

EQ Inc.

Initiating Coverage – In Data we Trust; Data Drives AdTech, Strategic Moves Across Marquee Clients; Holds Keys for SME, US Initiatives

EQ-TSXV: \$1.70
Speculative Buy
\$2.20 Target

Investment Thesis: We look for EQ's Artificial Intelligence or AI-driven data analytics of consumer behaviour to quickly emerge as a differentiated enabler driving client strategy, proprietary marketing and advertising programs. The Company's AI capabilities position it as a leader in Canadian location-based analytics. EQ leverages its AI and Machine Learning (ML) with location-based data together with primary data to predict purchase intent and analyze audiences. **EQ currently works primarily with marquee names across the Media, Telecom, Automotive, and Financial verticals where its data analytics curate target audiences for media buying initiatives with recent success as a tool for capital allocation and broader marketing strategy and competitor analysis.** Its success is measured in superior client ROIs that have driven significant contract expansions and no churn amongst top clients. **EQ's data analytics drive media buying with ~70% of media buys integrated with data insights. Direct data profits exceed advertising profits exiting 2022.**

We believe the Company's EV at \$108.1 Million significantly undervalues the revenue trajectory prospects leveraging EQ's proprietary AI-powered data analytics.

Marquee Endorsement: The Company has quickly won contracts with strategic vertical leaders such as Bell Media (BCE-TSE, NR) and TD Bank (TD-TSE, NR) while it counts Jaguar (TATAMOTORS-NSE, NR), BMW (BMW-ETR, NR), and Toyota (7203-TYO, NR) as clients within the auto vertical. The Company's result-oriented products continue to accelerate renewals across its top 10 clients who represent roughly 50% of revenues. EQ's programmatic media buying and data analytics leverage unique user data insights derived from its location-based, AI-powered technology. **Proprietary, first and third-party data can be integrated to provide unique data sets from which EQ derives user profile.**

Pandemic Push: COVID-19 has clearly accelerated the adoption of e-commerce and digital advertising where brands pursue both online audiences and measurable ROIs. We feel EQ's data analysis using location-based data to derive predictive consumer behaviour solutions is at the vanguard of digital advertising moving towards personalized narrowcasting.

Data Differentiator: Organizations of all sizes recognize the need to leverage available data analytics-driven solutions. However, many are overwhelmed by the availability of primary and secondary data where the volume and incompatibility of data obscure its effective analysis and application. EQ applies advanced data analytics and AI to extract proprietary consumer profiles, leveraging primary customer data that can be integrated with EQ's proprietary geo-spatial data and partnered third-party data. The insights can then be used to construct and conduct media buys, including programmatic, outdoor signage, and point-of-sale advertising. EQ's user tracking capabilities provide additional measurement tools for advertising ROI. **Data insights have also been applied to clients' strategic capital allocations, competitive analysis and marketing strategies.**

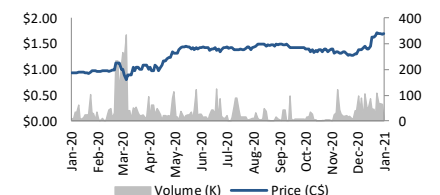
AI Profile: C3.ai's (AI-NYSE, NR) impressive advance from its US\$42/shr, US\$651M initial public offering on Dec. 8/20 to its current US\$143.15/shr and market capitalization of US\$12.8B reflects bullish investor sentiment towards AI/data analytics while setting aggressive expectations for the company. The bullish sentiment looks beyond the COVID-19-induced lower y/y growth rates over the two most recent quarters to focus on

Projected Return: 29.4%
EV/2021E Sales: 7.7x

All figures in CAD unless stated otherwise

EQ Inc.					
Market Capitalization - Basic				112.9	
Net Debt - FD (\$M)				-15.7	
Enterprise Value - FD (\$M)				108.1	
Basic Shares O/S (M)				66.4	
FD Shares O/S (M)				72.8	
Avg. Daily Volume (M)				33.8	
52 Week Range				\$0.73 - \$1.80	
Dividend Yield				0.0%	
Revisions		New	Old		
2020E Revenue		14.1	-		
2020E EBITDA		-0.8	-		
2020E EPS		-\$0.03	-		
Financial Metrics					
FYE - Dec 31 (\$M)	2019A	2020E	2021E		
Revenue	9.0	10.1	14.1		
Adj. EBITDA	(0.6)	(1.2)	(0.8)		
EPS	(\$0.04)	(\$0.04)	(\$0.03)		
Net Debt:EBITDA	24.2x	12.9x	20.2x		
Valuation Data					
	2019A	2020E	2021E		
DCF - Current/Target (\$)		\$1.91	\$2.35		
EV/Revenue	Current	12.1x	10.7x	7.7x	
	Peers	22.5x	18.9x	15.0x	
EV/Gross Profit	Current	27.4x	23.5x	15.4x	
	Peers	37.6x	29.8x	23.9x	
Quarterly Data					
(\$M)	Q1	Q2	Q3	Q4	
Revenue	2019	1.4	2.2	2.5	2.9
	2020	2.2	1.7	2.9	3.3
Gross Profit	2019	0.7	1.1	1.0	1.1
	2020	0.9	0.6	1.4	1.6
EBITDA	2019	(0.4)	(0.1)	(0.1)	(0.1)
	2020	(0.4)	(0.6)	(0.1)	(0.1)

Company Description
EQ Inc., offers services that enable clients to create and target customized audience segments using proprietary software with location-based behaviour data, advanced data analytics in Canada, the United States, and internationally. The Company's products include ATOM, a self-serve programmatic solution and a location-based advertising tool; LOCUS, an automated data processing technology that provides customized audiences and reporting data on both a self-service and managed-service basis. It also provides integrated digital marketing solutions, which enable advertisers to connect with their audiences across online display, video, social, and mobile campaigns using its programmatic marketing platform. The company was formerly known as Cyberplex Inc. and changed its name to EQ Inc. in



longer term potential. We believe AI/data analytics will see strong adoption well beyond the early global marquee adopters. We expect the larger peers such as C3.ai to focus on the high-end of the market typically, beyond EQ's target as they look to quickly build revenues given aggressive expectations.

We note that C3.ai's FQ1/FQ221 y/y revenue growth of 16%/6% marked a COVID-19 induced moderation from its 70% y/y growth leading to its fiscal year ending April 30, 2020 revenues of US\$157M. C3.ai's focus on tier one targets is reflected in the concentration of C3.ai's revenues where it generated 36% of its F2020 (April) from two oil related clients in Baker Hughes (BKR-NYSE, NR) and Engie (ENGIY-OTC, NR). Furthermore, the Company openly discusses its "lighthouse" strategy where it targets top sector clients such as 3M (MMM-NYSE, NR), Royal Dutch Shell (RDSA-AMS, NR) and the US Air Force to attract industry peers. We note that C3.ai puts the addressable market for AI tools at roughly US\$174B in 2020 and targets growth to US\$271B in 2024. **We see mid/smaller companies as strong targets for EQ either through direct or indirect sales channels. These clients may in turn support stronger margin profiles where internal development is cost and time prohibitive.**

Programmatic Media Buying: Digital advertising has emerged as a large item, and critical strategic weapon requiring sophisticated platform analytics to effectively leverage the staggering amount of data for ad placement and its effective ROI measurement. EQ's algorithms and analytics offer key insights and measurements associated with program design, placement, and measurement where its location-based data capabilities are a proprietary differentiation. The Company has focused on large enterprise customers to date with annual billing ranging from \$250K to \$2M as they represent early adopters and are well served by direct internal sales. **We see EQ's data analytics driving its media buying business as roughly 70% of media buying revenues have associated data analytics revenues. While media buying and data analytics are complementary businesses, we expect that over time EQ will increasingly leverage its data capabilities for applications outside of direct media buying. We look for the company to significantly expand upon its early success in providing clients inputs for improved strategic capital allocation and marketing decisions well beyond buying programs. Within the legacy AdTech media buying arena, we see EQ integrating with much larger programmatic buyers and platforms on a wholesale or B2B basis as its outputs are designed for seamless third-party integration.** The Company's programmatic platform, ATOM, serves clients on either a self-service (30%) or a managed basis with a focus on larger clients. The Company anticipates that existing managed accounts will often migrate to self-service with greater platform familiarity and considering the external trend to in-house buying at larger clients.

Partnership Potential: The strength of EQ's data analytics capabilities offers the potential for near- and longer-term partnering to leverage the Company's internal resources. The team of 23 data scientists represents a strong value proposition for curated working partnerships. Furthermore, the platform and team development to date offer EQ the ability to expand with scale efficiencies and a lower risk profile. In stark contrast, prospective clients looking to build internal capabilities face significant upfront investment in talent and platform development along with go-to market delays. To these points, we note that **the <\$500M acquisition of Element AI by ServiceNow (NOW-NYSE, NR) was viewed by some industry participants as an acquihire recognizing the challenges of assembling a tier 1 data analytics team. Element AI is also viewed as a precautionary tale of the need to commercial and productize data analytics.**

We see the potential for EQ to leverage its data analytics capabilities through partnerships with advertising agencies and programmatic buying platforms. We look for the Company to pursue opportunities in the SME marketplace through third parties such as Shopify (SHOP-TSE, NR) Partners (26,400 as of May 2020), a key distribution channel contributing to Shopify's over one million merchants.

Core Vertical Potential: The Company's early success in outdoor signage, where EQ serves one of the two largest Canadian providers, reflects a service capability that could be applied to a US outdoor signage provider. **Success with a US provider would represent a key catalyst redefining the Company's total addressable market.** We note that EQ currently realizes ~10% of its sales primarily from a US client that found EQ and the Company was able to dislodge the incumbent provider. We note that in November, EQ secured a contract with one of the largest book publishers to launch 10 new titles across the US.

We similarly feel that **EQ’s demonstrated success with Canadian automotive dealer chains represents a core competency that is exportable to the US.** We note that data is generally more readily available in the US such that EQ’s data analytics technology can seamlessly access and incorporate US data.

Financial Profile: We have 2020 revenue/EBITDA of \$10.0M/- \$1.2M with our baseline scenario forecasting revenue/EBITDA advancing to \$14.0M/- \$0.8M and \$20.8M/\$1.5M in 2021/22. While organic growth prospects are aggressive, we would be encouraged where the Company successfully executes on acquisitions to strengthen its distribution capabilities into the US or one where it brings access to existing US client relations. The Company is forecast to exit 2020 with cash of \$4.3M and \$1.9M in debt. **We believe EQ is fully financed under a lower growth scenario focused on internal growth. However, we look for the company to pursue a more aggressive trajectory including strategic acquisitions and accelerated internal scaling. We would look for the Company to raise additional capital in pursuit of more ambitious growth. The depth of management, the strength of its data analytics team and the market opportunity warrant a more aggressive profile.**

Valuation: Our one and two-year DCF valuations against our baseline scenario are **\$2.35/\$2.60** using a discount rate of 14% and terminal growth of 4.5%. EQ shares are currently valued at 7.3x/4.7x and 14.2x/8.7x 2021/22 revenues and gross profits of \$14M/7.02M and \$20.8M/\$10.8M respectively. While the Company’s focus differs and it has achieved significantly greater scale and reached an advanced stage, investors are apt to consider AcuityAds (AT-TSX, \$17.20 Speculative Buy, \$13.50PT) as a natural peer with its valuation at 6.6x/5.7x 2021/22 EV/revenue and 16.5x/11.6x 2021/22 gross profits.

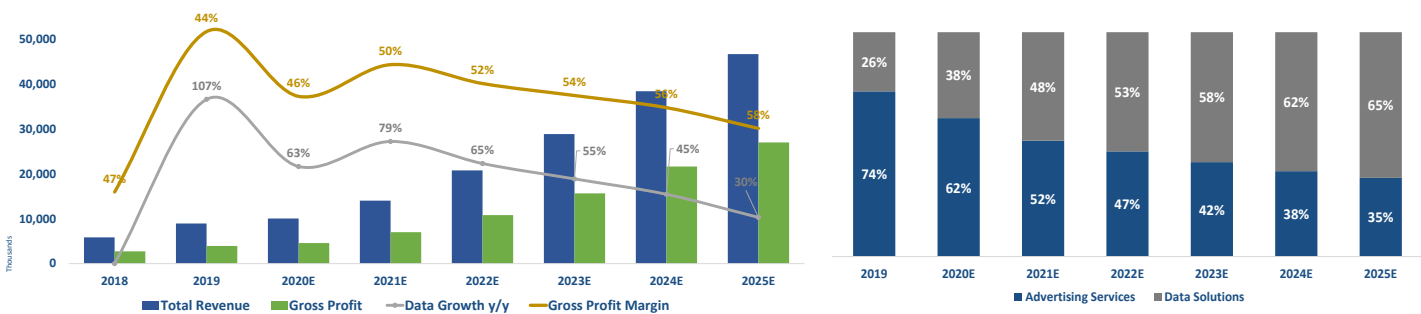
Baseline Scenario: Our baseline scenario supports five-year revenue CAGR of 32.3% deriving 2026 revenue/EBITDA of \$57.1M/\$23.4M. Applying a discount rate of 14% along with a terminal growth of 4.5% (EV/EBITDA 12.0x, FCF Yield 9.1%) generates a **one-year DCF valuation of \$2.35.**

Bullish Scenario: Our bullish scenario supports five-year revenue CAGR of 37.7% deriving 2026 revenue/EBITDA of \$73.12M/\$34.24M. Applying a discount rate of 14% along with a terminal growth of 4.5% (EV/EBITDA 12.0x, FCF Yield 9.1%) generates a **one-year DCF valuation of \$3.49.** This scenario reflects greater success penetrating key verticals and accounts in the US where we see the outdoor signage market as a natural target. We could see EQ acquire to gain inroads into the US thereby leveraging its capabilities.

Bearish Scenario: Our bearish, scenario supports five-year revenue CAGR of 26.9% deriving 2026 revenue/EBITDA of \$43.9M/\$12.54M. Applying a discount rate of 14% along with a terminal growth of 4.5% (EV/EBITDA 12.0x, FCF Yield 9.2 %) generates a **one-year DCF valuation of \$1.39.** We tend to characterize this scenario as our domestic scenario where the Company fails to make inroads in the US. We feel downside associated with this scenario would likely be mitigated by the potential for a takeover by a strategic acquiror where they would bring distribution capabilities beyond EQ’s own abilities.

Data Leverage: With advertising revenues put at 68%/64% of total revenues for 2021/2022, we feel the Company’s leverage to data analytics is often underestimated. While segmented profits are not disclosed, **we have direct data profits exceeding advertising profits exiting 2022.** This view further underestimates the importance of data where ~70% of media buying, or advertising revenues is associated with data analysis.

Exhibit 1 – Data Segment Contribution to Gross Profit Mix



Source: EQ Inc., Echelon Capital Markets

Executive Summary

Current Value Proposition Compelling: We view EQ's AI-driven data analytics extracted from its proprietary geo-location database as a unique AdTech enabler driving superior, measured advertising ROI. **We see significant scope to utilize its consumer profiling capabilities services to guide strategic capital allocations and marketing initiatives.**

Consequently, we feel the Company's ability to productize its AI and data analysis capabilities sets it on a path to exponential growth. **Our bullish view would be significantly recalibrated where EQ's total addressable market was defined by its AdTech capabilities.**

Due Diligence: EQ currently primarily works with marquee names across the Media, Telecom, Insurance, Automotive, and Financial verticals where its AI data analytics create curated target audiences for media buying initiatives. **The Company's success is driven by its ability to drive superior client ROIs while EQ's success is measured by its ability to secure significant contract expansions with clients without churn. Overall, EQ's expanding data analytics capabilities have seen ~70% of media buys reflecting a data component. Notably, data integration is higher with larger accounts where EQ's data insights are a critical component of its value proposition. We look for EQ to capture further share with marquee clients, the emergence of skunk work projects focused on introducing SME products and through US client wins where EQ looks to gain signature accounts in a land and expand strategy.**

Gaining Scale: We look for continued success where Canadian large enterprises represent low-hanging fruit given significant upside with existing clients and where the Company's existing client list opens doors. Moves to address the opportunity represented by the SME market are likely to emerge with further product development and partnerships to leverage distribution. **We look for the Company to leverage its Canadian success in the outdoor digital signage market and the automotive vertical to land marquee, calling-card worthy US accounts. The latter development would clearly be seen as a significant positive catalyst.**

Exhibit 2 – Valuation Scenarios

Scenario Summary	Base Case	Bull Case	Bear Case
Revenues (\$M)			
2021	14.1	14.8	13.4
2022	20.8	23.0	18.8
2023	28.9	33.5	24.9
Gross Profit (\$M)			
2021	7.0	7.6	6.4
2022	10.8	12.4	9.4
2023	15.7	19.0	12.8
EBITDA (\$M)			
2021	-0.8	-0.2	-1.4
2022	1.5	3.1	0.0
2023	5.7	9.1	2.8
FCF (\$M)			
2021	-1.2	-0.6	-1.8
2022	1.1	2.7	-0.3
2023	5.4	8.7	2.6
DCF Parameters			
Discount Rate	14.0%	14.0%	14.0%
Terminal Growth	4.5%	4.5%	4.5%
1-year Target DCF (C\$)	\$2.35	\$3.49	\$1.39

Base Case Scenario:

Our base scenario is consistent with continued growth in large enterprise contracts primarily in the Canadian market as an integrated data-analytics, media-buying platform. Under this scenario, we would look for EQ to post CAGR revenue and gross profit growth of 32.3% and 36.8%, respectively, for 2020-2025.

Bullish Scenario:

Our bullish scenario reflects building momentum in key verticals and success penetrating the US market where we would expect outdoor signage wins to be a key component. Our bullish scenario reflects greater US penetration along with data monetization where the Data segment makes up over 45% of the total revenue and a strong majority of operating profits by 2026. Our 2020-2026 forecasts post five-year CAGR revenue and gross profit of 37.7% and 42.9%, respectively.

Bearish Scenario:

Our bearish scenario would be consistent with a domestic only scenario focused on integrated data

analytics and media buying. Given the market opportunity, we would look for the prospects of a strategic acquirer emerging where it would look to bring distribution capabilities to scale EQ's capabilities.

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1. Company Profile

EQ Inc. provides advertising and data analytics along with programmatic media buying solutions to the online advertising industry through its proprietary platforms. **The two lines of services are complementary with roughly 70% of media buying linked with related data analytics.** The Company's data solutions leverage its AI data analytics capabilities applied to its proprietary, third and first-party databases with a focus on location-based behaviour analytics. To date, EQ has successfully secured marquee clients across the insurance, automotive, financial, retail, media, and education verticals. **It has gained particular success in the Canadian outdoor signage vertical where counts one of the top two category leaders as a client.**

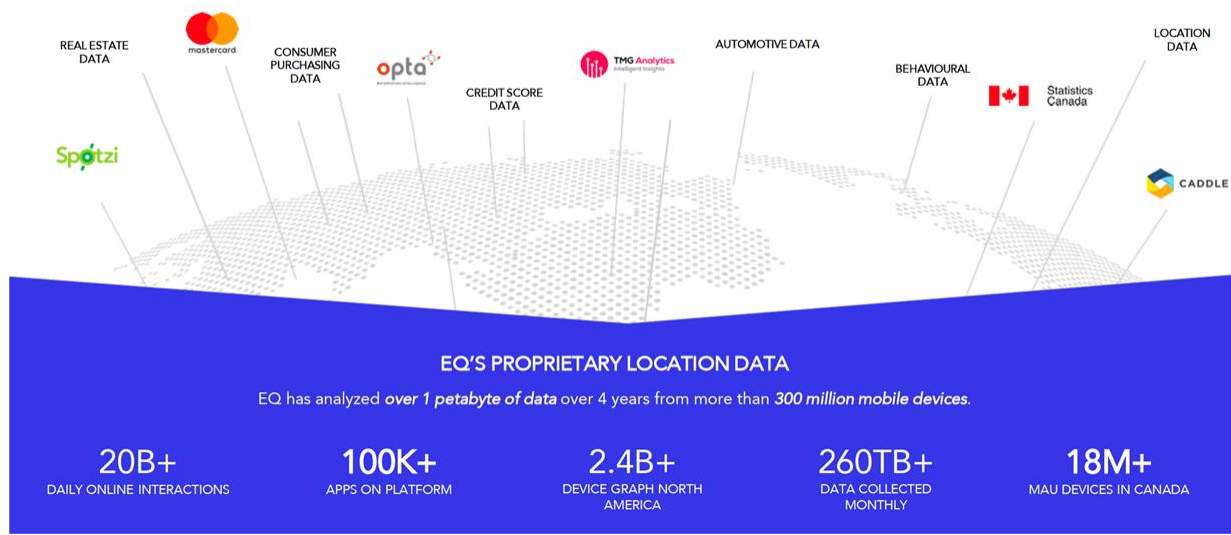
The Company's complementary strengths reflect its origins. EQ was founded as Cyberplex Inc. in 1994 with a focus on designing websites and e-commerce solutions. Following the acquisition of EQ Advertising in 2011, the Company redefined its core business to serve the online advertising industry. In 2013, the Company changed its name from Cyberplex Inc. to EQ Inc. along with a shift to the operating name "EQ Works".

