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Zacks Small-Cap Research

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Tom Kerr
312-265-9417
tkerr@zacks.com

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

High Tide Inc. (NASDAQ: HITI)

HITI: High Tide reports strong 1st quarter 2026 financial and operating results and maintains solid growth outlook. Annual revenue run rate exceeds $700 million.

Utilizing a Discounted Cash Flow process containing conservative estimates combined with other valuation methodologies, we believe HITI could be worth **US$5.00** per share.

Current Price (3/26/26)	US$2.30
Valuation	**US$5.00**

OUTLOOK

High Tide is the largest cannabis retailer in Canada operating 200+ stores across Alberta, Ontario, Saskatchewan, BC, and Manitoba. Beyond traditional physical cannabis stores in Canada (*Canna Cabana*), the company markets Cannabidiol (CBD) and consumption accessories online across Canada, U.S., U.K. and Europe. More recently, HITI closed the acquisition of a 51% ownership stake in Remexian Pharma GmbH, a leading low-cost medical cannabis importer and wholesaler in Germany, which is a high-growth market. The outlook is for strong revenue growth going forward, both organically and through acquisitions.

SUMMARY DATA

52-Week High	**$4.06**
52-Week Low	**$1.64**
One-Year Return (%)	**10.6**
Beta	**1.01**
Average Daily Volume (sh)	**470,325**
Shares Outstanding (mil)	**87.7**
Market Capitalization ($mil)	**$202**
Short Interest Ratio (days)	**1**
Institutional Ownership (%)	**14**
Insider Ownership (%)	**12**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**43.4**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2026 Estimate	**N/A**
P/E using 2027 Estimate	**17.7**

Risk Level	**Above Average**
Type of Stock	**Small Growth**
Industry	**Medical Products**

ZACKS ESTIMATES

Revenue
(in millions of C$)

	Q1 (Jan)	**Q2** (Apr)	**Q3** (Jul)	**Q4** (Oct)	**Year** (Oct)
2024	$96 A	$91 A	$95 A	$99 A	$376 A
2025	$98 A	$100 A	$108 A	$117 A	$423 A
2026	$178 A	$171 E	$182 E	$185 E	$717 E
2027					$813 E

EPS / Loss Per Share

	Q1 (Jan)	**Q2** (Apr)	**Q3** (Jul)	**Q4** (Oct)	**Year** (Oct)
2024	-$0.00 A	$0.00 A	$0.01 A	-$0.01 A	$0.00 A
2025	-$0.02 A	-$0.03 A	$0.01 A	-$0.39 A	-$0.45 A
2026	$0.01 A	$0.01 E	$0.02 E	$0.02 E	$0.05 E
2027					$0.13 E

Quarterly revenues/EPS may not equal annual revenues/EPS due to rounding or non-controlling interest.

WHAT'S NEW

Source hightideinc.com

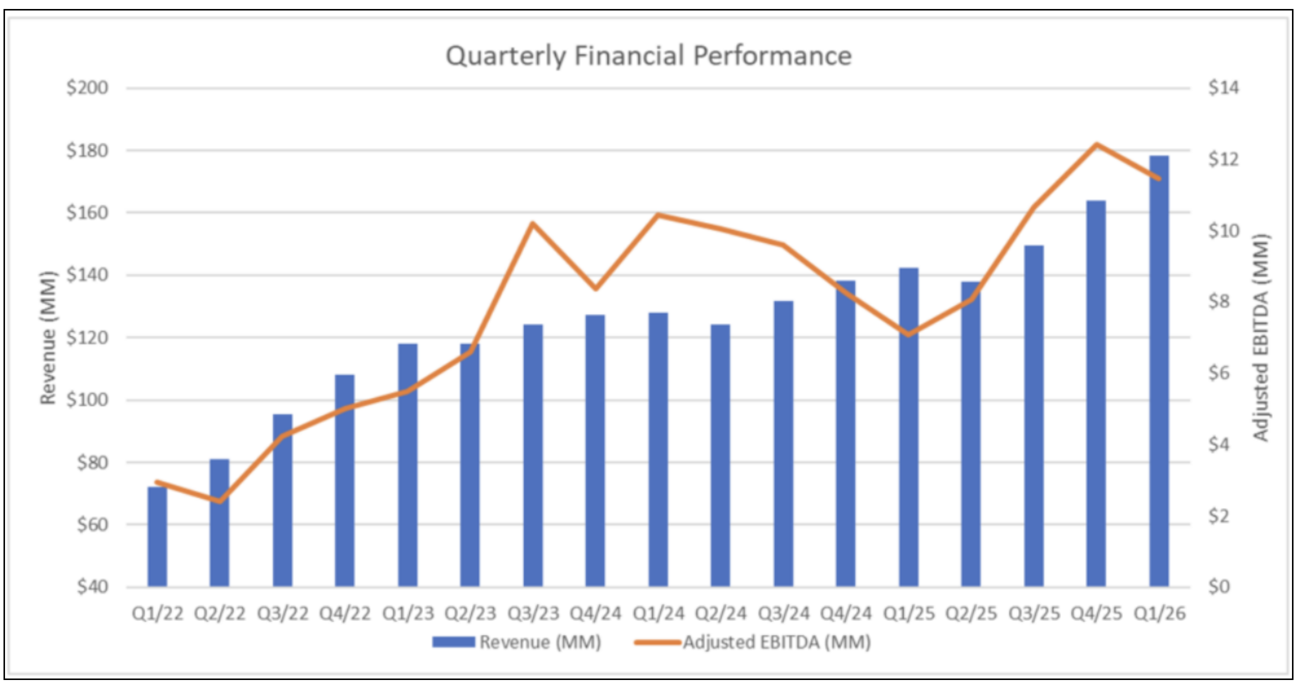
1st Quarter 2026 Financial Results (C$)

On March 17, 2026, High Tide reported 1st Quarter 2026 financial and operating results which showed strong reported revenue growth of 25%, largely due to recent acquisitions. Same store sales slowed to 0.5% due to unusually harsh weather conditions in parts of Canada as well as an overall industry slowdown. We believe the company can still grow SSS in the low-mid single range going forward absent any extraordinary events.

