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Zacks Small-Cap Research

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Document Security Systems (NYSE Amer:DSS)

New Alternative Trading Platform Joint Venture Puts DSS in the Crypto Fintech Space

Using multiples from its peers of 3.0 times EV/Sales, we believe DSS stock is worth $6.70 per share if we use the value of the base business and add $50 million for the value of Impact BioMedical.

Current Price (02/26/21)	$3.53
Valuation	**$6.70**

OUTLOOK

Document Security Systems has evolved into a multi-industry business growing through opportunistic acquisitions. Its roots lie in an expertise in authentication, anti-counterfeiting, and document and packaging printing. It has a new direct marketing company, and biotech that is in the process of being spun off to shareholders. Other operations currently starting up is a REIT that will focus on health care facilities and a alternative trading platform for token exchange. It has recently raised cash and is armed with a $55 million war chest with which to pursue opportunities including mid sized acquisitions. Its enterprise value is approximately $52 million.

SUMMARY DATA

52-Week High	**$10.90**
52-Week Low	**$3.41**
One-Year Return (%)	**-51.0**
Beta	**2.1**
Average Daily Volume (sh)	**6,955,135**
Shares Outstanding (mil)	**27.7**
Market Capitalization ($mil)	**$97.8**
Short Interest Ratio (days)	**0.4**
Institutional Ownership (%)	**1**
Insider Ownership (%)	**33**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**2.2**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/M**
P/E using 2020 Estimate	**7.2**
P/E using 2021 Estimate	**N/M**

Risk Level	**High**
Type of Stock	**Small-Value**
Industry	**Business Services**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2019	3.8 R	3.5 R	2.6 R	5.7 R	15.8 R
2020	4.2 R	3.1 A	4.2 A	6.8 E	18.3 E
2021	N/A E	N/A E	N/A E	N/A E	27.0 E
2022					N/A E

Earnings Per Share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2019	-$0.74 R	-$1.00 R	-$1.53 R	-$0.27 A	-$3.39 A
2020	-$0.56 R	-$0.26 A	$0.70 R	-$0.20 E	$0.49 A
2021	N/A E	N/A E	N/A E	N/A E	-$0.16 E
2022					N/A E

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WHAT'S NEW

DSS Establishes a JV to Pursue a Digital Securities Exchange in the US and Adds Marketing Partners

Earlier this month, DSS took actions to prime the Asset Tokenization market by creating a joint venture to create a digital securities exchange.

Asset Tokenization is a modern technique that uses Smart Contracts (blockchain-based programmable contracts which automatically execute all or parts of an agreement upon specific conditions being met) to convert physical assets into digital assets.

Tokenization helps to ensure greater liquidity, better price discovery and the fractional ownership of previously illiquid, high-priced assets.

The Asset Tokenization market is projected to reach $24 trillion by 2027, based on a survey from the World Economic Forum that anticipates 10% of the world's GDP will be stored and transacted with the help of blockchain technology by 2025–27.

The exchange will initially launch in the US and then with its international ties may venture out to other countries as appropriate. We are enthusiastic about this venture given the players as well as the ability of DSS to prime the pump but putting its own assets—such as its REITs--- into the system creating both liquidity for its assets, as well as reference examples to future customers for its exchange. This is just like DSS using its *AuthentiGuard* anti-counterfeiting labels on the packaging its own nutraceutical products. DSS's partners in the joint venture are Coinstreet Partners, a global digital investment banking group, and GSX Group, a global digital exchange platform provider for the issuance, trading, and settlement of tokenized securities using its proprietary blockchain solution.

The US is its first target and the first step is to get a license here and FINRA registration as an alternative trading system (ATS). DSS will provide the required cash, GSX Group is providing its platform, and Coinstreet will structure products and market the exchange to customers. This joint venture will not be the first player in this market however. There are about six competitors in the US already including tZero and openfinance, all with minimal traction. DSS will own 60% of the joint venture and has committed $1 million in start up funds, which is believes could get it through to revenues, which should take 18-24 months. Phase one is creation of an app that could take 6-9 months. Then the system implementation and testing could take another 6-9 months, so we expect revenues in 2022.

