the context indicates otherwise:

- the terms “Intellinetics,” “Company,” “the company” “us,” “we,” “our,” and similar terms refer to Intellinetics, Inc., a Nevada corporation, and its subsidiaries;
- “Intellinetics Ohio” refers to Intellinetics, Inc., an Ohio corporation and a wholly-owned subsidiary of Intellinetics; and
- “Graphic Sciences” refers to Graphic Sciences, Inc., a Michigan corporation and a wholly-owned subsidiary of Intellinetics.

**PART I – FINANCIAL INFORMATION**

Item 1. Financial Statements

**INTELLINETICS, INC. and SUBSIDIARIES**  
**Condensed Consolidated Balance Sheets**

|                                                                                                                                                                                | <b>(Unaudited)<br/>September 30,<br/>2025</b> | <b>December 31,<br/>2024</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|------------------------------|
| <b>ASSETS</b>                                                                                                                                                                  |                                               |                              |
| Current assets:                                                                                                                                                                |                                               |                              |
| Cash                                                                                                                                                                           | \$ 3,222,179                                  | \$ 2,489,236                 |
| Accounts receivable, net                                                                                                                                                       | 951,490                                       | 1,111,504                    |
| Accounts receivable, unbilled                                                                                                                                                  | 715,773                                       | 1,296,524                    |
| Parts and supplies, net                                                                                                                                                        | 110,077                                       | 100,561                      |
| Prepaid expenses and other current assets                                                                                                                                      | 500,461                                       | 476,731                      |
| Total current assets                                                                                                                                                           | 5,499,980                                     | 5,474,556                    |
| Property and equipment, net                                                                                                                                                    | 1,179,365                                     | 1,093,867                    |
| Right of use assets, operating                                                                                                                                                 | 1,601,482                                     | 1,894,866                    |
| Right of use assets, finance                                                                                                                                                   | 183,183                                       | 237,741                      |
| Intangible assets, net                                                                                                                                                         | 3,027,215                                     | 3,399,029                    |
| Goodwill                                                                                                                                                                       | 5,789,821                                     | 5,789,821                    |
| Other assets                                                                                                                                                                   | 708,485                                       | 685,076                      |
| Total assets                                                                                                                                                                   | \$ 17,989,531                                 | \$ 18,574,956                |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>                                                                                                                                    |                                               |                              |
| Current liabilities:                                                                                                                                                           |                                               |                              |
| Accounts payable                                                                                                                                                               | \$ 260,714                                    | \$ 310,623                   |
| Accrued compensation                                                                                                                                                           | 551,393                                       | 493,700                      |
| Accrued expenses                                                                                                                                                               | 215,638                                       | 172,421                      |
| Lease liabilities, operating - current                                                                                                                                         | 844,277                                       | 842,468                      |
| Lease liabilities, finance - current                                                                                                                                           | 70,343                                        | 69,261                       |
| Deferred revenues                                                                                                                                                              | 3,635,648                                     | 3,411,852                    |
| Notes payable - current                                                                                                                                                        | -                                             | 781,936                      |
| Notes payable - related party - current                                                                                                                                        | -                                             | 515,512                      |
| Total current liabilities                                                                                                                                                      | 5,578,013                                     | 6,597,773                    |
| Long-term liabilities:                                                                                                                                                         |                                               |                              |
| Lease liabilities, operating - net of current portion                                                                                                                          | 843,250                                       | 1,161,404                    |
| Lease liabilities, finance - net of current portion                                                                                                                            | 131,628                                       | 184,024                      |
| Total long-term liabilities                                                                                                                                                    | 974,878                                       | 1,345,428                    |
| Total liabilities                                                                                                                                                              | 6,552,891                                     | 7,943,201                    |
| Stockholders' equity:                                                                                                                                                          |                                               |                              |
| Common stock, \$0.001 par value, 25,000,000 shares authorized; 4,479,123 and 4,249,735 shares issued and outstanding at September 30, 2025 and December 31, 2024, respectively | 4,479                                         | 4,250                        |
| Additional paid-in capital                                                                                                                                                     | 34,738,319                                    | 32,268,743                   |
| Accumulated deficit                                                                                                                                                            | (23,306,158)                                  | (21,641,238)                 |
| Total stockholders' equity                                                                                                                                                     | 11,436,640                                    | 10,631,755                   |
| Total liabilities and stockholders' equity                                                                                                                                     | \$ 17,989,531                                 | \$ 18,574,956                |

See Notes to these condensed consolidated financial statements

**INTELLINETICS, INC. and SUBSIDIARIES**  
**Condensed Consolidated Statements of Operations**  
**(Unaudited)**

|                                                                | <b>For the Three Months Ended<br/>September 30,</b> |                     | <b>For the Nine Months Ended<br/>September 30,</b> |                     |
|----------------------------------------------------------------|-----------------------------------------------------|---------------------|----------------------------------------------------|---------------------|
|                                                                | <b>2025</b>                                         | <b>2024</b>         | <b>2025</b>                                        | <b>2024</b>         |
| <b>Revenues:</b>                                               |                                                     |                     |                                                    |                     |
| Software as a service                                          | \$ 1,608,253                                        | \$ 1,403,942        | \$ 4,727,526                                       | \$ 4,209,686        |
| Software maintenance services                                  | 310,144                                             | 352,066             | 975,794                                            | 1,064,015           |
| Professional services                                          | 1,881,975                                           | 2,613,564           | 5,939,909                                          | 7,776,312           |
| Storage and retrieval services                                 | 201,073                                             | 220,053             | 616,374                                            | 688,289             |
| Total revenues                                                 | <u>4,001,445</u>                                    | <u>4,589,625</u>    | <u>12,259,603</u>                                  | <u>13,738,302</u>   |
| <b>Cost of revenues:</b>                                       |                                                     |                     |                                                    |                     |
| Software as a service                                          | 242,409                                             | 228,923             | 704,589                                            | 662,501             |
| Software maintenance services                                  | 13,504                                              | 13,743              | 42,847                                             | 42,817              |
| Professional services                                          | 1,119,255                                           | 1,492,131           | 3,214,568                                          | 4,179,336           |
| Storage and retrieval services                                 | 58,373                                              | 108,727             | 224,797                                            | 257,335             |
| Total cost of revenues                                         | <u>1,433,541</u>                                    | <u>1,843,524</u>    | <u>4,186,801</u>                                   | <u>5,141,989</u>    |
| Gross profit                                                   | <u>2,567,904</u>                                    | <u>2,746,101</u>    | <u>8,072,802</u>                                   | <u>8,596,313</u>    |
| <b>Operating expenses:</b>                                     |                                                     |                     |                                                    |                     |
| General and administrative                                     | 2,015,713                                           | 2,054,089           | 6,629,109                                          | 6,155,967           |
| Sales and marketing                                            | 615,969                                             | 702,500             | 2,085,381                                          | 1,774,560           |
| Depreciation and amortization                                  | 315,446                                             | 287,723             | 930,573                                            | 826,371             |
| Total operating expenses                                       | <u>2,947,128</u>                                    | <u>3,044,312</u>    | <u>9,645,063</u>                                   | <u>8,756,898</u>    |
| (Loss) income from operations                                  | (379,224)                                           | (298,211)           | (1,572,261)                                        | (160,585)           |
| Interest income (expense), net                                 | <u>9,459</u>                                        | <u>(94,639)</u>     | <u>(92,659)</u>                                    | <u>(331,929)</u>    |
| Net loss                                                       | <u>\$ (369,765)</u>                                 | <u>\$ (392,850)</u> | <u>\$ (1,664,920)</u>                              | <u>\$ (492,514)</u> |
| Basic net loss per share:                                      | \$ (0.08)                                           | \$ (0.09)           | \$ (0.39)                                          | \$ (0.12)           |
| Diluted net loss per share:                                    | \$ (0.08)                                           | \$ (0.09)           | \$ (0.39)                                          | \$ (0.12)           |
| Weighted average number of common shares outstanding - basic   | <u>4,386,943</u>                                    | <u>4,230,806</u>    | <u>4,271,877</u>                                   | <u>4,191,459</u>    |
| Weighted average number of common shares outstanding - diluted | <u>4,386,943</u>                                    | <u>4,230,806</u>    | <u>4,271,877</u>                                   | <u>4,191,459</u>    |

See Notes to these condensed consolidated financial statements

**INTELLINETICS, INC. and SUBSIDIARIES**  
**Condensed Consolidated Statement of Stockholders' Equity**  
**For the Three and Nine Months Ended September 30, 2025 and 2024**  
**(Unaudited)**

|                                                | <b>Common Stock</b> |                 | <b>Additional<br/>Paid-in<br/>Capital</b> | <b>Accumulated<br/>Deficit</b> | <b>Total</b>         |
|------------------------------------------------|---------------------|-----------------|-------------------------------------------|--------------------------------|----------------------|
|                                                | <b>Shares</b>       | <b>Amount</b>   |                                           |                                |                      |
| Balance, June 30, 2024                         | 4,230,806           | \$ 4,231        | \$ 31,536,818                             | \$ (21,194,687)                | \$ 10,346,362        |
| Stock compensation - stock options             | -                   | -               | 354,006                                   | -                              | 354,006              |
| Stock compensation - restricted shares         | -                   | -               | 136,019                                   | -                              | 136,019              |
| Net loss                                       | -                   | -               | -                                         | (392,850)                      | (392,850)            |
| Balance, September 30, 2024                    | <u>4,230,806</u>    | <u>\$ 4,231</u> | <u>\$ 32,026,843</u>                      | <u>\$ (21,587,537)</u>         | <u>\$ 10,443,537</u> |
| Balance, June 30, 2025                         | 4,473,130           | \$ 4,473        | \$ 34,495,592                             | \$ (22,936,393)                | \$ 11,563,672        |
| Stock compensation - stock options             | -                   | -               | 9,862                                     | -                              | 9,862                |
| Stock compensation - restricted shares         | -                   | -               | 156,558                                   | -                              | 156,558              |
| Equity issue, net of issuance costs of \$3,835 | 5,993               | 6               | 76,307                                    | -                              | 76,313               |
| Net loss                                       | -                   | -               | -                                         | (369,765)                      | (369,765)            |
| Balance, September 30, 2025                    | <u>4,479,123</u>    | <u>\$ 4,479</u> | <u>\$ 34,738,319</u>                      | <u>\$ (23,306,158)</u>         | <u>\$ 11,436,640</u> |

