Zacks Small-Cap Research

Sponsored – Impartial - Comprehensive

August 13, 2025
Lisa Thompson
312-265-9154 / lthompson@zacks.com

scr.zacks.com
101 N. Wacker Drive, Chicago, IL 60606

Mastech Digital (NYSE Amer: MHH)

MHH: Mastech Digital Reports a Solid Q2 and Looks to an Improved Cost Structure Under New Management

Based on an EV to sales of 0.5 xs estimated 2025 revenues, we believe MHH stock could be worth approximately $11.00 per share.

Current Price (8/12/2025)	$7.29
Valuation	**$11.00**

OUTLOOK

Mastech Digital, based outside Pittsburgh, PA is an IT staffing business with a data and analytics, consulting, and project management service serving blue-chip customers in the US. The company trades below its peers and we expect stock price appreciation when the company returns to growth later this year. New management has implemented a new focus on AI and hopes to profit by aiding clients in its implementation. It also plans to grow through acquisition.

SUMMARY DATA

52-Week High	**$15.98**
52-Week Low	**$6.39**
One-Year Return (%)	**-26.0**
Beta	**0.8**
Average Daily Volume (sh)	**8,792**
Shares Outstanding (mil)	**11.8**
Market Capitalization ($mil)	**$87.2**
Short Interest Ratio (days)	**0.8**
Institutional Ownership (%)	**18**
Insider Ownership (%)	**43**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**-0.3**
Earnings Per Share (%)	**-23.0**
Dividend (%)	**N/A**
P/E using TTM Non-GAAP EPS	**10.8**
P/E using 2025 Estimate	**12.2**
P/E using 2026 Estimate	**7.9**

Risk Level	**Above Average**
Type of Stock	**Small Value**
Industry	**IT Services**

ZACKS ESTIMATES

Revenue
(In millions of US$)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2023	$55 A	$52 A	$48 A	$46 A	$201 A
2024	$47 A	$50 A	$52 A	$51 A	$199 A
2025	$48 A	$49 A	$51 E	$51 E	$199 E
2026					$205 E

Non-GAAP Earnings per Share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2023	$0.12 A	$0.11 A	$0.11 A	$0.11 A	$0.44 A
2024	$0.06 A	$0.19 A	$0.23 A	$0.23 A	$0.71 A
2025	$0.06 A	$0.15 A	$0.18E	$0.20 E	$0.60 E
2026					$0.92 E

© Copyright 2025, Zacks Investment Research. All Rights Reserved.

WHAT'S NEW

Mastech Digital Reports a Solid Quarter with Sequential Improvement

With a new CEO and CFO at the helm, Mastech is making moves to improve its cost structure as well as grow revenues. Revenues did improve sequentially, but the overall economic environment is contributing to hesitancy for customers to commit. They are looking for high-value flexibility in contracts as uncertainty lingers. Management continues to focus in particular on its top ten clients to increase revenues. As we wait for demand to improve, the company is taking steps to reduce costs with its main effort moving parts of finance and accounting to India. With its low valuation, investors could profit when revenue growth returns later in the year and margins continue to improve. At an enterprise value to sales ratio of only 0.3 times, the stock trades well below its peer group.

Update on Mastech's Move of Finance and Accounting to India

Early this year, the board decided to cut costs by moving the company's finance and accounting functions to India. Mastech booked one-time costs from the duplication of resources and travel expenses during the training and knowledge transfer process of $688,000 in Q2. In addition, it had $1.4 million in severance expense in Q1 2025 and another $232,000 in severance expense in Q2 2025. We do not expect any further one-time charges for this move going forward. Although the process is not expected to be fully completed until Q4, ultimately, this move should save the company about $1.2 million a year. So far, it has also been shown to improve task speed and efficiency.

Revenues and Margins Improve Sequentially as New Management Gets its Footing

In Q2 2025, Mastech generated total revenues of $49.1 million, down 0.1% from $49.5 million in Q2 2024. The IT staffing business was flat at $40.5 million versus $40.7 million a year ago but rose sequentially from $39.4 million in Q1 2025. IT staffing was 82.5% of revenues, and it ended the quarter with 980 billable consultants compared to 1,035 the year before. The company expects that number will remain somewhat flat throughout the year and has only increased by two so far this quarter. On a positive note, billing rates have improved to between $85-86 per hour from $81-82 last year. D&A declined to $8.6 million from $8.9 million in Q2 2024 (3.2%). Its revenues also declined sequentially. D&A bookings in Q2 were $5.8 million, half of the $11.7 million in Q1 2025; however, some of the Q2 bookings were pulled forward into Q1. We expect Q3 will show an improvement over Q2.