Gross profit reached a record $44.4 million in the 1st quarter ending January 31, 2026, increasing 25% year over year and 4% sequentially. Gross margin was 25%, flat from the prior year period and down slightly from 26% in the preceding quarter. In the core bricks-and-mortar segment, which accounted for 84% of revenue, gross margins improved sequentially for the 5th straight quarter to 28%. Margins in the medical cannabis distribution segment were pressured by the liquidation of older biomass in Portugal at lower-than-normal prices due to limited remaining shelf life. The company expects margins in that segment to improve beginning in the 2nd fiscal quarter of 2026 as lower-cost biomass sourced from Canada begins moving through the supply chain.

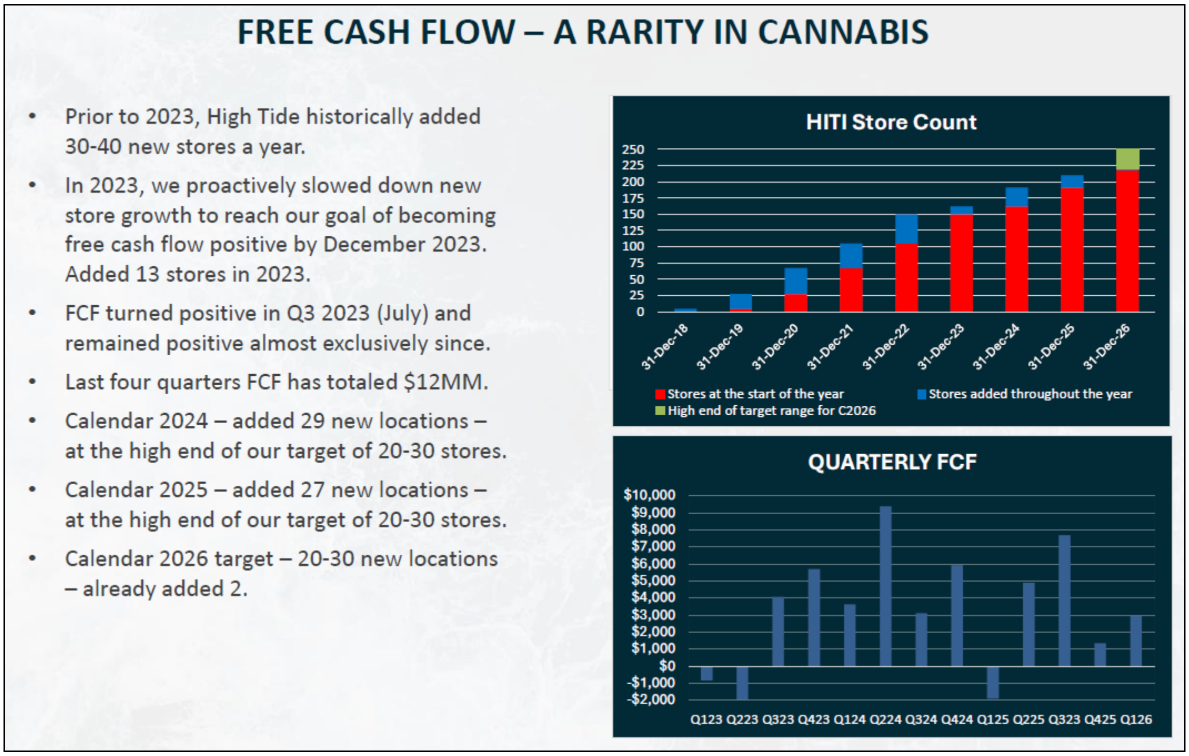
Adjusted EBITDA was $11.5 million (*6.4% margin*) in the 1st quarter compared to $7.1 million (*5.0% margin*) in the prior year period, marking the fastest growth rate in eight quarters.

During the first quarter, the company generated a net loss of ($0.4) million, which represented strong improvements from a net loss of ($2.7) million in the prior year period and a net loss of ($46.7) million sequentially, which was impacted by non-cash impairment expenses and charges related to changes in derivative liabilities.



Source hightideinc.com

The company generated $2.9 million in free cash flow in the 1st quarter representing a significant improvement from a cash flow usage of ($1.9) million in the prior year period. During the past four quarters, the company has generated $16.8 million in free cash flow.