The venture plans to tackle verticles one at a time starting with OTC traded companies to give them an alternative way to trade raise money. Then EFTs or REITS may be next followed by funds. First it will serve the US market but could easily be connected with GSX's other exchanges in Malaysia, Gibraltar, and France, as well as expanded into territories with which DSS has inroads such as Singapore.

The platform can also be used and marketed to DSS's current customers for secured coupon printing. DSS prints coupons for 50% of the consumer packaged goods industry including Pepsi, Hersey, Kellogg's, and Pfizer. High value coupons (typically over $1) are printed by DSS that cannot be copied by a copier and these could be converted to digital formats.

On Feb. 25, 2021 DSS announced the expansion of its DSS Securities business, which includes this joint venture, through an equity interest in WestPark Capital and an investment in BMI Capital International. DSS executed two separate transactions: it signed a binding note and stock exchange letter of intent to own 7.5% of the issued and outstanding shares of WestPark, and acquired 24.9% of BMI through a purchase agreement. WestPark is a full-service global investment bank and brokerage firm with experience in blockchain. BMI is a private investment bank specializing in corporate finance service for advice and raising capital in the US, Hong Kong, Singapore, Taiwan, Japan, Canada, and Australia. These two firms will help

DSS and the joint venture develop a secondary market in securities tokens. This market will be an alternative to current public markets as well as the $6.5 trillion private company market

KEY POINTS

- Document Security Systems sales are primarily from printing and packaging, which is expected to grow from increased capacity and by capturing market share. Longer term, its anti-counterfeiting and authentication SaaS product AuthentiGuard is expected to be a major growth driver as well as its new ventures particularly in direct marketing.

- DSS has unique and patented authentication solution, AuthentiGuard, which enables corporate customers, as well as end user consumers, to track and authenticate products throughout the supply chain. Its novel approach, which uses double blind labeling, competes with taggants and RFID tracking but is far cheaper and can be used without specialized equipment. The system **allows anyone with a smartphone to scan a product to determine if it is genuine**.

- The company has its first two Fortune 100 customers for this product and is about to add a third, and has other smaller customers. We believe an increase in marketing effort, combined with a high-visibility reference customer, could be the catalysts to rapid growth for DSS.

- Recently management, with the Chairman being the driving force, has begun to invest opportunistically in a variety of other industries. We expect the company to continue to invest while still focusing on its core businesses. These new ventures include REITs, a digital exchange, and direct sales of nutraceuticals.

- The company has bought a development stage biotech company with promise that is to be spun off to shareholders early next year. This kicker could turn out to have great incremental value for shareholders depending on its IPO results. We have only valued its contribution to shareholder value at its purchase price of $50 million.

- DSS trades at an enterprise value of $52 million, that is 3.1 times EV to its current $16.7 million run rate. Incremental value includes $55 million in cash, stock in Alset EHome International as well as the $50 million purchase price of Impact BioMedical. If we use sum of the parts valuation, **we believe DSS common stock is worth $6.70 per share**.

RISKS

- For the first nine months ended September 30, 2020, Walgreens and Shutterfly accounted for approximately 21% and 16% or revenues respectively. Loss of either customer would affect results significantly. The company recently signed multi-year contracts with both customers making their loss less likely.

- DSS is small and not profitable and potential customers may be hesitant to do business with it particularly when implementing long term solutions due to its financial situation and limited resources.

- The company bases a lot of its potential on the success of its new AuthentiGuard product. While being competitively superior in price and capability compared with alternative solutions, it has not yet gotten

much traction with customers. Future growth will depend of the success of marketing to convince manufacturers to take a chance an implement its new technology.

- In the past he stock has traded based on the company's progress in its lawsuits against various companies in it IP enforcement efforts. This business is however winding down.
- The company is embarking on a number of new ventures outside its field of expertise and it is uncertain of they will be successful or non-dilutive.
- Since it is unprofitable, DSS continues to raise money, often through equity, diluting current shareholders.
- The company may not be successful bringing Impact BioMedical public thus reducing the value to DSS shareholders.

VALUATION

Valuing DSS has become increasing complex due to the purchase of Impact BioMedical as well as its holdings in Sharing Services Global. As a result we are using sum of the parts to value the company.