Total gross margin declined to 28.1% from 28.2% last year, still below the company record at 29.0% in Q4 2024. Staffing's gross margin at 24.5% was improved from last year's quarter at 23.6%. The increase was due to higher billing rates and better execution. Data & Analytics' gross margin fell to 45.2% from 49.2% a year ago.

SG&A once again included one-time expenses and was $13.8 million compared to $12.3 million a year ago. One-time expenses were $981,000 and included severance and finance and accounting transition expenses.

Operating income was almost breakeven at $27,000 versus $1.7 million last year. Taking out this year's one-time charges, operating income would have been $1.0 million. Other income was $183,000 compared to $116,000 a year ago. Taxes in the quarter were $75,000, compared to $116,000 last year. The tax rate for the full year is expected to be approximately 28%.

GAAP net income was $135,000 compared to $1.4 million last year. On a non-GAAP basis, it was a profit of $1.8 million versus $2.2 million. Fully diluted GAAP earnings per share were $0.01 compared $0.12 a year ago. On a non-GAAP basis, EPS was $0.15 compared to $0.19 a year ago. The diluted share count was 12.0 million, up 42,000 shares from last year.

Balance Sheet

The company ended the quarter with $27.9 million in net cash ($2.33 per share), a quick ratio of 3.3xs, working capital of $45.9 million, and no debt. It currently has a borrowing availability of $22.2 million under its revolving credit facility.

The company has a stock buyback plan for 500,000 shares, of which 406,568 remain. No shares were bought back in Q1 2025, but 16,511 shares were bought back in May and June at an average price of $6.90. The company recently put a programmatic buying plan in place to combat the blackout period restrictions.

KEY POINTS

- Mastech Digital was solely an IT staffing company, but it entered the data and analytics business in 2017 by buying InfoTrellis. It added to this business in Q4 2020 with the purchase of AmberLeaf. This business operates at a higher margin and is ultimately expected to be an increasingly bigger part of total sales. This math should lead to accelerating earnings growth as well as a higher valuation for the stock.

- Mastech plans to augment its internal growth with acquisitions in the data and analytics space to expand its capabilities. It has no debt and an increasing cash balance from internally generated cash flow, which leaves it with increasing debt capacity and cash to grow through acquisition.

- In January 2024, the company hired strategic consultants to improve the business, and in January 2025, it hired a new CEO, and in April 2025, a new CFO/COO.

- Today, MHH trades at a fully diluted enterprise value of $59 million. This is 0.3 times its enterprise value to 2025 estimated sales, compared to its peers, who trade at 1.9 times.

OVERVIEW

Mastech Digital is a minority-owned IT services company headquartered in Moon Township, PA, with US, Canada, and India offices. Additionally, it has domestic sales offices in Chicago, Boston, Orlando, Tampa, Dallas, Atlanta, Houston, Fremont, CA, and Toronto. Internationally, the company has a sales presence in Singapore, Ireland, and the UK, and it recruits and provides IT outsourcing through its locations in Noida and Chennai, India. On December 31, 2024, it had 1,816 employees. A large portion of its salaried employees were working under Mastech-sponsored H1-B temporary work permits. Originally, it was the IT staffing business of iGATE Capital Corp., a public company that was sold to Capgemini in 2015 for $4+ billion in cash. Mastech Digital had been previously spun off as a separate public company from iGATE in 2008. Since then, it has also become a consultant, project manager, and VAR in data analytics, data management, and big data through acquisition. It reports the earnings of these two segments. IT staffing is still the largest part of the company, but the smaller and higher-margin data and analytics business should ultimately be an increasing percentage of total revenues going forward. This dynamic should result in continued accelerating margin expansion going forward, and this growth could result in an expansion of the stock's P/E ratio.