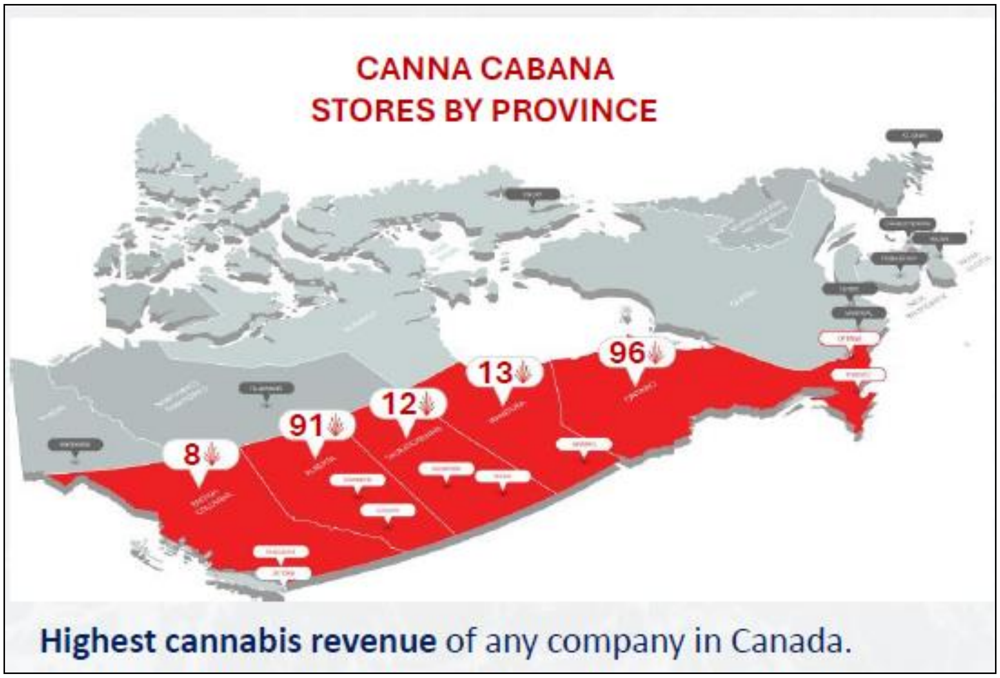
Source hightideinc.com

Cash balances (including restricted cash) remained strong and totaled $46.4 million as of January 31, 2026 compared to $33.3 million in the prior year period. Total debt balances were $41.4 million and there was also convertible debt totaling $30.0 million (C$4.20 conversion price but only upon mutual agreement between both parties)

CEO Raj Grover stated, *"We delivered another quarter of solid results, highlighted by record revenue, record gross profit, and positive free cash flow. Our innovative discount club model, built around customer loyalty, continues to be the backbone of our success. Cabana Club membership keeps growing rapidly, and our stores continue to outperform peers, while our core bricks-and-mortar segment achieved its fifth consecutive quarter of sequential gross margin improvement."*

Segment & Operational Review

Retail - Canadian Cabana Club membership surpassed 2.58 million, up 47% year over year, which was the fastest growth in ten quarters and remains the largest cannabis loyalty program globally. Canadian ELITE membership exceeded 162,000, up 100% year over year. Global Cabana Club membership surpassed 6.65 million, up 17% year over year, including more than 171,000 ELITE members, also up 100%.



Source hightideinc.com

Canna Cabana's average store generated 1.9x the revenue of peers. Same-store sales rose 0.5% year over year in the quarter but declined 1.3% sequentially on a daily basis due in part to severe January weather in Ontario. Since the October 2021 launch of its discount club model, same-store sales have increased 149%, while the average operator in Canada has remained flat. Market share increased to 12% from 11% a year earlier, shrink was 0.3%, and annualized retail sales per square foot were $1,728, down 4% year over year and 3% sequentially. This was still above average for the industry.

Medical Cannabis (Germany) – The first fiscal quarter of 2026 marked the company's first full quarter in the medical cannabis sector following the acquisition of a majority stake in Remexian, which is based in Ludwigsfelde, Germany close to Berlin. The segment generated $25.0 million of revenue in the 1st quarter, compared to $9.8 million during the two months it contributed in fiscal 4th quarter of 2025. The company also indicated the segment continued to grow after quarter-end, with Remexian selling 2.6 tonnes of medical cannabis in February 2026, generating approximately €7.5 million (C$12.0 million) of revenue at an estimated 20% gross margin.

Germany's medical cannabis market continued to expand, with total imports reaching 201 tonnes in 2025, up 176% from 73 tonnes the prior year. Canada was the leading country of origin at 93 tonnes, representing nearly 50% of German imports, followed by Portugal at 55 tonnes, which often serves as an intermediary supplier of Canadian product. Despite biomass delay issue in Portugal, Remexian increased its share of German imports from 6.5% in the three months ended September 2025 to 10.3% in the three months ended December 2025, while more than 1 in 7 German pharmacies now offer medical cannabis.

Operational Highlights - The company opened seven new Canna Cabana locations during the quarter in Alberta and Ontario, bringing its total store count to 218 across Canada at quarter-end. It later added two more Ontario stores in Scarborough and Sarnia, increasing the total to 220. The company also welcomed Alberta's decision to ease restrictions on advertising and promotional relationships between licensed retailers and licensed producers.

In the U.S., the company is exploring opportunities for its CBD brands, NuLeaf Naturals and FAB CBD, to benefit from newly announced federal initiatives, including an anticipated Medicare pilot program that could provide eligible seniors with up to US$500 annually in CBD products at no cost. The company sees this as a potential growth opportunity and has joined the National Compassionate Care Council to help shape medical cannabis-related legislative and regulatory reform in the U.S.

The company also reported early signs of stabilization in its e-commerce segment (U.S.), with revenue rising 5% sequentially, marking its first quarter-over-quarter improvement in two years, while the adjusted EBITDA loss improved by ($0.2) million.