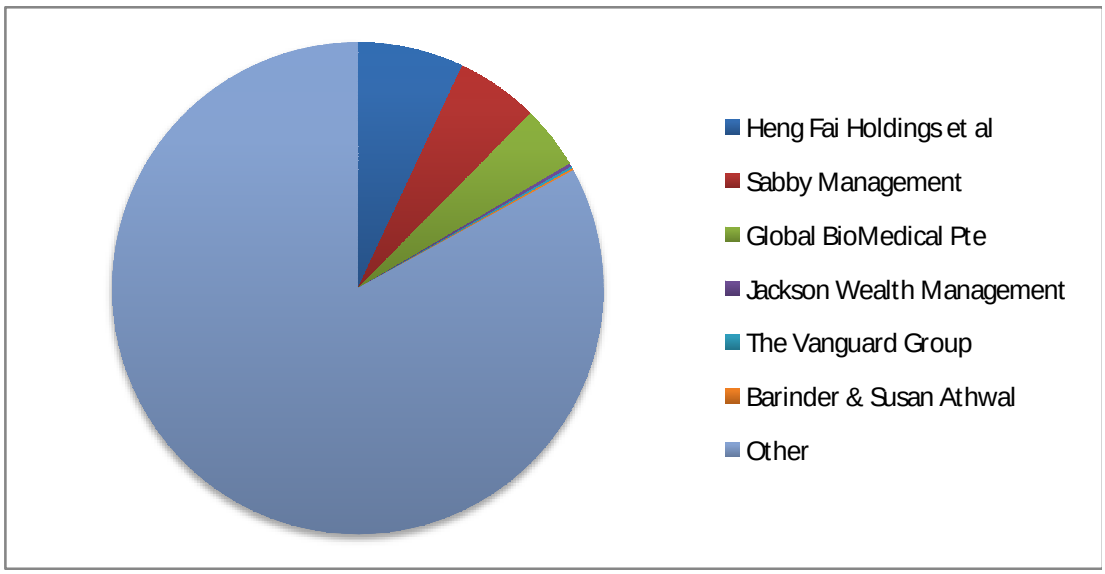
First we look at the base business, which no longer contains the plastics segment. Document Security Systems legacy business is comprised of two main businesses with public comparables. Companies that are primarily providers of packaging and printing and those involved in higher margin anti-counterfeiting type solutions. Since in 2020 we expect revenues at DSS to be roughly 74% packaging, 12% anti-counterfeiting, and 14% direct marketing we are using a blended multiple of enterprise value to sales to calculate valuation. As that percent shifts, we expect the multiple to change proportionally.

Using Applied DNA, Digimarc, Nocopi and Zebra as the anti-counterfeiting revenue comps, Brady, Graphic Packaging and West Rock for packaging, and the direct marketers as another segment we get a blended multiple of 3.0 times EV to sales on estimated 2021 calendar revenues. DSS's sales for 2021 are estimated at $27 million. Using the 3.0xs blended multiple we get an enterprise value of $81 million. If we add the current $55 million in cash, plus $50 million value for Impact BioMedical, that market value of $186 million, and a price per share of $6.70 per share using the 27.7 million shares outstanding.

			Cal. Revenue			EBIDTA	Enterprise Value / Sales			EV/EBITDA	Included	
Company	Ticker	2021E	2020E	LTM	EBITDA	Margin	2021E	2020E	LTM		in Average?	Ent. Value
Applied DNA	APDN	$12	$3	$3	-12.6	-433%	5.2x	22.3x	22.3x	-5.2x	y	65
Brady Corp.	BRC	$1,133	$1,060	$1,060	172.5	16%	2.2x	2.4x	2.4x	14.7x	y	2,530
Digimarc	DMRC	$27	$24	$24	-30.5	-127%	19.8x	22.6x	22.6x	-17.8x	y	543
Graphic Packaging	GPK	$6,830	$6,560	$6,560	912.6	14%	1.2x	1.2x	1.2x	8.7x	y	7,940
Huhtamaki	HUH1V.HE	NA	$3,300	$3,300	464.5	14%	NA	NA	1.4x	10.2x	y	4,760
Nocopi	NNUP	NA	NA	$3	0.6	21%	NA	NA	3.9x	18.8x	y	11
WestRock	WRK	$18,200	$17,560	$17,560	2730.0	16%	1.1x	1.2x	1.2x	7.4x	y	20,250
Zebra	ZBRA	$5,060	$4,450	$4,450	831.0	19%	5.5x	6.3x	6.3x	33.8x	y	28,059
Average							**5.0x**	**8.0x**	**7.7x**			**8,020**