VALUATION

To value MHH, we are using comparable peer companies that staff technology people. The valuation for the group has come down as the industry suffers. Their valuations average 1.9 times EV to estimated 2025 sales. All of these companies, except Kforce, are generating much higher margins than Mastech. If we apply Kforce's multiple of 0.5 times to Mastech's forecasted 2025 revenues, the company is worth a market capitalization of $127 million, or approximately $11.00 per share. At 0.3 times, Mastech trades below the lowest comp ratio.

Company	Ticker	Cal. Rev 2026E	Cal. Rev 2025E	LTM	EBIDTA Margin	EV/Sales 2026E	EV/Sales 2025E	EV/Sales LTM	Enterprise Value
Accenture	ACN	NA	71,200	68,480	17%	NA	2.1	2.1	146,690
Cognizant	CTSH	21,850	20,920	20,490	18%	1.5	1.6	1.6	32,960
Infosys	INFY	NA	20,280	19,500	23%	NA	3.2	3.3	63,940
Kforce Inc.	KFRC	1,340	1,320	1,360	5%	0.5	0.5	0.5	679
Wipro	WIT	10,870	10,300	10,390	19%	2.3	2.4	2.4	24,630
Average					16.4%	1.4	1.9	2.0	48,854

In December 2023, CTG was acquired for $10.50 per share in cash, or $170 million. This was 0.6x its run rate based on its Q2 2023 revenues. Using this valuation and Mastech's Q2 2025 run rate, it would be worth $146 million or $12.37 per share.

RISKS

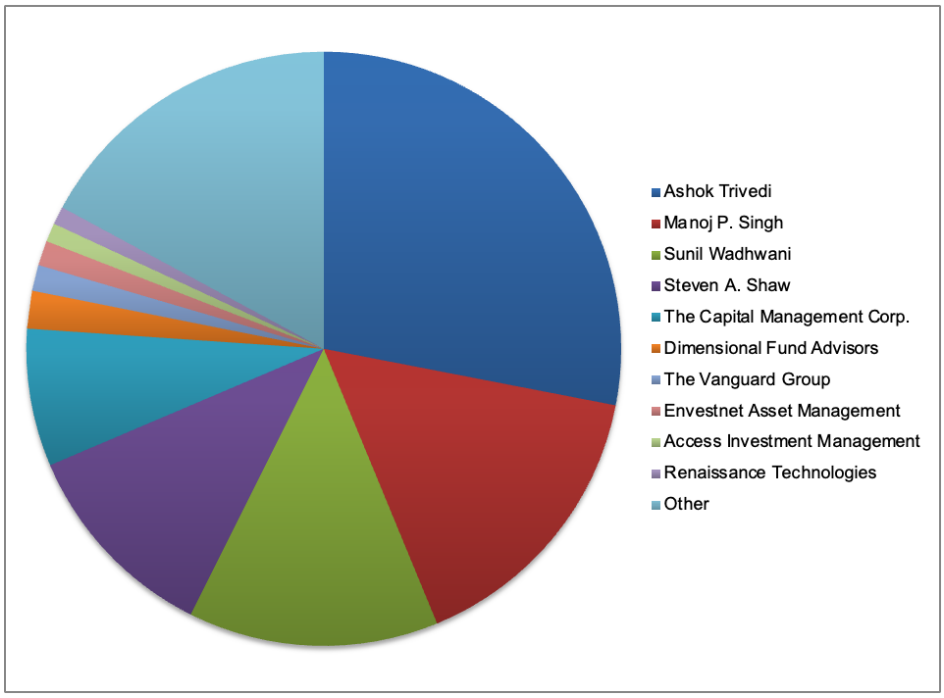
- The company is subject to the business cycle and tends to do better when the economy is robust or at the end of a recession, when companies are reluctant to bring on full-time hires.

- The company is almost entirely dependent on the US market in the IT staffing segment. For the six months ended June 30, 2025, Mastech had three clients (Fidelity was 14.0%, Populus was 12.1% and CGI was 11.5%) that each exceeded 10% of total revenues. For the six months ended June 30, 2024, the company had two clients (CGI was 16.1% and Allegis was 10.1%) that each exceeded 10% of total revenues. For the six months ended June 30, 2025, and 2024, Mastech's top ten clients represented approximately 58% and 52% of total revenues, respectively. The reason for the decline in CGI revenues is that the majority of its revenues come from PNC, which has been moving its outsourcing to India.

