



Assure Holdings Corp. (IONM)

3Q:21 Results Came In Ahead Of Our Estimates; Project Accelerating Revenue Over The Next Two Years As Procedures Rebound And Telehealth Services Gain Traction: Maintain \$17 Price Target

	2020		2021E		2022E		2023E	
		OLD	NEW	OLD	NEW	OLD	NEW	
Mar.	(\$0.08)	(\$0.11)A		\$0.02	(\$0.02)	\$0.05		
June	(1.86)	(0.11)A		0.11	0.06	0.14		
Sep.	(0.14)	(0.08)	0.01A	0.09	0.05	0.14		
Dec.	(0.07)	0.02	(0.02)	0.20	0.14	0.35		
EPS	(\$2.07)	(\$0.28)	(\$0.23)	\$0.41	\$0.23	\$0.68		
P/E			NM		23.7x	8.0x		

Note: NR = Not Rated. Risk Ratings: H = Highly risky; M = Moderately risky. 2020-2023E include annual stock-based compensation expense of \$0.02. Sum of quarterly EPS may not equal full-year total due to rounding and/or change in share count.

Year	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Rev.(Mil.)	N/A	N/A	N/A	N/A	\$14.8	\$17.7	\$3.5	\$28.4	\$43.5	\$52.2
GAAP EPS	N/A	N/A	N/A	N/A	\$0.50	\$0.31	(\$2.07)	(\$0.23)	\$0.23	\$0.68

Description: Assure Holdings, Inc. (assureneuromonitoring.com), through wholly-owned subsidiary Assure Neuromonitoring, was founded in 2015 to provide monitoring services for patients undergoing neurological, spinal, and ENT surgical procedures. The company employs its own staff of technologists and uses state-of-the-art monitoring equipment. Headquarters are in Denver, CO.

- **For 3Q:21, Assure reported revenue of \$8.5 million and EPS of \$0.01 compared to our estimate for \$6.8 million in revenue and a \$0.08 loss per share**
- **The company reiterated expectations for procedures to increase to 17,000 in 2021 from 9,914 in 2020, with 40% organic growth, factoring in the completion of the Sentry Neuromonitoring and Elevation acquisitions.**
- **We continue to expect revenue will surge 50% in 2022 and 20% in 2023 due to two acquisitions in 1H:21 and as elective procedure rates return to historical levels**
- **The company is growing its professional neurology telehealth services business and is transitioning to in-house neurologists, from a third-party vendor in order to retain a larger percentage of the revenue from this service.**
- **Factoring higher operating expenses as the company adds technologists and neurologists to support growth, we lower our 2022 EPS estimate to \$0.23 (from \$0.41)**
- **Earlier this month, the company signed an agreement with Premier Inc, a large General Purchasing Organization serving 4,400 hospitals.**
- **At the end of 3Q:21, ARHH held \$918,000 of cash and \$11 million in debt after completing the two acquisitions.**
- **This morning the company announced it raised \$4.8 million through a private placement enabling it to fund operations through 2023.**
- **We maintain our \$17 price target based on a constant 25x our 2023 EPS estimate of \$0.68.**

The company reported 3Q:21 results ahead of our estimates as it continues to add services and expand geographically. The company reported a revenue more than doubled to \$8.5 million as managed cases increased 86% to 4996. Collections rates improved over the last few quarters. Since its founding, Assure had used third-party billing services to obtain reimbursement from private and government insurance payors. Often, a year elapsed before payment was received and, in some cases, reimbursement was never obtained. In order to

NR
Price Target: \$17
Price: \$5.45
Risk Rating: H

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Key Statistics	
Analysts Covering	0
Market Cap (Mil)	\$60
Enterprise Value	\$314
52-Week Range (NASDAQ)	11-3
5-Year EPS CAGR	20%
Avg. Daily Trading Volume	4,000
Shares Out (Mil)	11.839
Float Shares (Mil)	7.393
Insider Ownership	50%
Institutional Holdings	1%
Annualized Dividend	Nil
Dividend Yield	N/A
FCF Per Share (2023E)	\$0.33
FCF Yield (2023E)	6.1%
Net Cash Per Share (2023E)	(\$0.73)
Price to Book Value	3.3x
Return on Equity (2023E)	23.0%
Total Debt to Capital	33%
Interest Coverage Ratio	-4.3x
Short Interest %	0.0%
Short Interest Days To Cover	0.1
Russell 2000	2,401
Russell 2000 – Last 12 Months	41.2%
IONM – Last 12 Months	36.5%