  

|                                                  | <b>Common Stock</b> |                 | <b>Additional<br/>Paid-in<br/>Capital</b> | <b>Accumulated<br/>Deficit</b> | <b>Total</b>         |
|--------------------------------------------------|---------------------|-----------------|-------------------------------------------|--------------------------------|----------------------|
|                                                  | <b>Shares</b>       | <b>Amount</b>   |                                           |                                |                      |
| Balance, December 31, 2023                       | 4,113,621           | \$ 4,114        | \$ 30,841,630                             | \$ (21,095,023)                | \$ 9,750,721         |
| Stock compensation - stock options               | -                   | -               | 584,918                                   | -                              | 584,918              |
| Stock compensation - restricted shares           | 117,185             | 117             | 600,295                                   | -                              | 600,412              |
| Net loss                                         | -                   | -               | -                                         | (492,514)                      | (492,514)            |
| Balance, September 30, 2024                      | <u>4,230,806</u>    | <u>\$ 4,231</u> | <u>\$ 32,026,843</u>                      | <u>\$ (21,587,537)</u>         | <u>\$ 10,443,537</u> |
| Balance, December 31, 2024                       | 4,249,735           | \$ 4,250        | \$ 32,268,743                             | \$ (21,641,238)                | \$ 10,631,755        |
| Stock compensation - stock options               | -                   | -               | 387,914                                   | -                              | 387,914              |
| Stock option exercise                            | 20,380              | 20              | (20,205)                                  | -                              | (20,185)             |
| Stock compensation - restricted shares           | 53,529              | 54              | 480,709                                   | -                              | 480,763              |
| Warrant exercise                                 | 9,541               | 9               | (21)                                      | -                              | (12)                 |
| Equity issue, net of issuance costs of \$175,781 | 145,938             | 146             | 1,621,179                                 | -                              | 1,621,325            |
| Net loss                                         | -                   | -               | -                                         | (1,664,920)                    | (1,664,920)          |
| Balance, September 30, 2025                      | <u>4,479,123</u>    | <u>\$ 4,479</u> | <u>\$ 34,738,319</u>                      | <u>\$ (23,306,158)</u>         | <u>\$ 11,436,640</u> |

See Notes to these condensed consolidated financial statements

**INTELLINETICS, INC. and SUBSIDIARIES**  
**Condensed Consolidated Statements of Cash Flows**  
(Unaudited)

|                                                                                           | <b>For the Nine Months Ended<br/>September 30,</b> |              |
|-------------------------------------------------------------------------------------------|----------------------------------------------------|--------------|
|                                                                                           | <b>2025</b>                                        | <b>2024</b>  |
| Cash flows from operating activities:                                                     |                                                    |              |
| Net loss                                                                                  | \$ (1,664,920)                                     | \$ (492,514) |
| Adjustments to reconcile net loss to net cash provided by operating activities:           |                                                    |              |
| Depreciation and amortization                                                             | 930,573                                            | 826,371      |
| Bad debt expense (recovery)                                                               | 74,976                                             | (3,780)      |
| Loss on disposal of fixed assets                                                          | 10,202                                             | 547          |
| Amortization of deferred financing costs                                                  | 42,052                                             | 142,091      |
| Amortization of right of use assets, financing                                            | 54,558                                             | 53,140       |
| Share-based compensation                                                                  | 1,131,891                                          | 1,254,856    |
| Changes in operating assets and liabilities:                                              |                                                    |              |
| Accounts receivable                                                                       | 85,038                                             | 594,664      |
| Accounts receivable, unbilled                                                             | 580,751                                            | 171,600      |
| Parts and supplies                                                                        | (9,516)                                            | 21,243       |
| Prepaid expenses and other current assets                                                 | (23,730)                                           | (7,496)      |
| Accounts payable and accrued expenses                                                     | 51,001                                             | 628,685      |
| Operating lease assets and liabilities, net                                               | (22,961)                                           | (7,765)      |
| Deferred revenues                                                                         | 223,796                                            | 540,301      |
| Total adjustments                                                                         | 3,128,631                                          | 4,214,457    |
| Net cash provided by operating activities                                                 | 1,463,711                                          | 3,721,943    |
| Cash flows from investing activities:                                                     |                                                    |              |
| Capitalization of internal use software                                                   | (344,075)                                          | (302,396)    |
| Purchases of property and equipment                                                       | (333,793)                                          | (392,963)    |
| Net cash used in investing activities                                                     | (677,868)                                          | (695,359)    |
| Cash flows from financing activities:                                                     |                                                    |              |
| Proceeds from issuance of common stock                                                    | 1,797,106                                          | -            |
| Offering costs paid on issuance of common stock                                           | (175,781)                                          | -            |
| Principal payments on financing lease liability                                           | (51,314)                                           | (45,577)     |
| Payments to taxing authorities in connection with shares directly withheld from employees | (283,399)                                          | (69,526)     |
| Exercise of stock warrants                                                                | (12)                                               | -            |
| Repayment of notes payable                                                                | (807,331)                                          | (1,307,169)  |
| Repayment of notes payable - related parties                                              | (532,169)                                          | (317,831)    |
| Net cash used in financing activities                                                     | (52,900)                                           | (1,740,103)  |
| Net increase in cash                                                                      | 732,943                                            | 1,286,481    |
| Cash - beginning of period                                                                | 2,489,236                                          | 1,215,248    |
| Cash - end of period                                                                      | \$ 3,222,179                                       | \$ 2,501,729 |
| Supplemental disclosure of cash flow information:                                         |                                                    |              |
| Cash paid during the period for interest                                                  | \$ 74,425                                          | \$ 218,461   |
| Cash paid during the period for income taxes                                              | \$ 19,563                                          | \$ 19,077    |
| Supplemental disclosure of non-cash financing activities:                                 |                                                    |              |
| Right-of-use asset obtained in exchange for operating lease liability                     | \$ 311,368                                         | \$ -         |
| Right-of-use asset obtained in exchange for finance lease liability                       | \$ -                                               | \$ 89,289    |

See Notes to these condensed consolidated financial statements



**INTELLINETICS, INC. AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

**1. Business Organization and Nature of Operations**

Intellinetics, Inc., formerly known as GlobalWise Investments, Inc., is a Nevada corporation incorporated in 1997, with two wholly-owned subsidiaries: “Intellinetics Ohio” and Graphic Sciences. Intellinetics Ohio was incorporated in 1996, and on February 10, 2012, Intellinetics Ohio became our sole operating subsidiary as a result of a reverse merger and recapitalization. On March 2, 2020, we purchased all the outstanding capital stock of Graphic Sciences.

Our digital transformation products and services are provided through two reporting segments: Document Management and Document Conversion. Our Document Management segment, consists primarily of solutions involving our software platform, allowing customers to capture and manage their documents across operations such as scanned hard-copy documents and digital documents including those from Microsoft Office 365, digital images, audio, video and emails. Our Document Conversion segment, which includes and primarily consists of the Graphic Sciences acquisition, provides assistance to customers as a part of their overall document strategy to convert documents from one medium to another, predominantly paper to digital, including migration to our software solutions, as well as long-term storage and retrieval services. Our solutions create value for customers by making it easy to connect business-critical documents to the people who need them by making those documents easy to find and access, while also being secure and compliant with the customers’ audit requirements. Solutions are sold both directly to end-users and through resellers.

**2. Basis of Presentation**

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with United States generally accepted accounting principles (“GAAP”).

The financial statements presented in this Quarterly Report on Form 10-Q are unaudited. However, in the opinion of management, these unaudited condensed consolidated financial statements include all adjustments, consisting solely of normal recurring adjustments, necessary to present fairly the financial position, results of operations and cash flows for the periods presented in conformity with GAAP applicable to interim periods. The financial data and other financial information disclosed in these notes to the accompanying condensed consolidated financial statements are also unaudited. As such, certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to applicable rules and regulations thereunder.

Operating results for the interim periods presented are not necessarily indicative of the results that may be expected for the full fiscal year ending December 31, 2025 or any other future period.

These unaudited interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and the related notes included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024 filed with the SEC on March 24, 2025.

**3. Summary of Significant Accounting Policies**

***Principles of Consolidation***

The condensed consolidated financial statements accompanying these notes include the accounts of Intellinetics and the accounts of all its subsidiaries in which it holds a controlling interest. Under GAAP, consolidation is generally required for investments of more than 50% of the outstanding voting stock of an investee, except when control is not held by the majority owner. We have two subsidiaries: Intellinetics Ohio and Graphic Sciences. We consider the criteria established under Financial Accounting Standards Board (“FASB”) Accounting Standard Codification (“ASC”) 810, “Consolidations” in the consolidation process. All significant intercompany balances and transactions have been eliminated in consolidation.

### Concentrations of Credit Risk

We maintain our cash with high credit quality financial institutions. At times, our cash and cash equivalents may be uninsured or in deposit accounts that exceed the Federal Deposit Insurance Corporation insurance limit.

We do not generally require collateral or other security to support customer receivables; however, we may require customers to provide retainers, up-front deposits or irrevocable letters-of-credit when considered necessary to mitigate credit risks. The Company estimates a current estimated credit loss ("CECL") for accounts receivable and accounts receivable-unbilled. The CECL for receivables are estimated based on the receivable aging category, credit risk of specific customers, past collection history, and management's evaluation of collectability. Provisions for CECL are classified within selling, general and administrative costs.

The CECL model requires the recognition of lifetime expected credit losses at each reporting date, considering past events, current conditions, and reasonable forecasts. In assessing the credit quality of our portfolio, management utilizes a provision matrix that classifies trade receivables by customer type and age of receivable. Government and education sector receivables carry a low risk, while a higher risk is attributed to the remaining receivables as their aging progresses. For receivables with questionable collectability, a specific reserve is assigned. The estimated credit losses are a reflection of these factors, with the matrix applying percentages to the receivables based on their risk profile, adjusted for current and expected future conditions.

During the reporting period, the estimate of credit losses may change due to several factors including payment patterns of customers, changes in customer creditworthiness, and broader economic conditions. Such changes are captured in the financial statements to ensure they accurately reflect the company's assessment of credit risk and expected losses at the end of each reporting period. Credit losses have been within management's expectations. At September 30, 2025 and December 31, 2024, our allowance for credit losses was \$98,071 and \$55,907, respectively.

Changes in the allowance for credit losses for the periods ended September 30, 2025 and 2024 were as follows:

|                                                      | Trade Receivables   |
|------------------------------------------------------|---------------------|
| As of December 31, 2024                              | \$ (55,907)         |
| (Provisions) Reductions charged to operating results | (44,189)            |
| Account write-offs                                   | 15,063              |
| As of March 31, 2025                                 | (85,033)            |
| (Provisions) Reductions charged to operating results | 11,223              |
| Account write-offs                                   | 2,293               |
| As of June 30, 2025                                  | (71,517)            |
| (Provisions) Reductions charged to operating results | (42,010)            |
| Account write-offs                                   | 15,456              |
| As of September 30, 2025                             | <u>\$ (98,071)</u>  |
|                                                      | Trade Receivables   |
| As of December 31, 2023                              | \$ (124,103)        |
| (Provisions) Reductions charged to operating results | 14,588              |
| As of March 31, 2024                                 | (109,515)           |
| (Provisions) Reductions charged to operating results | (10,850)            |
| As of June 30, 2024                                  | (120,365)           |
| (Provisions) Reductions charged to operating results | 3,637               |
| As of September 30, 2024                             | <u>\$ (116,728)</u> |

### **Revenue Recognition**

We categorize revenue as software as a service, software maintenance services, professional services, and storage and retrieval services. We earn the majority of our revenue from the sale of professional services, followed by the sale of software as a service. We apply our revenue recognition policies as required in accordance with ASC 606 based on the facts and circumstances of each category of revenue. More detail regarding each category of revenue is contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024 filed with the SEC on March 24, 2025.