KEY TAKEAWAYS & OUTLOOK

- The Company Generated $2.9 Million in Free Cash Flow During the Quarter, Marking Significant Improvements Year Over Year and Sequentially. Over the Past 12 Months, the Company Has Generated $16.8 Million in Free Cash Flow

- Canadian Cabana Club Members Now Exceed 2.58 Million, Up 47% Year Over Year, Marking the Fastest Pace in 10 Quarters and Remains the Largest Cannabis Loyalty Program Globally

- ELITE Members in Canada Have Surpassed 162,000, Up 100% Year Over Year

- High Tide Remains the Highest Revenue Generating Cannabis Company Reporting in Canadian Dollars, and Continues to Hold a Leading 12% Share of the Cannabis Retail Market Across the Five Provinces in Which the Company Has a Presence, Up from 11% in the Same Period Last Year

- Despite the Volume of Biomass Still in Portugal Waiting to be Released, Remexian Pharma GmbH Was Able to Significantly Increase its Market Share of German Imports From 6.5% for the Three Months Ended September 2025 to 10.3% for the Three Months Ended December 2025

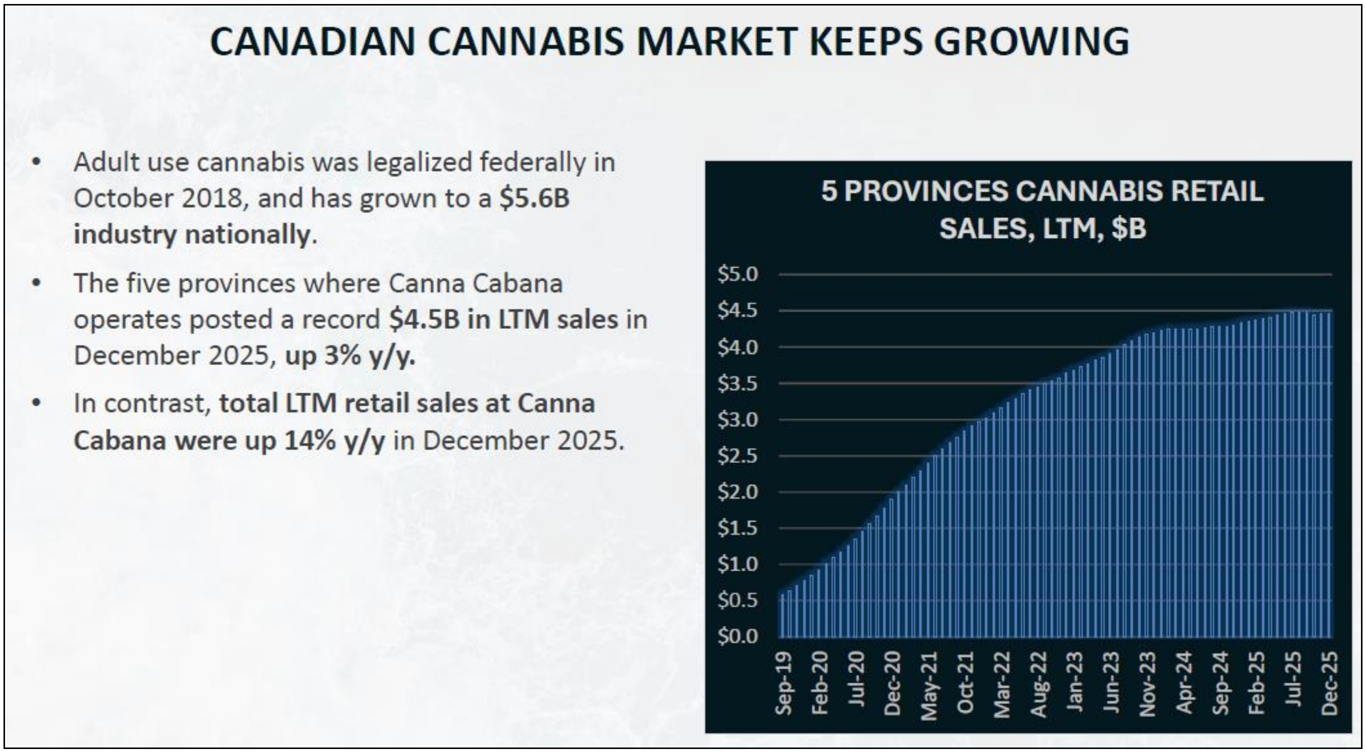
The company provided a summary and outlook for the total business in its 1st quarter press release:

Bricks-and-Mortar Retail: Canna Cabana is Canada's largest cannabis retail chain with 220 locations and plans to open 20-30 more in 2026 as it works toward a long-term target of 350+ nationwide. Its white label product portfolio under the Queen of Bud and Cabana Cannabis brands has reached 35 SKUs, currently accounting for 1.6% of physical retail sales, with a long-term goal of reaching approximately 20% of total revenue.

Cabana Club & ELITE: High Tide's Cabana Club and ELITE programs are the world's largest cannabis loyalty programs, with Canadian Cabana Club membership surpassing 2.58 million, up 47% year over year and with 6.65 million members globally. The paid ELITE tier has doubled year over year to 162,000 Canadian members, with a long-term ambition of reaching 1 million, as ELITE members consistently shop more frequently and spend more than base tier members.