Through its proprietary Software as a Service (SaaS) technology platforms, i.e., LOCUS and ATOM, the **Company is able to ingest, enrich, analyze, and action large quantities of data where both the volume of data and integration of disparate raw data sources are key challenges.** The Company's proprietary Programmatic Marketing Platform (PMP) – ATOM – facilitates strong ROIs for its customers by leveraging the proprietary audience profiles developed through its LOCUS platform. The LOCUS platform extracts consumer insights and predictions from its analysis of its proprietary geo-locational database and in many cases client first-party data. Consumer profile insights and predictions consider various behavioural, demographic, and geographic profiles. The Company's Data Management Platform (DMP) capabilities through LOCUS enables the Company to manage data at scale integrating proprietary first-party and third-party data sets to serve organizations across all industries.

The programmatic advertising has grown rapidly over the past few years with the US online programmatic digital advertising market forecast to push US\$40B in 2021 against US\$24B in 2018. While the pandemic has hurt overall advertising, it is seen as a significant longer term positive tailwind promoting e-commerce and digital advertising. We have been impressed with the resurgence in programmatic revenues since bottoming in May where the significant declines across COVID-19 afflicted sectors such as travel that in some cases represented 20-25% of advertising have been offset by growth across other sectors. While the Company mainly derives its revenue from advertising services, where it leverages its data capabilities, its data solutions revenue has experienced exponential growth (107% from 2018 to 2019, and 81% in Q3). A return to y/y growth in programmatic buying should positively impact the data torque. **We look for the data analytics capabilities to support exponential growth as a specific line item where it emerges as a strategic tool and over time where its outputs are partnered with third-party media buying programs.**

The Company differentiates its platforms by employing location-based behaviour data that enables advertisers to precisely target their audience and understand their customer behaviour. EQ's technological innovation has elevated the Company to become a location-based service provider leader in Canada. The Company's location-based proprietary location data has analyzed over one petabyte of data over the past four years from more than 300M mobile devices.

Exhibit 3 – EQ’s Proprietary Location Data



Source: EQ Investor Overview, November 2020

With the emergence of big data and AI, EQ has designed its platform to integrate large first and third-party data bases with applied AI and ML algorithms to help its clients understand, predict, and influence customer behaviour. Data is then applied against the EQ’s geo-mapping. From its Toronto headquarters, the Company has been able to build out its AI and data capabilities across a team of 23 data scientists within its total employee ranks of 46 team members.

While not a core element of our bullish thesis, EQ has internal creative content capabilities to enable it to be a full solution provider. EQ’s creative method to amplify data learnings led the Company to be the recipient of multiple awards, including *Mia Awards* in 2016, *The Drum Marketing Awards USA* in 2019, and *Award Submission* in 2020.

Exhibit 4 – EQ’s Award Profile



Source: EQ Investor Overview, November 2020

EQ offers its platforms to customers on a self-service and managed basis. The Company typically focuses on medium-to large-scale enterprise businesses, with physical locations along with advertising agencies, and research firms that want to better understand both their current and potential customers. Exhibit 5 highlights the marquee profile of its existing clients.

Exhibit 5 – Customer Profile



Source: EQ Investor Overview, November 2020

2. Product Portfolio

With user consent, their smartphone location can be tracked continuously using location-based services. While primarily associated with mobile devices, location-based data can also be extracted from multiple sources where consumers are using Global Positioning System (GPS), RFID, Wi-Fi, and cellular. Location-based technology is mostly used with mobile devices; however, it applies to any device that has the capability to provide a location, including desktop PCs, tablets, and smartwatches.

How Does a Location-based Platform Work? A location-based platform identifies and defines a point of interest(s). In essence, a point of interest comprises areas where users spend money. A point of interest can be a local store, an airport, hospital, or any location that a potential audience visited. Then, the platform inserts a geofence around the area(s) of interest. A geofence is a virtual boundary that is defined by GPS or RFID-enabled technology. When a smartphone user enters the targeted area, the geofence records the entry.

Why Location Matters: The location-based platform compiles data tracking a users’ movements and, through its algorithm, creates unique customer profiles. These profiles allow the advertiser to monitor and analyze key customer profiles with a deeper understanding. **The platform also enables an advertiser to focus on a competitors’ target audience or better understand traffic and spending behaviours. Analysing traffic volumes at a competitors’ location for example, can provide useful data with respect to their own store’s performance or it may influence capital decisions where new store locations are being considered.**

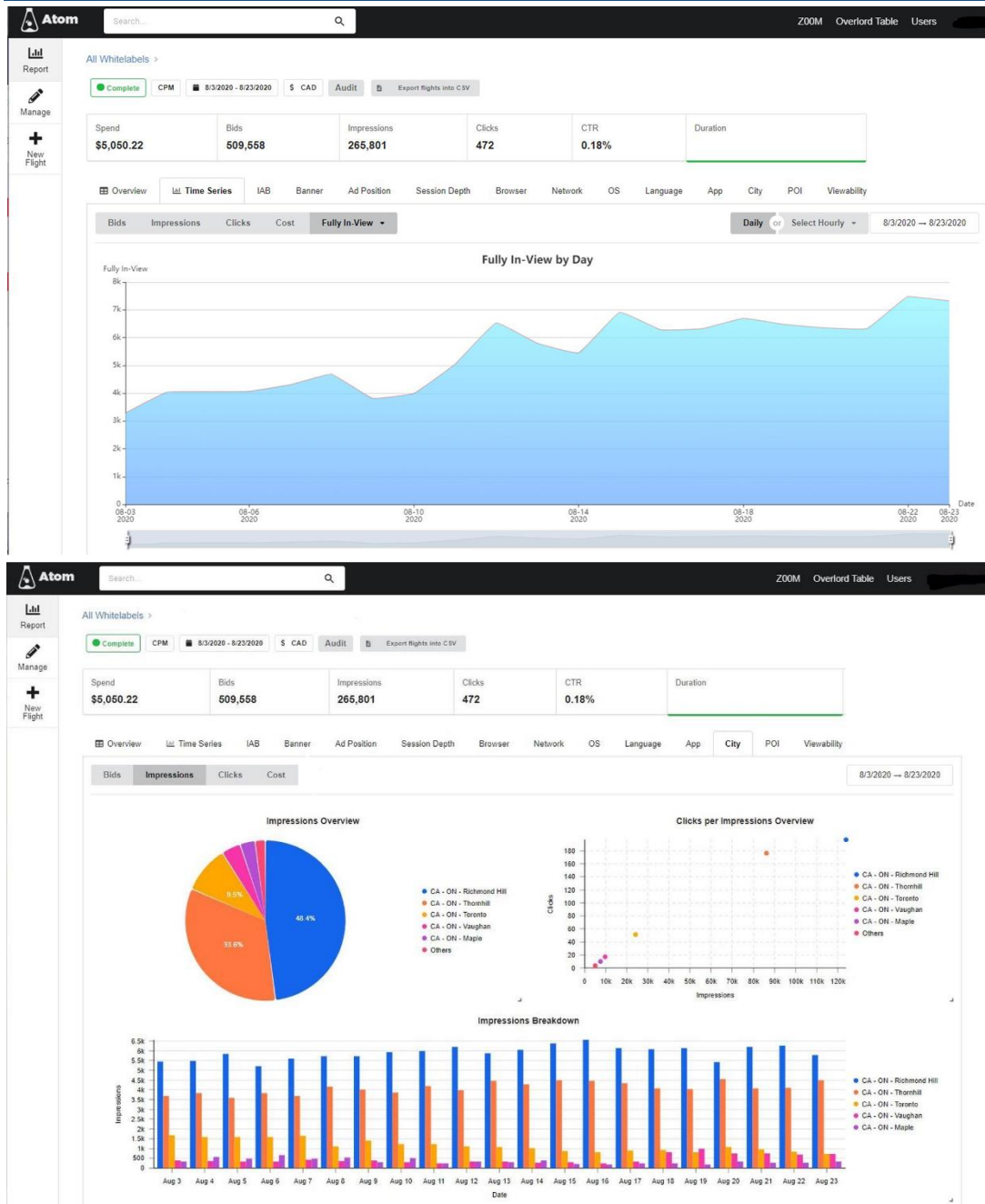
2.1. ATOM

ATOM is EQ’s demand-side platform (DSP), a location-based self-service media buying tool that enables advertisers to connect with and understand their audience. Focusing specifically on mobile networks, ATOM allows clients to target their advertising initiatives through advanced consumer profiling.

ATOM enables advertisers and businesses to reach their desired customers in real-time or near locations that were initially defined. ATOM’s location-based features extract location-based data from a 1.7km (1 mile) proximity of a point of interest(s) in North America. ATOM compiles location-based data, applies data analytics and integrates profiles with its programmatic media buying capabilities. Clients then use the integrated capabilities on user media-buying dashboards.

ATOM utilizes location-based data through ML and an AI-driven dynamic predictive segmentation engine to cluster into meaningful groups based on unique attributes to drive its clients’ marketing goals. The following exhibits represent a client dashboard tracking cumulative program spend, bids outstanding, impressions and user clicks.

Exhibit 6 – ATOM User Interface



Source: EQ Inc.

The Dynamics of Data

Enterprise has clearly embraced data as a strategic asset for organizations to identify growth opportunities, gain competitive advantages, and outperform peers. Where industry was previously challenged by a scarcity of data, it is now often challenged by an over abundance of data along with blind spots where its data collection capabilities are dependent on third-party sources.

While large enterprise will in many cases have the resources to invest in greater internal capabilities, **we see an emerging vertical of data analysis providers where they have critical scale, developed AI and ML algorithms and the ability to integrate raw primary client data along with third-party data. Evidence supports the emergence of self-service, managed and hybrid data analysis providers.** Beyond the challenges of developing capabilities at scale

to work with first party data, these providers through scale are also able to integrate the wide-ranging third-party data required to fill first-party data blind spots. As an example, **retail locations are typically awash with in-store data but then blind to consumer data when they leave the client’s location**. Our EQ case studies later in the report highlight the value of filling in the blind spots.

2.2. LOCUS

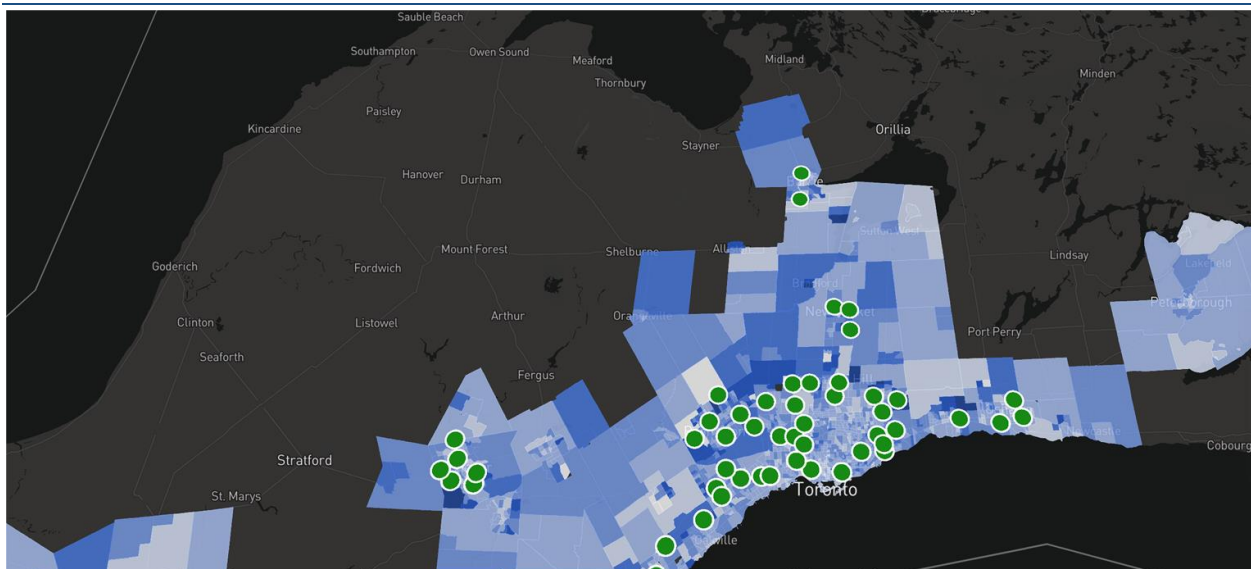
LOCUS would traditionally be considered EQ’s data management platform (DMP) as it leverages location behaviour data to derive and analyze audiences. The LOCUS platform develops additional user profile information integrating profiles on items such as their travel patterns, most frequented locations and buying behaviours.

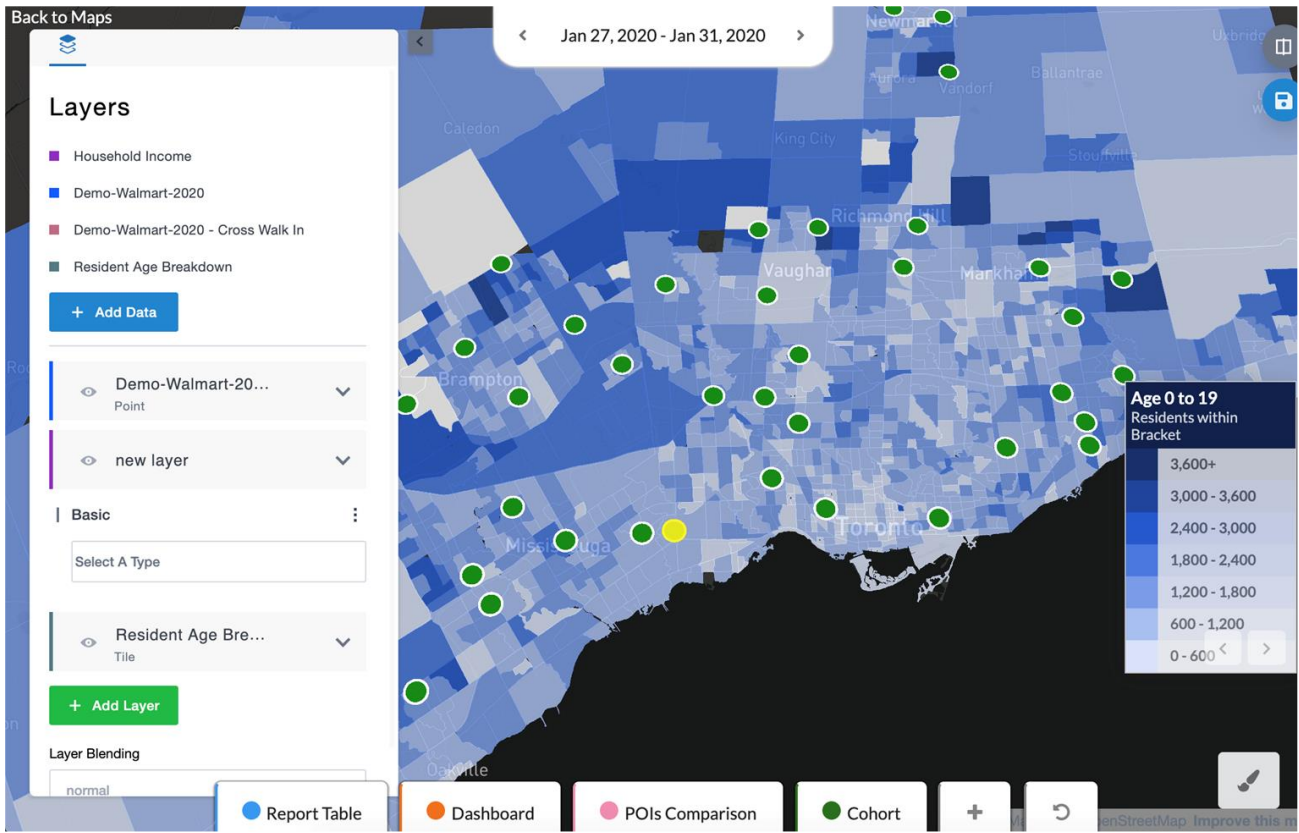
LOCUS gathers the consumer profile data and through predictive AI and ML algorithms develops a profile of priority target audience attributes for client use in directed marketing programs. However, the business applications for LOCUS have expanded significantly beyond the traditional DMP model as its AI/ML capabilities have seen success with non-advertising applications such as a capital allocation guide or as a broader marketing development aid. These non-programmatic buying related contracts have in turn expanded EQ’s total addressable market or TAM considerations.

Beyond advertising program direction, **LOCUS enables businesses to identify and assess competitors’ customer profiles to review potential site locations and their own site performance. Furthermore, competitor analysis can then be used to target their primary customers**. We are all familiar with auto dealers locating in clusters to target car shoppers. The digital version of the same strategy would involve targeting consumers whose travel patterns have historically shown repeat visits to car dealerships or in real time applications target consumers currently visiting alternative dealers.

LOCUS has the capability to combine first-party, EQ’s proprietary data, and third-party data sets and then generate customized reporting and attribution metrics. EQ offers LOCUS on a self-service and managed-service basis, combined with ATOM or other DPS platforms such as Google Ads and Facebook Ads. **We note that ~70% of LOCUS revenues are associated with EQ’s ATOM data analysis while ~30% of LOCUS users are on a self-service basis. The lines between self-service and managed often shift with clients onboarding on a hybrid managed-service basis capable of migrating towards self-service. Programmatic buying with major brands is undergoing a significant move to internal/self-service use as brands look for internal control, greater speed of implementation and efficiencies.**

Exhibit 7 – LOCUS User Interface





Source: EQ Inc.

2.3. Case Studies

2.3.1. Automotive/Jaguar

The Jaguar dealership looked to leverage its primary customer data to increase its in-store traffic and its website audience. EQ combined its own proprietary target customer profiles with Jaguar's first-party customer data to create profiles for 34 separate audience segments. It then leveraged its behaviour location-based data to identify consumers with a high propensity to buy. The behaviour location-based data comprised audiences who had attended the auto show within the last six months, visited Jaguar's dealerships within the past month, or visited a competing dealership within the past month.

Execution: Two sets of advertising creatives were produced and executed by EQ. The first was a dynamic ad that showcased the most popular vehicles. The second set of advertising targeted audiences based on the clicks from the first set, encouraging the viewer toward a course of action, book a test drive, and build their desired model online.

Result: The Jaguar dealership saw an 18% increase in test drives in the first six months, which then increased to 30% by the end of the second six-month period. The campaign also led to a 26% increase from the previous year of build and price conversions. Following the improvement, EQ's contract with the Jaguar dealership – which was initially for six months – was extended for another six months.

2.3.2. Higher Education/University

University enrollment is an extremely competitive market with universities using advanced placement and scholarships as just two of many levers. EQ was engaged by a "leading Canadian university" to derive programs to increase applications and enrolment by 300% across 45 different programs offered by the university. The program was required to perform against a measured ROI objective.

Plan of Action: The University had a Customer Relationship Management (CRM) system that tracked the student lifecycle during the duration of their program. EQ integrated its capabilities into the university's CRM system. The Company placed retargeting pixels for over 50 landing pages that included UTM parameters for the campaign. UTM parameters are specific text strings that can append on URLs that allow for attribute analysis. Ads were also served on a carefully curated whitelist to ensure relevancy in traffic, extending to programmatic, Facebook, search, and even Twitter.

Result: The campaign generated 66,000 visits to the landing pages, of which 1,462 were converted into leads – a 22% visitor to lead conversion. Out of these leads, 50% were generated in just two months (October and November). From the list, 46% intended to begin their university education the following fall, and 24% the year after. The careful targeting and whitelist curation generated higher performing applicants, with an average GPA of 81%. From the curated pool of applicants, 56% received offers of admission, and 24% of those with offers were accepted. The campaign strategy measured a staggering 8,620% increase in applications y/y.