			Cal. Revenue			EBIDTA	Enterprise Value / Sales			EV/EBITDA	Included	
Company	Ticker	2021E	2020E	LTM	EBITDA	Margin	2021E	2020E	LTM		in Average?	Ent. Value
Herbalife Nutricion	HLF	$6,030	$5,540	$5,540	740.9	13%	1.1x	1.2x	1.2x	9.3x	y	6,880
Nu Skin Enterprises	NUS	$2,790	$2,580	$2,580	331.6	13%	1.0x	1.0x	1.0x	8.1x	y	2,670
Tupperware	TUP	$1,850	$1,700	$1,670	206.2	12%	1.2x	1.3x	1.3x	10.6x	y	2,189
Average							**1.1x**	**1.2x**	**1.2x**	**9.3x**		**3,913**

OWNERSHIP


Heng Fai Holdings et al
Sabby Management
Global BioMedical Pte
Jackson Wealth Management
The Vanguard Group
Barinder & Susan Athwal
Other

PROJECTED INCOME STATEMENT

Restated

	Mar 31, 2019R	Jun. 30, 2019R	Sep. 30, 2019R	Dec. 31, 2019R	Mar 31, 2020R	Jun. 30, 2020	Sep. 30, 2020	Dec. 31, 2020E	2019R	2020E	2021E
Revenue:											
Packaging Printing and Fabrication	$ 2,961,000	$ 2,775,000	$ 1,883,000	$ 4,688,000	$ 2,965,000	$ 2,098,000	$ 2,568,000	$ 5,000,000	12,307,000	12,631,000	$ 15,000,000
Commercial and Security Printing	352,000	225,000	236,000	346,000	203,000	168,000	403,000	200,000	1,159,000	974,000	1,200,000
Technology Integrated Plastic Cards & Badges	-	-	-	-	-	-	-	-	-	-	-
Plastic Cards, Badges and Assessories	-	-	-	-	-	-	-	-	-	-	-
Printed products	3,313,000	3,000,000	2,119,000	5,034,000	3,168,000	2,266,000	2,971,000	5,200,000	13,466,000	13,605,000	16,200,000
Yr-Yr Growth	-15.6%	-19.5%	-44.0%	224.8%	-4.4%	-24.5%	40.2%	3.3%	3.7%	1.0%	19.1%
Information Technology Sales and Services	74,000	32,000	46,000	37,000	11,000	30,000	24,000	10,000	189,000	75,000	80,000
Digital Authentication Products and Services	*230,000*	*319,000*	*307,000*	*558,000*	*331,000*	*258,000*	*359,000*	*650,000*	*1,414,000*	*1,598,000*	*4,010,000*
Yr-Yr Growth	29.2%	83.3%	114.7%	101.4%	43.9%	-19.1%	16.9%	16.5%	83.2%	13.0%	150.9%
Royalities from Licensees	139,000	133,000	145,000	128,000	137,000	70,000	100,000	130,000	545,000	437,000	400,000
Technology sales, services and licensing	442,866	483,638	497,700	723,000	479,000	358,000	483,000	790,000	$ 2,148,000	$ 2,110,000	$ 4,490,000
Yr-Yr Growth	-2.5%	33.6%	60.3%	61.4%	8.2%	-26.0%	-3.0%	9.3%	36.4%	-1.8%	112.8%
Direct marketing	0	0	0	0	572,000	506,000	715,000	800,000	0	2,593,000	5,500,000
Yr-Yr Growth	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	112.1%
REIT	0	0	0	0	0	0	0	0	0	0	810,000
Total revenue	**3,755,866**	**3,483,638**	**2,616,700**	**5,757,000**	**4,219,000**	**3,130,000**	**4,169,000**	**6,790,000**	**15,614,000**	**18,308,000**	**27,000,010**
Yr-Yr Growth	-14.2%	-14.8%	-36.1%	188.2%	12.3%	-10.2%	59.3%	17.9%	7.3%	17.3%	47.5%
Costs and expenses:											
Cost of revenue	2,533,000	2,384,000	1,786,000	NA	2,641,000	1,798,000	2,637,000	4,581,000	NA	11,657,000	15,630,010
Gross Margin	1,222,866	1,099,638	830,700	NA	1,578,000	1,332,000	1,532,000	2,209,000	NA	6,651,000	11,370,000
Gross Margin %	32.6%	31.6%	31.7%	NA	37.4%	42.6%	36.7%	32.5%	NA	36.3%	42.1%
				NA							
Selling, general and administrative	712,000	621,000	563,000	NA	916,000	936,000	1,075,000	1,100,000	NA	4,027,000	6,000,000
Depreciation and amortization	253,000	293,000	298,000	NA	303,000	275,000	246,000	300,000	NA	1,124,000	1,500,000
Professional fees	289,000	433,000	543,000	NA	582,000	693,000	943,000	943,000	NA	3,161,000	4,715,000
Stockbased compensation	31,000	28,000	273,000	NA	28,000	56,000	133,000	100,000	NA	317,000	317,000