#### **Contract balances**

The following tables present changes in our contract assets during the nine months ended September 30, 2025 and 2024:

|                                      | Balance at<br>Beginning<br>of Period | Billings      | Payments<br>Received | Balance at<br>End of<br>Period |
|--------------------------------------|--------------------------------------|---------------|----------------------|--------------------------------|
| Nine months ended September 30, 2025 |                                      |               |                      |                                |
| Accounts receivable                  | \$ 1,111,504                         | \$ 13,077,000 | \$ (13,237,014)      | \$ 951,490                     |
| Nine months ended September 30, 2024 |                                      |               |                      |                                |
| Accounts receivable                  | \$ 1,850,375                         | \$ 14,580,399 | \$ (15,171,283)      | \$ 1,259,491                   |

|                                      | Balance at<br>Beginning of Period | Revenue Recognized<br>in Advance of<br>Billings | Billings       | Balance at<br>End of Period |
|--------------------------------------|-----------------------------------|-------------------------------------------------|----------------|-----------------------------|
| Nine months ended September 30, 2025 |                                   |                                                 |                |                             |
| Accounts receivable, unbilled        | \$ 1,296,524                      | \$ 3,502,308                                    | \$ (4,083,059) | \$ 715,773                  |
| Nine months ended September 30, 2024 |                                   |                                                 |                |                             |
| Accounts receivable, unbilled        | \$ 1,320,837                      | \$ 4,523,087                                    | \$ (4,694,687) | \$ 1,149,237                |

#### **Deferred contract costs**

Sales commissions earned by our sales force on new business is considered an incremental and recoverable cost of obtaining a contract with a customer. Sales commissions for new contracts and incremental sales to existing customers are deferred and then amortized on a straight-line basis over an estimated period of benefit of two years. This period of benefit was determined by taking into consideration term lengths of customer contracts, renewals, changes and enhancements in course offerings, and other factors. As of September 30, 2025 and December 31, 2024, deferred contract costs were \$124,183 and \$139,696, respectively, and are included in prepaid expenses and other current assets on our condensed consolidated balance sheets.

#### **Deferred revenue**

Amounts that have been invoiced are recognized in accounts receivable, deferred revenue or revenue, depending on whether the revenue recognition criteria have been met. Deferred revenue represents amounts billed for which revenue has not yet been recognized. Deferred revenues typically relate to maintenance and software-as-a-service agreements which have been paid for by customers prior to the performance of those services, and payments received for professional services and license arrangements and software-as-a-service performance obligations that have been deferred until fulfilled under our revenue recognition policy.

Remaining performance obligations represent the transaction price from contracts for which work has not been performed or goods and services have not been delivered. We expect to recognize revenue on approximately 98% of the remaining performance obligations over the next 12 months, with the remainder recognized thereafter. As of September 30, 2025, the aggregate amount of the transaction price allocated to remaining performance obligations for software as a service and software maintenance contracts with a duration greater than one year was \$59,701. As of December 31, 2024, the aggregate amount of the transaction price allocated to remaining performance obligations for software as a service and software maintenance contracts with a duration greater than one year was \$44,971. This does not include revenue related to performance obligations that are part of a contract whose original expected duration is one year or less.

The following table presents changes in our contract liabilities during the nine months ended September 30, 2025 and 2024:

|                                        | Balance at<br>Beginning<br>of Period | Billings     | Recognized<br>Revenue | Balance at<br>End of<br>Period |
|----------------------------------------|--------------------------------------|--------------|-----------------------|--------------------------------|
| Nine months ended September 30, 2025   |                                      |              |                       |                                |
| Contract liabilities: Deferred revenue | \$ 3,411,852                         | \$ 5,961,069 | \$ (5,737,273)        | \$ 3,635,648                   |
| Nine months ended September 30, 2024   |                                      |              |                       |                                |
| Contract liabilities: Deferred revenue | \$ 2,927,808                         | \$ 6,185,445 | \$ (5,645,144)        | \$ 3,468,109                   |

#### ***Software Development Costs***

We design, develop, test, market, license, and support new software products and enhancements of current products. We continuously monitor our software products and enhancements to remain compatible with standard platforms and file formats. In accordance with ASC 985-20 "Costs of Software to be Sold, Leased or Otherwise Marketed," we expense software development costs, including costs to develop software products or the software component of products to be sold, leased, or marketed to external users, before technological feasibility is reached. Once technological feasibility has been established, certain software development costs incurred during the application development stage are eligible for capitalization. Based on our software development process, technological feasibility is established upon completion of a working model. Technological feasibility is typically reached shortly before the release of such products. No such costs were capitalized during the periods presented in this report.

In accordance with ASC 350-40, "Internal-Use Software," we capitalize purchase and implementation costs of internal use software. Once an application has reached development stage, internal and external costs, if direct and incremental, are capitalized until the software is substantially complete and ready for its intended use. Capitalization ceases upon completion of all substantial testing. We also capitalize costs related to specific upgrades and enhancements when it is probable that the expenditure will result in additional functionality. Such costs in the amount of \$134,905 and \$344,075 were capitalized during the three and nine months ended September 30, 2025. Such costs in the amount of \$104,345 and \$302,396 were capitalized during the three and nine months ended September 30, 2024.

Capitalized costs are stated at cost less accumulated amortization. Amortization is computed over the estimated useful lives of the related assets on a straight-line basis, which is three years. At September 30, 2025 and December 31, 2024, our condensed consolidated balance sheets included \$693,701 and \$670,292, respectively, in other long-term assets.

For the three and nine months ended September 30, 2025 and 2024, our expensed software development costs were \$188,694 and \$548,211, respectively, and \$179,813 and \$510,366, respectively.

### ***Recently Issued Accounting Pronouncements Not Yet Effective***

In December 2023, the FASB issued ASU 2023-09, Improvements to Income Tax Disclosures, which amends the guidance in ASC 740, Income Taxes. The ASU is intended to improve the transparency of income tax disclosures by requiring (1) consistent categories and greater disaggregation of information in the rate reconciliation and (2) income taxes paid disaggregated by jurisdiction. It also includes certain other amendments to improve the effectiveness of income tax disclosures. ASU 2023-09 is effective for us for the period ending December 31, 2025. We do not expect a material impact upon adoption.

In September 2025, the FASB issued ASU 2025-06, Intangibles – Goodwill and Other – Internal Use Software (Subtopic 350-40), which updates its internal-use software guidance. The ASU is intended to introduce targeted improvements to enhance clarity, reduce compliance burdens, and align financial reporting with modern software development practices. The guidance does not apply to software developed for sale, lease, or external marketing. ASU 2025-06 is effective for us for the period ending March 31, 2028. We are currently evaluating the impact of this ASU but do not expect a material impact upon adoption.

There are no other accounting standards that have been issued but not yet adopted that we believe could have a material impact on our consolidated financial statements.

### ***Advertising***

We expense the cost of advertising as incurred. Advertising expense for the three and nine months ended September 30, 2025 and 2024 amounted to \$21,069 and \$74,154, respectively, and \$17,019 and \$32,422, respectively.

### ***Earnings (Loss) Per Share***

Basic income or loss per share is computed by dividing net income or loss by the weighted average number of shares of common stock outstanding during the period. Diluted income or loss per share is computed by dividing net income or loss by the diluted weighted average number of shares of common stock outstanding during the period. The diluted weighted average number of shares gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method. Diluted earnings per share exclude all diluted potential shares if their effect is anti-dilutive, including warrants or options which are out-of-the-money and for those periods with a net loss.

For the periods presented, certain options and warrants were in-the-money and others were not. For all periods presented, we have reported a net loss, therefore, the numerator and the denominator used in computing both basic and diluted net loss per share are the same, as to include dilutive shares would have an anti-dilutive effect.

## ***Income Taxes***

We file a consolidated federal income tax return with our subsidiaries. The provision for income taxes is computed by applying statutory rates to income before taxes.

We account for uncertainty in income taxes in our financial statements as required under ASC 740, "Income Taxes." The standard prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The standard also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition accounting. Management determined there were no material uncertain positions taken by us in our tax returns.

Deferred income taxes are recognized for the tax consequences or benefits in future years of temporary differences between the financial reporting and tax basis of assets and liabilities as of each period-end based on enacted tax laws and statutory rates. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

As of September 30, 2025 and December 31, 2024, we had federal net operating loss carry forwards, which can be utilized to offset future federal income tax of approximately \$17.3 million and \$15.2 million, respectively. Section 382 of the Internal Revenue Code limits the utilization of net operating losses during certain ownership changes. We have performed an analysis of our ownership changes and have determined that approximately \$7.1 million of our net operating losses are subject to an annual limitation. We do not expect that Section 382 will limit the utilization of the net operating loss carry forwards in 2025. A portion of the federal and state net operating loss carry forwards expire at various dates through 2037, and a portion of the net operating loss carry forwards have an indefinite carry forward period. We recorded a valuation allowance against all of our deferred tax assets as of both September 30, 2025 and December 31, 2024. We intend to continue maintaining a full valuation allowance on our deferred tax assets until there is sufficient evidence to support the reversal of all or some portion of these allowances. Release of the valuation allowance would result in the recognition of certain deferred tax assets and a decrease to income tax expense for the period the release is recorded. However, the exact timing and amount of the valuation allowance release are subject to change on the basis of the level of profitability that we are able to actually achieve.

## ***Segment Information***

Operating segments are defined in the criteria established under ASC 280, "Segment Reporting," as components of public entities that engage in business activities from which they may earn revenues and incur expenses for which separate financial information is available and which is evaluated regularly by our chief operating decision maker ("CODM") in deciding how to assess performance and allocate resources. Our CODM, the President and Chief Executive Officer, assesses performance and allocates resources based on two operating segments: Document Management and Document Conversion.

The Document Management Segment provides cloud-based and premise-based content services software, including document management and payables automation. Its modular suite of solutions complements existing operating and accounting systems to serve a mission-critical role for organizations to make content secure, compliant, and process-ready. This segment conducts its primary operations in the United States. Markets served include highly regulated, risk and compliance-intensive markets in K-12 education, public safety, other public sector, healthcare, risk management, financial services, and others. Solutions are sold both directly to end-users and through resellers.

The Document Conversion Segment provides services for scanning and indexing, converting images from paper to digital, paper to microfilm, and microfiche to microfilm, as well as long-term physical document storage and retrieval. This segment conducts its primary operations in the United States. Markets served include businesses and state, county, and municipal governments. Solutions are sold both directly to end-users and through resellers.