expedite the reimbursement process, in August 2019, the company terminated its relationship with existing third-party billing agents and established Velocity Revenue Cycle LLC., a billing and collection company that its now fully owned by Assure. In 2020, Assure collected \$13.8 million for technical intraoperative monitoring services, compared to \$8.0 million in 2019. We expect the company will collect \$25 million in 2021. Management also reported Assure has hired four in-house Neurologists for its professional neurology telehealth service and is transitioning away from using third-party Neurologist in order to capture a larger portion of the revenue for these services. Based on the 3Q:21 results and assuming higher operating expense as the company expands services to new geographies, we now estimate a \$0.23 loss per share in 2021 (was a \$0.28 loss per share) and lower our 2022 EPS estimate to \$0.23 (from \$0.41). For 2023, we maintain our estimates for 20% revenue growth to \$52 million and EPS of \$0.68.

We expect revenue will surge 55% in 2022 and grow 20% in 2023 due to acquisitions and as elective procedure rates return to historical level. In March, the company acquired Elevation EP, LLC., a provider of neuromonitoring services in Texas that completed 550 procedures in 2020. Terms were not disclosed. In April, the company completed the acquisition of Sentry Neuromonitoring for \$1.2 million in cash and up to \$2.3 million in stock. Sentry employs 24 technologists and performed 5,500 procedures in 2020. The acquisition will accelerate Assure's geographic expansion initiative and the company now has access to hospitals in Missouri and Kansas and Nebraska. Assure also performs monitoring services in Colorado, Utah, Texas, Louisiana, Pennsylvania, Arizona and Michigan and recently won approval in Nevada and Georgia. Management also expects to start performing procedures in New Jersey and California in the next two years. We estimate the Sentry acquisition will add \$6 million to revenue in 2021 and \$10 million in 2022 but be neutral to near-term EPS due to integration expense and the increase in share count. We expect the deal will contribute to earnings growth in 2023 and beyond.

Operating cash flow will fund expansion through 2022, as we see it. At the end of the September quarter, the company had \$918,000 in cash and \$11 million in debt. The company recently up listed to the NASDAQ exchange and raised \$4.8 million through a private placement offering of 900,000 shares at \$5.25 per share. We anticipate that sales growth and margin expansion through 2023 will boost cash flow from operations, and we model annual capital spending of less than \$500,000 in the next two years. Based on these assumptions, we project free cash flow of \$1.3 million (\$0.07 per share) in 2022 and \$5.9 million (\$0.33) in 2023 after a projected \$6.9 million (\$0.58) cash outflow in 2021.

Exhibit 1. Assure Holdings 3Q:21 Results and Variance

	3Q:21 Actual	3Q:21 Estimate	Variance	% change	3Q:20 Actual	Variance	% change
Revenue (thousands)	\$8,546	\$6,800	\$1,746	25.7%	\$3,963	\$4,583	115.6%
Gross Profit	\$4,292	\$3,264	\$1,028	31.5%	\$1,731	\$2,561	147.9%
Gross Margin	50.2%	48.0%			43.7%		
Operating Income	\$572	(\$1,536)	\$2,108	NM	(\$824)	\$1,396	NM
Operating Margin	NM	NM			NM		
Pretax Income	\$249	(\$1,336)	\$1,585	NM	(\$1,344)	\$1,593	NM
Net Income	\$91	(\$935)	\$1,026	NM	(\$977)	\$1,068	NM
Diluted EPS	\$0.01	(\$0.08)	\$0.09	NM	(\$0.14)	\$0.15	NM

Sources: Sidoti & Co., LLC and company reports

Valuation

We maintain our \$17 price target on IONM. We think the accelerating procedure growth and signs that management is making progress on the receivables issue will be a catalyst for the stock. To value the stock, we apply a 25x multiple to our 2023 EPS estimate of \$0.68 to yield a \$17 price target. This multiple is in line with other stocks in our medical device coverage universe and a 25% premium to our 5-year EPS CAGR forecast of 20%. We think such a premium is warranted due to the improving balance sheet and the increasing number of states where the company is providing IONM services.