- Any regulatory changes regarding H-1B visas could eventually trickle down to Mastech's pool of potential consultants; 40% of its US consultants held these visas in 2024. In contrast to companies like Cognizant, Mastech does not sponsor these visas, but seeks employees already holding them. Although there has been talk about changes to visa grants for new entries into the US, Mastech sources its workforce from those with the appropriate visas. A greater acceptance of remote working, especially overseas, could decrease this risk.

- There is an industry shift to integrate AI into coding and IT in general. Mastech is working to help clients with this transition as well as integrating it into its operations. It is still unknown how it will affect the entire outsourcing industry

OWNERSHIP


Ashok Trivedi
Manoj P. Singh
Sunil Wadhwani
Steven A. Shaw
The Capital Management Corp.
Dimensional Fund Advisors
The Vanguard Group
Envestnet Asset Management
Access Investment Management
Renaissance Technologies
Other

INCOME STATEMENT

	Q1 2024 31-Mar	Q2 2024 30-Jun	Q3 2024 30-Sep	Q4 2024 31-Dec	Q1 2025 31-Mar	Q2 2025 30-Jun	Q3 2025E 30-Sep	Q4 2025E 31-Dec	2023	2024	2025E	2026E
Billable consultants	1,004	1,035	1,071	1,008	991	980	982	985	946	1,008	985	1,100
IT Staffing Services	38,756	40,658	42,441	40,463	39,357	40,508	41,500	41,500	166,740	162,318	162,865	165,000
Yr-to-yr Growth	-15%	-6%	7%	7%	2%	0%	-2%	3%	-21%	-3%	0%	1%
IT Staffing Gross Margin	8,371	9,595	10,016	9,630	8,934	9,924	10,168	10,168	36,102	37,613	39,193	39,600
Gross Margin %	21.6%	23.6%	23.6%	23.8%	22.7%	24.5%	24.5%	24.5%	21.7%	23.2%	24.1%	24.0%
Data & Analytics Services	8,067	8,876	9,398	10,284	8,960	8,589	9,000	9,500	34,358	36,625	36,049	40,375
Yr-to-yr Growth	-14.1%	1.2%	16.9%	26.2%	11.1%	-3.2%	-4.2%	-7.6%	-18.2%	7%	-2%	12%
Data & Analytics Gross Margin	3,743	4,367	4,765	5,091	3,951	3,882	4,068	4,370	14,943	17,965	16,272	20,187
Gross Margin %	46.4%	49.2%	50.7%	49.5%	44.1%	45.2%	45.2%	46.0%	43.5%	49.1%	45.1%	50.0%
Revenue	**$46,823**	**$49,534**	**$51,839**	**$50,747**	**$48,317**	**$49,097**	**$50,500**	**$51,000**	**$201,098**	**$198,943**	**$198,914**	**$205,375**
Yr-to-yr Growth	-15.0%	-5.1%	8.5%	10.2%	3.2%	-0.9%	-2.6%	0.5%	-20.5%	-1%	0%	3%