These segments contain individual business components that have been combined on the basis of common management, customers, solutions offered, service processes and other economic characteristics, as well as how our CODM reviews our operating results in assessing performance and allocating resources. We currently have immaterial intersegment sales. Our CODM evaluates the performance of our segments based on revenues and gross profits. Historically, our selling, general and administrative expenses have been stable and predictable, and further, our CODM primarily considers such expenses in consolidation. Accordingly, our CODM has focused on growing the business while preserving or growing our gross margins, with revenues and gross profits evaluated by segment against targets set by management and the board of directors.

Information by operating segment is as follows:

|                                     | For the three months ended<br>September 30, |                      | For the nine months ended<br>September 30, |                      |
|-------------------------------------|---------------------------------------------|----------------------|--------------------------------------------|----------------------|
|                                     | 2025                                        | 2024                 | 2025                                       | 2024                 |
| <b>Revenues</b>                     |                                             |                      |                                            |                      |
| Document Management                 | \$ 2,017,087                                | \$ 1,913,116         | \$ 5,978,925                               | \$ 5,592,624         |
| Document Conversion                 | 1,984,358                                   | 2,676,509            | 6,280,678                                  | 8,145,678            |
| <b>Total revenues</b>               | <b>\$ 4,001,445</b>                         | <b>\$ 4,589,625</b>  | <b>\$ 12,259,603</b>                       | <b>\$ 13,738,302</b> |
| <b>Cost of revenues</b>             |                                             |                      |                                            |                      |
| Document Management                 | \$ 271,576                                  | \$ 267,761           | \$ 818,670                                 | \$ 771,839           |
| Document Conversion                 | 1,161,965                                   | 1,575,763            | 3,368,131                                  | 4,370,150            |
| <b>Total cost of revenues</b>       | <b>\$ 1,433,541</b>                         | <b>\$ 1,843,524</b>  | <b>\$ 4,186,801</b>                        | <b>\$ 5,141,989</b>  |
| <b>Gross profit</b>                 |                                             |                      |                                            |                      |
| Document Management                 | \$ 1,745,511                                | \$ 1,645,355         | \$ 5,160,255                               | \$ 4,820,785         |
| Document Conversion                 | 822,393                                     | 1,100,746            | 2,912,547                                  | 3,775,528            |
| <b>Total gross profit</b>           | <b>\$ 2,567,904</b>                         | <b>\$ 2,746,101</b>  | <b>\$ 8,072,802</b>                        | <b>\$ 8,596,313</b>  |
| <b>Capital additions, net</b>       |                                             |                      |                                            |                      |
| Document Management                 | \$ 141,991                                  | \$ 276,419           | \$ 376,011                                 | \$ 491,459           |
| Document Conversion                 | 63,973                                      | 20,174               | 301,857                                    | 203,900              |
| <b>Total capital additions, net</b> | <b>\$ 205,964</b>                           | <b>\$ 296,593</b>    | <b>\$ 677,868</b>                          | <b>\$ 695,359</b>    |
|                                     |                                             |                      |                                            |                      |
|                                     |                                             |                      | September 30, 2025                         | December 31, 2024    |
| <b>Goodwill</b>                     |                                             |                      |                                            |                      |
| Document Management                 |                                             | \$ 3,989,645         | \$ 3,989,645                               | \$ 3,989,645         |
| Document Conversion                 |                                             | 1,800,176            | 1,800,176                                  | 1,800,176            |
| <b>Total goodwill</b>               |                                             | <b>\$ 5,789,821</b>  | <b>\$ 5,789,821</b>                        | <b>\$ 5,789,821</b>  |
|                                     |                                             |                      |                                            |                      |
|                                     |                                             |                      | September 30, 2025                         | December 31, 2024    |
| <b>Total assets</b>                 |                                             |                      |                                            |                      |
| Document Management                 |                                             | \$ 9,807,515         | \$ 9,807,515                               | \$ 9,641,347         |
| Document Conversion                 |                                             | 8,182,016            | 8,182,016                                  | 8,933,609            |
| <b>Total assets</b>                 |                                             | <b>\$ 17,989,531</b> | <b>\$ 17,989,531</b>                       | <b>\$ 18,574,956</b> |

### Statement of Cash Flows

For purposes of reporting cash flows, cash includes cash on hand and demand deposits held by banks.

### Reclassifications

Certain amounts reported in prior filings of the consolidated financial statements have been reclassified to conform to current presentation.

#### 4. Intangible Assets

At September 30, 2025, intangible assets consisted of the following:

|                        | Estimated<br>Useful Life | Costs               | Accumulated<br>Amortization | Net                 |
|------------------------|--------------------------|---------------------|-----------------------------|---------------------|
| Trade names            | 10 years                 | \$ 297,000          | \$ (128,742)                | \$ 168,258          |
| Proprietary technology | 10 years                 | 861,000             | (301,350)                   | 559,650             |
| Customer relationships | 5-15 years               | 4,091,000           | (1,791,693)                 | 2,299,307           |
|                        |                          | <u>\$ 5,249,000</u> | <u>\$ (2,221,785)</u>       | <u>\$ 3,027,215</u> |

At December 31, 2024, intangible assets consisted of the following:

|                        | Estimated<br>Useful Life | Costs               | Accumulated<br>Amortization | Net                 |
|------------------------|--------------------------|---------------------|-----------------------------|---------------------|
| Trade names            | 10 years                 | \$ 297,000          | \$ (106,467)                | \$ 190,533          |
| Proprietary technology | 10 years                 | 861,000             | (236,775)                   | 624,225             |
| Customer relationships | 5-15 years               | 4,091,000           | (1,506,729)                 | 2,584,271           |
|                        |                          | <u>\$ 5,249,000</u> | <u>\$ (1,849,971)</u>       | <u>\$ 3,399,029</u> |

Amortization expense for the three and nine months ended September 30, 2025 and September 30, 2024, amounted to \$121,027 and \$371,814, respectively, and \$127,577 and \$382,732, respectively. The following table represents future amortization expense for intangible assets subject to amortization.

| For the Twelve Months Ending September 30, | Amount              |
|--------------------------------------------|---------------------|
| 2026                                       | \$ 391,941          |
| 2027                                       | 326,108             |
| 2028                                       | 314,223             |
| 2029                                       | 305,733             |
| 2030                                       | 298,791             |
| Thereafter                                 | 1,390,419           |
|                                            | <u>\$ 3,027,215</u> |



## 5. Property and Equipment

Property and equipment are comprised of the following:

|                                          | September 30, 2025  | December 31, 2024   |
|------------------------------------------|---------------------|---------------------|
| Computer hardware and purchased software | \$ 2,190,615        | \$ 1,867,024        |
| Leasehold improvements                   | 395,919             | 395,919             |
| Furniture and fixtures                   | 324,296             | 324,296             |
|                                          | 2,910,830           | 2,587,239           |
| Less: accumulated depreciation           | (1,731,465)         | (1,493,372)         |
| Property and equipment, net              | <u>\$ 1,179,365</u> | <u>\$ 1,093,867</u> |

Total depreciation expense on our property and equipment for the three and nine months ended September 30, 2025 and 2024 amounted to \$87,461 and \$238,093, respectively, and \$69,036 and \$194,185, respectively.

## 6. Notes Payable – Unrelated Parties

### *Summary of Notes Payable to Unrelated Parties*

The entire outstanding balance of the Notes Payable to Unrelated Parties was prepaid in full on June 18, 2025. The tables below summarize all notes payable at September 30, 2025 and December 31, 2024, respectively, with the exception of related party notes disclosed in Note 7 “Notes Payable - Related Parties.”

|                                        | September 30, 2025 | December 31, 2024 |
|----------------------------------------|--------------------|-------------------|
| Notes payable – “2022 Unrelated Notes” | \$ -               | \$ 807,331        |
| Less unamortized debt issuance costs   | -                  | (25,395)          |
| Less current portion                   | -                  | (781,936)         |
| Long-term portion of notes payable     | <u>\$ -</u>        | <u>\$ -</u>       |

As of both September 30, 2025 and December 31, 2024, accrued interest for these notes payable with the exception of the related party notes in Note 7, “Notes Payable - Related Parties,” was \$0. As of December 31, 2024, unamortized deferred financing costs and unamortized debt discount were reflected within short term liabilities on the condensed consolidated balance sheets, netted with the corresponding notes payable balance.

With respect to all notes outstanding (other than the notes to related parties), interest expense, including the amortization of debt issuance costs, for the three and nine months ended September 30, 2025 and 2024 was \$0 and \$70,252, respectively, and \$76,681 and \$284,565, respectively.

## 7. Notes Payable - Related Parties

### *Summary of Notes Payable to Related Parties*

The entire outstanding balance of the Notes Payable to Related Parties was prepaid in full on June 18, 2025. The tables below summarize all notes payable to related parties at September 30, 2025 and December 31, 2024:

|                                      | September 30, 2025 | December 31, 2024 |
|--------------------------------------|--------------------|-------------------|
| Notes payable – “2022 Related Notes” | \$ -               | \$ 532,169        |
| Less unamortized debt issuance costs | -                  | (16,657)          |
| Less current portion                 | -                  | (515,512)         |
| Long-term portion of notes payable   | <u>\$ -</u>        | <u>\$ -</u>       |

As of both September 30, 2025 and December 31, 2024, accrued interest for these notes payable – related parties was \$0. As of December 31, 2024, unamortized deferred financing costs and unamortized debt discount were reflected within short term liabilities on the condensed consolidated balance sheets, netted with the corresponding notes payable balance.

With respect to notes payable – related parties outstanding, interest expense, including the amortization of debt issuance costs, for the three and nine months ended September 30, 2025 and 2024 was \$0 and \$74,425, and \$28,526 and \$75,987, respectively.

## 8. Commitments and Contingencies

From time to time we are involved in legal proceedings, claims and litigation related to employee claims, contractual disputes and taxes in the ordinary course of business. Although we cannot predict the outcome of such matters, currently we have no reason to believe the disposition of any current matter could reasonably be expected to have a material adverse impact on our financial position, results of operations or the ability to carry on any of our business activities.

## 9. Stockholders' Equity

### Common Stock

As of September 30, 2025, 4,479,123 shares of common stock were issued and outstanding, 241,260 shares of common stock were reserved for issuance upon the exercise of outstanding warrants, 478,488 shares of common stock were reserved for issuance under our 2015 Equity Incentive Plan, as amended (the "2015 Plan") and our 2024 Equity Incentive Plan, as amended (the "2024 Plan"), and 104,136 shares were reserved for issuance under our 2023 Non-Employee Director Compensation Plan.

We maintain an effective registration statement (the "Registration Statement") covering up to \$12.9 million of common stock, warrants, and units. The Registration Statement includes a prospectus covering the offer, issuance and sale of up to \$10.0 million in our common stock from time to time in "at-the-market offerings" pursuant to an At the Market Agreement (the "ATM Program") with Lucid Capital Markets, LLC ("Lucid") as our sales agent. As of September 30, 2025, we have sold 145,938 shares of our common stock pursuant to the ATM Program and received aggregate net proceeds totaling \$1,621,325. As of November 12, 2025, approximately \$8.2 million remained available under the ATM Program.