Key Risks

Delay in billing collections

Slowdown in procedures due to COVID-19

ASSURE HOLDINGS CORP.

Table 1. Assure Holdings Income Statement

	2019	MarchA	JuneA	SeptA	DecA	2020A	MarchA	JuneA	SeptA	DecE	2021E	MarchE	JuneE	SeptE	DecE	2022E	2023E
Revenue																	
Patient service fees	\$13,738,000	\$2,346,000	(\$11,653,000)	\$2,965,000	\$2,899,000	(\$3,443,000)	\$2,950,000	\$3,694,000	\$6,443,000	\$6,500,000	\$19,587,000	\$5,000,000	\$8,000,000	\$7,000,000	\$9,000,000	\$29,000,000	\$36,000,000
Hospital management and other	3,987,000	1,987,000	917,000	998,000	3,065,000	6,967,000	1,815,000	2,528,000	2,103,000	2,400,000	8,846,000	2,500,000	3,000,000	4,000,000	5,000,000	14,500,000	16,200,000
Total revenue	17,725,000	4,333,000	(10,736,000)	3,963,000	5,964,000	3,524,000	4,765,000	6,222,000	8,546,000	8,900,000	28,433,000	7,500,000	11,000,000	11,000,000	14,000,000	43,500,000	52,200,000
Year-over-year	20%	-28%	-228%	-50%	NM	-80%	10%	NM	116%	49%	NM	57%	77%	29%	57%	53%	20%
Cost of revenue	4,955,000	1,791,000	1,039,000	2,232,000	2,850,000	7,912,000	2,532,000	3,170,000	4,254,000	4,450,000	14,406,000	3,825,000	5,390,000	4,840,000	5,740,000	19,795,000	16,697,000
Gross profit	12,770,000	2,542,000	(11,775,000)	1,731,000	3,114,000	(4,388,000)	2,233,000	3,052,000	4,292,000	4,450,000	14,027,000	3,675,000	5,610,000	6,160,000	8,260,000	23,705,000	35,503,000
Gross margin	72.0%	58.7%	NM	43.7%	52.2%	NM	46.9%	49.1%	50.2%	50.0%	49.3%	49.0%	51.0%	56.0%	59.0%	54.5%	68.0%
General and administrative	8,427,000	2,185,000	1,711,000	1,957,000	3,739,000	9,592,000	3,132,000	3,963,000	3,180,000	3,700,000	13,975,000	3,500,000	3,500,000	4,000,000	4,000,000	15,000,000	16,100,000
% of sales	47.5%	50.4%	-15.9%	49.4%	62.7%	272.2%	65.7%	63.7%	37.2%	41.6%	49.2%	46.7%	31.8%	36.4%	28.6%	34.5%	30.8%
Provision for performance share compensation																	
Depreciation and amortization	537,000	259,000	261,000	249,000	408,000	1,177,000	285,000	387,000	293,000	300,000	1,265,000	300,000	300,000	300,000	300,000	1,200,000	1,200,000
Sales and marketing	1,435,000	289,000	163,000	349,000	245,000	1,046,000	335,000	166,000	247,000	1,000,000	1,748,000	600,000	750,000	1,100,000	1,100,000	3,550,000	3,650,000
% of sales	8.1%	6.7%	-1.5%	8.8%	4.1%	29.7%	7.0%	2.7%	2.9%	11.2%	6.1%	8.0%	6.8%	10.0%	7.9%	8.2%	7.0%
Total operating expenses	10,399,000	2,733,000	2,135,000	2,555,000	4,392,000	11,815,000	3,752,000	4,516,000	3,720,000	5,000,000	16,988,000	4,400,000	4,550,000	5,400,000	5,400,000	19,750,000	20,950,000
Income from operations	2,371,000	(191,000)	(13,910,000)	(824,000)	(1,278,000)	(16,203,000)	(1,519,000)	(1,464,000)	572,000	(550,000)	-2,961,000	-725,000	1,060,000	760,000	2,860,000	3,955,000	14,553,000
Operating margin	13.4%	NM	NM	-20.8%	-21.4%	NM	-31.9%	-23.5%	6.7%	-6.2%	-10.4%	-9.7%	9.6%	6.9%	20.4%	9.1%	27.9%
Other income																	
Earnings from investments	1,305,000	(107,000)	(1,110,000)	(232,000)	255,000	(1,194,000)	(23,000)	20,000	139,000	300,000	436,000	400,000	400,000	450,000	450,000	1,700,000	1,700,000
Gain on payroll protection program					1,211,000	1,211,000											
Gain on extinguishment of debt					188,000	188,000											
Provision from broker warrant fair value																	
Provision for stock option fair value	172,000	57,000	(4,000)	(3,000)	39,000	89,000	(3,000)	1,000	(27,000)	0	(29,000)	0	0	0	0	0	0
Deemed share costs related to RTO																	
Accretion expense					(163,000)	(163,000)	(95,000)	(120,000)	(171,000)		(386,000)						
Interest	(326,000)	(238,000)	(260,000)	(285,000)	(366,000)	(1,149,000)	(18,000)	(218,000)	(264,000)	(100,000)	(600,000)	(50,000)	(50,000)	(50,000)	(50,000)	(200,000)	(200,000)
Total other income	1,151,000	(288,000)	(1,374,000)	(520,000)	1,164,000	(1,018,000)	(139,000)	(317,000)	(323,000)	200,000	(579,000)	350,000	350,000	300,000	400,000	1,400,000	1,400,000
Income before taxes	3,522,000	(479,000)	(15,284,000)	(1,344,000)	(114,000)	(17,221,000)	(1,658,000)	(1,781,000)	249,000	(350,000)	(3,540,000)	(375,000)	1,410,000	1,060,000	3,260,000	5,355,000	15,953,000
Income tax (benefit)	980,000	104,000	(2,307,000)	(367,000)	385,000	(2,185,000)	(427,000)	(474,000)	158,000	(105,000)	(848,000)	(93,750)	352,500	265,000	815,000	1,338,750	3,988,250
Tax rate	27.8%	NM	NM	NM	NM	12.7%	NM	NM	63.5%	30.0%	24.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Net income (loss)	2,542,000	(583,000)	(12,977,000)	(977,000)	(499,000)	(15,036,000)	(1,231,000)	(1,307,000)	91,000	(245,000)	(2,692,000)	(281,250)	1,057,500	795,000	2,445,000	4,016,250	11,964,750
Fully diluted income (loss)/share	\$0.31	(\$0.08)	(\$1.86)	(\$0.14)	(\$0.07)	(\$2.07)	(\$0.11)	(\$0.11)	\$0.01	(\$0.02)	(\$0.23)	(\$0.02)	\$0.06	\$0.05	\$0.14	\$0.23	\$0.68
Diluted share count	8,086,169	6,959,063	6,959,000	6,988,058	7,246,625	7,246,625	11,307,542	11,589,857	11,720,000	12,800,000	11,854,350	17,600,000	17,600,000	17,600,000	17,600,000	17,600,000	17,600,000