Cost of revenue	34,692	35,554	37,068	36,032	35,425	35,277	36,265	36,463	150,062	143,346	143,429	145,587
Gross profit	12,131	13,980	14,771	14,715	12,892	13,820	14,236	14,538	51,036	55,597	55,465	59,787
Gross Margin %	25.9%	28.2%	28.5%	29.0%	26.7%	28.1%	28.2%	28.5%	25.4%	27.9%	27.9%	29.1%
SG&A	12,537	12,287	12,332	14,650	14,745	13,793	13,200	13,100	51,911	51,806	54,838	53,125
Impairment of goodwill	0	0	0	0	0	0	0	0	5,300	0	0	0
Employment-related claim, net	0	0	0	0	0	0	0	0	3,100	0	0	0
Total operating expenses	12,537	12,287	12,332	14,650	14,745	13,793	13,200	13,100	60,311	51,806	54,838	53,125
Operating income:	(406)	1,693	2,439	65	(1,853)	27	1,036	1,438	(9,275)	3,791	627	6,663
Operating margin	-0.9%	3.4%	4.7%	0.1%	-3.8%	0.1%	2.1%	2.8%	-4.6%	1.9%	0.3%	3.2%
Other income:												
Total other income	124	116	133	260	91	183	100	100	244	633	474	474
Income before income taxes	(282)	1,809	2,572	325	(1,762)	210	1,136	1,538	(9,031)	4,424	1,101	7,137
Pretax Margin	-0.6%	3.7%	5.0%	0.6%	-3.6%	0.4%	2.2%	3.0%	-4.5%	2.2%	0.6%	3.5%
Income taxes	(121)	418	697	28	(323)	75	273	369	(1,893)	1,022	394	1,963
Tax rate	43%	23%	27%	9%	-18%	36%	24%	24%	21%	23%	36%	28%
Net income	(161)	1,391	1,875	297	(1,439)	135	863	1,169	(7,138)	3,402	708	5,174
Yr-over-Yr	-162%	-164%	1400%	-106%	794%	-90%	-54%	293%	222.1%	-148%	-79%	631%
Stk based compensation	550	461	542	647	895	714	650	650	3,082	2,200	2,909	3,000
One-time expenses plus amortization	374	397	352	1,858	1,300	981	650	650	9,331	2,981	3,581	3,000
Non-GAAP Income	763	2,249	2,769	2,802	756	1,830	2,163	2,469	5,275	8,583	7,198	11,174
Yr-over-Yr	-46%	74%	120%	111%	-1%	-19%	-22%	-12%	-159.5%	63%	-16%	55%
Net income per share:												
Primary EPS	(0.01)	0.12	0.16	0.03	(0.12)	0.01	0.07	0.10	(0.61)	0.29	0.06	0.44
Diluted EPS	(0.01)	0.12	0.16	0.02	(0.12)	0.01	0.07	0.10	(0.61)	0.28	0.06	0.42
Diluted Non-GAAP EPS	0.06	0.19	0.23	0.23	0.06	0.15	0.18	0.20	0.44	0.71	0.60	0.92
	-45%	75%	119%	101%	-2%	-19%	-22%	-11%	-157.6%	62%	-16%	53%
Shares												
Basic	11,615	11,652	11,695	11,713	11,753	11,767	11,782	11,733	11,613	11,669	11,759	11,753
Yr-over-Yr	-0.2%	0.3%	0.8%	1.0%	1.2%	1.0%	0.7%	0.2%	0.2%	0%	1%	0%
Diluted	11,909	11,922	12,011	12,191	12,096	11,964	11,979	12,100	11,613	12,014	12,035	12,200
Yr-over-Yr	-1.2%	-0.3%	0.4%	5.1%	1.6%	0.4%	-0.3%	-0.7%	-4.0%	3%	0%	1%