The following table describes the shares and warrants issued as part of our 2022 private placement:

| Issuance of Common Stock | Issue Date    | Shares Issued | Price per share | Warrants Issued | Warrant Exercise Price | Warrant Fair Value |
|--------------------------|---------------|---------------|-----------------|-----------------|------------------------|--------------------|
| Private Placement 2022   | April 1, 2022 | 1,242,588     | \$ 4.62         | 124,258         | \$ 4.62                | \$ 3.91            |

Amortization of the debt issuance costs for the Private Placement 2022 offering was recorded at \$0 and \$42,052 for the three and nine months ended September 30, 2025, and at \$47,559 and \$142,091 for the three and nine months ended September 30, 2024.

### Warrants

The following sets forth the warrants to purchase our common stock that were outstanding as of September 30, 2025:

| Warrants Outstanding | Warrant Exercise Price | Warranty Expiry    |
|----------------------|------------------------|--------------------|
| 109,560              | \$ 4.62                | March 30, 2027 (1) |
| 95,500               | \$ 4.00                | March 30, 2027 (1) |
| 16,000               | \$ 9.00                | March 30, 2027 (1) |
| 17,200               | \$ 12.50               | March 30, 2027 (1) |
| 3,000                | \$ 15.00               | March 30, 2027 (2) |

(1) Issued to the placement agent in connection with private placements of our convertible promissory notes.

(2) Issued to certain 5% stockholders.

A summary of warrant activity during the nine months ended September, 2025 and 2024 is as follows:

|                                                   | Warrants |
|---------------------------------------------------|----------|
| Outstanding at January 1, 2025                    | 255,958  |
| Exercised                                         | (14,698) |
| Outstanding and Exercisable at March 31, 2025     | 241,260  |
| Exercised                                         | -        |
| Outstanding and Exercisable at June 30, 2025      | 241,260  |
| Exercised                                         | -        |
| Outstanding and Exercisable at September 30, 2025 | 241,260  |

10. Stock-Based Compensation

From time to time, we issue stock options and restricted stock as compensation for services rendered by our directors and employees.

Restricted Stock

On March 28, 2025, we granted 73,000 shares of restricted common stock to certain employees. The grants of restricted common stock were made in accordance with the 2015 Plan and 2024 Plan and were subject to vesting, as follows: 24,327 shares vested on March 28, 2025; 24,327 shares vest on March 28, 2026, and 24,346 shares vest on March 28, 2027. As of March 28, 2025, 6,872 shares, representing an amount of \$83,299, were surrendered to the Company by grant recipients in satisfaction of tax withholding obligations, and subsequently cancelled.

On March 19, 2024, we granted 127,500 shares of restricted common stock to certain employees. The grants of restricted common stock were made in accordance with the 2015 Plan and were subject to vesting, as follows: 42,495 shares vested on March 19, 2024; 42,495 shares vest on April 2, 2025, and 42,510 shares vest on April 2, 2026. As of April 2, 2025, 12,599 shares, representing an amount of \$179,925, were surrendered to the Company by grant recipients in satisfaction of tax withholding obligations, and subsequently cancelled. As of April 2, 2024, 10,315 shares, representing an amount of \$69,526 were surrendered to the Company by grant recipients in satisfaction of tax withholding obligations, and subsequently cancelled.

Stock compensation is being recognized over the vesting period. For the three and nine months ended September 30, 2025, \$156,558 and \$743,977, respectively, was recorded on the issuance of the common stock. For the three and nine months ended September 30, 2024, respectively, \$136,019 and \$669,937 was recorded on the issuance of the common stock.

Stock Options

On June 21, 2025, we granted non-employee directors stock options to purchase 27,000 shares at an exercise price of \$12.88 per share under the 2023 Non-Employee Director Compensation Plan. The options fully vested upon grant. The total fair value of \$246,282 for these stock options was recognized as expense upon grant.

The weighted-average grant date fair value of options granted during the nine months ended September 30, 2025 was \$9.12. The assumptions that were used in calculating such values, were based on estimates at the grant date in the table as follows:

|                         | Grant Date<br>June 21, 2025 |
|-------------------------|-----------------------------|
| Risk-free interest rate | 3.96%                       |
| Expected term           | 5 years                     |
| Expected volatility     | 88.39%                      |
| Expected dividend yield | 0.00%                       |

On August 16, 2024, we granted non-employee directors stock options to purchase 36,000 shares at an exercise price of \$8.78 per share, the fair market value of the shares on the grant date, under the 2023 Non-Employee Director Compensation Plan, with 100% vesting upon grant. The total fair value of \$241,735 for these stock options was recognized upon grant. On September 4, 2024, we granted employees stock options to purchase 14,500 shares at an exercise price of \$10.12 per share, the fair market value of the shares on the grant date, under the 2015 Plan, with annual vesting through 2027 based on service time. The total fair value of \$118,347 for these stock options is being recognized over the vesting period.

The weighted-average grant date fair value of options granted during the nine months ended September 30, 2024 was \$7.13. The assumptions that were used in calculating such values, were based on estimates at the grant date in the table as follows:

|                                | Grant Date<br>August 16, 2024 | Grant Date<br>September 4, 2024 |
|--------------------------------|-------------------------------|---------------------------------|
| Risk-free interest rate        | 3.77%                         | 3.61%                           |
| Weighted average expected term | 5 years                       | 6 years                         |
| Expected volatility            | 100.97%                       | 101.00%                         |
| Expected dividend yield        | 0.00%                         | 0.00%                           |

A summary of stock option activity during the nine months ended September 30, 2025 and 2024 is as follows:

|                                   | Shares<br>Under<br>Option | Weighted-<br>Average<br>Exercise<br>Price | Weighted-<br>Average<br>Remaining<br>Contractual<br>Life |
|-----------------------------------|---------------------------|-------------------------------------------|----------------------------------------------------------|
| Outstanding at January 1, 2025    | 374,411                   | \$ 6.22                                   | 8 years                                                  |
| Exercised                         | (37,488)                  | 5.13                                      |                                                          |
| Granted                           | 27,000                    | 12.88                                     |                                                          |
| Outstanding at September 30, 2025 | 363,923                   | \$ 6.83                                   | 7 years                                                  |
| Exercisable at September 30, 2025 | 354,208                   | \$ 6.74                                   | 6 years                                                  |

|                                   | Shares<br>Under Option | Weighted-<br>Average<br>Exercise<br>Price | Weighted-<br>Average<br>Remaining<br>Contractual<br>Life |
|-----------------------------------|------------------------|-------------------------------------------|----------------------------------------------------------|
| Outstanding at January 1, 2024    | 357,887                | \$ 5.69                                   | 8 years                                                  |
| Granted                           | 50,500                 | 9.16                                      |                                                          |
| Forfeited                         | (4,000)                | 4.63                                      |                                                          |
| Outstanding at September 30, 2024 | 404,387                | \$ 6.14                                   | 7 years                                                  |
| Exercisable at September 30, 2024 | 314,888                | \$ 5.97                                   | 7 years                                                  |

During the three and nine months ended September 30, 2025 and 2024, stock-based compensation for options was \$9,862 and \$387,914, respectively, and \$354,006 and \$584,918, respectively.

As of September 30, 2025 and December 31, 2024, there were \$75,612 and \$213,247, respectively, of total unrecognized compensation costs related to stock options granted under our stock option agreements. The unrecognized compensation cost is expected to be recognized over a weighted-average period of two years. The total fair value of stock options that vested during the nine months ended September 30, 2025 and 2024 was \$676,102 and \$696,620, respectively.

## 11. Concentrations

Revenues from a limited number of customers have accounted for a substantial percentage of our total revenues. During the three months ended September 30, 2025 our largest customer, the State of Michigan, accounted for 38% of our total revenues. During the three months ended September 30, 2024 our two largest customers, the State of Michigan and Applied Innovation, accounted for 35% and 12%, respectively, of our total revenues. During the nine months ended September 30, 2025 and 2024, our largest customer, the State of Michigan, accounted for 39% and 41%, respectively, of our total revenues.

For the three months ended September 30, 2025 and 2024, government contracts, including K-12 education, represented approximately 78% and 72%, respectively, of our net revenues. For the nine months ended September 30, 2025 and 2024, government contracts, including K-12 education, represented approximately 77% and 82%, respectively, of our net revenues. A significant portion of our sales to resellers represent ultimate sales to government or K-12 education.

As of September 30, 2025, accounts receivable concentration from our largest customer was 56% of our gross accounts receivable, compared to 58% for our largest customer as of December 31, 2024.

## ITEM 2 MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial conditions and results of operations should be read together with our condensed consolidated financial statements and notes thereto included in Part I, Item 1, “*Financial Statements*,” of this Quarterly Report on Form 10-Q, and with the condensed consolidated financial statements and notes thereto and Management’s Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024. Historical results and percentage relationships among any amounts in the financial statements are not necessarily indicative of trends in operating results for any future periods. Any forward-looking statements in this discussion and analysis should be read in conjunction with the information set forth in “Note Regarding Forward-Looking Statements” elsewhere herein. In this Quarterly Report, we sometimes refer to the three and nine-month periods ended September 30, 2025 as the third quarter 2025 and the nine-month period 2025 respectively, and to the three and nine-month periods ended September 30, 2024 as the third quarter 2024 and the nine-month period 2024.

### Company Overview

We are a document services and software solutions company serving both the small-to-medium business and governmental sectors with their digital transformation and process automation initiatives. Our digital transformation products and services are provided through two reporting segments: Document Management and Document Conversion. Our Document Management segment consists primarily of solutions involving our software platform, allowing customers to capture and manage their documents across operations such as scanned hard-copy documents and digital documents including those from Microsoft Office 365, digital images, audio, video and emails. Our Document Conversion segment provides assistance to customers as a part of their overall document strategy to convert documents from one medium to another, predominantly paper to digital, including migration to our software solutions, as well as micrographics conversions and long-term storage and retrieval services. Our solutions create value for customers by making it easy to connect business-critical documents to the people who need them by making those documents easy to find and access, while also being secure and compliant with the customers’ audit requirements. Solutions are sold both directly to end-users and through resellers.

Our customers use our software by one of two methods: purchasing our software and installing it onto their own equipment, which we refer to as a “premise” model, or licensing and accessing our platform via the Internet, which we refer to as a “software as a service” or “SaaS” model and also as a “cloud-based” model. Licensing of our software through our SaaS model has become increasingly popular among our customers, especially in light of the increased deployment of remote workforce policies and is a key ingredient in our revenue growth strategy. Our SaaS products are hosted with Amazon Web Services, Expedient, and Corespace, providing our customers with reliable hosting services that we believe are consistent with industry best practices in data security and performance.