On October 27, 2020, the Company announced the extension of its partnership with a Canadian university for the fifth consecutive year in a partnership expected to generate ~\$400,000 in revenue.

2.3.3. QSR/Coffee Shop

A coffee chain with locations across Canada approached EQ looking to increase in-store visits in six locations during specific busy periods.

Plan of Action: EQ introduced a set of parameters to analyze the impact of the chain's current marketing message to a series of specific customer segments. It then leveraged its location-based behaviour data to understand and predict the chain customers' behaviour. Parameters were introduced, which represented proximity and frequency. One segment was designated to identify individuals who were in proximity to the retail location, and another segment focused on if the customer had recently visited a competing coffee shop.

Execution: EQ executed a few creatives for each of the subgroups and analyzed their response rate. Findings lead the coffee chain to adapt its marketing message. The revised marketing program was then linked to a 22% increase in in-store visits for the subsequent quarter.

To put it into context, for a given company, depending on its core business, needs, and desired objectives, EQ’s platform(s) have the ability to derive consumer insights that are relevant to the client’s customers. EQ applies its AI and ML algorithms to its own internal data, third-party data and first party data to produce meaningful relationships that can be used to drive actionable results. The task of integrating raw data itself can represent a significant hurdle.

2.4. EQ’s Position: Seeing What’s Next

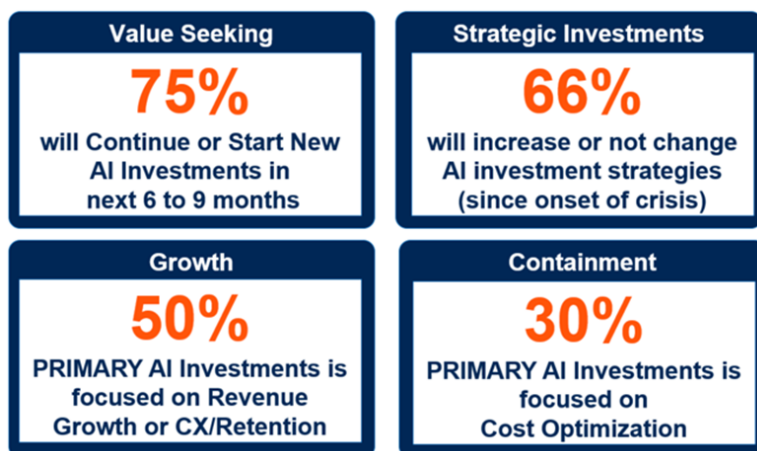
Location-based Data: Amid the global pandemic, Contact Tracing has become an important tool around the virus spread. Contact tracing can be used to identify, educate, and monitor individuals who have had close contact with someone infected with a virus. These individuals are at a higher risk of testing positive for that infection. By notifying at-risk individuals, contact tracing helps to inform those who have been exposed such that they can take steps for their own health and precautions to slow the spread of the virus. To put it into context, more than 86% of all Canadian households have a smartphone with sensors for location (geo-location and Bluetooth technology). These technologies can create secure communication networks that governments and public health entities can leverage as readily as multinational technology companies. We see evidence of this with emergency warnings transmitted to our devices.

With roughly a decade focused on location-based technology, EQ’s location-based technology allows it to understand the movement of mobile devices in the country. As a leader in location-based analytics, the Company’s technological resources and expertise provide the initial footprint for a contact tracing application that is tested and ready. The Company is currently in close collaboration with academics, not-for-profits, and various government agencies, ML and AI experts, and several other Canadian companies to provide a Canadian solution to flatten the curve.

Implementing Data with AI and ML is not Exclusive to the AdTech Industry: Big data has already impacted many industries, from Bioscience and Healthcare to Automotive and Education. According to Northeastern University, in 2020, the amount of data in the world is expected to rise to an enormous 44 zettabytes, nearly ten times more than it was in 2013. Simply said, 2.5 exabytes are produced every day, which is equivalent to five hundred billion songs, one hundred and fifty million iPhones, five million laptops, and ninety years of HD video. It is astounding.

As the volume and velocity of data accelerate the challenge has moved to integrating the volumes of raw data onto an integrated data platform where AI and ML algorithms can extract relevant insights. According to Gartner, the C-suite executives across enterprise are leading the charge in initiating AI projects now, with nearly 30% of the projects directed by CEOs.

Exhibit 8 – AI Investment in the Enterprise



Source: Garner’s Update on AI Investments in the Enterprise, September 2020

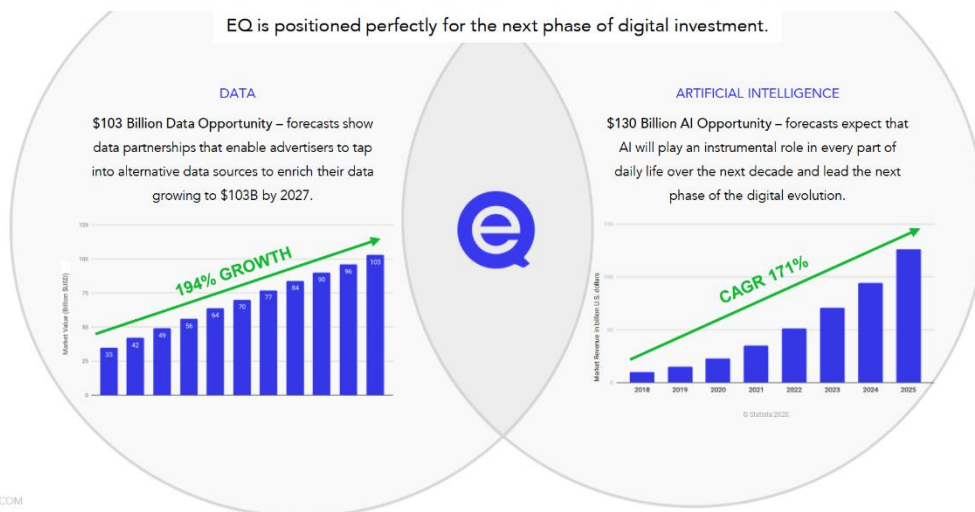
While we expect data analysis techniques using AI/ML to be widespread, enterprises will adapt a breadth of strategies across the internal development to external third-party outsourcing spectrum. **From a data analytics providers' perspective, we see an emerging ecosystem providing a range of managed and self-service platforms.**

A strategy focused on building internal capabilities faces significant risks associated with the assembling and development of a team of data scientists. An assembled team must develop an internal data platform, analytics capabilities along with procuring access to third-party data procurement that must then be securely integrated with primary data. **The process of building an integrated data platform incorporating first-party/internal data with third-party data can be challenged by scale inefficiencies and limited access to third party data. The security and privacy of data are significant barriers for enterprises where scale efficiencies are critical enablers.**

Exhibit 9 – EQ’s Strategic Direction



EQ IS WELL POSITIONED TO BENEFIT FROM THE MOST SIGNIFICANT AREAS OF FUTURE INVESTMENT



EQWORKS.COM



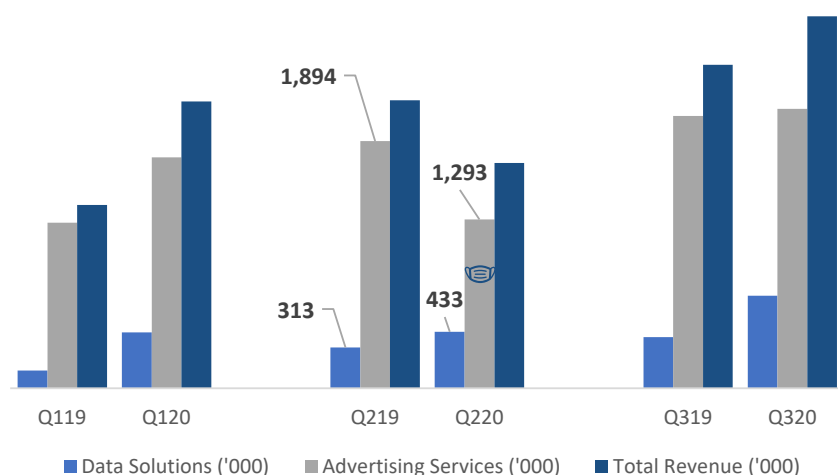
Source: EQ Investor Overview, November 2020

3. Financials

EQ reported Q320 revenue of \$2.8M, ahead 15% y/y with adjusted EBITDA at -\$0.1M against -\$0.5M y/y reflecting gross margins advancing to 50% from 37% for Q319. Data Solution revenue at \$700K gained 81% y/y in reaching 25% of total revenues. The Company’s advertising services were impacted significantly by COVID-19 as some clients understandably suspended or postponed their ad spend. As a result, the Company reported advertising services revenue of \$1.29M, a y/y decrease of \$0.6M during Q2. We believe the 38% y/y growth in data solutions revenue \$0.43M from \$0.31M was significantly moderated by the COVID-19 headwinds for advertising.

On a YTD basis, the EQ’s advertising revenues are essentially flat at \$5.20M against \$5.25M as the Q120 y/y gains of 39.0% or \$0.5M have been negated by COVID-19 headwinds. Notably, data solutions revenues for the YTD have gained 87% y/y in reaching \$1.57M against \$0.84M. The Company’s total revenues of \$6.75M for the YTD remain ahead 13.7% y/y against \$6.1M in 2019.

Exhibit 10 – COVID-19 Impact on Advertising Services, Data Shows Persistent Growth



Source: EQ Filings, Echelon Capital Markets

The Company discloses four revenues streams, with Advertising Services accounting for 81%. The data analytics services revenues are then subdivided across Fixed Fee data set, CPM Data sales and Other services at 10%, 8% and 2%, respectively, in 2019. From a product standpoint, we group the revenue into Advertising Services and Data Solutions driven by the Company’s ATOM and LOCUS, respectively.

Per our discussions with management, revenue is derived from self-service offerings on a fixed-fee one-off structure, longer-term SaaS licensing arrangements, and short-term commitments, which are mostly related to the Company’s managed-service offering. From a geographic standpoint, while the Company mainly derives its revenue in Canada (84% in 2019), it also has a US footprint.

Balance Sheet Continues to Improve: The Company’s balance sheet reflected cash of \$4.7M at the end of Q320. In July 2020, the Company secured a \$1.6M revolving credit facility with one of Canada’s central banks. As of September 30, 2020, the Company’s total debt was \$1.9M, of which \$1.9M is due in early 2021. Moreover, the Company accelerated the expiry of 3.3M warrants at \$1.00 in May 2020 and received proceeds of \$3.7M due to the exercise of 3.8M warrants regarding the 2019 Private Placement and 2019 Notes, thus strengthening its financial position.

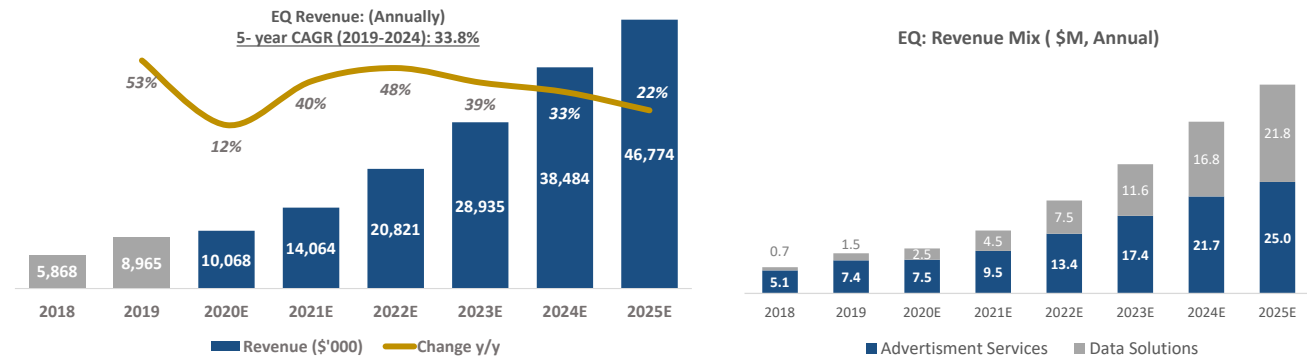
The expanding capabilities and broader applications of the Company’s programmatic platform is driving ATOM and LOCUS revenue growth. We look for EQ to record negative FCF of roughly \$1.1M for 2021 before generating roughly the equivalent in positive FCF for 2022.

4. Forecasts

We look for a return to positive y/y advertising revenues in 2021 with building momentum about contract renewals and new contract wins. Data solutions is expected to maintain its steep growth as we believe the Company is well-positioned to take advantage of the growing opportunities on the data analytics front.

We present organic forecasts for EQ; however, we look for the Company to acquire distribution capabilities and key account relationships to leverage its internal capabilities. We expect the Company to end 2020 with \$10.4M in revenues with data solutions revenues of \$2.5M for a 63% y/y increase. For subsequent years, our projections indicate a nearly 35% top-line growth for 2021, with data solutions revenues at 33% of the revenue mix. In 2022, we expect the trend to continue as data solutions ramps further to \$7.0M or nearly 36% of the Company’s total \$19.8M revenue.

Exhibit 11 – Revenue Mix Base Case



Source: EQ Filings, Echelon Capital Markets

We highlight the following key drivers of our revenue forecast:

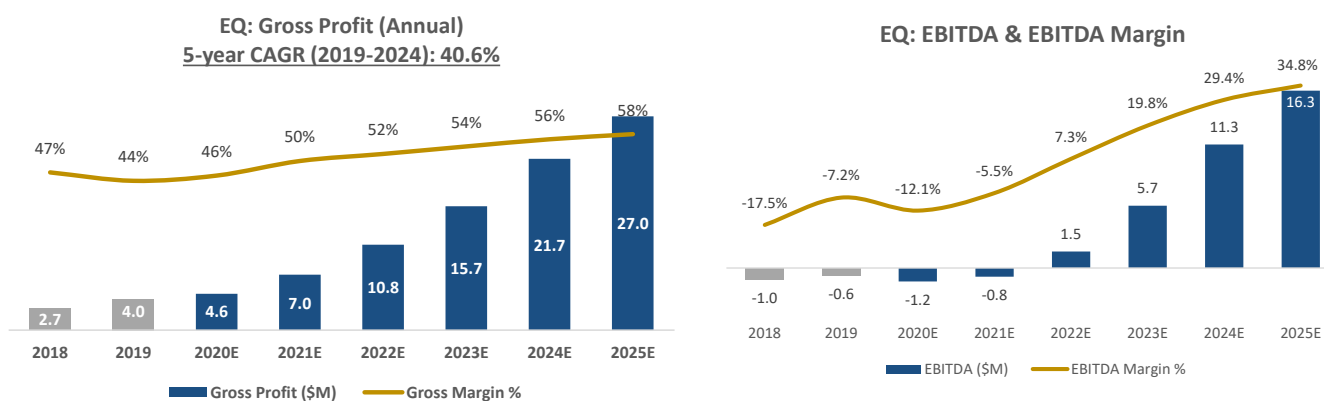
- **Additional Marquee Clients, Expanded Mandates for Existing Clients:** Despite operating in an intensely competitive space, the Company’s programmatic platform and data analytics solutions gained the attention and trust of distinguished names like Bell Canada, Walmart Canada, and TD Bank. EQ has consistently renewed its marquee clients with larger mandates.
- **Location-based Services go Beyond AdTech:** Leveraging the rise of hours spent on mobile devices, the Company’s ATOM platform enables advertisers to target and personalize advertising campaigns to customized audiences and even individual customers. Notably, its capabilities go beyond AdTech. Amid the global pandemic caused by COVID-19, contact tracing has become an invaluable tool to protect individuals who might have been exposed to the virus, as well as slow down the spread of the virus. EQ’s close collaboration with various entities, including government agencies and health experts, highlights the importance of its location-based technology as it can be used for multiple purposes.
- **EQ’s Proprietary Data:** With the increasing role of big data in the enterprise, the ability to integrate EQ’s AI-driven data analytics platform places the Company at the forefront to provide managed and self-service data capabilities. EQ’s LOCUS platform enables its customers to understand their clients, gain insight into their competitors, and accurately target their audience.
- **M&A as an Avenue of Growth:** In recent years, the Company utilized M&A to enhance technological capabilities, strengthen sales forces, and expand talent profiles. The Company’s recent acquisitions include Curate Mobile Ltd., including Juice Mobile, which offered advertiser marketing and consumer connectivity in 2020, and Tapped

Networks Inc., which was a mobile marketing solution in 2018. We believe that given the Company’s technological capabilities, EQ will likely focus on potential partnerships to leverage its internal capacity to expand its footprint in Canada and the US.

Furthermore, we believe that EQ presents a compelling case for acquisitions that can incorporate its AI-driven and location-based services both from a technological capability and talent standpoint.

Road to 20-25% EBITDA Margin: We project that gross profit margins will cross over 51% by mid-2022 with scale efficiencies pushing EBITDA into positive territory. We forecast margin gains as higher margin data solutions revenue continues to capture a more significant portion of the revenue mix. **Moreover, our conversations with management have indicated a medium-term goal of posting over \$35M in revenue with the mix of 40% data and 60% advertising (2024, 2025), which subsequently translates into 57% gross profit and 27% EBITDA margin.**

Exhibit 12 – Gross Profit & EBITDA Trajectory: Base Case



Source: EQ Filings, Echelon Capital Markets

Forecasts versus Consensus: Our baseline forecasts are modestly below consensus forecasts for Q420 and 2021 although we hold the potential for modest outperformance in line with or above consensus. **Looking further out, we expect sustained growth as the Company’s technological capabilities expand its total addressable market (TAM) and as EQ looks to further penetrate the US market. Our TAM extends beyond AdTech related revenues targeting the emerging AI/DL market where successful execution could support forecasts well beyond our bullish scenario.** Over the nearer term, we believe EQ’s data analytics capabilities will continue to drive media buying as approximately 70% of the Company’s media has a data component and where larger clients anticipate an acceleration in data integration. We estimate the data revenue for Q420 comes to nearly \$0.95M, a 35% y/y increase, where the data revenue growth continues to comprise a more significant portion of the Company’s total revenue of \$2.52M or 32% of the total revenue in 2021.