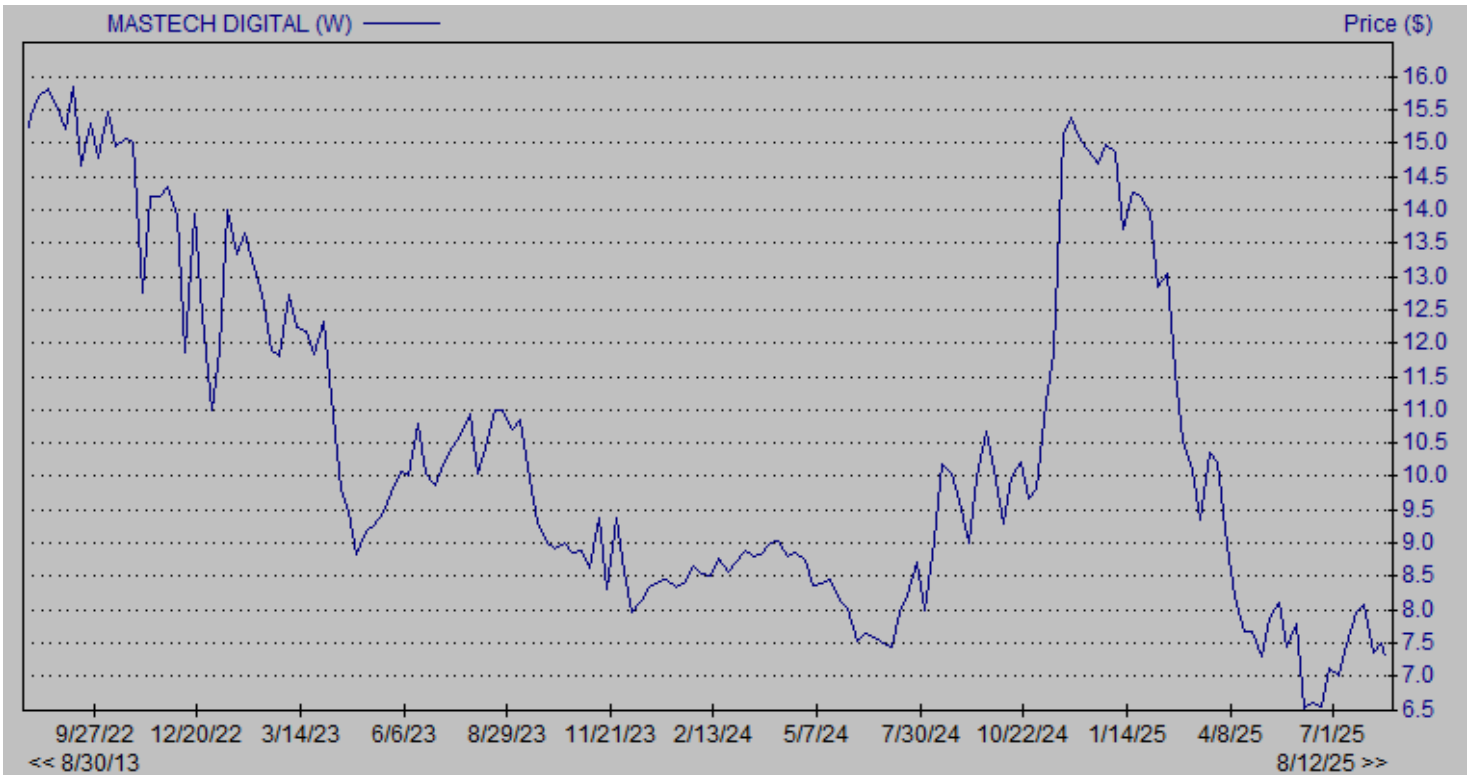
BALANCE SHEET

	June 30, 2025	Mar 31, 2025	Qtr-Qtr % Growth	June 30, 2024	Yr-Yr % Growth
Current assets:					
Cash and equivalents	**$ 27,933**	**$ 24,665**	13.2%	**$ 20,587**	35.7%
Accounts receivable, net	30,505	32,146	-5.1%	32,643	-6.5%
Prepaid expenses & other curr assets	7,221	7,652	-5.6%	7,385	-2.2%
Total current assets	65,659	64,463	1.9%	60,615	8.3%
Equipment, software and leasehold net	1,793	1,932	-7.2%	2,242	-20.0%
Deferred income taxes	1,674	1,295	29.3%	660	153.6%
Right-of-use assets	3,192	3,514	-9.2%	4,471	-28.6%
Deferred financing costs, net	142	165	-13.9%	236	-39.8%
Deferred compensation	1,250	1,375	-9.1%	0	NA
Non-current deposits	463	464	-0.2%	454	2.0%
Goodwill, net	27,210	27,210	0.0%	27,210	0.0%
Intangible assets, net	9,009	9,658	-6.7%	11,615	-22.4%
Total assets	110,392	110,076	0.3%	107,503	2.7%
Current liabilities:					
Accounts payable	3,564	3,742	-4.8%	5,790	-38.4%
Accrued payroll and related costs	13,693	13,448	1.8%	11,347	20.7%
Current portion of operating lease liability	1,313	1,291	1.7%	1,250	5.0%
Other accrued liabilities	1,148	930	23.4%	1,889	-39.2%
Total current liabilities	19,718	19,411	1.6%	20,276	-2.8%
Lease liability	1,825	2,158	-15.4%	3,191	-42.8%
Long term severance liability	1,039	1,560	-33.4%	0	NA
Total liabilities	22,582	23,129	-2.4%	23,467	-3.8%
Stockholders' equity					
Common stock	135	135	0.0%	134	0.7%
Additional paid-in capital	40,064	39,199	2.2%	36,813	8.8%
Retained earnings	54,513	54,378	0.2%	53,645	1.6%
Accumulated other comp loss	(1,903)	(1,880)	1.2%	(1,671)	13.9%
Treasury stock, at cost	(4,999)	(4,885)	2.3%	(4,885)	2.3%
Total stockholders' equity	87,810	86,947	1.0%	84,036	4.5%
Total liabilities and stockholders' equity	110,392	110,076	0.3%	107,503	2.7%
Current and quick ratio	3.3	3.3	0.3%	3.0	11.4%
Working Capital	45,941	45,052	2.0%	40,339	13.9%
Net cash	27,933	24,665	13.2%	20,587	35.7%
Cash per share	$2.33	$2.04	14.5%	$1.73	35.2%
Debt	0	0	0.0%	0	0.0%