Sources: Sidoti & Company, LLC and company reports.

ASSURE HOLDINGS CORP.

Table 2. Assure Holdings Cash Flow Statement

	2019	MarchA	JuneA	SeptA	DecA	2020A	MarchA	JuneA	SeptA	DecE	2021E	MarchE	JuneE	SeptE	DecE	2022E	2023E
Cash flow from operating activities																	
Net income	\$2,542,000	(\$583,000)	(\$12,977,000)	(\$977,000)	(\$499,000)	(\$15,036,000)	(\$1,231,000)	(\$1,307,000)	\$91,000	(\$245,000)	(\$2,692,000)	(\$281,250)	\$1,057,500	\$795,000	\$2,445,000	\$4,016,250	\$11,964,750
Adjustments																	
Cash receipts from operations			6,986,000	3,138,000	3,670,000	13,794,000	3,067,000										
Earnings from equity method investments	(1,305,000)	107,000	1,110,000	232,000	(255,000)	1,194,000	23,000	(20,000)	(139,000)	0	(136,000)	0	0	0	0	0	0
Share based compensation	1,259,000	205,000	163,000	88,000	92,000	548,000	279,000	328,000	211,000	250,000	1,068,000	250,000	250,000	250,000	250,000	1,000,000	1,000,000
Tax impact of equity component of convertible debt		(173,000)	(115,000)	0	(100,000)	(388,000)											
Expected tax benefits of future stock option exercises	(565,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation and amortization	537,000	259,000	261,000	249,000	245,000	1,014,000	285,000	122,000	192,000	100,000	699,000	100,000	100,000	100,000	100,000	400,000	400,000
Provision for broker warrant fair value	14,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortization of debt issuance costs								13,000	40,000								
Provision for stock option fair value	8,000	(57,000)	4,000	3,000	0	(50,000)	3,000	(4,000)	25,000	0	24,000	0	0	0	0	0	0
Gain on payback protection program loan					(1,211,000)	(1,211,000)											
Gain on extinguishment of acquisition debt					(188,000)	(188,000)											
Accretion of debt recorded at fair value		185,000	208,000	226,000	163,000	782,000	95,000	120,000	171,000								
Settlement of payments					40,000	40,000											
Deferred income taxes	684,000	0	0	0	(1,561,000)	(1,561,000)	0	0	0	0	0	0	0	0	0	0	0
Accounts receivable	(6,865,000)	209,000	8,551,000	(2,641,000)	(4,015,000)	2,104,000	(3,812,000)	2,137,000	(4,048,000)	2,213,000	(3,510,000)	970,000	(2,500,000)	(1,100,000)	(2,100,000)	(4,730,000)	(8,100,000)
Prepaid expenses	173,000	18,000	0	0	0	(116,000)	(151,000)	(269,000)	597,000	0	177,000	0	0	0	0	0	0
Right of use assets						(301,000)	(216,000)	421,000	86,000								
Accounts payable and accrued liabilities	509,000	156,000	(2,000,000)	(1,282,000)	1,632,000	(1,494,000)	62,000	(774,000)	(333,000)	41,380	(1,003,620)	42,208	43,052	43,913	44,791	173,963	188,303
Other liabilities	0	26,000	(235,000)	1,118,000	909,000	909,000	96,000	(497,000)	(84,000)	0	(485,000)	0	0	0	0	0	0
Due from related party	(1,903,000)	(1,072,000)	437,000	(478,000)	(1,460,000)	(2,573,000)	(213,000)	(850,000)	(58,000)	0	(1,121,000)	0	0	0	0	0	0
Income tax payable	684,000	279,000	(2,192,000)	24,000	1,889,000	0	(427,000)	(474,000)	158,000	0	(743,000)	0	0	0	0	0	0
Cash used in operating activities	(4,228,000)	(467,000)	444,000	(1,653,000)	(857,000)	(2,533,000)	(2,140,000)	(4,121,000)	(3,091,000)	2,359,380	(6,992,620)	1,080,958	(1,049,448)	88,913	739,791	860,213	5,453,053