We operate a U.S.-based business with concentrated sales to the State of Michigan for our Document Conversion segment, complemented by our diverse set of document management software solutions and services. We hold or compete for leading positions regionally in select markets and attribute this leadership to several factors including the strength of our brand name and reputation, our comprehensive offering of innovative solutions, and the quality of our service support. Net growth in sales of software as a service in recent years reflects market demand for these solutions over traditional sales of on-premise software. We expect to continue to benefit from our select niche leadership market positions, innovative product offerings, growing customer base, and the impact of our sales and marketing programs. Examples of these programs include identifying and investing in growth and expanded market penetration opportunities, more effective products and services pricing strategies, demonstrating superior value to customers, increasing our sales force effectiveness through improved guidance and measurement, and continuing to optimize our lead generation and lead nurturing processes.

For further information about our consolidated revenue and earnings, please see our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report.

### How We Evaluate our Business Performance and Opportunities

There has been no material change during the nine-month period 2025 to the major qualitative and quantitative factors we consider in the evaluation of our operating results as set forth in Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations — *How We Evaluate our Business Performance and Opportunities*” of our Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

## Executive Overview of Results

Our 2025 results reflect the impact of two unrelated factors affecting our revenue. First, our document conversion segment was negatively impacted by a temporary reduction in volume prior to our June 1, 2025 contract renewal with our largest customer. We have since taken orders to refill the backlog and expect production to resume at more historical levels. Second and to a much lesser degree, our document management segment faced longer lead times to secure orders due to economic uncertainty, primarily in our homebuilder construction and K-12 education vertical markets, hindering the growth of our SaaS solutions in those markets. Our gross margins remained stable by revenue source, as well as increasing as percentage of revenue overall for both the third quarter 2025 and the nine-month period 2025 over the respective 2024 periods primarily from relatively more high-margin revenues, like SaaS.

Below are our key financial results for the third quarter 2025 (consolidated unless otherwise noted):

- Revenues were \$4,001,445, representing revenue reduction of 12.8% year over year.
- SaaS revenues were \$1,608,253, representing revenue growth of 14.6% year over year.
- Cost of revenues was \$1,433,541, a decrease of 22.2% year over year.
- Operating expenses (excluding cost of revenues) were \$2,947,128, a decrease of 3.2% year over year.
- Loss from operations was \$379,224, compared to loss from operations of \$298,211 in third quarter 2024.
- Net loss was \$369,765 with basic and diluted net loss per share of \$0.08, compared to net loss of \$392,850 in third quarter 2024 with basic and diluted net loss per share of \$0.09.
- Operating cash provided was \$1,351,190, compared to \$1,933,562 in third quarter 2024.
- Investing activities, including both capitalization of internal use software and purchases of property and equipment, were \$205,964, compared to \$296,593 in third quarter 2024.

Below are our key financial results for the nine-month period 2025 (consolidated unless otherwise noted):

- Revenues were \$12,259,603, representing revenue reduction of 10.8% year over year.
- SaaS revenues were \$4,727,526, representing revenue growth of 12.3% year over year.
- Cost of revenues was \$4,186,801, a decrease of 18.6% year over year.
- Operating expenses (excluding cost of revenues) were \$9,645,063, an increase of 10.1% year over year.

- Loss from operations was \$1,572,261, compared to loss from operations of \$160,585 for the nine-month period 2024.
- Net loss was \$1,664,920 with basic and diluted net loss per share of \$0.39, compared to net loss of \$492,514 with basic and diluted net loss per share of \$0.12, respectively, for the nine-month period 2024.
- Net cash provided by operating activities was \$1,463,711, compared to \$3,721,943 for the nine-month period 2024.
- Investing activities, including both capitalization of internal use software and purchases of property and equipment, were \$677,868, compared to \$695,359 for the nine-month period 2024.
- As of September 30, 2025, we had 162 employees, including 21 part-time employees, compared to 199 employees, including 32 part-time employees, as of September 30, 2024.

### **Financial Impact of Current Economic Conditions**

Our overall performance depends on economic conditions, and the level to which we can implement our growth plans will be due in part to continued growth in the US economy and stability of state and local governmental spending in the US. We do not have direct risk exposure to federal spending levels, but we could face exposure indirectly if federal spending reductions have a corresponding effect on state and local budgets, particularly in the K-12 Education sector. Our performance will also continue to be affected by uncertainty with respect to wage inflation, as well as slowing-to-modest global growth rates.

Volatility from increased trade protectionism is likely to have a minimal direct impact on us because we consume relatively little in raw materials. However, we have customers in industries that have been affected, such as homebuilding and construction. Additionally, the homebuilding and construction industries continue to be affected by a higher interest rate environment. Industry-specific or macroeconomic downturns affected and could continue to affect our customers' and potential customers' budgets for technology procurement and continue to stall our growth plans. Absent further economic disruptions, and based on the current trend of our business operations and our continued focus on strategic initiatives to grow our customer base, we believe in the strength of our brand and our focus on our strategic priorities.

### **Uncertainties, Trends, and Risks that can cause Fluctuations in our Operating Results**

Our operating results have fluctuated significantly in the past and are expected to continue to fluctuate in the future due to a variety of factors, in addition to economic conditions, that are discussed in Part II, Item 7, *"Management's Discussion and Analysis of Financial Condition and Results of Operations - Uncertainties, Trends, and Risks that can cause Fluctuations in our Operating Results"* of our Annual Report on Form 10-K for the fiscal year ended December 31, 2024. Due to all these factors and the other risks discussed in Part I, Item 1A, *"Risk Factors"* of our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, our past results of operations should not be relied upon as an indication of our future performance. Comparisons of our operating results with prior periods is not necessarily meaningful or indicative of future performance.

### **Reportable Segments**

We have two reportable segments: Document Management and Document Conversion. These reportable segments are discussed above under "Company Overview."



## Results of Operations

### Revenues

The following table sets forth our revenues by reportable segment for the periods indicated:

|                     | For the three months ended<br>September 30, |                     | For the nine months ended<br>September 30, |                      |
|---------------------|---------------------------------------------|---------------------|--------------------------------------------|----------------------|
|                     | 2025                                        | 2024                | 2025                                       | 2024                 |
| Revenues by segment |                                             |                     |                                            |                      |
| Document Management | \$ 2,017,087                                | \$ 1,913,116        | \$ 5,978,925                               | \$ 5,592,624         |
| Document Conversion | 1,984,358                                   | 2,676,509           | 6,280,678                                  | 8,145,678            |
| Total revenues      | <u>\$ 4,001,445</u>                         | <u>\$ 4,589,625</u> | <u>\$ 12,259,603</u>                       | <u>\$ 13,738,302</u> |

The following table sets forth our revenues by revenue source for the periods indicated:

|                                | For the three months ended<br>September 30, |                     | For the nine months ended<br>September 30, |                      |
|--------------------------------|---------------------------------------------|---------------------|--------------------------------------------|----------------------|
|                                | 2025                                        | 2024                | 2025                                       | 2024                 |
| Revenues:                      |                                             |                     |                                            |                      |
| Software as a service          | \$ 1,608,253                                | \$ 1,403,942        | \$ 4,727,526                               | \$ 4,209,686         |
| Software maintenance services  | 310,144                                     | 352,066             | 975,794                                    | 1,064,015            |
| Professional services          | 1,881,975                                   | 2,613,564           | 5,939,909                                  | 7,776,312            |
| Storage and retrieval services | 201,073                                     | 220,053             | 616,374                                    | 688,289              |
| Total revenues                 | <u>\$ 4,001,445</u>                         | <u>\$ 4,589,625</u> | <u>\$ 12,259,603</u>                       | <u>\$ 13,738,302</u> |

The following table sets forth our revenues by revenue source and segment for the periods indicated:

|                                            | For the three months ended<br>September 30, |                     | For the nine months ended<br>September 30, |                     |
|--------------------------------------------|---------------------------------------------|---------------------|--------------------------------------------|---------------------|
|                                            | 2025                                        | 2024                | 2025                                       | 2024                |
| Document management segment revenues:      |                                             |                     |                                            |                     |
| Software as a service                      | \$ 1,608,253                                | \$ 1,403,942        | \$ 4,727,526                               | \$ 4,209,686        |
| Software maintenance services              | 310,144                                     | 352,066             | 975,794                                    | 1,064,015           |
| Professional services                      | 98,690                                      | 157,108             | 275,605                                    | 318,923             |
| Total document management segment revenues | <u>\$ 2,017,087</u>                         | <u>\$ 1,913,116</u> | <u>\$ 5,978,925</u>                        | <u>\$ 5,592,624</u> |

|                                            | For the three months ended<br>September 30, |                     | For the nine months ended<br>September 30, |                     |
|--------------------------------------------|---------------------------------------------|---------------------|--------------------------------------------|---------------------|
|                                            | 2025                                        | 2024                | 2025                                       | 2024                |
| Document conversion segment revenues:      |                                             |                     |                                            |                     |
| Professional services                      | \$ 1,783,285                                | \$ 2,456,456        | \$ 5,664,304                               | \$ 7,457,389        |
| Storage and retrieval services             | 201,073                                     | 220,053             | 616,374                                    | 688,289             |
| Total document conversion segment revenues | <u>\$ 1,984,358</u>                         | <u>\$ 2,676,509</u> | <u>\$ 6,280,678</u>                        | <u>\$ 8,145,678</u> |

Revenues were down for the third quarter and nine-month period 2025 by \$588,180, or 12.8%, and \$1,478,699, or 10.8%, respectively, primarily driven by a reduction in professional services in our document conversion segment. Professional services were negatively impacted by a temporary reduction in volume prior to our June 1, 2025 contract renewal with our largest customer. This reduction more than offset our SaaS growth.

#### *Software as a Service Revenues*

We provide access to our software solutions as a service, accessible through the internet. Our customers typically enter into our software as a service agreement for periods of one year or more. Under these agreements, we generally provide access to the applicable software, data storage and related customer assistance and support. Revenues from the sale of software as a service, which are reported as part of our Document Management segment increased by \$204,311, or 14.6%, in the third quarter 2025 compared to the third quarter 2024 and increased by \$517,840, or 12.3% in the nine-month period 2025 compared to the nine-month period 2024. This increase was primarily the result of new payables automation customers.

#### *Professional Services Revenues*

Professional services revenues primarily consist of revenues from document scanning and conversion services, plus consulting, discovery, training, and advisory services to assist customers with document management needs. These revenues include arrangements that do not involve the sale of software. Of our professional services revenues during the third quarter 2025 and nine-month period 2025, our Document Conversion operations contributed \$1,783,285 and \$5,664,304, respectively, and our Document Management operations contributed \$98,690 and \$275,605, respectively. Our overall professional services revenues decreased by \$731,589, or 28.0%, in the third quarter 2025 compared to the third quarter 2024 and decreased by \$1,836,403, or 23.6%, in the nine-month period 2025 compared to the nine-month period 2024. This decrease is the result of reduced scanning projects in our Document Conversion segment, due to timing of projects, which experienced an unusually low ebb in backlog that corresponded with the expiry of our prior contract with our largest customer, prior to the renewal on June 1, 2025. We have since taken orders to refill the backlog and expect production to begin to ramp up back to more historical levels in Q4 2025.