Exhibit 13 – EQ: Baseline Financials and Forecast vs. Consensus

EQ-TSXV Consolidated (\$ '000)	2018 Act.	Q119 Act.	Q219 Act.	Q319 Act.	Q419 Act.	2019 Act.	Q120 Act.	Q220 Act.	Q320 Act.	Q420E Est.	2020E Est.	2021E Est.	2022E Est.	2023E Est.	2024E Est.	2025E Est.	2026E Est.
Revenue	5,868	1,406	2,207	2,479	2,873	8,965	2,198	1,726	2,851	3,293	10,068	14,064	20,821	28,935	38,484	46,774	57,064
Growth %						52.8%	56.3%	-21.8%	15.0%	14.6%	12.3%	39.7%	48.0%	39.0%	33.0%	21.5%	22.0%
Revenue Consensus								1,766	2,851	3,492	10,267	16,343	21,977	NA	NA	NA	NA
Growth %								-20.0%			14.5%	59.2%	34.5%	NA	NA	NA	NA
Incremental Revenue											1,103.5	3,995.6	6,757.2	8,113.6	24,419.8	25,953.0	28,128.9
Gross Profit	2,731	726	1,080	1,045	1,099	3,950	940	633	1,414	1,604	4,591	7,019	10,825	15,684	21,674	27,048	33,599
Gross Profit Margin	46.5%	52%	48.9%	42.2%	38.3%	44.1%	42.8%	36.7%	49.6%	48.7%	45.6%	49.9%	52.0%	54.2%	56.3%	57.8%	58.9%
Gross Profit Consensus								689	1,414	1,580	4,567	8,096	11,365	NA	NA	NA	NA
Gross Profit Margin								39.0%	49.6%	45.2%	44.5%	49.5%	51.7%	NA	NA	NA	NA
Gross Profit Flow Through %																	
Adj. EBITDA	-1,024	-375	-85	-93	-94	-647	-449	-594	-111	-64	-1,218	-777	1,519	5,719	11,313	16,254	22,367
Growth %						-36.8%	19.7%	598.8%	19.4%	-31.8%	88.3%	73.0%	-355.7%	-5252.1%	-17756.5%	-1434.4%	-2978.7%
Margin %	-17.5%	-26.7%	-3.9%	-3.8%	-3.3%	-7.2%	-20.4%	-34.4%	-3.9%	-1.9%	-12.1%	-5.5%	7.3%	19.8%	29.4%	34.8%	39.2%
Adj. EBITDA Flow Through %											-52%	11%	34%	52%	50%	57%	59%
Adj. EBITDA Consensus								NA	-111.0	125.0	-1,124.1	1,570.5	2,424.0	NA	NA	NA	NA
Growth %								NA	19.4%	-2	73.7%	-239.7%	54.3%	NA	NA	NA	NA
Margin %								NA	-3.9%	3.6%	-10.9%	9.6%	11.6%	NA	NA	NA	NA
Capex	28	6	129	143	127	405	189	150	150	115	604	492	521	434	577	702	856
Intensity %	0.5%	0.4%	5.8%	5.8%	4.4%	4.5%	8.6%	8.7%	5.3%	3.5%	6.0%	3.5%	2.5%	1.5%	1.5%	1.5%	1.5%
Net Debt	993	1,106	1,930	1,393	-2,088	-2,088	-297	-3,106	-2,678	-2,374	-2,374	-14,778	-15,513	-20,406	-30,614	-45,119	-65,344
EPS (FD)	-\$0.05	-\$0.01	-\$0.01	-\$0.01	-\$0.02	-\$0.04	-\$0.01	-\$0.02	-\$0.01	-\$0.01	-\$0.04	-\$0.01	-\$0.03	\$0.01	\$0.07	\$0.14	\$0.28
EPS Consensus								-\$0.01	-\$0.01	\$0.00	-\$0.04	\$0.01	\$0.04	NA	NA	NA	NA
FCF	-1,872	-186	-426	-456	-625	-1,693	-846	-801	601	-299	-1,764	-1,199	1,102	5,430	10,928	15,787	21,797
Segment Revenues																	
Advertising and Other Services	5,119	1,269	1,894	2,087	2,167	7,417	1,769	1,293	2,142	2,340	7,544	9,538	13,353	17,358	21,698	24,953	28,696
% total revenue	87%	90%	86%	84%	75%	83%	80%	75%	75%	71%	75%	68%	64%	60%	56%	53%	50%
y/y change						45%	39%	-32%	3%	8%	2%	26%	40%	30%	25%	15%	15%
Data	749	137	313	392	706	1,548	429	433	709	953	2,524	4,526	7,469	11,576	16,786	21,822	28,368
% total revenue	13%	10%	14%	16%	25%	17%	20%	25%	29%	29%	25%	32%	36%	40%	44%	47%	50%
y/y change						107%	213%	38%	81%	35%	165%	79%	65%	55%	45%	30%	30%
Key Costs:																	
COGS: Advertising and other services		601	1,022	1,291	1,597	4,510	1,109	932	1,221	1,451	4,713	5,913	8,279	10,762	13,453	15,471	17,791
% of Advertising & Services revenue		47%	54%	62%	74%	61%	63%	72%	57%	62%	62%	62%	62%	62%	62%	62%	62%
y/y change							85%	-9%	-5%	-9%	5%	25%	40%	30%	25%	15%	15%
COGS: Data		79	105	143	177	505	149	161	216	238	764	1,132	1,718	2,489	3,357	4,255	5,674
% of Data Solutions revenue		58%	34%	37%	25%	33%	35%	37%	30%	25%	30%	25%	23%	22%	20%	20%	20%
y/y change							89%	53%	50%	34%	51%	48%	52%	45%	35%	27%	33%
Total COGS	3,137	680	1,127	1,434	1,774	5,015	1,258	1,093	1,437	1,689	5,477	7,045	9,996	13,251	16,810	19,726	23,465
% Revenue	53%	48%	51%	58%	62%	56%	57%	63%	50%	51%	54%	50%	48%	46%	44%	42%	41%
Gross Profit: Advertising and other services		668	872	796	570	2,907	660	361	921	889	2,831	3,624	5,074	6,596	8,245	9,482	10,904
Margin		53%	46%	38%	26%	39.2%	37%	28%	43%	38%	38%	38%	38%	38%	38%	38%	38%
y/y change							-1%	-59%	16%	56%	-3%	28%	40%	30%	25%	28%	40%
Gross Profit: Data		58	208	249	529	1,043	280	272	493	715	1,760	3,395	5,751	9,088	13,429	17,566	22,695
Margin							65%	63%	70%	75%	70%	75%	77%	79%	80%	81%	80%
y/y change							383%	31%	98%	35%	69%	93%	69%	58%	48%	31%	29%
Gross Profit	2,731	726	1,080	1,045	1,099	3,950	940	633	1,414	1,604	4,591	7,019	10,825	15,684	21,674	27,048	33,599
Margin		52%	49%	42%	38%	44%	43%	37%	50%	49%	46%	49%	52%	54%	54%	54%	54%
y/y change							29%	-41%	35%	46%	16%	53%	54%	45%	38%	25%	24%
Salaries and benefits	2,383	733	705	767	821	3,026	962	904	1,309	1,232	4,407	5,945	7,432	8,175	8,584	9,013	9,464
% revenue	41%	52%	32%	31%	29%	34%	44%	52%	46%	37%	44%	42%	36%	28%	22%	19%	17%
y/y change							27%	31%	28%	71%	50%	46%	25%	10%	5%	5%	5%
Other operating expenses	1,498	397	473	416	440	1,726	436	448	493	453	1,830	1,922	1,999	2,079	2,162	2,249	2,339
% revenue	26%	28%	21%	17%	15%	19%	20%	26%	17%	14%	18%	19%	10%	7%	6%	5%	5%
y/y change							6%	4%	5%	5%	5%	5%	4%	4%	4%	4%	4%
Share based compensation	56	29	13	45	68	155	9	125	277	16	427	72	125	289	385	468	571
% revenue	1%	2%	1%	2%	2%	2%	0%	7%	10%	1%	4%	1%	1%	1%	1%	1%	1%
y/y change							0%	69%	862%	516%	176%	-83%	74%	132%	33%	22%	22%

Source: EQ Filings, Echelon Capital Markets

5. DCF Valuations

5.1 Baseline Scenario

Our baseline DCF valuation considers a discount rate of 14% with a terminal growth rate of 4.5% that translates to a terminal EV/EBITDA multiple of 12x as we arrive at a **one-year target price of \$2.35**. Our assumptions expect revenue/EBITDA to reach \$29.4M/\$6.1M over the 2022-2024 period, and our terminal value in 2026 represents 87.4% of the NPV. Our baseline scenario supports five-year revenue CAGR of 32.3% deriving 2026 revenue/EBITDA of \$57.07M/\$23.37M.

Exhibit 14 – Baseline Forecast and DCF Valuation (C\$)

EQ Inc.- ('000) - Base Case	Q420E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	5-year CAGR (2021-2026)
Total Revenue	3,293	10,068	14,064	20,821	28,935	38,484	46,774	57,064	32.3%
y/y Change			40%	48%	39%	33%	22%	22%	
Advertising Services	2,340	7,544	9,538	13,353	17,358	21,698	24,953	28,696	24.6%
y/y Change			26%	40%	30%	25%	15%	15%	
Data Solutions	953	2,524	4,526	7,469	11,576	16,786	21,822	28,368	44.3%
y/y Change			79%	65%	55%	45%	30%	30%	
Gross Profit	1,604	4,591	7,019	10,825	15,684	21,674	27,048	33,599	36.8%
Margin %		46%	50%	52%	54%	56%	58%	59%	
Advertising Services	889	2,831	3,624	5,074	6,596	8,245	9,482	10,904	24.6%
Margin %		38%	38%	38%	38%	38%	38%	38%	
Data Solutions	715	1,760	3,395	5,751	9,088	13,429	17,566	22,695	46.2%
Margin %		70%	75%	77%	79%	80%	81%	80%	
EBITDA	-64	-1,218	-777	1,519	5,719	11,313	16,254	22,367	-
Margin %	-2%	-12%	-6%	7%	20%	29%	35%	39%	

EQ Inc. - DCF Sensitivity - Base Case						
		Discount Rate				
		11.0%	12.5%	14.0%	15.5%	17.0%
Terminal EV/EBITDA	14.0x	\$3.00	\$2.83	\$2.67	\$2.52	\$2.38
	13.0x	\$2.82	\$2.66	\$2.51	\$2.37	\$2.24
	12.0x	\$2.64	\$2.49	\$2.35	\$2.22	\$2.10
	11.0x	\$2.45	\$2.31	\$2.18	\$2.07	\$1.95
	10.0x	\$2.27	\$2.14	\$2.02	\$1.91	\$1.81

Source: Echelon Capital Markets

5.2 Bullish Scenario

Our bullish DCF valuation considers a discount rate of 14% with a terminal growth rate of 4.5% that translates to a terminal EV/EBITDA multiple of 12x as we arrive at a **one-year target price of \$3.49**. Our assumptions see an acceleration in penetrating multiple verticals and into the US, where we expect revenue/EBITDA reaching \$34.4M/\$9.7M over the 2022-2024 period, and our terminal value in 2026 represents 90% of the NPV. Our bullish scenario supports five-year revenue CAGR of 37.7% deriving 2026 revenue/EBITDA of \$73.1/\$34.2M.

Exhibit 15 – Bullish Case Forecast and DCF Valuation (C\$)

EQ Inc.- ('000) - Bull Case	Q420E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	5-year CAGR (2021-2026)
Total Revenue	3,360	10,135	14,786	23,001	33,544	46,370	58,078	73,118	37.7%
y/y Change			46%	56%	46%	38%	25%	26%	
Advertising Services	2,358	7,562	9,759	14,053	18,690	23,830	27,762	32,343	27.1%
y/y Change			29%	44%	33%	28%	17%	17%	
Data Solutions	1,003	2,574	5,027	8,948	14,853	22,540	30,316	40,775	52.0%
y/y Change			95%	78%	66%	52%	35%	35%	
Gross Profit	1,677	4,664	7,600	12,404	18,994	27,383	35,298	45,311	42.9%
Margin %		46%	51%	54%	57%	59%	61%	62%	
Advertising Services	925	2,867	3,829	5,514	7,334	9,351	10,894	12,691	27.1%
Margin %		38%	39%	39%	39%	39%	39%	39%	
Data Solutions	752	1,797	3,770	6,890	11,660	18,032	24,404	32,620	54.0%
Margin %		70%	75%	77%	79%	80%	81%	80%	
EBITDA	9	-1,145	-193	3,111	9,075	17,100	24,617	34,240	-
Margin %	0%	-11%	-1%	14%	27%	37%	42%	47%	

EQ Inc. - DCF Sensitivity - Bull Case						
		Discount Rate				
		11.0%	12.5%	14.0%	15.5%	17.0%
Terminal EV/EBITDA	14.0x	\$4.50	\$4.23	\$3.99	\$3.76	\$3.55
	13.0x	\$4.22	\$3.97	\$3.74	\$3.52	\$3.33
	12.0x	\$3.93	\$3.70	\$3.49	\$3.29	\$3.11
	11.0x	\$3.65	\$3.44	\$3.24	\$3.06	\$2.89
	10.0x	\$3.37	\$3.18	\$3.00	\$2.83	\$2.67

Source: Echelon Capital Markets

5.3 Bearish Scenario

Our bearish DCF valuation considers a discount rate of 14% with a terminal growth rate of 4.5% that translates to a terminal EV/EBITDA multiple of 12x as we arrive at a **one-year target price of \$1.39**. Our assumptions associate our bearish scenario with the Company's failure to penetrate the US market. Hence, we anticipate a takeover potential by a strategic acquirer where they would bring distribution capabilities to scale EQ's capabilities. We expect revenue/EBITDA to reach \$25.2M/\$3.1M over the 2022-2024 period, and our terminal value in 2026 represents 86% of the NPV. Our bullish scenario supports five-year revenue CAGR of 26.9% deriving 2026 revenue/EBITDA of \$43.9M/\$12.5M.

Exhibit 16 – Bearish Case Forecast and DCF Valuation (C\$)

EQ Inc.- ('000) - Bear Case	Q420E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	5-year CAGR (2021-2026)
Total Revenue	3,227	10,002	13,360	18,816	24,942	31,748	37,298	43,900	26.9%
y/y Change			34%	41%	33%	27%	17%	18%	
Advertising Services	2,323	7,527	9,317	12,671	16,092	19,713	22,374	25,395	22.2%
y/y Change			24%	36%	27%	23%	14%	14%	
Data Solutions	904	2,475	4,043	6,145	8,849	12,035	14,923	18,505	35.6%
y/y Change			63%	52%	44%	36%	24%	24%	
Gross Profit	1,513	4,500	6,379	9,362	12,824	16,826	20,180	23,908	30.2%
Margin %		45%	48%	50%	51%	53%	54%	54%	
Advertising Services	840	2,781	3,367	4,658	5,916	7,247	8,225	9,178	22.2%
Margin %		37%	36%	37%	37%	37%	37%	36%	
Data Solutions	673	1,719	3,012	4,704	6,909	9,580	11,955	14,730	37.4%
Margin %		69%	75%	77%	78%	80%	80%	80%	
EBITDA	-156	-1,310	-1,421	43	2,819	6,398	9,291	12,544	-
Margin %	-5%	-13%	-11%	0%	11%	20%	25%	29%	

EQ Inc. - DCF Sensitivity - Bear Case						
		Discount Rate				
		11.0%	12.5%	14.0%	15.5%	17.0%
Terminal EV/EBITDA	14.0x	\$1.75	\$1.66	\$1.57	\$1.48	\$1.41
	13.0x	\$1.65	\$1.56	\$1.48	\$1.40	\$1.33
	12.0x	\$1.55	\$1.46	\$1.39	\$1.31	\$1.25
	11.0x	\$1.44	\$1.37	\$1.30	\$1.23	\$1.17
	10.0x	\$1.34	\$1.27	\$1.20	\$1.14	\$1.09

Source: Echelon Capital Markets

Scenario Driven DCFs

Exhibit 17 – Scenario Analysis



Source: Echelon Capital Markets

6. Comps

EQ is trading at 7.7x/5.2x of EV/Sales 2021/2022 compared to its peer AcuityAds at 6.6x/5.7x, with EV/Gross Profit at 15.4x/10.0x for EQ and 16.5x/11.6x for Acuity. Our AdTech comps average EV/EBITDA at 54.2x/40.9x, EV/Sales at 15.1x/12.0x, and Canadian technology at 19.4x/38.1x and 6.7x/5.3x for 2021/2022. Our \$2.20 target price reflects 9.7x/6.5x EV/Sales for 2021/2022.

Exhibit 18 – Comps Valuation

EQ Comps	Ticker	Last Price - Local Currency	Market Cap - Local Currency (M)	Returns				EV/Sales			EV/Gross Profit			EV/EBITDA			Revenue Growth y/y%			Gross Profit Margin	
				1 Month	3 Month	YTD	1 Year	C2020	C2021	C2022	C2020	C2021	C2022	C2020	C2021	C2022	C2020	C2021	C2022	C2020	C2021
EQ Inc.	EQ-CA	1.7	112.9	29%	18%	3%	81%	10.7x	7.7x	5.2x	23.5x	15.4x	10.0x	-88.7x	-139.1x	71.1x	12%	40%	48%	46%	50%
SaaS AdTech																					
Facebook, Inc. Class A	FB-US	251.8	605,295.3	-8%	-9%	-8%	23%	8.8x	6.5x	5.4x	10.1x	8.1x	6.8x	17.1x	13.8x	11.2x	19%	24%	21%	81%	81%
Adobe Inc.	ADBE-US	473.1	226,950.3	-1%	-8%	-6%	-1%	17.9x	15.0x	13.2x	20.1x	17.0x	14.8x	37.8x	30.0x	26.8x	15%	18%	14%	88%	89%
Alphabet Inc. Class A	GOOGL-US	1,748.1	1,105,060.8	-2%	11%	-1%	31%	6.4x	5.3x	4.6x	NA	NA	NA	18.0x	14.7x	12.6x	10%	21%	16%	53%	54%
Paycom Software, Inc.	PAYC-US	415.3	24,298.5	-1%	15%	-7%	57%	30.0x	22.8x	18.5x	31.8x	26.5x	21.3x	77.2x	58.3x	45.4x	13%	20%	23%	86%	86%
Slack Technologies, Inc. Class A	WORK-US	42.2	20,705.9	0%	33%	0%	104%	25.9x	20.2x	15.9x	29.9x	23.2x	18.3x	NA	NA	305.8x	41%	29%	27%	88%	88%
Salesforce.com, Inc.	CRM-US	217.4	198,953.1	-3%	-19%	-3%	19%	9.3x	7.7x	6.5x	12.2x	10.1x	8.5x	32.2x	27.5x	24.3x	23%	20%	19%	78%	78%
Shopify, Inc. Class A	SHOP-CA	1,505.6	166,103.2	12%	5%	5%	192%	44.2x	35.0x	25.3x	91.1x	69.2x	50.1x	322.9x	294.1x	197.3x	79%	33%	38%	53%	53%
Rocket Fuel, Inc.	FUEL-US	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Criteo SA Sponsored ADR	CRTO-US	19.5	1,169.3	3%	54%	-5%	12%	1.2x	1.2x	1.2x	1.3x	1.3x	1.3x	4.3x	4.4x	4.3x	-15%	-2%	0%	87%	87%
Etsy, Inc.	ETSY-US	208.1	26,234.5	21%	39%	15%	370%	14.0x	14.6x	12.3x	24.3x	21.5x	17.8x	46.9x	52.4x	40.2x	97%	12%	19%	72%	72%
DocuSign, Inc.	DOCU-US	257.9	48,104.6	16%	13%	18%	228%	33.2x	25.1x	19.5x	43.1x	32.2x	24.7x	211.1x	172.2x	113.8x	47%	32%	29%	78%	79%
Amazon.com, Inc.	AMZN-US	3,183.8	1,597,474.9	0%	-9%	-4%	72%	4.4x	3.7x	3.1x	10.9x	9.0x	7.5x	31.6x	24.2x	19.2x	35%	18%	17%	40%	41%
Average				4%	13%	1%	103%	19.1x	15.3x	12.2x	29.3x	23.2x	18.2x	85.3x	74.1x	78.2x	33%	21%	21%	76%	77%
Median				0%	12%	-2%	44%	16.0x	14.8x	12.7x	24.3x	21.5x	17.8x	37.8x	30.0x	33.5x	21%	21%	20%	79%	80%
AdTech																					
Trade Desk, Inc. Class A	TTD-US	796.5	33,413.2	-13%	29%	1%	207%	47.8x	35.3x	26.9x	62.9x	46.5x	40.5x	155.0x	109.5x	81.0x	22%	35%	31%	77%	77%
Autodesk, Inc.	ADSK-US	314.7	69,198.1	14%	32%	5%	60%	18.7x	16.4x	13.9x	20.3x	17.8x	15.0x	58.6x	47.2x	35.5x	15%	14%	18%	92%	92%
AcuityAds Holdings Inc	AT-CA	17.3	877.9	97%	336%	23%	1163%	6.8x	6.6x	5.7x	17.2x	16.5x	11.6x	50.5x	43.6x	33.4x	-12%	25%	17%	49%	NA
Digital Turbine, Inc.	APPS-US	58.6	5,196.8	26%	43%	-3%	1259%	19.6x	15.6x	11.9x	46.5x	36.5x	28.2x	96.7x	66.5x	50.4x	101%	25%	31%	43%	44%
Killi Ltd.	MYID-CA	0.1	22.6	-16%	-7%	8%	127%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Loop Insights, Inc.	MTRX-US	1.7	188.3	-17%	430%	-15%	1053%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Yellow Pages Ltd.	Y-CA	12.3	343.6	-2%	4%	-2%	36%	1.3x	1.4x	1.8x	1.7x	2.1x	2.6x	3.3x	3.9x	4.3x	-17%	-15%	-18%	62%	61%
Average				13%	124%	2%	558%	18.8x	15.1x	12.0x	29.7x	24.6x	19.6x	72.8x	54.2x	40.9x	22%	17%	16%	65%	68%
Median				-2%	32%	1%	207%	18.7x	15.6x	11.9x	20.3x	20.3x	15.0x	58.6x	47.2x	35.5x	15%	25%	18%	62%	69%
Canadian Technology																					
kneat.com, Inc.	KSI-CA	2.5	169.2	20%	-4%	-10%	-8%	27.6x	13.6x	7.9x	83.3x	31.4x	15.3x	NA	NA	141.7x	66%	80%	72%	31%	45%
Real Matters, Inc.	REAL-CA	19.3	1,630.4	1%	-24%	-1%	-26%	10.1x	5.9x	4.9x	NA	NA	NA	15.5x	12.8x	11.2x	56%	24%	21%	NA	NA
Quisitive Technology Solutions, Inc.	QUIS-CA	1.0	171.4	1%	37%	-11%	300%	2.3x	1.7x	1.3x	7.6x	5.9x	4.4x	14.1x	11.2x	7.0x	149%	21%	36%	40%	42%
Converge Technology Solutions Corp.	CTS-CA	6.0	734.2	51%	176%	17%	329%	0.5x	0.5x	0.4x	3.0x	2.2x	1.8x	8.9x	6.3x	4.7x	36%	38%	18%	25%	25%
Pivot Technology Solutions, Inc.	PTG-CA	2.6	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Sylogist Ltd.	SYZ-CA	11.5	274.9	-6%	11%	-3%	7%	5.6x	5.4x	4.8x	8.3x	7.6x	NA	14.8x	10.4x	NA	1%	12%	14%	74%	71%
Enghouse Systems Limited	ENGH-CA	65.3	3,612.1	1%	-11%	6%	-1%	6.9x	6.2x	5.5x	9.5x	9.0x	8.2x	18.1x	18.2x	NA	31%	9%	13%	71%	69%
Kinaxis, Inc.	KXS-CA	169.8	4,576.9	-2%	-15%	-5%	70%	16.6x	13.5x	10.4x	22.0x	19.3x	15.1x	68.0x	56.9x	37.6x	12%	16%	29%	71%	70%
Descartes Systems Group Inc.	DSG-CA	73.0	6,167.3	3%	-1%	0%	23%	13.8x	12.3x	10.8x	18.7x	16.7x	14.9x	34.8x	30.3x	26.2x	1%	13%	14%	74%	74%
Sangoma Technologies Corporation	STC-CA	3.5	386.6	7%	38%	-1%	46%	1.6x	1.7x	1.5x	3.7x	3.3x	2.9x	10.6x	8.9x	NA	20%	11%	10%	65%	66%
Average				9%	23%	-1%	82%	9.4x	6.7x	5.3x	19.5x	11.9x	9.0x	23.1x	19.4x	38.1x	41%	25%	25%	56%	58%
Median				1%	-1%	-1%	23%	6.9x	5.9x	4.9x	8.9x	8.3x	8.2x	15.2x	12.0x	18.7x	31%	16%	18%	68%	67%