Sales and marketing	105,000	155,000	103,000	NA	385,000	375,000	1,015,000	1,100,000	NA	2,875,000	5,000,000
Rent and utilities	99,000	92,000	96,000	NA	116,000	94,000	74,000	74,000	NA	358,000	300,000
Other expenses	144,000	181,000	167,000	NA	167,000	139,000	409,000	409,000	NA	1,124,000	1,636,000
R&D	0	0	(32,000)	NA	0	0	26,000	30,000	NA	56,000	120,000
Total costs and expenses	1,633,000	1,803,000	2,011,000	NA	2,497,000	2,568,000	3,921,000	4,056,000	NA	13,042,000	19,588,000
				NA					NA		
Operating (loss) income	(410,134)	(703,362)	(1,180,300)	NA	(920,000)	(1,236,000)	(2,389,000)	(1,847,000)	NA	(6,391,000)	(8,218,000)
Operating Margin	-10.9%	-20.2%	-45.1%	NA	-21.8%	-39.5%	-57.3%	-27.2%	NA	-34.9%	-30.4%
Other expense:				NA					NA		
Interest expense, net	(27,997)	(28,000)	(42,000)	NA	(15,000)	(15,000)	(19,000)	(19,000)	NA	(68,000)	(30,000)
Amortized debt discount	(600)	(1,000)	0	NA	0	0	(8,000)	0	NA	(8,000)	0
Impairment of investment	0	0	0	NA	0	0	0	0	NA	-	0
Gain on extinguishment of liabilities, net	0	0	0	NA	0	0	0	0	NA	-	0
Income from invest in subsidiary (32% of SHRG)				NA	0	0	0	592,434	NA	592,434	2,369,736
Unrealized gain on marketable securities	0	0	0	NA	4,000	580,000	7,782,000	(152,000)	NA	8,214,000	0
Income before income taxes	(438,731)	(732,362)	(1,222,300)	NA	(924,000)	(671,000)	5,366,000	(1,425,566)	NA	2,345,434	(5,878,264)
				NA					NA		
Income tax expense	0	0	0	NA	0	0	0	0	NA	-	0
Loss from continuing operations	(432,000)	(732,000)	(1,222,300)	NA	(924,000)	(671,000)	5,366,000	(1,425,566)	NA	2,345,434	(5,878,264)
Loss from discontinued operations	(17,000)	(299,000)	(29,000)	NA	(1,046,000)	(232,000)	(424,000)	0	NA	(1,702,000)	0
Net income	(449,000)	(1,031,000)	(1,251,300)	NA	(1,970,000)	(903,000)	4,942,000	(1,425,566)	NA	2,345,434	(5,878,264)
Net inc. attributable to non-controlling interests			0	NA	(67,000)	(114,000)	(126,000)	(130,000)	NA	26,000	0
Net incomefrom continuing operations to common shareholders	(449,000)	(732,000)	(1,222,300)	NA	(856,000)	(557,000)	5,492,000	(1,555,566)	NA	2,523,434	(5,878,264)
Other comprehensive loss:				NA					NA		
Interest rate swap gain (loss)	(778)	(14,653)	0	NA	0	0	0	0	NA	0	0
Comprehensive income:	$ (449,347)	$ (1,045,653)	$ (1,251,300)	NA	$ (1,970,000)	$ (903,000)	$ 4,942,000	$ (1,425,566)	NA	$ 2,345,434	$ (5,878,264)
				NA					NA		
Non-GAAP earnings	(418,299)	(704,091)	(891,036)	NA	(828,000)	(1,081,000)	(2,157,000)	(1,455,566)	NA	(5,521,566)	(5,561,264)
Non-GAAP EPS	$ (0.72)	$ (0.96)	$ (1.11)	NA	$ (0.54)	$ (0.51)	$ (0.47)	$ (0.25)	NA	$ (1.57)	$ (0.17)
Continuing GAAP loss per share	**$ (0.74)**	**$ (1.00)**	**$ (1.53)**	NA	**$ (0.56)**	**$ (0.26)**	$ 1.20	**$ (0.20)**	NA	$ 0.52	**$ (0.16)**
Yr-Yr Growth	146.9%	-121.0%	154.4%	NA	-24.9%	-73.6%	-178.5%	NA	NA	NA	-131.0%
Continuing loss per diluted share	**(0.74)**	**(1.00)**	**(1.53)**		(0.56)	(0.26)	**0.70**	(0.20)		**0.49**	(0.16)
Basic shares outstanding	583,158	730,244	800,881	1,206,021	1,539,052	2,103,199	4,582,374	5,836,212	850,180	3,515,209	32,922,558
Yr-Yr Growth	5.4%	32.0%	43.3%	107.7%	163.9%	188.0%	472.2%	383.9%	52.5%	313.5%	836.6%
Diluted shares	#VALUE!	973,121	800,881	1,206,021	1,539,052	2,103,199	7,805,629	7,805,629	850,180	4,813,377	36,145,813
EBITDA	(94,000)	(630,000)	(507,000)	NA	(589,000)	(905,000)	(2,010,000)	(1,447,000)	NA	(4,951,000)	(6,401,000)
			43.3%		526.6%	43.7%	296.4%	NA			