## Costs of Revenues and Gross Profits

The following table sets forth our cost of revenues by reportable segment for the periods indicated:

|                             | For the three months ended<br>September 30, |                     | For the nine months ended<br>September 30, |                     |
|-----------------------------|---------------------------------------------|---------------------|--------------------------------------------|---------------------|
|                             | 2025                                        | 2024                | 2025                                       | 2024                |
| Cost of revenues by segment |                                             |                     |                                            |                     |
| Document Management         | \$ 271,576                                  | \$ 267,761          | \$ 818,670                                 | \$ 771,839          |
| Document Conversion         | 1,161,965                                   | 1,575,763           | 3,368,131                                  | 4,370,150           |
| Total cost of revenues      | <u>\$ 1,433,541</u>                         | <u>\$ 1,843,524</u> | <u>\$ 4,186,801</u>                        | <u>\$ 5,141,989</u> |

The following table sets forth our cost of revenues, by revenue source, for the periods indicated:

|                                | For the three months ended<br>September 30, |                     | For the nine months ended<br>September 30, |                     |
|--------------------------------|---------------------------------------------|---------------------|--------------------------------------------|---------------------|
|                                | 2025                                        | 2024                | 2025                                       | 2024                |
| Cost of revenues:              |                                             |                     |                                            |                     |
| Software as a service          | \$ 242,409                                  | \$ 228,923          | \$ 704,589                                 | \$ 662,501          |
| Software maintenance services  | 13,504                                      | 13,743              | 42,847                                     | 42,817              |
| Professional services          | 1,119,255                                   | 1,492,131           | 3,214,568                                  | 4,179,336           |
| Storage and retrieval services | 58,373                                      | 108,727             | 224,797                                    | 257,335             |
| Total cost of revenues         | <u>\$ 1,433,541</u>                         | <u>\$ 1,843,524</u> | <u>\$ 4,186,801</u>                        | <u>\$ 5,141,989</u> |

The following table sets forth our cost of revenues, by revenue source and segment, for the periods indicated:

|                                                    | For the three months ended<br>September 30, |                   | For the nine months ended<br>September 30, |                   |
|----------------------------------------------------|---------------------------------------------|-------------------|--------------------------------------------|-------------------|
|                                                    | 2025                                        | 2024              | 2025                                       | 2024              |
| Document management segment cost of revenues:      |                                             |                   |                                            |                   |
| Software as a service                              | \$ 242,409                                  | \$ 228,923        | \$ 704,589                                 | \$ 662,501        |
| Software maintenance services                      | 13,504                                      | 13,743            | 42,847                                     | 42,817            |
| Professional services                              | 15,663                                      | 25,095            | 71,234                                     | 66,521            |
| Total document management segment cost of revenues | <u>\$ 271,576</u>                           | <u>\$ 267,761</u> | <u>\$ 818,670</u>                          | <u>\$ 771,839</u> |

|                                                    | For the three months ended<br>September 30, |                     | For the nine months ended<br>September 30, |                     |
|----------------------------------------------------|---------------------------------------------|---------------------|--------------------------------------------|---------------------|
|                                                    | 2025                                        | 2024                | 2025                                       | 2024                |
| Document conversion segment cost of revenues:      |                                             |                     |                                            |                     |
| Professional services                              | \$ 1,103,592                                | \$ 1,467,036        | \$ 3,143,334                               | \$ 4,112,815        |
| Storage and retrieval services                     | 58,373                                      | 108,727             | 224,797                                    | 257,335             |
| Total document conversion segment cost of revenues | <u>\$ 1,161,965</u>                         | <u>\$ 1,575,763</u> | <u>\$ 3,368,131</u>                        | <u>\$ 4,370,150</u> |

Our total cost of revenues during the third quarter 2025 decreased by \$409,983, or 22.2%, over third quarter 2024 and decreased by \$955,188, or 18.6%, during the nine-month period 2025 over the nine-month period 2024. Our cost of revenues for our Document Management segment increased by \$3,815, or 1.4%, in the third quarter 2025 compared to the third quarter 2024 and increased 46,831, or 6.1%, in the nine-month period 2025 compared to the nine-month period 2024 increasing in line with expectations relative to the revenue growth in that segment. Our cost of revenues for our Document Conversion segment decreased by \$413,798, or 26.3%, in the third quarter 2025 compared to the third quarter 2024 and decreased by \$1,002,019, or 22.9%, during the nine-month period 2025 compared to the nine-month period 2024 corresponding to the decreased work volume.

|                                | For the three months ended<br>September 30, |                     | For the nine months ended<br>September 30, |                     |
|--------------------------------|---------------------------------------------|---------------------|--------------------------------------------|---------------------|
|                                | 2025                                        | 2024                | 2025                                       | 2024                |
| Gross profit by segment        |                                             |                     |                                            |                     |
| Document Management            | \$ 1,745,511                                | \$ 1,645,355        | \$ 5,160,255                               | \$ 4,820,785        |
| Document Conversion            | 822,393                                     | 1,100,746           | 2,912,547                                  | 3,775,528           |
| Total gross profit             | <u>\$ 2,567,904</u>                         | <u>\$ 2,746,101</u> | <u>\$ 8,072,802</u>                        | <u>\$ 8,596,313</u> |
|                                | For the three months ended<br>September 30, |                     | For the nine months ended<br>September 30, |                     |
|                                | 2025                                        | 2024                | 2025                                       | 2024                |
| Gross profit:                  |                                             |                     |                                            |                     |
| Software as a service          | \$ 1,365,844                                | \$ 1,175,019        | \$ 4,022,937                               | \$ 3,547,185        |
| Software maintenance services  | 296,640                                     | 338,323             | 932,947                                    | 1,021,198           |
| Professional services          | 762,720                                     | 1,121,433           | 2,725,341                                  | 3,596,976           |
| Storage and retrieval services | 142,700                                     | 111,326             | 391,577                                    | 430,954             |
| Total gross profit             | <u>\$ 2,567,904</u>                         | <u>\$ 2,746,101</u> | <u>\$ 8,072,802</u>                        | <u>\$ 8,596,313</u> |
| Gross profit percentage:       |                                             |                     |                                            |                     |
| Software as a service          | 84.9%                                       | 83.7%               | 85.1%                                      | 84.3%               |
| Software maintenance services  | 95.6%                                       | 96.1%               | 95.6%                                      | 96.0%               |
| Professional services          | 40.5%                                       | 42.9%               | 45.9%                                      | 46.3%               |
| Storage and retrieval services | 71.0%                                       | 50.6%               | 63.5%                                      | 62.6%               |
| Total gross profit percentage  | 64.2%                                       | 59.8%               | 65.8%                                      | 62.6%               |

Our overall gross profit percentage increased to 64.2% in the third quarter 2025 from 59.8% in the third quarter 2024, and increased to 65.8% for the nine-month period 2025 from 62.6% for the nine-month period 2024. The mix of revenues by source contributed favorably; with more of the higher margin SaaS revenue relative to the lower margin professional services revenue compared to 2024. Within each revenue line item, margins were stable, other than professional services, which realized unusually low margins on a significant project in the third quarter 2025. The single, significant project was from our expanding revenue through a partner and our acceptance of this project with atypical parameters which was not scoped correctly.

#### *Cost of Software as a Service*

Cost of software as a service, or SaaS, consists primarily of technical support personnel, hosting services, and related costs. Cost of software as a service during the third quarter 2025 increased by \$13,486, or 5.9%, from the third quarter 2024 and increased by \$42,088, or 6.4%, during the nine-month period 2025 over the nine-month period 2024. This increase in the cost of SaaS is in line with the revenue growth, with normal fluctuations based on support demand volumes. Our gross margin in the third quarter 2025 increased to 84.9% compared to 83.7% in the third quarter 2024 and increased to 85.1% in the nine-month period 2025 compared to 84.3% during the nine-month period 2024.

#### *Cost of Professional Services*

Cost of professional services consists primarily of compensation for employees performing the document conversion services, compensation of our software engineers and implementation consultants and related third-party costs. Cost of professional services during the third quarter 2025 decreased by \$372,876, or 25.0%, from the third quarter 2024 and decreased in the nine-month period 2025 by \$964,768, or 23.1%, from the nine-month period 2024. The decrease in cost of sales was in line with the decrease in revenues, driven by our Document Conversion segment. Gross margins related to both consulting services in Document Management and digital transformation services in Document Conversion may vary widely, depending upon the nature of the project and the amount of labor required to complete a project, but remained stable for the periods reported, except for the third quarter 2025, where a significant project delivered unusually low margins due to atypical parameters which were not scoped correctly. Our gross margins in professional services decreased to 40.5% in the third quarter 2025 compared to 42.9% in the third quarter 2024 and slightly decreased to 45.9% during the nine-month period 2025 compared to 46.3% in the nine-month period 2024.

## Operating Expenses

The following table sets forth our operating expenses for the periods indicated:

|                               | For the Three Months Ended<br>September 30, |                     | For the Nine Months Ended<br>September 30, |                     |
|-------------------------------|---------------------------------------------|---------------------|--------------------------------------------|---------------------|
|                               | 2025                                        | 2024                | 2025                                       | 2024                |
| Operating expenses:           |                                             |                     |                                            |                     |
| General and administrative    | \$ 2,015,713                                | \$ 2,054,089        | \$ 6,629,109                               | \$ 6,155,967        |
| Sales and marketing           | 615,969                                     | 702,500             | 2,085,381                                  | 1,774,560           |
| Depreciation and amortization | 315,446                                     | 287,723             | 930,573                                    | 826,371             |
| Total operating expenses      | <u>\$ 2,947,128</u>                         | <u>\$ 3,044,312</u> | <u>\$ 9,645,063</u>                        | <u>\$ 8,756,898</u> |

### General and Administrative Expenses

General and administrative expenses during the third quarter 2025 decreased by 38,376, or 1.9%, from the third quarter 2024, and increased in the nine-month period 2025 by \$473,142, or 7.7%, over the nine-month period 2024. The increase over the nine-month period 2024 is primarily related to investments made in order to scale, including our expanded System and Organization Controls 2 (SOC2) process with additional monitoring and controls, expanding our development team in order to accelerate SaaS solution enhancements, and some one-time items such as recruiting fees as we expand our team, all which are partially offset by reduced bonus expense and reduced share-based compensation expense in the nine-month period 2025 from 2024.

Additionally, share-based compensation expense in total continues to be a significant portion of general and administrative expenses, amounting to \$1,131,891 in the nine-month period 2025 and \$1,254,856 in the nine-month period 2024. A portion of share-based compensation expense pertains to payments to taxing authorities in connection with shares directly withheld from employees, and is reported in our condensed consolidated statements of cash flow under cash flows from financing activities.