United States: High Tide's U.S. e-commerce division is showing signs of a sequential recovery, while the December 2025 Executive Order from President Trump advancing cannabis rescheduling has created meaningful tailwinds for the business. In response, High Tide and NuLeaf Naturals became founding members of the U.S. National Compassionate Care Council, positioning the company to be at the forefront of dialogue with patients, researchers, and policymakers.

Europe: Remexian generated $25 million in Q1 2026 revenue, nearly 70% above the prior quarter, with February 2026 marking its highest revenue month since the acquisition at over $12 million, despite near-term margin pressure from aging Portuguese biomass. Gross margins are expected to improve in the 2nd quarter of 2026 as favorably priced Canadian biomass enters the supply chain. Also, High Tide anticipates entering the UK market within the next 12 months through a merger or acquisition.



Source hightideinc.com

VALUATION & ESTIMATES

We are maintaining our DCF derived price target of **US$5.00** per share which still represents meaningful upside from current price levels. While many cannabis stocks do tend to move together in response to major industry-wide catalysts (such as rescheduling), we believe there can be major divergence in specific companies based on specific fundamentals. High Tide is likely one of those positive outliers due to a potential recovery of Canadian same store sales growth to normal levels, successful new store openings, continued margin improvement, and a successful expansion into European markets.

We also look at peer multiples to provide a secondary valuation methodology. Although it’s difficult to find exact comparisons due to a variety of business models, country location, and financial data – we believe a set of cannabis related stocks are trading at an EV/EBITDA ratio of approximately 9.2x. With HITI trading at only approximately 6.2x EBITDA, there appears to be material upside. HITI stock would have to reach approximately **US$3.20** per share to match its peer valuation, many of which do not have the strong growth profile and competitive advantages that High Tide does.

Another competitor comparison is Charlottes Web (OTCQB: CWBHF) which has performed very well since the executive order from the White House on 12/18/25 that opened the door to a pilot program where seniors could get up to US$500 a year of CBD covered under Medicare. High Tide owns NuLeaf and FAB CBD products which compete with Charlotte's Web so the company is not getting credit for that potentially large opportunity.

In addition, Canadian based Organigram Global recently acquired Germany based Sanity Group, a competitor to Remexian. The Sanity Group acquisition is roughly the same size as High Tide’s purchase of Remexian in terms of revenue (Remexian is more profitable), but Organigram is paying substantially higher multiples than High Tide did (believed to be over 12x). This demonstrates High Tide’s European business is truly an undervalued and unrecognized asset.

Estimates

We adjust our estimates based on management comments and industry conditions. Our updated model calls for EPS of $0.05 in fiscal 2026. Our fiscal year 2027 EPS estimate is now $0.13.

We expect consistent double-digit revenue growth over the next 2-3 years with revenues exceeding $800 million in F2027. This reflects continued organic growth (rising same-store sales and ongoing market share gains), a broader retail store footprint (store count likely approaching 300), and accelerating Remexian contributions, particularly as supply chain disruptions in Portugal continue to normalize and the company's distribution footprint expands beyond Germany.

We expect Adjusted EBITDA, which excludes transaction costs, other non-recurring items, and stock-based compensation expenses, to be approximately $49.0 million in F2026 and expand to $59.0 million in F2027. This growth in 2026 and 2027 is driven by a step up in gross margins following the sell-through of older/lower-priced product, rising economies of scale, higher levels of white label products, and ongoing expense management & resource optimization strategies. Management has stated the company's long-term EBITDA margin goal is 12.0% for HITI's bricks-and-mortar business segment (9.4% in F4Q25).

KEY INVESTMENT POINTS

High Tide is the largest cannabis retailer in Canada operating 220 stores across Alberta, Ontario, Saskatchewan, British Columbia, and Manitoba. Beyond traditional bricks-and-mortar cannabis stores in Canada (branded Canna Cabana), the company markets Cannabidiol (CBD) and consumption accessories online across Canada, the U.S., the United Kingdom, and Europe. More recently, HITI closed the acquisition of a 51% ownership stake in Remexian Pharma GmbH, a leading low-cost medical cannabis importer/wholesaler in Germany, one of the highest-growth markets in the world, with much of the demand satisfied through imported cannabis from Canada.

Our investment thesis revolves around:

- We expect a continued favorable regulatory landscape in Canada. The Cannabis Act and the Cannabis Regulations in 2018 allow for and govern the cultivation/production, processing, retail sale, and distribution of cannabis for both medical and recreational use across Canada. Following the legalization of recreational-use cannabis, Canada has grown into a C$5.5 billion market, with a majority of sales coming from the five provinces in which High Tide has operations.

  While HITI's brick-and-mortar cannabis sales remain confined to Canada at present, we expect management to increasingly turn its sights to the U.S. in light of a more favorable regulatory backdrop. As uncertainty around rescheduling probabilities, implications, and timelines fade, we look for cannabis stocks to benefit from enhanced liquidity, rising institutional shareholder ownership profiles, and powerful upward revaluations over time.

- We believe there are plenty of growth levers the company can engage in. We expect a powerful step up in HITI's earnings power reflecting the recent majority equity investment in Remexian in Germany, in addition to a number of compelling growth catalysts including:
  a) strong/sustained Same-Store Sales (SSS) growth;
  b) ongoing retail store expansion, with management reiterating the company's goal of adding 20-30 new stores per year;
  c) further step ups in the number of Cabana Club/ELITE loyalty program memberships;
  d) market share continuing to roll up to diversified/scale-enabled players; and
  e) increasingly leveraging white labeling opportunities to further build out the house-branded product portfolio. Currently, this is less than 2.0% of total sales, but the company's target is for

these products to represent 20% of sales. Gross margins on this product portfolio are typically 5%-7% higher than the legacy product set.