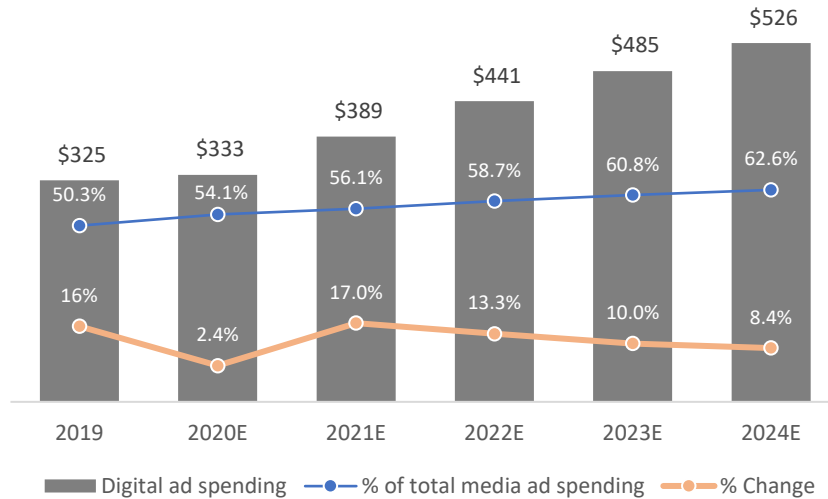
Source: Company Reports, Echelon Capital Markets

Appendix One: Online Advertising Industry Overview

A1. Online Advertising Industry Transformation

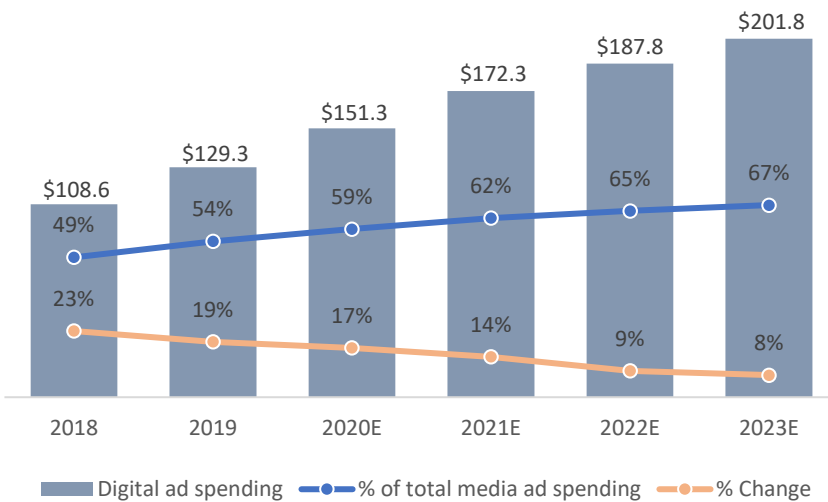
According to a survey by eMarketer, global digital advertisement revenue was expected to overtake spending on traditional ads for 2020. In the US, digital ad revenue was \$129.3B for the full year 2019, representing a nearly 19% increase over the \$108.6B reported in 2018. Amid the pandemic, the digital ad spend in the US continued to grow in 2020, albeit at a slower pace as it gains share at the expense of traditional media. The pandemic is seen to have accelerated e-commerce sales where e-commerce retailers are natural digitally biased.

Exhibit 19 – Digital Ad Spending Worldwide, 2019-2024, (\$ Billions)



Source: eMarketer

Exhibit 20 – Digital Ad Spending in the US, 2019-2023, (\$ Billions)



Source: eMarketer

To date, Canada leads the US market with digital advertising surpassing traditional ad formats in 2018. Though the total ad spend is expected to shrink by nearly 8% this year, digital ad spending is expected to significantly outperform (source: eMarketer).

The rapid transformation in the advertising industry has coincided with growth in consumer viewership. **Since 2000, the average American’s online viewership has expanded from 3.3 hours to 23.6 hours per week (source: MIT Technology Review 2018).** We note for 2018, desktop and mobile represented 18% and 33%, respectively, of US

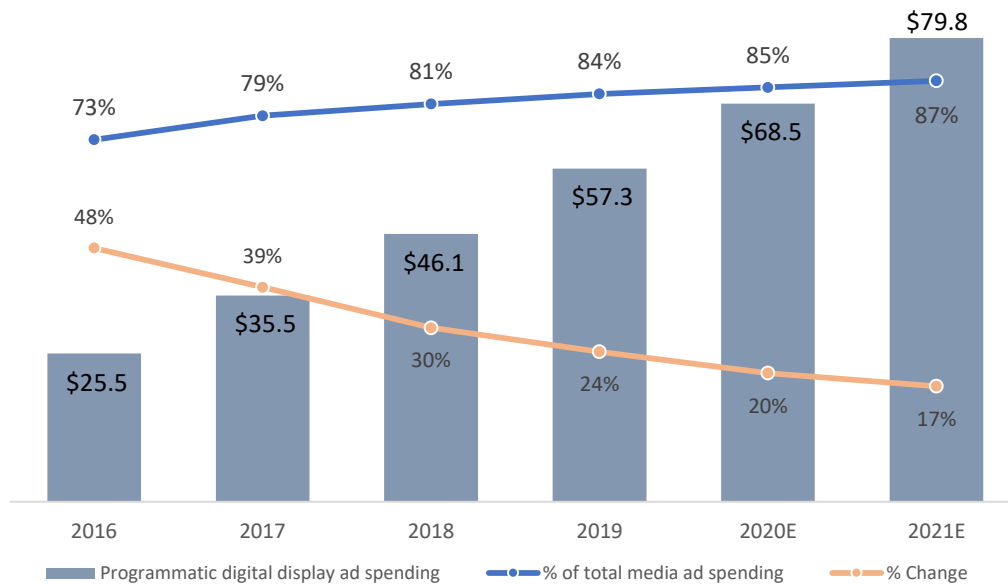
consumer media time with mobile on par with TV at 34%. We note that media spending for each of desktop, mobile, and TV were put at 18%, 33%, and 34%, respectively, as the outperformance of digital advertising had closed the legacy gap where digital media spend lagged audience growth (source: IAB, PwC data). **Thus, the continued outperformance of digital media spend since that time has reflected both the shift to mobile viewership and the superior economics around digital advertising.**

Historically, advertisers transacted with media salespeople via phone or in-person to purchase airtime to run ads via infomercials on radios and televisions or rented billboards for a specific period. This market placement or clearing activity increasingly moved to an automated Programmatic Advertising Platform (PMP) where advertisers buy target audiences to maximize their brand awareness and impact. Programmatic platforms enable advertisers to purchase ad space directly or through real-time bidding (RTB). In recent years, programmatic platforms have been growing their ad inventory and database, which consist of millions of websites, applications, and digital properties across various channels, including mobile, desktop, tablet, audio, digital outdoor, and connected TV.

The introduction of programmatic platforms has significantly advanced audience targeting and measurement capabilities. However, advertisers are focused on realizing further gains on both fronts to maximize marketing ROIs. **Advances in data processing capabilities and advertising exchanges continue to push advertisers from legacy broadcasting models towards digitally enabled narrowcast strategies with measured ROIs.**

Recent years, we have seen the rapid adoption of ML and AI analytics integrated with the programmatic platforms. In addition, advertising platforms and publishers have allocated resources to advance their data analytics. This development enables advertisers to harness data and target ads with greater relevance, higher perfection, and greater personalization. That said, programmatic advertising contributed \$57B to the total digital advertising market in 2019, an \$11.25B increase from 2018.

Exhibit 21 – Programmatic Digital Ad Spending in the US, 2016-2021, (\$ Billions)

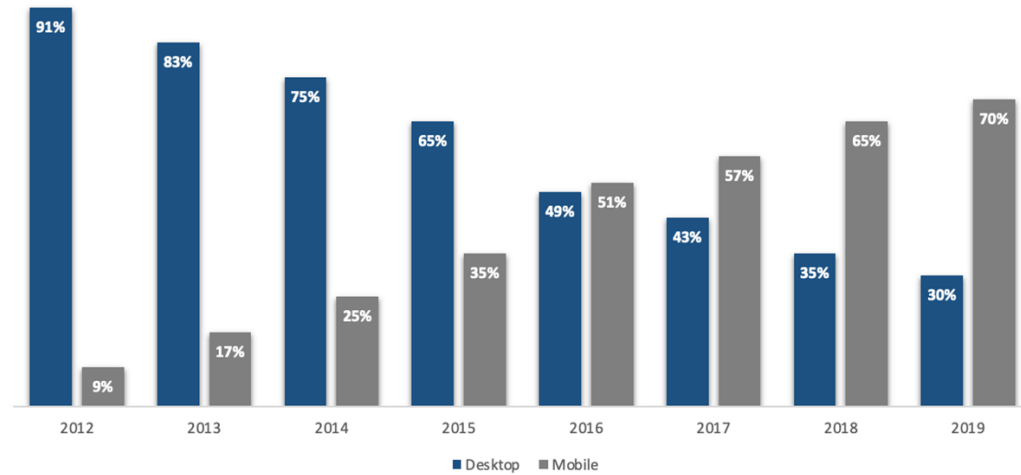


Source: eMarketer

A2. The Rise of Mobile Devices

In 2019, internet ad revenue derived from mobile devices reached \$86.7B ahead 24% y/y against 2018 revenues at \$69.9B. Mobile advertising grew its share of total revenues from 65.1% in 2018 to 69.6% in 2019. Simply put, \$7 out of each \$10 ad spend is derived from a mobile device.

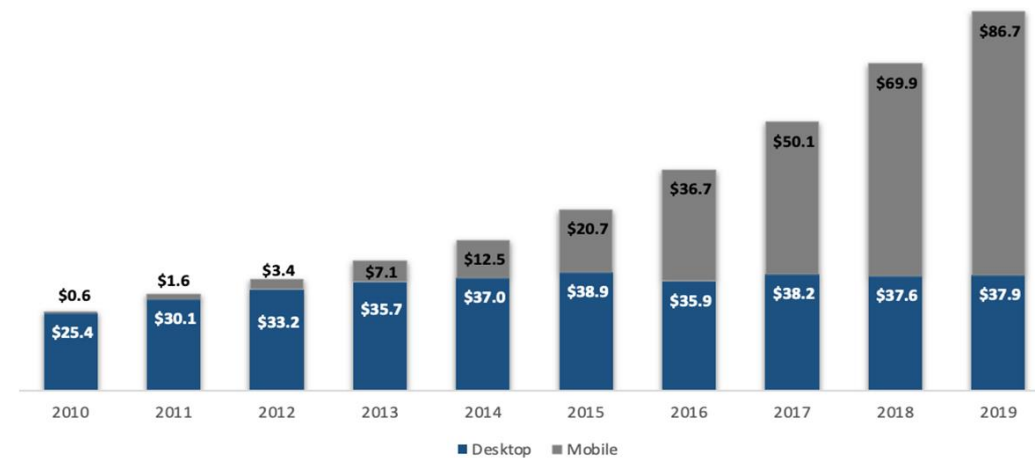
Exhibit 22 – Historical Desktop vs. Mobile Trend



Source: IAB/PwC Internet Ad Revenue Report, 2019

Given the technological advancements in mobile devices over the past several years, the percentage of time spent on phones has been rapidly increasing. Publishers and social media platforms have invested in advanced applications to leverage advertising revenues to the advancing audiences. As a result, ad dollars have drastically shifted to mobile devices. Advancements in single-click e-commerce, interactive and creative ad formats and placements on social media applications continue to drive the ad revenue growth of mobile devices.

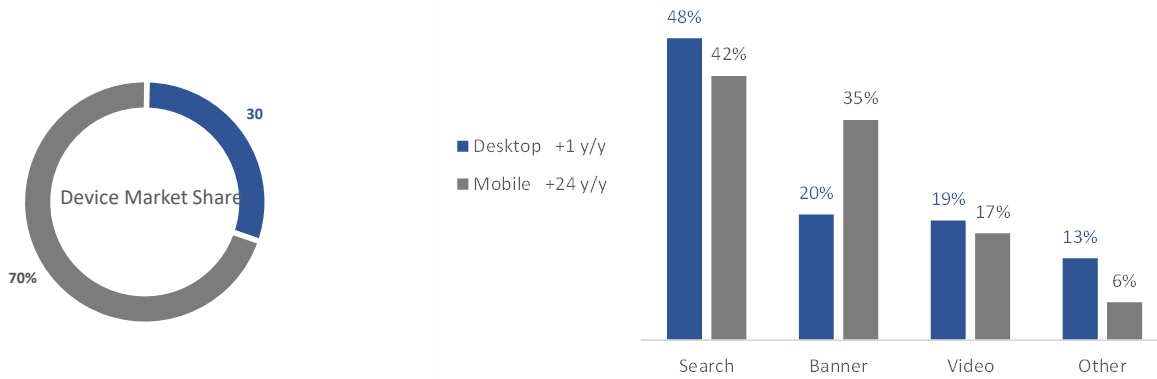
Exhibit 23 – Historical Desktop vs. Mobile Internet Ad Revenue (\$ Billions)



Source: IAB/PwC Internet Ad Revenue Report, 2019

Similar to desktop, mobile advertising consisted of four formats: Video, Banner, Search, and Other. However, we may see audio as a new addition as podcasts continue to gain popularity.

Exhibit 24 – Advertising Format Share, Desktop vs. Mobile (2019)

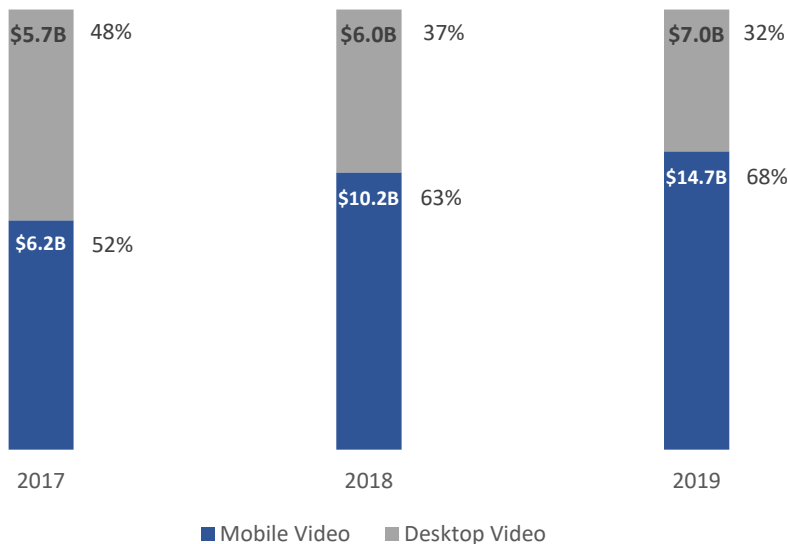


Source: IAB/PwC Internet Ad Revenue Report, 2019

A3. The Media Landscape Shapes the AdTech World

Although the shift to mobile can be seen across all formats, video continues to be the most promising. In 2019, video ad revenues on mobile devices increased to \$14.7B compared to \$10.2B in 2018, representing an impressive nearly 44% growth compared to the previous year. The rapid shift in viewership from traditional TV toward mobile over-the-top (OTT) has been a primary driving force in content creation, which led to the introduction of Advertising-Video-On-Demand (AVOD). AVOD is a monetization method that serves advertisements.

Exhibit 25 – Digital Video Revenues, Full Year (2017-2019), (\$Billions)

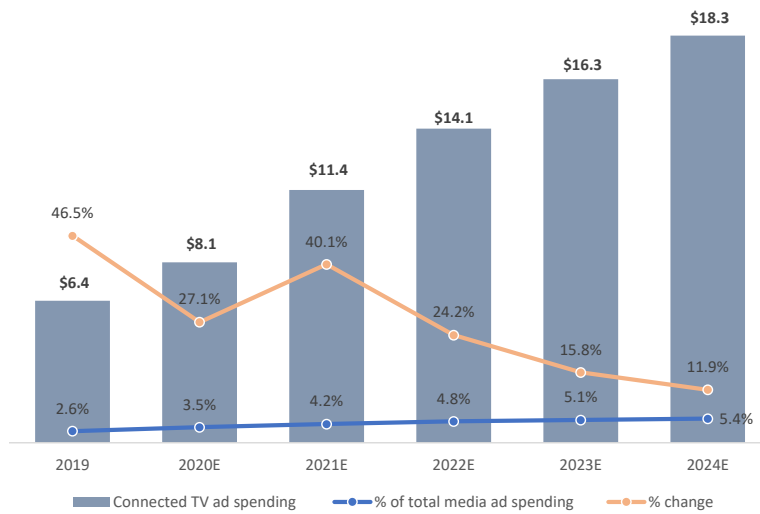


Source: IAB/PwC Internet Ad Revenue Report, 2019

Interestingly, in 2020, the global pandemic led to massive media consumption as people remained at home. “Consumers spent 10% more time with digital in March-July 2020 y/y (vs. March-July 2019)... with video (OTT/CTV) seeing particularly increased audience attention,” according to IAB. Experts expect that the shift in consumer behaviour attributed to COVID-19 is likely to persist having lasting effects for streaming platforms, especially for AVOD.

A spending forecast by eMarketer estimated that US connected TV (CTV) advertising would account for nearly 10% of total media ad spending by 2024, more than double the amount spent this year. Both AcuityAds and The TradeDesk are seeing aggressive growth in CTV related advertising while holding it out as market redefining opportunity. Moreover, revenues from YouTube, Hulu, and Roku will account for nearly half of all connected TV ad revenues. Consequently, connected TV ad spending will continue to grow for the foreseeable future.