Cash from investing activities																	
Purchase of equipment and furniture	(48,000)	(13,000)	(20,000)	0	(286,000)	(319,000)	0	0	0	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(400,000)	(400,000)
Acquisition of Littleton Professional Reading	(466,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Acquisition of Neuro-Pro		(530,000)	(2,185,000)	(1,219,000)	(3,802,000)	(7,736,000)	0	0	0	0	0	0	0	0	0	0	0
Acquisition							0	(156,000)	(48,000)								
Distributions received from equity method investments	979,000	185,000	102,000	137,000	134,000	558,000	169,000	65,000	78,000								
Cash provided by investing activities	465,000	(358,000)	(2,103,000)	(1,082,000)	(3,954,000)	(7,497,000)	169,000	(91,000)	30,000	(100,000)	8,000	(100,000)	(100,000)	(100,000)	(100,000)	(400,000)	(400,000)
Cash flow from financing activities																	
Proceeds from exercise of stock options and warrants	16,000	0	0	0	19,000	19,000	0	832,000	(813,000)	0	19,000	0	0	0	0	0	0
Proceeds from convertible debenture	965,000	0	2,485,000	0	0	2,485,000	0	0	0	0	0	0	0	0	0	0	0
Proceeds from promissory note	2,000,000	(130,000)	(196,000)	886,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Proceeds from Payroll Protection Program			1,211,000	0	0	1,211,000	1,665,000	0	0	0	0	0	0	0	0	0	0
Repayments of promissory note	(582,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Proceeds from line of credit	1,000,000	1,605,000	(2,105,000)	1,622,000	1,000,000	2,122,000	0	7,360,000	0	0	7,360,000	0	0	0	0	0	0
Repayment of line of credit	(274,000)	0	0	0	(1,000,000)	(1,000,000)	0	(4,100,000)	0	0	(4,100,000)	0	0	0	0	0	0
Proceeds from term loan					1,978,000	1,978,000											
Repayment of term loan					(1,418,000)	(1,418,000)											
Proceeds from the issuance of common shares				102,000	9,509,000	9,611,000			832,000								
Principal payments of finance leases	(372,000)	(128,000)	(44,000)	0	(479,000)	(651,000)	0	0	0	0	0	0	0	0	0	0	0
Proceeds from sale leaseback	238,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash providing of financing activities	2,991,000	1,347,000	1,351,000	2,610,000	9,049,000	14,357,000	1,665,000	4,092,000	19,000	0	5,776,000	0	0	0	0	0	0
Increase in cash	(772,000)	522,000	(308,000)	(125,000)	4,238,000	4,327,000	(306,000)	(120,000)	(3,042,000)	2,259,380	(1,208,620)	980,958	(1,149,448)	(11,087)	639,791	460,213	5,053,053
Cash, beginning of period	830,966	59,000	581,000	273,000	148,000	59,000	4,386,000	4,080,000	3,960,000	918,000	4,386,000	3,177,380	4,158,338	3,008,889	2,997,802	3,177,380	3,637,593
Cash, end of period	58,966	581,000	273,000	148,000	4,386,000	4,386,000	4,080,000	3,960,000	918,000	3,177,380	3,177,380	4,158,338	3,008,889	2,997,802	3,637,593	3,637,593	8,690,647
Free cash flow	(\$4,180,000)	(\$454,000)	\$464,000	(\$1,653,000)	(\$571,000)	(\$2,214,000)	(\$2,140,000)	(\$4,121,000)	(\$3,091,000)	\$2,459,380	(\$6,892,620)	\$1,180,958	(\$949,448)	\$188,913	\$839,791	\$1,260,213	\$5,853,053
Free cash flow/share	(\$0.52)	(\$0.07)	\$0.07	(\$0.24)	(\$0.08)	(\$0.31)	(\$0.19)	(\$0.36)	(\$0.26)	\$0.19	(\$0.58)	\$0.07	(\$0.05)	\$0.01	\$0.05	\$0.07	\$0.33