- High Tide has emerged as a global player in the industry. HITI recently closed the acquisition of a 51% ownership stake in Remexian Pharma GmbH, a leading low-cost medical cannabis importer/wholesaler in Germany. Germany remains amongst the highest-growth markets in the world, particularly following the enactment of the Consumer Cannabis Act in April 2024, which legalized cannabis for medical use. A key rationale for the transaction was the powerful opportunity to increasingly leverage HITI's procurement expertise and LP network/relationships in Canada to drive accelerating imports/sales in Germany. As such, we see substantial potential for related revenue and EBITDA growth, as HITI increasingly pushes Canadian-supplied cannabis (sourced at lower prices) through Remexian's broad distribution network in Germany.

- We project a favorable inflection in net income in fiscal year 2026 (October 2026), with further growth expected in fiscal year 2027 and beyond as the business continues to scale. Key modeling inputs include accelerating revenue growth reflecting continued organic growth, a broader retail store footprint, and accelerating Remexian contributions, combined with rising margins on the back of building economies of scale, ongoing expense management/resource optimization, and accelerating growth across higher-margin initiatives.

- High Tide's strong balance sheet remains a key differentiating factor relative to most other U.S. based cannabis operators that typically struggle to source capital to fund growth due to regulatory restrictions, and highly dilutive financings are often the only course of action. The company maintains ample liquidity and steady free cash flow to fund organic growth initiatives and capitalize on accelerating consolidation trends across the industry should the right opportunities arise. High Tide's debt profile remains generally favorable, with long-dated maturities (mostly 2028). The debt to EBITDA ratio is 1.4x based on gross debt as of 1/31/26 and 1st quarter annualized attributed EBITDA. This demonstrates the company has ample debt capacity to fund its growth plans if necessary.

Source hightideinc.com

INVESTMENT RISKS

- Regulatory uncertainty: While the distribution and sale of medical and adult-use cannabis, cannabis products, and cannabis accessories is permitted at the Federal level in Canada via legally mandated licenses under the Cannabis Act of 2018, High Tide's business operations along with the company's domestic expansion efforts could be meaningfully impacted by adverse regulatory changes. Also, the company must adhere to inconsistent laws and regulations governing the sale and distribution of cannabis products across the five provinces in which HITI maintains retail locations. Any initiatives to enter the U.S. market would require considerable time, resources, and infrastructure to conform related operations to the shifting regulatory framework.

- Rising competition: The cannabis industry remains highly fragmented, with over 3,600 licensed recreational cannabis retail stores across Canada (along with the unregulated illicit market). As such, competition remains fierce, with market shares rolling up to companies that can increasingly leverage high-quality supply, diversified/innovative product sets, broader retail distribution, more cost-effective marketing initiatives, and improving operational efficiencies. While HITI remains amongst the largest cannabis retailers across the provinces in which the company operates, select competitors, particularly scale-enabled, vertically integrated operators and government wholesalers, may be able to leverage greater financial resources, broader customer relationships, and/or longer operating histories.

- Wholesale pricing volatility: One of the byproducts of rising competition and oversupply has been pricing pressure, with the price of cannabis directly impacting HITI's revenues, gross profits, and earnings. Furthermore, wholesale pricing remains highly influenced by cultivation conditions, inflationary pressures, the macroeconomic backdrop, shifting demand trends, and/or regulatory changes, with any disruptions in the supply chain likely impairing HITI's economics. That said, wholesale pricing trends in Canada have stabilized more recently, and as a low-cost retailer, HITI is less dependent on pricing to drive revenue growth.

- Reliance on Licensed Producers/government wholesalers: HITI sales remain dependent on sourcing high-quality cannabis and related products from LPs in a cost-effective manner via government wholesalers. Moreover, proficient supply chain management involves promptly meeting shifting demand trends to minimize related carrying costs. As such, any material disruptions in the cultivation of cannabis products and/or related economics for LPs (including rising costs or less favorable contract terms) could have an adverse effect on HITI's business.

- M&A integration/financing: Over the years, HITI has completed a number of acquisitions to enhance/extend the company's footprint. All transactions carry meaningful execution and operational risks, particularly assuming accounting/finance, human resources, legal, and other back-office functions are consolidated post-acquisition. Looking ahead, management remains focused on potentially capitalizing on incremental M&A opportunities (at attractive valuations). That said, shareholders likely risk dilution, assuming prospective deals are at least partially financed with equity.