CASH FLOWS

	6 Mo Jun. 30, 2019R	Sept. 30, 2019R	6 Mo Ending Jun. 30, 2020	Sept. 30, 2020
Cash flows from operating activities:				
Net income (loss)	$ (1,164,000)	$ (1,222,000)	$ (1,595,000)	$ 5,366,000
Adjustments to reconcile net income (loss) to net cash used by operating activities:				
Depreciation and amortization	546,000	298,000	578,000	246,000
Stock based compensation	58,610	272,654	84,000	132,000
Unrealized gain on investment	0	0	(584,000)	(7,781,000)
Amortization of deferred financing costs	1,000	(1,000)	0	0
Decrease (increase) in assets:				
Accounts receivable	(176,000)	380,000	1,399,000	(250,000)
Inventory	295,000	(563,000)	(266,000)	(881,000)
Prepaid expenses and other current assets	53,895	(209,895)	(81,000)	(590,000)
Other assets		0	(94,000)	528,000
Increase (decrease) in liabilities:				
Accounts payable	141,000	125,000	(786,000)	669,000
Accrued expenses	(249,903)	(113,097)	(169,000)	421,000
Other liabilities	(1,326,000)	(127,000)	133,000	726,000
Net cash used by operating activities	(1,820,398)	(1,160,338)	(1,381,000)	(1,414,000)
Cash flows from investing activities:				
Purchase of property, plant and equipment	(95,000)	(507,000)	(84,000)	(19,000)
Purchase of investment	0	0	(1,291,000)	1,191,000
Purchase of marketable securities	0	0	(1,392,000)	(5,189,000)
Issuance of note receivable	0	0	(566,000)	(8,000)
Purchase of intangible assets	(350,000)	(7,816)	0	111,000
Net cash used by investing activities	(445,000)	(514,816)	(3,333,000)	(3,914,000)
Cash flows from financing activities:				
Payments of long-term debt	(56,000)	(64,000)	(142,000)	(2,000)
Borrowing of LTD		588,000	1,272,000	0
Borrowing from lines of credit	0	0	0	(500,000)
Borrowings from revolver		0	(500,000)	500,000
Borrowings from convertible note	500,000	0	0	0
Issuance of common stock, net	4,879,844	161,767	10,220,000	9,929,000
Net cash used by financing activities	5,323,844	685,767	10,850,000	9,927,000
Net cash used by discontinued oper.	(135,267)	(464,733)	(56,000)	(130,000)
Net decrease in cash	2,923,179	(1,454,120)	6,080,000	4,599,000
Cash and restricted cash at beginning of period	2,448,000	5,371,179	1,096,000	7,176,000
Cash and restricted cash at end of period	$ 5,371,179	$ 3,917,059	$ 7,176,000	$ 11,645,000
Operating Cash Flow	$ (558,390)	$ (652,346)	$ (1,517,000)	$ (2,037,000)
Free Cash Flow	$ (1,003,390)	$ (1,167,162)	$ (2,892,000)	$ (754,000)