Sources: Sidoti & Company, LLC and company reports.

ASSURE HOLDINGS CORP.

Table 3. Assure Holdings Balance Sheet

	2019	MarchA	JuneA	SeptA	2020A	MarchA	JuneA	SeptA	2021E	MarchE	JuneE	SeptE	2022E	2023E
Assets														
Current assets														
Cash	\$58,966	\$581,000	\$273,000	\$148,000	\$4,386,000	\$4,080,000	\$3,960,000	\$918,000	\$3,177,380	\$4,158,338	\$3,008,889	\$2,997,802	\$3,637,593	\$8,690,647
Accounts receivable	30,863,000	30,654,000	15,117,000	14,620,000	14,965,000	15,710,000	18,640,000	22,683,000	20,470,000	19,500,000	22,000,000	23,100,000	25,200,000	33,300,000
Prepaid expenses	168,000	129,000	345,000	444,000	150,000	957,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Other assets	2,617,000	3,689,000	3,252,000	3,730,000	5,474,000	5,031,000	6,582,000	5,838,000	5,838,000	5,838,000	5,838,000	5,838,000	5,838,000	5,838,000
Total current assets	33,706,966	35,053,000	18,987,000	18,942,000	24,975,000	25,778,000	29,332,000	29,589,000	29,635,380	29,646,338	30,996,889	32,085,802	34,825,593	47,978,647
Equity method investments														
Equipment and furniture, net	871,000	1,058,000	1,000,000	839,000	1,088,000	305,000	123,000	109,000	109,000	109,000	109,000	109,000	109,000	109,000
Finance lease right of use asset							882,000	877,000	877,000	877,000	877,000	877,000	877,000	877,000
Deferred tax asset							302,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000
Intangibles	4,587,000	4,467,000	4,349,000	4,232,000	4,115,000	4,829,000	3,941,000	3,763,000	3,763,000	3,763,000	3,763,000	3,763,000	3,763,000	3,763,000
Goodwill	2,857,000	2,857,000	2,857,000	2,857,000	2,857,000	2,857,000	4,448,000	4,448,000	4,448,000	4,448,000	4,448,000	4,448,000	4,448,000	4,448,000
Total assets	44,381,966	45,503,000	28,049,000	27,357,000	33,643,000	34,185,000	39,399,000	39,568,000	39,614,380	39,625,338	40,975,889	42,064,802	44,804,593	57,957,647
Liabilities														
Current Liabilities														
Accounts payable and accrued liabilities	4,365,000	4,521,000	2,521,000	1,239,000	2,871,000	2,934,000	2,402,000	2,069,000	2,110,380	2,152,588	2,195,639	2,239,552	2,284,343	2,472,647
Line of credit	1,664,000	1,673,000	1,183,000	4,100,000	4,100,000	4,100,000	0	0	0	0	0	0	0	0
Current portion of finance leases	461,000	561,000	575,000	515,000	521,000	623,000	568,000	579,000	579,000	579,000	579,000	579,000	579,000	579,000
Income taxes payable	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Acquisition liability	5,030,000	4,992,000	4,980,000	3,880,000	0	0	0	306,000	306,000	306,000	306,000	306,000	306,000	306,000
Other current liabilities	81,000	60,000	275,000	181,000	96,000	72,000	36,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Total current liabilities	11,601,000	11,807,000	9,534,000	9,915,000	7,588,000	7,729,000	3,006,000	2,964,000	3,005,380	3,047,588	3,090,639	3,134,552	3,179,343	3,367,647