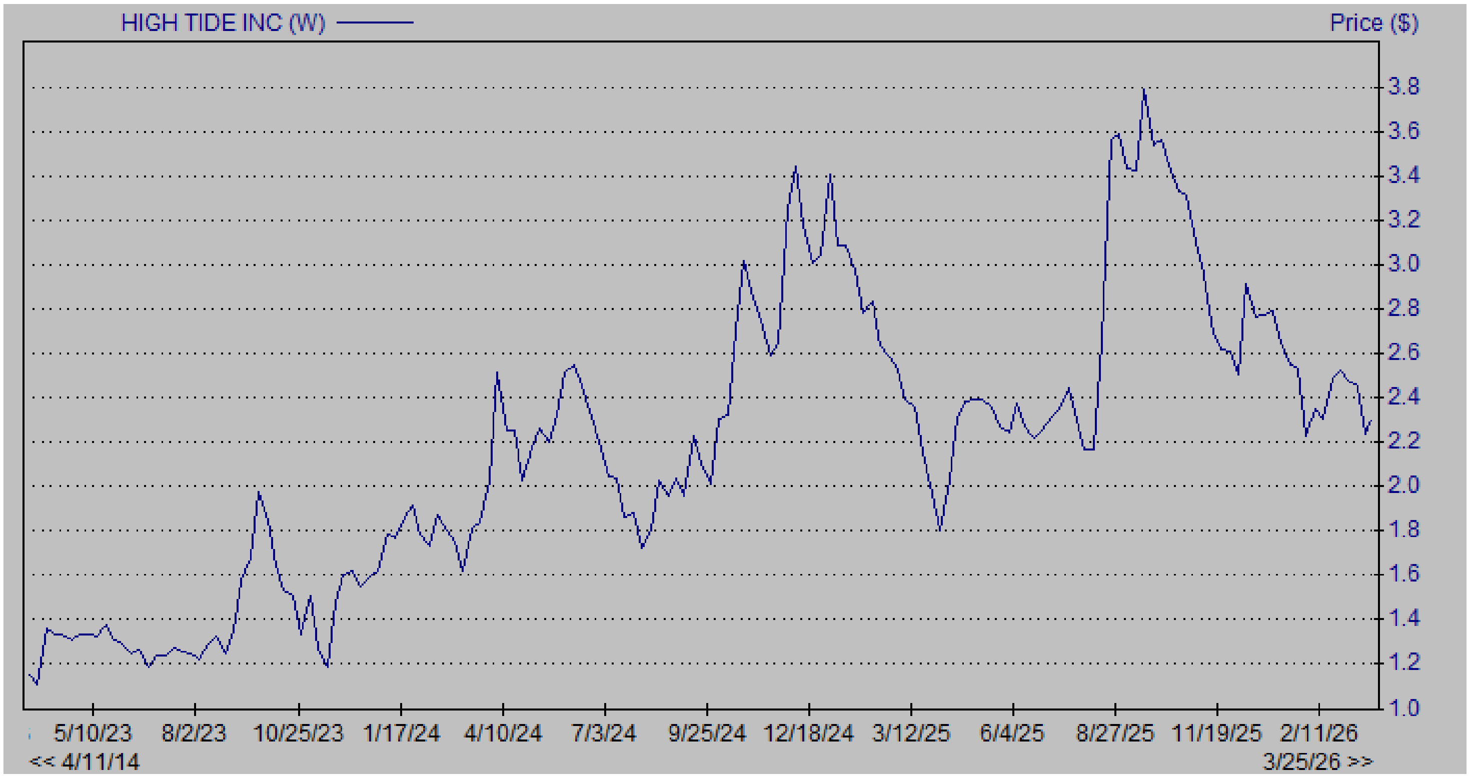
PROJECTED INCOME STATEMENT (CDN)

High Tide Inc.
(CDN in thousands)