Exhibit 26 – US Connected TV Ad Spending, 2019-2024, (\$Billions)



Source: eMarketer

A4. Competitive Landscape and Revenue Concentration

AdTech concentration represents the arguably the greatest contributor to the high level of competitive intensity in the AdTech space where the leading platforms and search engines are motivated to gain greater share of wallet through proprietary access and data. **In recent years, the top 10 companies represented more than 70% of internet advertising revenue.** Consequently, much of the programmatic ad revenue is being generated by the so-called “Walled Garden” which refers to Facebook’s Network, Google’s DSP, and the Amazon (AMZN-NASDAQ, NR) DSP. Google and Facebook accounted for nearly 61.0% of the total internet ad market in 2019 compared to 56.4% in 2018. Hence, as independent programmatic AdTech players fight over the remaining market share, the competition is expected to intensify (Source: WARC.com). EQ’s independence is presented as a key component of its value proposition as clients’ first party data remains proprietary.

A5. Impact of Industry Consolidation

The AdTech industry has witnessed a wave of consolidation in recent years and is expected to continue with its pace of innovation and dynamic market expansion.

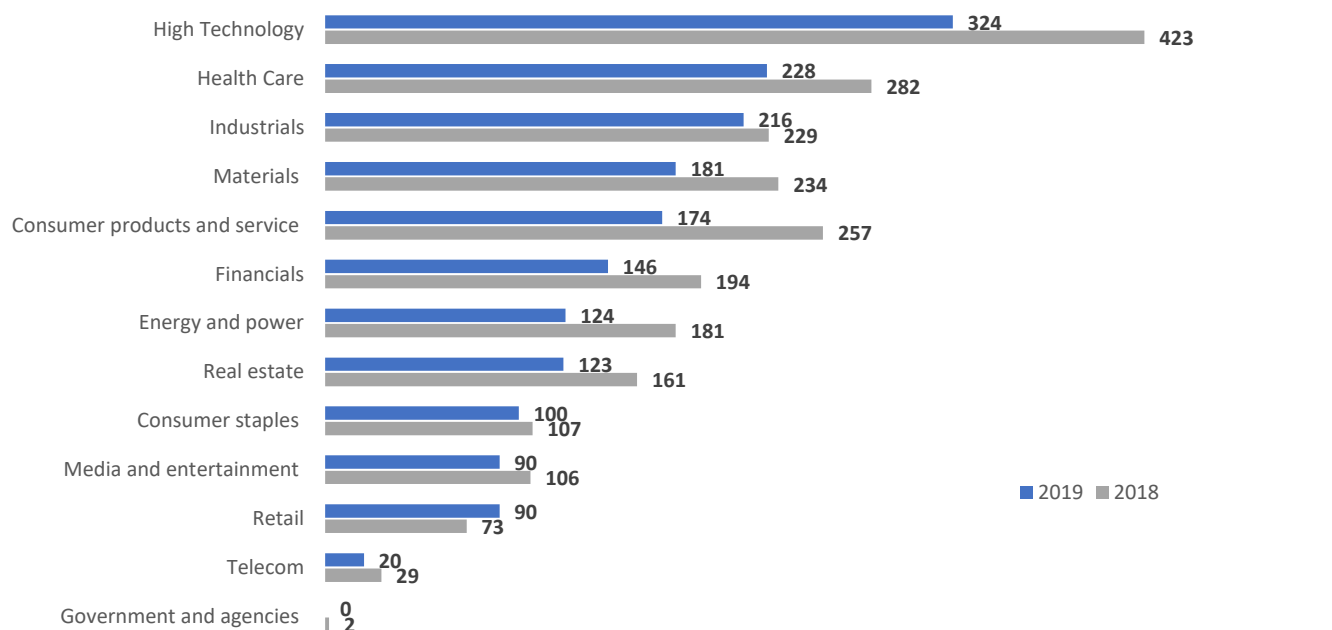
Amazon is playing catch up as Google and Facebook continue to consolidate market share. In 2019, Amazon made its first AdTech acquisition, when it bought Sizmek’s ad server and its Dynamic Creative Optimization tool. A few months prior, Sizmek had filed for Chapter 11 bankruptcy as it had been searching for a buyer for the Ad Server and its platform, which helped to personalize ads using data. Though Amazon’s footprint on the total AdTech market is still small compared to Google and Facebook, many believe that the dynamic will change in the coming years. In 2019, eMarketer forecast Amazon’s US ad business would reach nearly \$10B for the year, representing almost 8% of the US digital ad market, with the expectation that it would move ahead to 10% by 2021.

From a vertical sector perspective, in 2019, Taptica added the mobile AdTech company RhythmOne adding to its previous acquisitions of YuMe, Burst Media and parts of RadiumOne. In 2018, AT&T (T-NYSE, NR) completed its acquisition of AppNexus, which offers enterprise technology products for digital advertising, serving publishers, agencies and marketers. In 2016, Adobe (ADBE-NASDAQ, NR) acquired an AdTech company, TubeMogul for \$540M. TubeMogul specializes in video advertising and has its proprietary DSP, which offers advertisers unique analytics.

Though some companies have achieved success through scale, in today’s rapidly changing AdTech ecosystem, maintaining their positions requires aggressive internal investments and often pre-emptive acquisitions of new entrants with differentiated service offerings. **We view AI/Data analytics providers as a prospective target for consolidation by larger AdTech players in the ecosystem.**

In 2019, Canada recorded \$160B in M&A activity, with technology accounting for the largest share (18%) of overall transaction activity. Financial technology, digital health, SaaS, and AI led the way within the technology sector (Source: PwC Canada). In recent years, Canada’s technology sector has significantly grown primarily due to its highly skilled workforce, favourable immigration policies, and the increasing role of venture capital. Over the years, the Government of Canada has also begun offering more funding support to small- and medium-sized companies.

Exhibit 27 – Canadian M&A Activity by Sector, 2018-2019



Source: PwC Canada

On a related note, **on November 30, 2020, ServiceNow (NOW-NYSE, NR) announced that it had signed an agreement to acquire Element AI, a Montreal-based global leader in AI.** Through a mix of AI products, Element AI offers tools such as AI-driven workflows, document intelligence, and computer vision solutions. ServiceNow will benefit from Element AI’s technical talents and AI capabilities. ServiceNow plans to create an AI Innovation Hub focusing on a customer-based AI innovation platform in Canada. ServiceNow is a cloud-based IT service company with a nearly \$103B market cap. According to TechCrunch, the purchase price was around \$500M, with a \$600-700M valuation.

Canada’s technology continues to play a critical role in the value chain and transformation of companies, many of which see acquisitions as a tool to respond to the digital disruption. Additionally, the Canadian private equity sector is sitting on \$20M of dry powder, which may lead to enormous capacity in M&A activity, especially for micro- and small-sized companies.

We see the emergence of content marketing and the rapid democratization of AI technology continue to be a driving force for industry consolidation in the coming years.

A6. Legal and Regulatory Risks Associated with Cookies

AdTech relies upon access to large volumes of data. Data is being accumulated from web browsing histories through cookies and mobile advertising identifiers. Programmatic platforms’ cookies – also called “third-party cookies” – are embedded on individual browsers when internet users visit a website owned by a publisher, advertiser or other first parties that have granted programmatic platforms permission to place cookies. With mobile devices on the rise, similar to cookies, advertisers use mobile advertising IDs to obtain users’ data.

Programmatic platforms continuously use cookies and IDs to assess, understand, and achieve advertisers’ campaign goals. As advertisers gain insight into the users’ spending attributes, they can also ensure that the same internet user does not unintentionally see the same advertisement. Moreover, advertisers can use such datasets to detect and

prevent fraudulent activity. In essence, data from cookies and mobile IDs is a primary element of their decision making.

From a user's standpoint, cookies and IDs function as temporary means of identification, reflecting their digital behaviour. Hence, they can be considered as personal data. Such characteristics have introduced various privacy laws as consumer advocacy groups and regulatory agencies have voiced concerns about using online tools, including cookies and IDs, that record users' browser activities. As a result, lawmakers introduced privacy legislation that requires websites to obtain consent from visitors to store or retrieve any information on a computer, smartphone, or tablet. Consequently, **users can delete, block, and modify their browser settings or reset mobile devices to prevent cookies from being accepted.**

In recent years, as Google's and Facebook's market shares continued to rise, many experts expressed concern over the methods in which these two companies collect data. According to a new report from Vanderbilt University, Google collects data in various active and passive ways. To put it into context, **Google collects data through its Gmail and YouTube services; however, it collects the majority of data even without user interaction. Similarly, Facebook and Instagram are sharing common user data.** Simply put, the report claims that almost every move a user makes online is collected and collated. On a related note, experts expressed concern about Apple's recent actions regarding its IDFA. The IDFA is a random device identifier assigned by Apple to a user's device that enables advertisers to leverage data to deliver customized advertising. Similar to Google Android's GPS Advertising ID (ADID) system, Apple's iOS uses IDFA to collect user data. Facebook also uses several software to track users and nonuser's data.

In October, the Department of Justice filed a civil antitrust lawsuit against Google, in a move intended to stop Google from unlawfully maintaining monopoly positions in the AdTech industry. "For years, Google has accounted for almost 90 percent of all search queries in the United States and has used anticompetitive tactics to maintain and extend its monopolies in search and search advertising", the press release reads. Although the lawsuit's implications remain unclear, industry participants expect some level of distraction and change for Google.

Consequently, over the past few years, other AdTech industry participants have been collaborating on initiatives to introduce a compelling alternative to the walled garden aiming to create a free and better open internet for all participants, advertisers, data providers, content providers, and consumers. The Trade Desk's Unified ID 2.0 collaboration with Neilson, LiveRamp, and Criteo will introduce their identity solutions in the next 12 months.

Operational Impact: Without cookies and IDs, advertisers may target their audience without as much insight into users' activity as otherwise would have taken place through an internet user's browser. Such inconsistency in data accumulation may disrupt the programmatic platforms' inventory and undermine their effectiveness.

Financial Impact: Regulations may increase the cost of doing business online. In 2018, the General Data Protection Regulation (GDPR) introduced a new set of digital privacy laws expected to impact the entire AdTech industry. The GDPR applies to Canadian and US businesses operating in the European Union. Currently, there are self-regulatory standards that provide information and choices for companies about online data collection. Consequently, there are costs associated with adopting new consumer privacy protections as industry participants implement these new measures into their businesses. Moreover, in the face of regulatory violations, firms may face enormous fines.

A7. IDFA – Headline Risks, Practical Implications

EQ has Taken Steps in Anticipation of revised IDFA policies: Apple's (AAPL-NASDAQ, NR) move to revise policies around its Identifier for Advertisers (IDFA) in early 2021 is a clear focus across the ecosystem where iOS represents a significant share of the mobile ecosystem. While the full details and subsequent impact of Apple's planned moves remain to be seen, the AdTech industry has been working to make adjustments as Apple originally communicated the direction of change was would coincide with its iOS-14 launch and Google has been making moves to limit the use of cookies and user tracking data over the past year.

While the impact remains uncertain, there is an argument that the company's historical information takes on greater relative value where it can be layered onto ongoing consumer data through analyses such as look-alike

audience profiling. Apple's moves will balance user demand for personal privacy and security with the broader ecosystem impact of data restrictions on advertisers, app developers and digital publishers. We note that the impact should also be considered in the context of non-iOS users and the abundance of primary data available to enterprises including website audiences.

Many look for Apple to introduce a policy where users are required to opt-in for tracking permission. Such a policy could generate greater headline risk as reports have suggested user permission rates would move to as low as 10%-20% in the market.

However, AdTech profilers are likely to be positioned to adjust data analysis to build on lower permissioning levels where the real impact is likely to be significantly moderated by the prevalence of redundant data. According to statistica, the average US mobile user has ~20 apps installed on their mobile devices. In many cases, users are providing multiple streams of redundant tracking information. Arguably, the reduction in tracking streams may favour larger AdTech providers with broader access to third-party data. This could in turn build a competitive moat for providers such as EQ with established third-party data sources.

While consumers are vocal in their disapproval of broad data tracking, they also attribute significant value to selected applications such as online meal delivery or transportation platforms where location awareness is critical to the service. Alternatively, applications related to fitness tracking require location tracking.

While much of the industry is prepared for proactive user authorization, arguably the greater focus is on parameters related to potential information usage with authorization. These considerations would likely be contained within user application authorization agreements. It is anticipated that where this is the case, apps are likely in a position to present consumer safeguards that encourage permissioning while yielding useful, anonymous user profiling.

We see allowing user opt-in or authorization as the primary measure. We believe user safeguards already in place requiring anonymous user information largely achieve the desired safeguards where user authorization is permissioned. We believe users place a premium on perceived control over permissioning while recognizing the personal value they derive from selected apps using tracking information required for service delivery. We further believe consumers derive value from the receipt of relevant advertising.

Discussion with EQ management and industry participants suggest that EQ and its peers have proactively positioned themselves for anticipated changes. **EQ has specifically groomed its models in the current data-rich environment ahead of prospective changes in device tracking practices. Moreover, we look for the Company to differentiate itself from its AdTech peers by leveraging its geospatial data sets and proprietary database.** The Company has designed its algorithms on its system where it already has collected, produced and tested all the behaviour it might have expected from users. It has subsequently reduced its data ingest dependency toward modelling mechanisms that may suffer. Following IDFA's elimination, we anticipate that the Company will move to adjust its cues to understand which pattern to fit into with a lessor data ingest. Hence, we expect that the efficacy will not significantly change.

We are encouraged by the platforms' capabilities and see it offering a sustainable differentiation in the market as it continues to gain traction among big blue-chip companies and the acceleration in contract renewals.

Apple's IDFA announcement impacted the digital online community beyond AdTech as it is expected to impact online gaming and publishers where user acquisition costs will be impacted and advertising yields are subject to swings. **The prospects of the elimination of IDFA have already been felt in the AdTech world where uncertainty towards new policies has seen game publishers bid up advertising rates related to customer acquisition strategies ahead of its implementation.**

According to GlobalStats, in 2019-2020, Apple iOS and Google Android held 59% and 40% market share of mobile operating systems respectively. Inevitably, app developers, mobile games, and advertising companies have built their customer acquisition strategies to align with Google's ADID and Apple's IDFA.

Current iOS: As part of the introduction of iOS7 in mid-2016, Apple's IDFA has enabled advertisers to target their audience and execute marketing campaigns, where Apple allows users' tracking to occur on an anonymous basis. For instance, when a user interacts with an ad on a developer app, the advertiser, through the third party (in this case, the app developer), implicitly identifies the user by assigning a number to the user, which tracks the user's activities without knowing their name. Subsequently, these users' identities would be given to an AdTech company collaborating with advertisers for a more accurate and customized targeted and marketing campaign. This ecosystem balance has worked for nearly five years, bringing advertisers and mobile users closer and providing invaluable insights to advertisers. Notably, Apple generates revenue through the sales of its devices and 30% of in-app purchases while it does not take direct payment from the ad revenue generated by advertisers and game developers.

Google, Facebook, and Amazon each have their own method of data collection and monetization. Whether advertisers know users' full names, such as on the Facebook platform, or they have the ability to track users without their full identity, it has been a concern for regulators and privacy advocates. The IDFA is currently embedded in every existing version of Apple's mobile operating system. To address privacy, Apple added the Limit Ad Tracking as an optional setting that prevents advertisers from tracking customers and accessing data by user's IDFA. Only about 30% of iPhone users have elected to disable device tracking.

What's Next Across the ecosystem?

Apple has delayed the removal of its IDFA from the fall of 2020 to early 2021. Once implemented, iOS's new privacy features will require app developers to ask users permission to collect and share identifying data directly. Simply put, when enabled, a system prompt will give users the ability to allow or reject tracking on an app-by-app basis. The opt-in rates are estimated to be as low as 20% (Source: Adikteev.com).

As IDFA has played a critical role for advertisers and developers in recent years, Apple's departure from the IDFA would significantly impact their ecosystem. For advertisers who exceedingly rely on users' data, the elimination of the IDFA would drastically reduce data accessibility, dismantling the effectiveness of their advertising campaign and disrupting their interaction with their users. Facebook, which represents the highest share of ad-related downloads on iOS, has said that its revenue could fall as much as 50% following the elimination of IDFA (Source: facebook.com). Google and Unity (U-NYSE, NR), which are also among the top players in the AdTech market, have expressed concern regarding Apple's new privacy feature. Hence, many experts anticipate that Apple's move to eliminate the IDFA would lead to substantial job losses across the app developers, AdTech, and the gaming community.

Moreover, according to InMobi, advertising has been a primary contributor to many app developers' success as it has been used by 80% of app publishers. Hence, if advertising becomes significantly less effective, consumers will no longer get many things free, i.e., the so-called free-to-play business model.

Apple's own SKAD, an app that measures advertising results but not in real-time, would allow developers to track 64 attributes about their users. However, it would limit the level of details that could be integrated with their marketing campaigns. Furthermore, as part of the new mobile ecosystem, Apple is expected to gain further control over its data. It plans to introduce functions to measure the results of advertisements instead of having granted the measurement to an AdTech company. However, Apple's measurements of advertising success remain to be seen. Meanwhile, as the industry is set to undergo structural changes, some industry participants are pursuing new monetization strategies outside of ad targeting or retargeting, including Adjust's (Private), which utilizes cohort analysis that groups users as they relate to a common identifier. Adjust's platform centres around commonality factors that enable advertisers to compare data sets using the most relevant metrics to the group's characteristics. With a constantly changing user base, advertisers use engagement lifespan, which allows them to detect trends that they can manipulate, and monitor the impact on the same group of users over time. Adjust offers its services on a subscription-based model.

Why is Apple Doing This?

As Apple is changing the IDFA from a default-on to an opt-in-only setting in iOS14, it could make its platform more attractive to those concerned about privacy and data collection. Though the data from IDFA didn't reveal anyone's name, many critics argue the purpose of Apple's intentions. InMobi CEO Abhay Singhal said Apple has pledged itself to privacy, something that distinguishes its stance from its peers. "The IDFA is not your personal email. It's some digits

that are your digital identity in the mobile ecosystem. That has no relevance to your real identity. But large companies have joined these digital identities with physical identities and made them one and the same.” Singh added.

Bottom Line: As we reflect on the challenges and opportunities associated with increasing data privacy, in particular the IDFA retirement, we look for continued growth in digital advertising as the ecosystem applies technology and in particular data analysis to make adjustments..

Moderating Waves: Industry participants believe Apple’s new privacy policies will continue to support certain targeting measures as Apple itself is significantly leveraged to in-app purchases from downloaded apps including games. Where Android affords greater customer targeting, app developers may prioritize Android ahead of iOS.

A8. Infringement of Intellectual Property Rights

In the presence of relentless competition among industry participants, especially independent programmatic players, each firm’s intellectual property, particularly their proprietary platform, is believed to be their main asset. Hence, for a firm, protecting its intellectual property is imperative for its existence and business continuity.

Firms typically maintain an active program to legally protect their intellectual property rights. They may use a combination of a trade secret, copyright law, nondisclosure agreements, other common law intellectual property protections, and technical measures to protect their proprietary technology.

On the other hand, if a firm’s programmatic platform violates or is alleged to violate third-party proprietary rights, it may be forced to re-engineer its platform or obtain licenses from third parties’ proprietary rights. Additionally, enforcement of intellectual property rights against alleged infringement can lead to costly litigations, which may have a material adverse impact on a firm’s reputation and financial condition.

Appendix Two: Peer Profiles

A.1 AcuityAds Holdings Inc. (AT-TSX)

AcuityAds Holdings offers digital marketing solutions through its programmatic platform. Acuity's DSP, which provides services on both a managed-service and self-service basis, facilitates automated buying and selling of advertising transactions and customer targeting as it operates on desktop and mobile devices. AcuityAds was founded in 2009 and went public in 2014, and is headquartered in Toronto, Ontario. The company derives its revenues mainly in the US (72% in 2019), and also serves clients in Canada and Europe.

AcuityAds introduced its recent self-service programmatic platform, illumin™, which enables its clients to run automated and fully customizable digital advertising campaigns using Cost per Click (CPC) and Cost per Mile (CPM) pricing methods. Though AcuityAds predominantly derives its revenues from its managed-service offerings, with the rollout of illumin™, its self-service segment is expected to gain popularity.