BALANCE SHEET

	Sept. 30, 2020	Jun. 30, 2020	Qtr-Qtr % Growth	Sept. 30, 2019	Yr-Yr % Growth
Current assets:					
Cash	$ 11,645,000	$ 7,176,000	82.5%	$ 3,916,332	34.9%
Accounts receivable, net	2,589,000	2,445,000	-31.7%	2,127,727	-4.6%
Inventory	2,396,000	1,774,000	1.8%	1,651,884	39.5%
Assets held for sale	0	236,000	NA	0	0.0%
Prepaid expenses & other curr assets	1,136,000	510,000	-5.0%	470,047	99.2%
Total current assets	17,766,000	12,141,000	24.0%	8,165,990	28.3%
Property, plant and equipment, net	4,141,000	4,257,000	-13.6%	5,122,138	-12.3%
Investment	11,386,000	3,445,000	59.9%	324,930	960.2%
Marketable securities	5,814,000	1,976,000	246.7%	0	NA
Note receivable	529,000	522,000	-58.4%	0	NA
Non-current assets held for sale	886,000	1,608,000	NA	0	NA
Other assets	210,000	311,000	475.9%	90,319	244.3%
Right-of-use assets	17,000	37,000	-96.7%	1,344,601	-97.2%
Goodwill	1,769,000	1,769,000	-97.8%	2,453,597	-27.9%
Other intangible assets, net	39,475,000	1,347,000	65.1%	1,048,503	15.5%
Total assets	81,993,000	27,413,000	-72.8%	18,550,078	39.4%
Current liabilities:					
Accounts payable	1,402,000	690,000	-54.5%	1,341,003	-55.9%
Accrued expenses & deferred revenue	1,272,000	883,000	25.1%	779,638	7.8%
Other current liabilities	1,248,000	522,000	33.8%	935,404	-64.6%
Current liabilities held for sale	274,000	274,000	NA	0	NA
Current portion of long-term debt, net	**261,000**	**426,000**	5.7%	**467,382**	22.2%
Current portion of lease liability	13,000	35,000	-90.5%	361,713	-89.5%
Total current liabilities	4,470,000	2,830,000	-32.4%	3,885,140	-37.6%
Long-term debt, net	**3,041,000**	**3,388,000**	39.6%	**2,361,696**	72.3%
Lease liability	4,000	3,000	-99.6%	1,007,251	-99.7%
Non-current liabilities held for sale	612,000	677,000	NA	0	NA
Other long-term liabilities	507,000	507,000	0.0%	311,986	53.9%
Deferred tax liability, net	44,000	44,000	0.0%	168,986	-74.1%
Stockholders' equity					
Common stock	103,000	60,000	15.4%	603,613	-89.7%
Convertible preferred stock	1,000	0	-100.0%		0.0%
Additional paid-in capital	174,423,000	126,058,000	2.7%	113,335,147	11.6%
Non-controlling interest in subsidiary	(307,000)	(181,000)	-100.6%	0	NA
Accumulated deficit	(100,905,000)	(105,973,000)	0.8%	(103,123,741)	4.0%
Total stockholders' equity	73,315,000	19,964,000	-78.5%	10,815,019	71.2%
Total liabilities and stockholders' equity	81,381,000	$ 27,413,000	-72.8%	18,550,078	39.4%
Current ratio	4.0	4.3	83.3%	2.1	105.7%
Quick ratio	3.4	3.7	90.4%	1.7	102.9%
Working Capital	13,296,000	9,311,000	66.0%	4,280,850	89.0%
Net cash	11,645,000	7,176,000	129.1%	3,916,332	34.9%
Debt	3,302,000	3,814,000	5.1%	2,829,078	64.8%
Debt/TA	4%	14%	286.7%	15%	18.2%

HISTORICAL STOCK PRICE



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