	Quarterly								Annual			
	F1Q25	F2Q25	F3Q25	F4Q25	F1Q26A	F2Q26E	F3Q26E	F4Q26E	F2024	F2025	F2026E	F2027E
	Jan-25	Apr-25	Jul-25	Oct-25	Jan-26	Apr-26	Jul-26	Oct-26	Oct-24	Oct-25	Oct-26	Oct-27
Revenue												
Cannabis, CBD products, & Other	123,619	120,051	131,963	145,451	172,346	165,452	175,551	178,315	452,792	521,084	691,664	784,587
Consumption accessories	7,544	6,415	5,744	5,493	5,983	6,282	6,596	6,926	32,801	25,196	25,787	28,812
Data analytics, advertising and other revenue	11,298	11,338	11,983	13,087		0	0	0	36,713	47,706	0	0
Total Revenue	**142,461**	**137,804**	**149,690**	**164,031**	**178,329**	**171,734**	**182,147**	**185,241**	**522,306**	**593,986**	**717,451**	**813,399**
Cost of Sales	(107,021)	(102,333)	(109,599)	(121,503)	(133,920)	(128,624)	(135,967)	(137,814)	(379,804)	(440,456)	(536,326)	(603,112)
Gross Profit	35,440	35,471	40,091	42,528	44,409	43,110	46,179	47,427	142,502	153,530	181,126	210,287
Expenses												
Salaries, wages and benefits	(17,581)	(17,476)	(18,288)	(18,814)	(21,105)	(19,526)	(20,528)	(20,691)	(65,082)	(72,159)	(81,849)	(90,042)
Share-based compensation	(1,175)	(1,250)	(824)	(668)	(370)	(699)	(742)	(754)	(2,975)	(3,917)	(2,566)	(3,312)
General and administration	(6,563)	(5,768)	(6,623)	(7,099)	(7,393)	(7,347)	(7,701)	(7,739)	(21,836)	(26,053)	(30,179)	(33,983)
Professional fees	(1,809)	(1,690)	(2,301)	(2,669)	(2,437)	(2,794)	(2,964)	(3,014)	(7,734)	(8,469)	(11,209)	(13,235)
Advertising and promotion	(912)	(1,030)	(592)	(651)	(944)	(682)	(723)	(735)	(4,166)	(3,185)	(3,084)	(3,228)
Depreciation and amortization	(5,847)	(5,880)	(6,080)	(6,503)	(8,026)	(6,808)	(7,221)	(7,344)	(25,393)	(24,310)	(29,399)	(32,247)
Impairment loss net of recovery			0	(23,564)	0	0	0	0	(4,964)	(23,564)	0	0
Interest and bank charges	(1,486)	(1,445)	(1,644)	(1,746)	(1,763)	(2,344)	(2,455)	(2,488)	(5,349)	(6,321)	(9,050)	(10,723)
Total Expenses	**(35,373)**	**(34,539)**	**(36,352)**	**(61,714)**	**(42,038)**	**(40,200)**	**(42,333)**	**(42,766)**	**(137,499)**	**(167,978)**	**(167,337)**	**(186,770)**
Operating Income/(Loss)	**67**	**932**	**3,739**	**(19,186)**	**2,371**	**2,910**	**3,846**	**4,661**	**5,003**	**(14,448)**	**13,789**	**23,517**
Gain on extinguishment of financial liability	0	0	0	0	0	0	0	0	79	0	0	0
Gain on extinguishment of put option liability			0	0	0	0	0	0	885	0	0	0
Loss on revaluation of marketable securities	0	0	0	0	0	0	0	0	(89)	0	0	0
Finance and other costs	(2,731)	(3,566)	(2,676)	(3,895)	(6,113)	(2,043)	(2,031)	(2,031)	(10,058)	(12,868)	(12,218)	(8,125)
Gain on revaluation of put option liability	0	0	0	0	0	0	0	0	657	0	0	0
(Loss) gain on foreign exchange	13	(114)	(120)	(333)	144	0	0	0	(24)	(554)	144	0
Other loss	0	(42)	1	41	0	0	0	0	(342)	0	0	0
FV change in derivative liability			(43)	(23,516)	3,286	0	0	0	0	(23,559)	3,286	0
Gain (loss) on debentures	0	0	0	0	0	0	0	0	(515)	0	0	0
Pre-Tax Income/(Loss)	**(2,651)**	**(2,790)**	**901**	**(46,889)**	**(312)**	**867**	**1,815**	**2,630**	**(4,404)**	**(51,429)**	**5,001**	**15,392**
Income tax (expense) recovery	(38)	(46)	(69)	(112)	(40)	(173)	(363)	(526)	(601)	(265)	(1,103)	(3,078)
Deferred income tax recovery	0	0	0	290	0	0	0	0	1,194	290	0	0
Net Income/(Loss)	**(2,689)**	**(2,836)**	**832**	**(46,711)**	**(352)**	**694**	**1,452**	**2,104**	**(3,811)**	**(51,404)**	**3,898**	**12,314**
Translation difference on foreign subsidiary	881	(1,044)	100	514	0	0	0	0	1,591	451	0	0
Net comprehensive gain/(loss)	(1,808)	(3,880)	932	(46,197)	(352)	694	1,452	2,104	(2,220)	(50,953)	3,898	12,314
Earnings per share, diluted	**($0.03)**	**($0.04)**	**$0.01**	**($0.55)**	**$0.01**	**$0.01**	**$0.02**	**$0.02**	**($0.05)**	**($0.62)**	**$0.05**	**$0.13**
Weighted average shares outstanding, basic	80,875	80,936	81,316	85,588	87,715	87,935	88,154	88,375	79,557	82,179	88,045	88,817
Weighted average shares outstanding, diluted			88,578	92,851	94,978	95,197	95,417	95,637			95,307	96,079
Net (loss) Income	(2,689)	(2,836)	832	(46,711)	(352)	694	1,452	2,104	(3,811)	(51,404)	3,898	12,314
Income/deferred tax recovery (expense)	38	46	69	(178)	40	173	363	526	(593)	(25)	1,103	3,078
Accretion and interest	2,101	1,950	1,795	1,213	3,155	2,043	2,031	2,031	7,444	7,059	9,260	8,125
Depreciation and amortization	5,847	5,880	6,080	6,503	8,026	6,808	7,221	7,344	25,393	24,310	29,399	32,247
EBITDA	**5,297**	**5,040**	**8,776**	**(39,173)**	**10,869**	**9,718**	**11,068**	**12,005**	**28,433**	**(20,060)**	**43,660**	**55,764**
Foreign exchange loss (gain)	(13)	114	120	333	(144)	0	0	0	24	554	(144)	0
Transaction and acquisition costs	630	1,616	881	2,682	2,958	0	0	0	2,614	5,809	2,958	0
Loss (gain) revaluation of put option liability	0	0	43	23,516	(3,286)	0	0	0	(657)	23,559	0	0
Other loss (gain)	0	42	(1)	(41)	690	0	0	0	342	0	0	0
Loss (gain) on extinguishment of debenture	0	0	0	0	0	0	0	0	(885)	0	0	0
Impairment loss	0	0	0	23,564	0	0	0	0	4,964	23,564	0	0
Share-based compensation	1,175	1,250	824	668	370	699	742	754	2,975	3,917	2,566	3,312
Loss (gain) on revaluation of marketable securities	0	0	0	865	0	0	0	0	89	865	0	0
Loss (gain) on revaluation of debenture	0	0	0	0	0	0	0	0	515	0	0	0
Loss (gain) on extinguishment of financial liability	0	0	0	0	0	0	0	0	(79)	0	0	0
Adjusted EBITDA	**7,089**	**8,062**	**10,643**	**12,414**	**11,457**	**10,418**	**11,809**	**12,760**	**38,335**	**38,208**	**49,040**	**59,077**

Source: Company reports and Zacks SCR estimates and calculations.

HISTORICAL STOCK PRICE



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