The company currently has \$878.0M and \$879.0M in market capitalization and enterprise value, respectively, where it generated \$119.3M and \$70.2M in sales in 2019 and 2018, respectively. The company's shares are currently trading at \$17.30 and have returned 336%/11163% 3month/1-Yr, where it translates to 6.6x/5.7x 2021 and 2022 EV/revenue. Consensus forecast revenue/EBITDA for 2020 and 2021 are at \$130.2M/\$19.3M and \$152.2M/\$25.7M, respectively.

A.2 The Trade Desk Inc. (TTD-NASDAQ)

The Trade Desk provides digital advertising solutions through its self-service cloud-based platform that enables buyers to create and optimize data-driven digital advertising campaigns in various advertising formats, including display, video, audio, social, and on multiple devices such as computers, mobile devices, and connected TV. The company also offers data and other value-added services and platform features. The Trade Desk was founded in November 2009 and is headquartered in Ventura, California. The company derives the majority of its revenues in the US.

The Trade Desk offers various products, from Omnichannel targeting and a data management platform to AI-driven enterprise solutions. Given the significant rise of advertising video-on-demand in recent years, the company leverages its products to bring the targeting and measurement capabilities of programmatic to its clients' TV campaigns, allowing them to reach a bigger audience and fully understand performance.

The Trade Desk's market capitalization stands at nearly US\$33.4B and has a US\$39.0B enterprise value. The Trade Desk posted US\$660M and US\$477M in revenues in 2018 and 2019, respectively, and US\$731M LTM. The Trade Desk's stock is trading at US\$796/shr and has returned 29%/207% 3 month/1-Yr, where it reflects 35.3x/26.90x 2021/2022 EV/revenue. Consensus forecast revenue/EBITDA for 2020 and 2021 are US\$802M/US\$244M and US\$1,078M/US\$342M, respectively.

A.3 Digital Turbine Inc. (APPS-NASDAQ)

Digital Turbine provides media and mobile communication products and solutions for mobile operators, application advertisers, device original equipment manufacturers, and other third parties worldwide. It operates through the Advertising segment, which is comprised of the Operator and OEM business. The company also provides programmatic advertising and targeted media delivery services; and other products and professional services directly related to the core platform. Digital Turbine has an international presence as it derives revenues in the US, Canada, Europe, Asia/Pacific and Africa/Middle East. The company was founded in 2009 and is headquartered in Austin, Texas.

Digital Turbine's market cap and enterprise values are US\$5.2B and US\$5.7B, respectively. The company posted US\$103.5M and US\$74.75M in revenues in F2019 and F2018, respectively. The digital Turbine's stock is trading at US\$58.6 and has returned 43%/1259% 3 month/1-Yr, where it translates to 15.6x/11.9x F2021/F2022 EV/Revenue. Consensus forecast revenue/EBITDA for F2020 and F2021 are US\$276.6M/US\$64.4M and US\$338.6M/US\$83.6M, respectively.

A.4 Autodesk Inc. (ADSK-NASDAQ)

Autodesk engages in the design of software and services. It offers AutoCAD, a professional design, drafting, detailing, and visualization software; AutoCAD Civil 3D provides technical services to civil engineering. The company also offers development and manufacturing software, which provides manufacturers in the automotive, transportation, industrial machinery, consumer products, and building product industries with comprehensive digital design, engineering, and production solutions. The company has an international footprint, where it derives revenues in the US, Europe, Asia/Pacific, and Africa/Middle East. The company was founded in 1982 and is headquartered in San Rafael, California.

Autodesk's market capitalization is US\$69.2B and has a US\$70.4B enterprise value. The company generated US\$3.26B and US\$2.58B in sales in F2019 and F2018, respectively, and US\$3.64B LTM. The company's stock is currently trading at US\$314.7/shr, where returned 32%/60% 3month/1-Yr, to which reflects 16.4x/13.9x F2021/F2022. Consensus forecast revenue/EBITDA for F2020 and F2021 are at US\$3.76B/US\$1.19B and US\$4.3B/US\$15.1B, respectively.

Exhibit 28 – Peer Group Historical Performance

Sales y/y %	2012	2013	2014	2015	2016	2017	2018	2019	3-Year Avg. Growth %	5-Year Avg. Growth %
EQ	1.1	-40.4	-39.4	-24.5	-7.3	61.5	6.4	52.8	40.2	17.8
AcuityAds	NA	NA	34.4	51.6	91.4	47.6	20.1	69.6	45.8	56.1
Digital Turbine	-21.3	-16.7	305.0	15.8	206.3	5.8	-18.4	38.6	8.7	49.6
Trade Desk	NA	NA	NA	155.5	78.3	51.9	54.9	38.5	48.4	75.8
Autodesk	14.4	3.5	-1.5	10.7	-1.5	-18.0	1.3	25.9	3.1	3.7
EBITDA Margin %	2012	2013	2014	2015	2016	2017	2018	2019	3-Year Avg. %	5-Year Avg. %
EQ	-22.0	-30.0	-47.9	-72.0	-58.7	-23.6	-8.6	-12.8	-15.0	-35.2
AcuityAds	NA	5.4	-35.5	-11.2	2.5	-4.0	1.9	5.6	1.2	-1.1
Digital Turbine	-155.7	-176.2	-55.4	-76.6	-17.3	-15.1	-4.2	6.0	-4.4	-21.4
Trade Desk	NA	NA	3.2	35.0	30.2	25.3	24.9	23.4	24.5	27.7
Autodesk	21.1	20.3	18.4	10.5	4.8	-13.9	-15.4	4.8	-8.2	-1.9

Source: Echelon Capital Markets, FactSet

Exhibit 29 – Peer Group Valuation

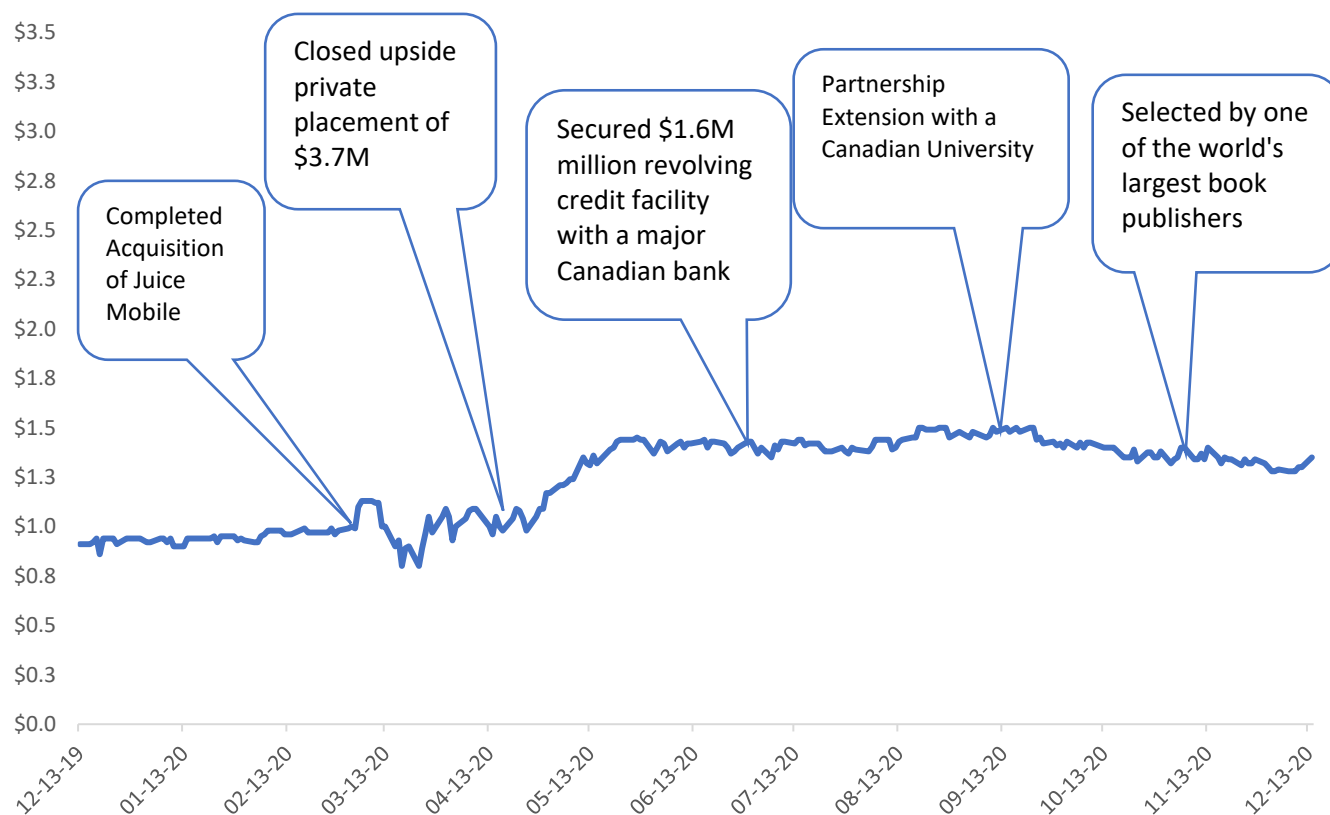
Local Currency in Millions	Revenue				3-Year CAGR (2019-2022)	Revenue Growth			EBITDA			
	2019	2020E	2021E	2022E		2020E	2021E	2022E	2019	2020E	2021E	2022E
EQ	9	10	14	21	32%	12%	39%	46%	-0.6	-1.2	-0.8	1.2
AcuityAds	119	104	130	152	9%	-13%	25%	17%	6.7	14.1	19.6	25.7
Digital Turbine	104	278	340	422	60%	168%	23%	24%	6.2	19.6	64.9	84.3
Trade Desk	661	803	1,078	1,383	28%	21%	34%	28%	154.5	244.1	341.7	458.6
Autodesk	2,578	3,274	3,761	4,297	19%	27%	15%	14%	124.2	411.2	929.9	1190.1

	EV	MKT	EV/Sales				EV/EBITDA			
	Local Currency in M		2019	2020E	2021E	2022E	2019	2020E	2021E	2022E
EQ	107.1	98	11.9x	9.8x	7.0x	4.8x	NA	NA	NA	83.5x
AcuityAds	685	682	0.7x	6.6x	5.3x	4.5x	102.4x	48.6x	35.0x	26.6x
Digital Turbine	4,661	4,315	2.5x	16.8x	13.7x	11.0x	750.4x	238.4x	71.9x	55.3x
Trade Desk	45,983	39,399	18.7x	57.3x	42.7x	33.3x	297.6x	188.4x	134.6x	100.3x
Autodesk	65,373	64,186	12.9x	20.0x	17.4x	15.2x	526.4x	159.0x	70.3x	54.9x

Source: Echelon Capital Markets, FactSet

Appendix Five: Company Timeline

Exhibit 30 – EQ: Price Trend and Recent Highlights



Source: Echelon Capital Markets, FactSet

November 11, 2020: EQ has been selected by one of the world’s largest book publishers to launch 10 new titles across the US. EQ’s selection by an American publisher is a testament to the Company’s goal as it aims to expand its presence in the US.

October 27, 2020: The Company announced the extension of its partnership with a Canadian university for the fifth consecutive year. The partnership is expected to generate approximately \$400,000 in revenue.

July 9, 2020: The Company announced that it secured additional financing for nearly \$5M due to warrants exercised and a new credit facility with one of Canada’s major banks. As part of this package, the Company has access to a new \$1.6M revolving credit facility with a major Canadian bank. The interest rate charged on the credit facility is equal to prime plus 2.50% per annum, where prime is around 2.00%.

March 5, 2020: The Company completed the acquisition and licensing of certain assets of Curate Mobile Ltd., including Juice Mobile. Juice Mobile’s platform offers advertiser marketing and consumer connectivity services on mobile. The combination is expected to strengthen EQ’s relationship with existing customers and capture new and incremental revenue streams. As part of the acquisition, EQ appointed Joe Strolz as the new Chief Operating Officer.

December 19, 2019: The Company announced that it intends to increase the private placement to \$5.0M compared to \$4.6M, which was announced on December 10, 2019. The increase is due to the higher demand in the Company’s announced private placement. The placement consisted of 6,666,666 units, with each unit comprising one-half of one common share purchase warrant. The Company plans to employ the proceeds to expand its data platform, data science initiatives, and pursue an aggressive expansion into the US.

December 5, 2019: The Company signed a multi-year engagement with one of Canada's largest firms. The firm plans to utilize EQ's platform to enhance its efforts in custom audience building, store visitation, and other forms of targeted mobile media buying.

August 19, 2019: The Company announced a round of debt financing for nearly \$1.7M in the form of non-convertible secured promissory notes. The notes will bear interest at a rate of 12% annually and will mature 17 months from the date of issuance. In exchange, capital providers will receive non-transferable warrants. In part, this round of financing is intended to refinance the Company's outstanding non-convertible secured promissory notes.

February 7, 2019: The Company announced a \$1.5M mobile data and advertising partnership with a franchise group. The franchise group consisted of a multi-brand clientele base, and it plans to improve the targeting and overall digital campaign effectiveness.

October 15, 2018: The Company completed the acquisition of Tapped Networks Inc., which is a mobile marketing solution in Canada and the US. The acquisition aims to leverage Tapped's cutting-edge mobile solutions technologies in combination with EQ's proprietary location-based data platform to expand its presence in the Canadian market. The transaction consisted of EQ's common shares and conditional cash consideration.

March 15, 2018: The Company announced a \$5.4M partnership with a Canadian appliance brand. The partnership is expected to last a minimum of three years.

March 6, 2018: The Company entered into a licensing agreement with a leading Western Media Agency. As part of this licensing deal, the Company's LOCUS platform provides additional recurring revenue streams.

February 16, 2018: The Company announced a round of debt financing for \$1.5M in the form of non-convertible secured promissory notes. The notes will bear interest at a rate of 10% annually and will mature 18 months from the date of issuance. In exchange, capital providers will receive non-transferable warrants. The Company used the proceeds to refinance its current outstanding non-convertible secured promissory notes and finance its current working capital requirements.

August 17, 2017: The Company introduced its proprietary location-based platform that enables its customers to create high-value custom audiences with the combination of location-based data and demographical factors.

June 17, 2017: The Company announced that it closed a private placement for \$1.1M, resulting in the issuance of approximately 3.8M of the Company's shares at \$0.28/shr.

August 18, 2016: The Company announced a round of debt financing for \$1.2M in the form of non-convertible secured promissory notes. The notes will bear interest at a rate of 8% annually and will mature 16 months from the date of issuance.

June 16, 2015: The Company announced the launch of ATOM, a new self-service digital media buying solution. ATOM enables small- and mid-sized businesses to execute digital advertising campaigns for their local and international audiences through mobile, tablets, and desktop devices.

June 13, 2013: The Company changed its name from Cyberplex Inc. to EQ Inc. and operated as "EQ Works." As a result, the listing of the Company continued on the TSXV under the new symbol "EQ."

Appendix Six: Executive Management and Board of Directors

A1. Executive Management

Name	Position	Stake	Description
Geoffrey Rotstein	President, CEO & Director	5.49%	<ul style="list-style-type: none"> 20+ years of experience in business strategy, digital media, online lead generation, and online advertising. Mr. Rotstein has been the CEO of EQ for 14 years. Mr. Rotstein is also on the board of AirIQ, Inc., Chrysalis Capital Group, Inc., Titan Capital, Inc., and Cann Is Capital Corp. In the past he held the position of Member of Young Presidents' Organization, Inc. Mr. Rotstein holds a Bachelor of Arts Degree from the University of Western Ontario and an MBA from the Schulich School of Business at York University.
Peter Kanniah	Chief Financial Officer (CFO), Corporate Secretary		<ul style="list-style-type: none"> 19+ years of experience in finance within the tech industry. Mr. Kanniah started with EQ in 2001 when it was named Cyberplex and held the role of Vice President of Finance. He has been the CFO since 2008.
Dilshan Kathriarachchi	Chief Technology Officer	2.52%	<ul style="list-style-type: none"> 10+ years of experience in building complex data and technology solutions. Founder of one of the first mobile networks in Canada. Previously, he worked at Addictive Mobility where he held the role of President after being promoted from the position of Chief Technology Officer.
Joe Strolz	Chief Operating Officer (COO)		<ul style="list-style-type: none"> 20+ years of experience in multiple leadership roles with recognized tech brands (Snapchat, Microsoft, AOL/Verizon). Prior to EQ, Mr. Strolz was President of Curate Mobile, Juice Mobile's parent company, acquired by EQ in 2020.
Mark Ditkofsky	Vice President of Business Development		<ul style="list-style-type: none"> 7+ years of experience in building sales and forming relationships with some of the primary media players in Canada.
Steven Lu	Data Scientist (Platform Lead)		<ul style="list-style-type: none"> 10+ years of experience working with statistical modelling and graph theory-based data mining algorithms.
Qinglei Zhang	Data Scientist (PHD Lead)		<ul style="list-style-type: none"> Experienced in combining expertise in AI, data mining, information security, and software engineering. Extensive expertise in building models with complex data sets and mapping algorithms.

A2. Board of Directors

Name	Position	Stake	Description
Vernon F. Lobo	Chairman of the Board	8.77%	<ul style="list-style-type: none"> 20+ years of experience in the technology industry. He is currently the Managing Director and Founder at Mosaic Capital Partners. In addition to his role at EQ as Chairman of the Board, Mr. Lobo holds multiple board positions at companies including AirIQ Inc. and TECSYS Inc. (TCS-TSX, \$48.34, Buy, \$54.00 PT; covered by Amr Ezzat).
James Beriker	Independent Director		<ul style="list-style-type: none"> Mr. Beriker is the founder and CEO of LifeCycle Group, an advisory firm based in Silicon Valley. He began his career as a lawyer in Los Angeles, California. Mr. Beriker held multiple executive and director positions at various venture-backed technology start-ups, and operating executive positions at Yahoo! and ValueClick.