Finance leases, net of current portion	500,000	585,000	557,000	503,000	772,000	789,000	736,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Debt, net of current portion	1,160,000	1,907,000	3,446,000	3,147,000	2,251,000	4,011,000	10,301,000	10,451,000	10,451,000	10,451,000	10,451,000	10,451,000	10,451,000	10,451,000
Acquisition debt, net of current portion	2,429,000	2,055,000	0	0	0	0	1,569,000	561,000	561,000	561,000	561,000	561,000	561,000	561,000
Provision for acquisition share issuance	540,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000
Provision for fair value of stock options	66,000	9,000	13,000	16,000	16,000	19,000	15,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Provision for performance share issuance	16,011,000	16,011,000	16,011,000	16,011,000	2,668,000	2,081,000	0	0	0	0	0	0	0	0
Provision for fair value of brokers warrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred tax liability	2,184,000	2,463,000	271,000	295,000	599,000	172,000	0	0	0	0	0	0	0	0
Total liabilities	34,491,000	35,377,000	30,372,000	30,427,000	14,434,000	15,341,000	16,167,000	15,306,000	15,347,380	15,389,588	15,432,639	15,476,552	15,521,343	15,709,647
Shareholders' equity														
Capital stock	35,000	35,000	35,000	35,000	56,000	56,000	58,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Additional paid-in capital	6,682,000	7,500,000	8,028,000	8,258,000	30,841,000	31,707,000	37,400,000	38,385,000	38,635,000	38,885,000	39,135,000	39,385,000	39,635,000	40,635,000
Retained earnings	3,173,966	2,591,000	(10,386,000)	(11,363,000)	(11,688,000)	(12,919,000)	(14,226,000)	(14,135,000)	(14,380,000)	(14,661,250)	(13,603,750)	(12,808,750)	(10,363,750)	1,601,000
Non-controlling interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total shareholders' equity	9,890,966	10,126,000	(2,323,000)	(3,070,000)	19,209,000	18,844,000	23,232,000	24,262,000	24,267,000	24,235,750	25,543,250	26,588,250	29,283,250	42,248,000
Total liabilities and shareholders' equity	44,381,966	45,503,000	28,049,000	27,357,000	33,643,000	34,185,000	39,399,000	39,568,000	39,614,380	39,625,338	40,975,889	42,064,802	44,804,593	57,957,647
Working Capital														
Current Ratio	2.9	3.0	2.0	1.9	3.3	3.3	9.8	10.0	9.9	9.7	10.0	10.2	11.0	14.2
D/SO	627	637	(127)	332	1,529	297	270	239	259	234	180	189	209	162
Annualized Return on Equity	25.7%	-23.0%	2234.5%	127.3%	-78.3%	-26.1%	-22.5%	1.5%	-11.1%	-4.6%	16.6%	12.0%	13.7%	28.3%
Annualized Return on Assets	5.7%	-5.1%	-185.1%	-14.3%	-44.7%	-14.4%	-13.3%	0.9%	-6.8%	-2.8%	10.3%	7.6%	9.0%	20.6%
Total-Term Debt/Total Capitalization	51.0%	51.2%	131.9%	138.1%	24.8%	30.1%	33.8%	31.8%	31.8%	31.8%	30.7%	29.9%	27.9%	21.1%
Net cash (debt) per share	(\$0.58)	(\$0.76)	(\$0.95)	(\$0.85)	(\$0.02)	(\$0.35)	(\$1.57)	(\$1.75)	(\$1.43)	(\$0.98)	(\$1.05)	(\$1.05)	(\$1.01)	(\$0.73)