CASH FLOWS

	Year 2022	Year 2023	3 Mo Ended Mar 31, 2024	3 Mo Ended Jun 30, 2024	3 Mo Ended Sep 30, 2024	3 Mo Ended Dec 31, 2024	Year 2024	3 Mo Ended Mar 31, 2025	3 Mo Ended Jun 30, 2025
Cash flows from operating activities:									
Net income	8,712	(7,138)	(161)	1,391	1,875	297	3,402	(1,439)	135
Adjustments to reconcile net income to net cash provided by operating activities:									
Depreciation and amortization	4,195	3,855	898	907	865	829	3,499	832	841
Bad debt expense	50	(30)	(92)	-	-	(125)	(217)	-	36
Interest amortization of deferred financing costs	73	73	24	24	23	24	95	24	23
Stock-based compensation	2,225	3,082	550	461	542	647	2,200	895	714
Deferred income taxes, net	655	(1,714)	55	77	53	(694)	(509)	3	(379)
Employment-related claim liability, net	-	-	-	-	-	-	-	-	-
Impairment of goodwill	-	5,300	-	-	-	-	-	-	-
Reevaluation of contingent consideration liability	-	-	-	-	-	-	-	-	-
Loss on disposition of fixed assets	-	1	-	1	20	3	24	-	-
Amortization of deferred compensation	-	-	-	-	-	-	-	125	125
Long-term severance liability	-	-	-	-	-	987	987	573	(521)
Payment of deferred compensation	-	-	-	-	-	-	-	(2,000)	-
Long term accrued income taxes	(20)	(36)	-	(69)	-	-	(69)	-	-
Operating lease assets and liabilities, net	(379)	75	14	5	8	19	46	15	5
Change in operating assets and liabilities:									
Accounts receivable & unbilled receivables	1,021	12,537	(2,108)	(628)	(1,411)	2,736	(1,411)	(703)	1,605
Insurance recovery				-	-		-		-
Prepaid expenses and other current assets	95	(1,718)	(1,396)	(497)	(506)	794	(1,605)	(127)	425
Accounts payable	(479)	186	816	317	(1,151)	57	39	(942)	(177)
Accrued payroll	(3,155)	1,276	(371)	(630)	3,378	(925)	1,452	(302)	246
Other accrued liabilities	(41)	(248)	407	(409)	(303)	(81)	(386)	162	149
Deferred revenues	(337)	477	38	231	(94)	(530)	(355)	(111)	69
Net cash used by operating activities	12,615	15,978	(1,326)	1,181	3,299	4,038	7,192	(2,995)	3,296
Cash flows from Investing activities:									
Acquisition of Amberleaf, net	-	-	-	-	-	-	-	-	-
(Payment for) recovery of non-current deposits	17	119	-	1	-	(1)	-	(19)	-
Capital expenditures	(835)	(335)	(278)	(474)	(74)	(115)	(941)	(114)	(55)
Proceeds from sale of fixed assets	-	-	-	-	-	-	-	-	-
Net cash used in investing activities	(818)	(216)	(278)	(473)	(74)	(116)	(941)	(133)	(55)
Cash flows from Financing activities:									
Borrowings on revolving credit facility, net	-	-	-	-	-	-	-	-	-
Borrowing on term loan facility	-	-	-	-	-	-	-	-	-
(Repayments) on term loan facility	(12,000)	(1,100)	-	-	-	-	-	-	-
Proceeds from the issuance of common shares	263	204	-	136	-	87	223	-	70
Payment of deferred financing costs	-	(64)	-	-	-	-	-	-	-
Purchase of treasury stock	-	(618)	(80)	-	-	-	(80)	-	(114)
Proceeds from the exericise of stock options	1,323	-	-	322	118	71	511	27	81
Net cash provided by financing activities	(10,414)	(1,578)	(80)	458	118	158	654	27	37
Effect of exchange rate changes of cash	(948)	(94)	(39)	(3)	(45)	(223)	(310)	24	(10)
Net change - cash	435	14,090	(1,723)	1,163	3,298	3,857	6,595	(3,077)	3,268
Cash, beginning of quarter	6,622	7,057	21,147	19,424	20,587	23,885	21,147	27,742	24,665
Cash, end of period	7,057	21,147	19,424	20,587	23,885	27,742	27,742	24,665	27,933
Supplemental information:									
Interest paid	324	43	-	-	-	-	-	-	-
Income taxes paid	2,164	1,356	-	-	-	-	2,227	-	-
Cash Flow	15,511	3,468	1,288	2,797	3,386	1,987	9,458	(972)	979
Free cash flow	14,676	3,133	1,010	2,323	3,312	1,872	8,517	(1,086)	924