Source: Echelon Capital Markets, Company Filings

Appendix Seven: Financials

EQ Inc.	2018	2019	2020E	2021E	2022E	2023E	2024E	2025E	2026E
All figures in (\$ '000), unless otherwise indicated									
Income Statement									
<i>EQ Inc. - Income Statement - Base Case</i>									
Revenue:									
Total Revenue	5,868	8,965	10,068	14,064	20,821	28,935	38,484	46,774	57,064
COGS	3,137	5,015	5,477	7,045	9,996	13,251	16,810	19,726	23,465
Gross Profit	2,731	3,950	4,591	7,019	10,825	15,684	21,674	27,048	33,599
- Margin	46.5%	44.1%	45.6%	49.9%	52.0%	54.2%	56.3%	57.8%	58.9%
Operating expenses:									
Salaries and benefits	2,383.0	3,026.0	4,406.5	5,945.5	7,431.9	8,175.1	8,583.8	9,013.0	9,463.6
Other operating expenses	1,498.0	1,726.0	1,830.2	1,922.3	1,999.2	2,079.1	2,162.3	2,248.8	2,338.7
Depreciation of property and equipment	46.0	54.0	65.0	58.7	58.8	91.7	105.4	183.4	217.4
Depreciation of right-of-use asset	0.0	76.0	52.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	59.0	44.0	401.0	744.4	361.9	337.7	353.4	391.5	451.2
Total Operating Expenses	3,986.0	4,926.0	6,754.6	8,670.9	9,851.8	10,683.7	11,205.0	11,836.7	12,471.0
Operating Income/(loss)	-1,255.0	-976.0	-2,163.5	-1,651.8	973.1	5,000.0	10,468.9	15,211.7	21,127.8
Transaction costs of acquisition	-24.0	0.0	-23.0	0.0	0.0	0.0	0.0	0.0	0.0
Additional contingent consideration	0.0	-406.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Finance income	1.0	3.0	28.0	0.0	0.0	0.0	0.0	0.0	1.0
Finance costs	-622.0	-535.0	-529.8	-245.3	-33.6	-32.0	-30.5	-29.1	-28.3
Income before taxes	-1,900.0	-1,914.0	-2,688.2	-1,897.1	939.5	4,968.0	10,438.5	15,182.7	21,100.5
Taxes	-70.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net and comprehensive loss	-1,830.0	-1,914.0	-2,688.2	-1,897.1	939.5	4,968.0	10,438.5	15,182.7	21,100.5
Basic EPS	-0.05	-0.04	-0.05	-0.03	0.01	0.07	0.16	0.23	0.32
Diluted EPS	-0.05	-0.04	-0.04	-0.03	0.01	0.07	0.14	0.21	0.29
Weighted Shares Outstanding - Basic	40,034	48,331	58,905	66,481	66,481	66,481	66,481	66,481	66,481
Weighted Shares Outstanding - Diluted	40,034	48,331	65,289	72,865	72,865	72,865	72,865	72,865	72,865
Shares Outstanding - basic	47,764	54,918	58,905	66,481	66,481	66,481	66,481	66,481	66,481
Shares Outstanding - Diluted	51,713	61,878	65,289	72,865	72,865	72,865	72,865	72,865	72,865
Share based compensation for adj. EBITDA	56.0	155.0	427.5	71.7	124.9	289.3	384.8	467.7	570.6
Other one time items	0.0	-406.0	-	-	-	-	-	-	-
Adj. EBITDA	-1,024.0	-647	-1,218	-777	1,519	5,719	11,313	16,254	22,367
Growth YoY			88%	-36%	-560%	-1273%	-5626%	6527%	-2979%
Margin	-17.5%	-7.2%	-12%	-6%	7%	20%	29%	35%	39%
Flow-through			NM	906%	967%	428%	299%	263%	186%

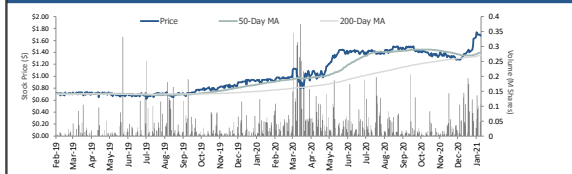
EQ Inc.	2018	2019	2020E	2021E	2022E	2023E	2024E	2025E	2026E
All figures in (\$ '000), unless otherwise indicated									
Balance Sheet									
<i>EQ Inc. - Balance Sheet - Base Case</i>									
ASSETS									
Current assets:									
Cash and cash equivalent	584.0	3,691.0	4,290.6	16,586.6	17,234.6	22,046.1	32,176.1	46,607.0	66,760.9
Restricted cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	2,167.0	2,060.0	3,293.5	4,688.7	5,205.3	6,430.0	8,552.0	10,394.3	12,680.8
Other current assets	293.0	197.0	101.2	134.0	194.3	235.1	275.6	309.9	352.7
Total Current Assets	3,044.0	5,948.0	7,685.3	21,409.3	22,634.2	28,711.1	41,003.6	57,311.2	79,794.4
Property and equipment	125.0	102.0	119.5	131.1	176.4	229.3	316.3	366.8	434.7
Right-of-use asset	0.0	146.0	94.0	94.0	94.0	94.0	94.0	94.0	94.0
Intangible asset	206.0	537.0	991.8	669.4	723.9	675.5	706.9	783.1	902.5
Goodwill	535.0	535.0	1,260.0	1,260.0	1,260.0	1,260.0	1,260.0	1,260.0	1,260.0
Total Non-current Assets	866.0	1,320.0	2,465.4	2,154.5	2,254.3	2,258.8	2,377.2	2,503.9	2,691.2
Total Assets	3,910.0	7,268.0	10,150.7	23,563.8	24,888.4	30,969.9	43,380.8	59,815.0	82,485.7
LIABILITIES									
Current liabilities:									
Accounts payable and accrued liabilities	1,851.0	1,705.0	2,624.2	3,970.5	4,317.2	5,223.4	6,889.0	7,746.9	8,816.8
Lease liability	0.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0
Loans and borrowings	1,577.0	0.0	1,836.2	1,728.4	1,642.0	1,559.9	1,481.9	1,407.8	1,337.4
Deferred revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contract liabilities	348.0	24.0	107.0	107.0	107.0	107.0	107.0	107.0	107.0
Earn-out	291.0	256.0	364.0	364.0	364.0	364.0	364.0	364.0	364.0
Total current liabilities	4,067.0	2,055.0	5,001.4	6,239.9	6,500.2	7,324.3	8,911.9	9,695.7	10,695.2
Lease liability	0.0	88.0	36.0	36.0	36.0	36.0	36.0	36.0	36.0
Loans and borrowings	0.0	1,603.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0
Earn-out	214.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EQUITY									
Shareholders' equity(deficiency)	-371.0	3,522.0	5,033.3	17,207.8	18,272.2	23,529.6	34,352.9	50,003.3	71,674.4
Shareholders' equity	-371.0	3,522.0	5,033.3	17,207.8	18,272.2	23,529.6	34,352.9	50,003.3	71,674.4
Total liability and shareholders' equity	3,910.0	7,268.0	10,150.7	23,563.8	24,888.4	30,969.9	43,380.8	59,815.0	82,485.7
<i>Check</i>	-	-	-	-	-	-	-	-	-
Total Debt (including leases)	1,577.0	1,761.0	2,022.2	1,914.4	1,828.0	1,745.9	1,667.9	1,593.8	1,523.4
Total Debt (excluding leases)	1,577.0	1,603.0	1,916.2	1,808.4	1,722.0	1,639.9	1,561.9	1,487.8	1,417.4
Net Debt (including leases)	993.0	-1,930.0	-2,268.4	-14,672.2	-15,406.6	-20,300.2	-30,508.2	-45,013.2	-65,237.5
Net Debt (excluding leases)	993.0	-2,088.0	-2,374.4	-14,778.2	-15,512.6	-20,406.2	-30,614.2	-45,119.2	-65,343.5

EQ Inc.	2018	2019	2020E	2021E	2022E	2023E	2024E	2025E	2026E
All figures in (\$ '000), unless otherwise indicated									
Statement of Cash Flow									
Cash flows from (used in) operating activities:	<i>EQ Inc. - Cash flow - Bear Case</i>								
Net and comprehensive loss	-1,830.0	-1,914.0	-2,779.2	-2,528.1	-502.3	2,142.5	5,644.1	8,401.6	11,533.5
Adjustments for:									
Depreciation of property and equipment	46.0	54.0	64.9	57.9	55.5	83.2	91.7	153.9	175.7
Depreciation of right-of-use asset	0.0	76.0	52.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization of intangible assets	59.0	44.0	400.6	736.3	343.7	312.3	314.0	333.7	368.8
Share-based payments	56.0	155.0	427.1	68.0	112.9	249.4	317.5	373.0	439.0
Unrealized foreign exchange loss (gain)	-12.0	19.0	-23.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred tax recovery	-70.0	0.0	406.0	0.0	0.0	0.0	0.0	0.0	0.0
Finance costs, net	585.0	533.0	119.8	245.3	33.6	32.0	30.5	29.1	28.3
Additional contingent consideration	0.0	406.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net change in non-cash working capital									
Trade and other receivables	-101.0	107.0	-1,166.7	-1,137.2	-340.2	-838.5	-1,512.6	-1,233.3	-1,467.1
Other current assets	-27.0	-73.0	95.0	-30.5	-56.4	-34.9	-33.0	-27.1	-34.1
Trade payables and accrued liabilities	-25.0	-127.0	938.4	1,282.6	270.9	774.6	1,445.5	677.9	853.7
Contract liabilities	0.0	0.0	-12.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred revenue	-66.0	-324.0	-37.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Change in non-cash operating working capital	-219.0	-417.0	-182.3	114.8	-125.6	-98.7	-100.0	-582.4	-647.5
Net Cash Used in Operating Activities	-1,385.0	-1,044.0	-1,514.1	-1,305.8	-82.2	2,720.7	6,297.7	8,708.7	11,897.8
Cash flows from financing activities:									
Repayment of loans and borrowings	-1,415.0	0.0	-56.8	-107.8	-86.4	-82.1	-78.0	-74.1	-70.4
Repayment of obligations under property lease	0.0	-184.0	-139.0	0.0	0.0	0.0	0.0	0.0	0.0
Issuance of promissory notes	0.0	183.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans and borrowings	0.0	0.0	80.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from private placement	1,621.0	5,180.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Share issuance costs	-17.0	-68.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from exercise of warrants	1,149.0	280.0	3,658.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from exercise of stock options	1.0	3.0	114.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash proceeds from issuance of shares	0.0	0.0	0.0	14,000.0	0.0	0.0	0.0	0.0	0.0
Interest paid	-460.0	-246.0	-122.8	-245.3	-33.6	-32.0	-30.5	-29.1	-28.3
Net cash provided by financing activities	879.0	5,148.0	3,533.4	13,646.9	-120.0	-114.1	-108.5	-103.1	-98.7
Cash flows from investing activities:									
Interest income received	1.0	2.0	5.0	0.0	0.0	0.0	0.0	0.0	0.0
Investment in GIC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Acquisition of Juice Mobile	0.0	0.0	-850.0	0.0	0.0	0.0	0.0	0.0	0.0
Acquisition of Tapped Mobile	213.0	169.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earn-out Payout	0.0	-744.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchases of property and equipment	-28.0	-30.0	-80.1	-66.8	-94.1	-124.7	-158.7	-186.5	-219.5
Addition of intangible asset	0.0	-375.0	-521.8	-400.8	-376.3	-249.4	-317.5	-373.0	-439.0
Net cash used in investing activities	186.0	-978.0	-1,446.9	-467.6	-470.4	-374.1	-476.2	-559.5	-658.5
Cash Beginning Of Period	891.0	584.0	3,691.0	4,286.4	16,160.0	15,487.3	17,719.7	23,432.7	31,478.8
FX effect	13.0	-19.0	23.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Change in Cash	-320.0	3,126.0	572.4	11,873.6	-672.7	2,232.4	5,713.0	8,046.1	11,140.5
Cash End of Period	584.0	3,691.0	4,286.4	16,160.0	15,487.3	17,719.7	23,432.7	31,478.8	42,619.4

Appendix Eight: Tear Sheet

EQ Inc. (C\$1.70) - Data Sheet

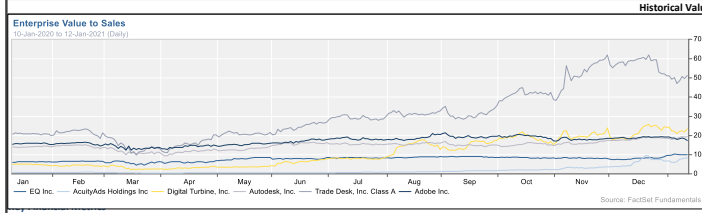
Speculative Buy | PT: C\$2.20



Company Description
EQ Inc. offers services that enable clients to create and target customized audience segments using proprietary software with location-based behaviour data, advanced data analytics in Canada, the United States, and internationally. The Company's products include ATOM, a self-serve programmatic solution and a location-based advertising tool; LOCUS, an automated data processing technology that provides customized audiences and reporting data on both a self-service and managed-service basis. It also provides integrated digital marketing solutions, which enable advertisers to connect with their audiences across online display, video, social, and mobile campaigns using its programmatic marketing platform. The company was formerly known as Cyberplex Inc. and changed its name to EQ Inc. in June 2013. EQ Inc. is based in Toronto, Canada.

Consensus	3 Mths Ago	Current	Return
Rating:	Buy	Buy	18%
Target:	\$2.00	\$2.00	18%
Median:	\$2.00	\$2.00	18%
High:	\$2.00	\$2.00	18%
Low:	\$2.00	\$2.00	18%

Consensus Distribution			
Sector Outperform/Buy		2	
Sector Perform/Hold		0	
Sector Underperform/Sell		0	
# Est		2	



Key Statistics	Value	%
52-Week High	\$1.80	6%
52-Week Low	\$0.73	(57%)
Avg Vol (3-Mo)	34.1	
Shares Outstanding	72.8	
Market Cap (CSM)	112.9	
Net Debt (CSM)	-15.7	
Enterprise Value (CSM)	108.1	
Div Yield	0.0%	
FYE	Dec 31	
Employees	NA	

Top Institutional Ownership		% Held
StoneCastle Investment Management, Inc.		0.3%

Financial Summary (C\$ '000)	2018	2019	Q120	Q220	Q320E	Q420E	2020E	2021E	2022E
Consolidated									
Revenue	8965.0	10,068.5	2198.0	1,726.0	2,851.0	3,293.5	10,068.5	14,064.0	20,821.3
Growth y/y		12.3%					0.0%	39.7%	48.0%
Revenue Consensus				1,766.0	2,851.0	3,492.0	10,267.0	16,342.7	
Adj. EBITDA	-647.0	-1,218.1	-449.0	-594.0	-111.0	-64.1	-1,218.1	-777.0	1,518.8
Growth y/y		88.3%					0.0%	-36.2%	-295.5%
Margin	-7.2%	-12.1%	-20.4%	-34.4%	-3.9%	-1.9%	-12.1%	-5.5%	7.3%
Flow-Through		-51.8%					NA	11.0%	34.0%
EBITDA Consensus				NA	-111.0	125.0	-1,124.1	1,570.5	
Capex	28.00	405.00	189.00	150.00	150.00	115.27	604.27	102.92	83.09
Capex Intensity	-0.3%	-4.0%	-8.6%	-8.7%	-5.3%	-3.5%	-6.0%	-0.7%	-0.4%
Intangibles - Capex	0.0	375.0	125.0	150.0	150.0	98.8	523.8	88.2	71.2
Intangibles - Capex Intensity	0.0%	-3.7%	-5.7%	-8.7%	-5.3%	-3.0%	-5.2%	-0.6%	-0.3%
Cash	584.0	3,691.0	1,996.0	4,982.0	4,651.0	4,290.6	4,290.6	3,502.4	18,216.4
Net Debt	-2.1	-2.4	-1.6	-16.3	-15.7	-14.8	-14.8	-15.5	-20.4

Comparables

Name	Last Price - Local	Price Target - Local	Returns					Revenue (Reported CCY M)		Revenue Growth %			Gross Margin %		EBITDA (Reported CCY M)	
			52-Week High	52-Week Low	1 Month	3 Month	YTD	2019	2020E	2020E	2021E	2022E	2020E	2021E	2020E	2021E
			EQ Inc.	1.70	2.00	-6%	133%	29%	18%	3%	10,068.5	10.1	12%	40%	48%	46%
Digital Turbine, Inc.	57.34	47.58	-6%	1548%	26%	43%	-3%	138.7	279.1	101%	25%	31%	4%	44%	66.2	86.8
Trade Desk, Inc. Class A	788.23	815.93	-19%	480%	-13%	29%	1%	661.1	807.7	22%	35%	31%	77%	73%	245.7	349.2
Hexagon AB Class B	761.60	670.31	-1%	125%	8%	9%	1%	41,179.3	38,124.8	-7%	7%	5%	63%	64%	13,747.3	15,183.6
Autodesk, Inc.	313.74	301.06	-2%	150%	14%	32%	5%	3,274.3	3,761.4	15%	14%	18%	92%	92%	1,206.3	1,507.6
AcuityAds Holdings Inc	17.17	14.89	-23%	2285%	97%	336%	23%	119.1	104.2	-12%	25%	17%	51%	50%	14.1	19.8
Aquarius AI, Inc.	0.07	NA	-78%	30%	-13%	-57%	-7%	NA	NA	NA	NA	NA	NA	NA	NA	NA
Frankly, Inc.	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Killik Ltd.	0.13	NA	NA	1200%	-16%	-7%	8%	NA	NA	NA	NA	NA	NA	NA	NA	NA
Loop Insights, Inc.	1.74	NA	NA	3380%	-17%	430%	-15%	NA	NA	NA	NA	NA	NA	NA	NA	NA
Yellow Pages Ltd.	12.30	12.33	NA	105%	-2%	4%	-2%	403.2	334.8	-17%	-15%	-18%	61%	61%	128.2	105.2
Peer Average			-22%	1034%	9%	91%	1%	7,629.3	7,235.3	17%	15%	14%	65%	64%	2,568.0	2,875.4
Peer Median			-13%	480%	-2%	29%	1%	532.2	571.2	4%	20%	17%	62%	63%	187.0	227.2

Name	Ticker	Market Cap (Local M)	Net Debt (Local M)	EV (Local M)	EV/Sales			EV/Gross Profit			EV/EBITDA			P/E		
					C2019	C2020E	C2021E	C2019	C2020E	C2021E	C2019	C2020E	C2021E	C2019	C2020E	C2021E
EQ Inc.	EQ-CA	112.9	-15.7	108.1	12.1x	10.7x	7.7x	27.4x	23.5x	15.4x	-167.0x	-88.7x	-139.1x	NA	NA	155.0x
Digital Turbine, Inc.	APPS-US	5,086	-1	5,495	39.6x	19.7x	15.7x	101.6x	45.4x	35.7x	281.1x	83.0x	63.3x	NA	109.3x	72.2x
Trade Desk, Inc. Class A	TTD-US	33,065	-66	38,552	58.3x	47.7x	35.4x	72.2x	61.8x	48.3x	180.2x	156.9x	110.4x	114.7x	158.6x	158.5x
Hexagon AB Class B	HEXA-B-SE	267,932	21,210	299,057	7.3x	7.8x	7.3x	11.6x	12.4x	11.4x	21.1x	21.8x	19.7x	25.8x	37.0x	31.6x
Autodesk, Inc.	ADSK-US	68,988	701	70,228	21.4x	18.7x	16.3x	23.5x	20.3x	17.7x	77.5x	58.2x	46.6x	NA	81.5x	62.2x
AcuityAds Holdings Inc	AT-CA	871	20	873	7.3x	8.4x	6.7x	15.2x	16.4x	13.4x	88.5x	62.0x	44.1x	NA	184.9x	94.6x
Aquarius AI, Inc.	AQUA-CA	1	12	1	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Frankly, Inc.	TLK-CA	NA	12	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Killik Ltd.	MYID-CA	24	-2	31	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Loop Insights, Inc.	MTRX-CA	189	0	175	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Yellow Pages Ltd.	Y-CA	344	112	361	0.9x	1.1x	1.3x	1.5x	1.8x	2.1x	2.2x	2.8x	3.4x	2.5x	5.7x	6.3x
Peer Average					22.5x	17.2x	13.8x	37.6x	26.3x	21.4x	108.4x	64.1x	47.9x	47.6x	96.2x	70.9x
Peer Median					14.4x	13.5x	11.5x	19.3x	18.3x	15.6x	83.0x	60.1x	45.3x	25.8x	95.4x	67.2x

Source: Consensus Data - FactSet; Historical Data - Company Filings; Forecasts/Estimates - Echeleon Wealth Partners.

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Company: EQ Inc. | EQ-TSXV

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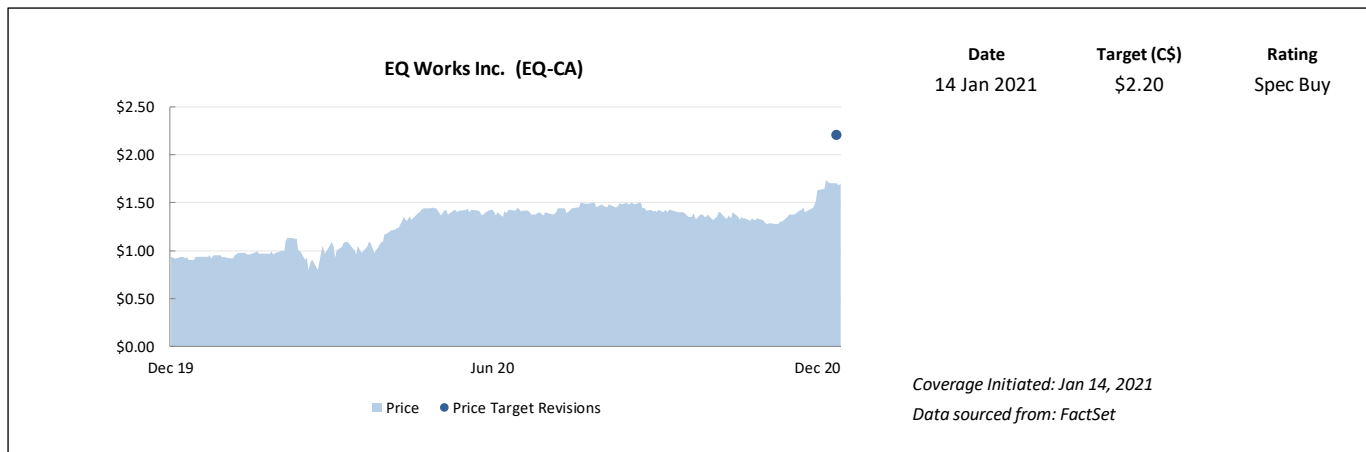
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Speculative Buy	The security is considered a BUY but in the analyst's opinion possesses certain operational and/or financial risks that are higher than average.
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