In our Document Management segment, our general and administrative expenses decreased to \$1,041,845 in the third quarter 2025 compared to \$1,189,789 in the third quarter 2024, and increased to \$3,614,622 in the nine-month period 2025 compared to \$3,539,330 in the nine-month period 2024. In our Document Conversion segment, our general and administrative expenses increased to \$973,868 in the third quarter 2025 compared to \$864,300 in the third quarter 2024, and increased to \$3,014,487 in the nine-month period 2025 compared to \$2,616,637 in the nine-month period 2024.

### Sales and Marketing Expenses

Sales and marketing expenses during the third quarter 2025 decreased by \$86,531, or 12.3%, from the third quarter 2024 and increased by \$310,821, or 17.5%, during the nine-month period 2025 compared to the nine-month period 2024. The reduced third quarter expense is driven primarily by timing of reduced bonus and commission expense, corresponding to lower sales revenues. The nine-month increase is driven by the expansion of our sales team and marketing expenditures as part of our investments intended to accelerate our sales revenues.

### Depreciation and Amortization

Depreciation and amortization during the third quarter 2025 increased by \$27,723, or 9.6%, over the third quarter 2024 and increased by \$104,202, or 12.6%, during the nine-month period 2025 over the nine-month period 2024 as a result of increased amortization of capitalized software costs and increased depreciation on upgraded system infrastructure assets.

### Other Items of Income and Expense

#### Interest Expense, Net

Interest income in the third quarter 2025 was \$9,459 compared to interest expense of \$94,639 in the third quarter 2024. During the nine-month period 2025, interest expense decreased by \$239,270, or 72.1% as compared to the nine-month period 2024. The decrease resulted from reduced interest resulting from principal repayments in March, June, and August 2024 and culminating in June 2025 with full repayment of notes payable.

## **Liquidity and Capital Resources**

We have financed our operations primarily through a combination of cash on hand, cash generated from operations, borrowings from third parties and related parties, and proceeds from public and private sales of equity. Since 2012, we have raised a net total of approximately \$23.1 million in cash through issuances of equity securities and a further \$5.0 million in cash through issuances of debt securities, of which all have been repaid as of June 18, 2025.

In recent years we engaged in several actions that significantly improved our liquidity and cash flows, including (i) effective June 1, 2025 through May 31, 2030, securing a renewal contract with our largest customer, (ii) on May 28, 2025, commencing an at-the-market offering, discussed below, and (iii) repaying all of our debt securities as of June 18, 2025.

At September 30, 2025, we had \$3.2 million in cash and cash equivalents and a working capital deficit of \$0.1 million, of which the largest liability was \$3.6 million in deferred revenues. Additionally, at September 30, 2025 and December 31, 2024 we had approximately \$0.7 million and \$1.3 million, respectively, in unbilled accounts receivable. Due to certain customer terms regarding acceptance for certain projects, we have a number of projects for which all of the document conversion work is completed, and the associated revenue has been recognized, but we are unable to invoice until the customer has received and approved the images. The unbilled accounts receivable balance is also affected by the timing of completion of major projects. Based on our current plans and assumptions, we believe our capital resources, including our cash and cash equivalents, along with funds expected to be generated from our operations and potential financing options, will be sufficient to meet our anticipated cash flow needs for at least the next 12 months. However, our future cash resources and capital requirements may vary materially from those now planned.

### ***At-the-Market Offering***

We maintain an effective registration statement (the “Registration Statement”) covering up to \$12.9 million of common stock, warrants, and units. The Registration Statement includes a prospectus covering the offer, issuance and sale of up to \$10.0 million in our common stock from time to time in “at-the-market offerings” pursuant to an At the Market Agreement (the “ATM Program”) with Lucid Capital Markets, LLC (“Lucid”) as our sales agent. We have sold 139,945 and 5,993 shares of our common stock pursuant to the ATM Program during the second and third quarters 2025, respectively, and received aggregate net proceeds totaling \$1,621,325. As of the filing date of this Quarterly Report, 2025, approximately \$8.2 million remained available under the ATM Program.

### ***Indebtedness***

On June 18, 2025, we repaid the remaining outstanding principal and interest on our 2022 Notes. See Note 6 and Note 7 to our condensed consolidated financial statements included in Part 1, Item 1 of this Quarterly Report for further information on the 2022 Notes.

### ***Capital Expenditures***

There were no material commitments for capital expenditures at September 30, 2025.

### ***Cash Provided by Operating Activities***

Net cash provided by operating activities during the nine-month period 2025 was \$1,463,711, primarily attributable to the net income adjusted for non-cash expenses of \$2,198,402, a decrease in operating assets of \$678,393 and an increase in operating liabilities of \$251,836. Net cash provided by operating activities during the nine-month period 2024 was \$3,721,943, primarily attributable to the net income adjusted for non-cash expenses of \$2,273,225, a decrease in operating assets of \$780,011 and an increase in operating liabilities of \$1,161,221.

### ***Cash Used by Investing Activities***

Net cash used in investing activities in the nine-month period 2025 was \$677,868, including \$344,075 in capitalized software. Net cash used in investing activities in the nine-month period 2024 was \$695,359, including \$302,396 in capitalized software.

### ***Cash Used in and Provided by Financing Activities***

Net cash used by financing activities during the nine-month period 2025 amounted \$52,900, including \$1,797,106 in gross proceeds from the issuance of common stock, offset by \$51,314 in the principal portion of payments on the finance lease liabilities, \$175,781 in costs paid for issuance of common stock, \$1,339,500 in repayment of notes payable, and \$283,411 related to share-based compensation and warrants, primarily withholdings on vesting of restricted stock awards. Net cash used by financing activities during the nine-month period 2024 amounted to \$1,625,000 in repayment of notes payable, \$69,526 related to share-based compensation and warrants, and \$45,577 in the principal portion of a finance lease liability.

### **Critical Accounting Policies and Estimates**

The preparation of our condensed consolidated financial statements in accordance with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses in the reporting period. We monitor and analyze these items for changes in facts and circumstances, and material changes in these estimates could occur in the future. We base our estimates and assumptions on current facts, historical experience and various other factors that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. Changes in estimates are reflected in reported results for the period in which they become known. The actual results experienced by us may differ materially from our estimates. To the extent there are material differences between our estimates and the actual results, our future results of operations will be affected.

Our critical accounting policies and estimates are set forth in Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Policies and Estimates” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024. There were no material changes to our critical accounting policies and estimates during the third quarter 2025.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.**

Not applicable to smaller reporting companies.

### **ITEM 4. CONTROLS AND PROCEDURES.**

#### **Evaluation of Disclosure Controls and Procedures**

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) at the end of the period covered by this Quarterly Report.

Based on this evaluation, we concluded that, as of September 30, 2025, our disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls system, no matter how well designed and operated, can provide only reasonable assurance of achieving its desired objectives. In addition, the design of disclosure controls and procedures must reflect resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

#### **Changes in Internal Control Over Financial Reporting**

There were no changes in our internal control over financial reporting that occurred during the period covered by this Quarterly Report that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act).

We regularly review our internal control over financial reporting and, from time to time, we have made changes as we deemed appropriate to maintain and enhance the effectiveness of our internal controls over financial reporting, although these changes do not have a material effect on our overall internal control.

## PART II — OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS.

None.

### ITEM 1A. RISK FACTORS.

Our business and operating results are subject to many risks, uncertainties and other factors. If any of these risks were to occur, our business, affairs, assets, financial condition, results of operations, cash flows and prospects could be materially and adversely affected. There have been no material changes to the risk factors set forth in Part I, Item 1A, “Risk Factors,” of our Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

### ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

None.

### ITEM 3. DEFAULT UPON SENIOR SECURITIES.

None.

### ITEM 4. MINE SAFETY DISCLOSURES.

Not Applicable.

### ITEM 5. OTHER INFORMATION.

During the third fiscal quarter ended September 30, 2025, no Section 16 director or officer adopted, modified, or terminated a “Rule 10b5-1 trading arrangement” (as defined in Item 408 of Regulation S-K of the Exchange Act).

There were no “non-Rule 10b5-1 trading arrangements” (as defined in Item 408 of Regulation S-K of the Exchange Act) adopted, modified, or terminated during the fiscal quarter ended September 30, 2025, by our directors and Section 16 officers.

### ITEM 6. EXHIBITS.

The following is a list of exhibits filed as part of this Quarterly Report on Form 10-Q.

| Exhibit No. | Description of Exhibit                                                                                                                                                  | Incorporation by reference |      |         |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------|---------|
|             |                                                                                                                                                                         | Form                       | Date | Exhibit |
| 31.1*       | <a href="#">Certification of Principal Executive Officer pursuant to Section 302 of The Sarbanes-Oxley Act of 2002.</a>                                                 |                            |      |         |
| 31.2*       | <a href="#">Certification of Principal Financial Officer pursuant to Section 302 of The Sarbanes-Oxley Act of 2002.</a>                                                 |                            |      |         |
| 32.1*       | <a href="#">Certification of Principal Executive Officer pursuant to Section 906 of The Sarbanes-Oxley Act of 2002.</a>                                                 |                            |      |         |
| 32.2*       | <a href="#">Certification of Principal Financial Officer pursuant to Section 906 of The Sarbanes-Oxley Act of 2002.</a>                                                 |                            |      |         |
| 101.INS*    | Inline XBRL Instance Document (The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.). |                            |      |         |
| 101.SCH*    | Inline XBRL Taxonomy Schema.                                                                                                                                            |                            |      |         |
| 101.CAL*    | Inline XBRL Taxonomy Extension Calculation Linkbase.                                                                                                                    |                            |      |         |
| 101.DEF*    | Inline XBRL Taxonomy Extension Definition Linkbase.                                                                                                                     |                            |      |         |
| 101.LAB*    | Inline XBRL Taxonomy Extension Label Linkbase.                                                                                                                          |                            |      |         |
| 101.PRE*    | Inline XBRL Taxonomy Extension Presentation Linkbase.                                                                                                                   |                            |      |         |
| 104         | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)                                                                                |                            |      |         |

\* Filed herewith.



## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### INTELLINETICS, INC.

Dated: November 12, 2025

By: /s/ James F. DeSocio  
James F. DeSocio  
President and Chief Executive Officer

Dated: November 12, 2025

By: /s/ Joseph D. Spain  
Joseph D. Spain  
Chief Financial Officer

**Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, James F. DeSocio, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Intellinetics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2025

By: /s/ James F. DeSocio

President and Chief Executive Officer

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**Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Joseph D. Spain, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Intellinetics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2025

By: /s/ Joseph D. Spain

Chief Financial Officer

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**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Intellinetics, Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James F. DeSocio, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 12, 2025

*/s/ James F. DeSocio*

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President and Chief Executive Officer

This Certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed "filed" by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Report, irrespective of any general incorporation language contained in such filing.

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**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Intellinetics, Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2025, as filed with the Securities and Exchange Commission (the "Report"), I, Joseph D. Spain, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 12, 2025

*/s/ Joseph D. Spain*

Chief Financial Officer

This Certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed "filed" by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Report, irrespective of any general incorporation language contained in such filing.

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