HISTORICAL STOCK PRICE



Source: Zacks Investment Research

DISCLOSURES

The following disclosures relate to relationships between Zacks Small-Cap Research ("Zacks SCR"), a division of Zacks Investment Research ("ZIR"), and the issuers covered by the Zacks SCR Analysts in the Small-Cap Universe.

ANALYST DISCLOSURES

I, Lisa Thompson, hereby certify that the view expressed in this research report accurately reflects my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report. I believe the information used for the creation of this report has been obtained from sources I considered to be reliable, but I can neither guarantee nor represent the completeness or accuracy of the information herewith. Such information and the opinions expressed are subject to change without notice.

INVESTMENT BANKING AND FEES FOR SERVICES

Zacks SCR does not provide investment banking services, nor has it received compensation for investment banking services from the issuers of the securities covered in this report or article. Zacks SCR has received compensation from the issuer directly, from an investment manager, or from an investor relations consulting firm engaged by the issuer for providing non-investment banking services to this issuer and expects to receive additional compensation for such non-investment banking services provided to this issuer. The non-investment banking services provided to the issuer include the preparation of this report, investor relations services, investment software, financial database analysis, organization of non-deal road shows, and attendance fees for conferences sponsored or co-sponsored by Zacks SCR. The fees for these services vary on a per-client basis and are subject to the number and types of services contracted. Fees typically range between ten thousand and fifty thousand dollars per annum. Details of fees paid by this issuer are available upon request.

POLICY DISCLOSURES

This report provides an objective valuation of the issuer today and expected valuations of the issuer at various future dates based on applying standard investment valuation methodologies to the revenue and EPS forecasts made by the SCR Analyst of the issuer's business.
SCR Analysts are restricted from holding or trading securities in the issuers that they cover. ZIR and Zacks SCR do not make a market in any security followed by SCR, nor do they act as dealers in these securities. Each Zacks SCR Analyst has full discretion over the valuation of the issuer included in this report based on his or her own due diligence. SCR Analysts are paid based on the number of companies they cover.
SCR Analyst compensation is not, was not, nor will be, directly or indirectly, related to the specific valuations or views expressed in any report or article.

ADDITIONAL INFORMATION

Additional information is available upon request. Zacks SCR reports and articles are based on data obtained from sources that it believes to be reliable, but are not guaranteed to be accurate, nor do they purport to be complete. Because of individual financial or investment objectives and/or financial circumstances, this report or article should not be construed as advice designed to meet the particular investment needs of any investor. Investing involves risk. Any opinions expressed by Zacks SCR Analysts are subject to change without notice. Reports or articles or tweets are not to be construed as an offer or solicitation of an offer to buy or sell the securities herein mentioned.

CANADIAN COVERAGE

This research report is a product of Zacks SCR and prepared by a research analyst who is employed by or is a consultant to Zacks SCR. The research analyst preparing the research report is resident outside of Canada, and is not an associated person of any Canadian registered adviser and/or dealer. Therefore, the analyst is not subject to supervision by a Canadian registered adviser and/or dealer, and is not required to satisfy the regulatory licensing requirements of any Canadian provincial securities regulators, the Investment Industry Regulatory Organization of Canada and is not required to otherwise comply with Canadian rules or regulations.