Sources: Sidoti & Company, LLC and company reports.

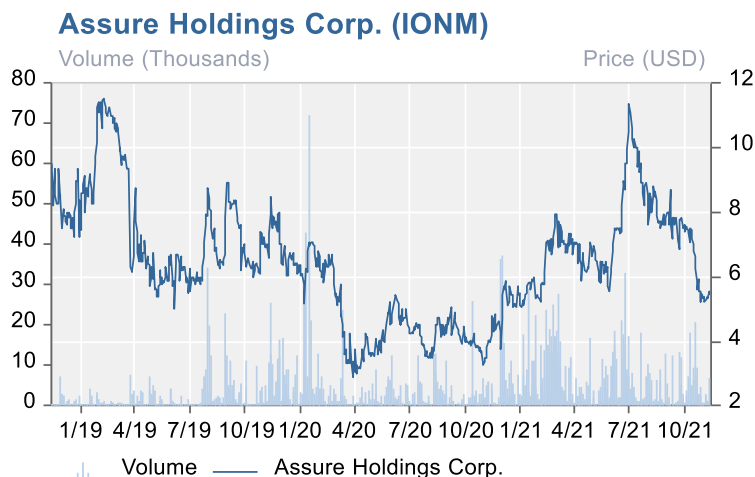
Appendix Required Disclosures

Required Disclosures

Assure Holdings Corp. (IONM-\$5.45) NR Price Target: \$17 Risk Rating: H

Rating and Price Target History Table

Action	Date	Px	Rating	PT	Risk Rating
Initiation	6/24/20	0.2	NR	1	H
PT	9/1/20	0.2		1	
PT	12/1/20	0.2		1	
PT	1/26/21	0.2		1	
PT	3/3/21	0.3		1	
PT	3/26/21	0.3		1	
PT	5/14/21	0.2		1	
PT	5/24/21	0.2		1	
PT	8/17/21	0.3		1	



Source: FactSet Prices

Valuation	We maintain our \$17 price target on IONM. We think the accelerating procedure growth and signs that management is making progress on the receivables issue will be a catalyst for the stock. To value the stock, we apply a 25x multiple to our 2023 EPS estimate of \$0.68 to yield a \$17 price target. This multiple is in line with other stocks in our medical device coverage universe and a 25% premium to our 5-year EPS CAGR forecast of 20%. We think such a premium is warranted due to the improving balance sheet and the increasing number of states where the company is providing IONM services.		
Key Risks	Delay in billing collections	Slowdown in procedures due to COVID-19	

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