



Knight Therapeutics Reports Second Quarter 2022 Results

-- Achieves Record Quarterly Revenues and EBITDA¹ --

MONTREAL, Aug. 11, 2022 (GLOBE NEWSWIRE) -- Knight Therapeutics Inc. (TSX: GUD) ("Knight" or "the Company"), a leading pan-American (ex-US) specialty pharmaceutical company, today reported financial results for its second quarter ended June 30, 2022. All currency amounts are in thousands except for share and per share amounts. All currencies are Canadian unless otherwise specified.

Q2 2022 Highlights

Financials

- Revenues were \$75,820, an increase of \$10,024 or 15% over the same period in prior year.
- Gross margin of \$38,295 or 51% compared to \$28,871 or 44% in the same period in prior year.
- Adjusted EBITDA¹ was \$17,890, an increase of \$8,494 or 90% over the same period in prior year.
- Net loss on financial assets measured at fair value through profit or loss of \$7,692.
- Net income was \$2,516, compared to net income of \$29,004 in the same period in prior year.
- Cash inflow from operations was \$11,521, compared to a cash inflow from operations of \$12,409 in the same period in prior year.

Corporate Developments

- Purchased 1,460,684 common shares through Knight's normal course issuer bid ("NCIB") at an average price of \$5.30 for an aggregate cash consideration of \$7,739.
- Shareholders re-elected Jonathan Ross Goodman, Samira Sakhia, James C. Gale, Robert N. Lande, Michael J. Tremblay, Nicolás Sujoy and Janice Murray on the Board of Directors.

Products

- Entered into an exclusive license, distribution and supply agreement with Helsinn Healthcare SA ("Helsinn") for AKYNZEO® oral/IV (netupitant/palonosetron/fosnetupitant/palonosetron) in Canada, Brazil and select LATAM countries and ALOXI® oral/IV (palonosetron) in Canada.
- Entered into exclusive license and supply agreements with Rigel Pharmaceuticals ("Rigel") to commercialize fostamatinib in LATAM.
- Obtained marketing authorization transfer of Exelon® from Novartis to Knight in Colombia, Brazil, and Mexico, and transferred Exelon®'s commercial activities from Novartis to Knight's affiliate in Colombia.

Subsequent Events

- Relunched AKYNZEO® in Brazil in July 2022.
- Transferred marketing authorization of Exelon® from Novartis to Knight's affiliate in Chile.
- Executed a settlement agreement with former controlling shareholders of GBT and will receive US\$4.6 million.
- Launched a NCIB in July 2022 to purchase up to 7,988,986 common shares of the Company over the next 12 months.

"I am excited to announce that Knight achieved record quarterly revenues this quarter and see continuous growth in each of our key therapeutic categories primarily driven by the lifting of COVID-19 restrictions as well as the impact of the acquisition of Exelon®. Almost one year after closing that transaction, we have completed the Exelon® marketing authorization transfers to Knight in our key LATAM territories and have assumed Exelon® commercial activities in Colombia. We also continued to execute on the business development front and entered into exclusive license, distribution and supply agreements with Helsinn and Rigel in our key territories," said Samira Sakhia, President and Chief Executive Officer of Knight Therapeutics Inc.

¹ EBITDA and Adjusted EBITDA are a non-GAAP measures, refer to section "Non-GAAP measures" and "Reconciliation to adjusted EBITDA" for additional details

SELECT FINANCIAL RESULTS
[In thousands of Canadian dollars]

	Q2-22	Q2-21	Change		YTD-22	YTD-21	Change	
			\$ ¹	% ²			\$ ¹	% ²
Revenues	75,820	65,796	10,024	15%	139,627	111,865	27,762	25%
Gross margin	38,295	28,871	9,424	33%	70,772	49,451	21,321	43%
Gross margin %	51%	44%			51%	44%		
Operating expenses ⁴	35,959	28,855	7,104	25%	68,752	51,670	17,082	33%
Net income (loss)	2,516	29,004	(26,488)	91%	(16,295)	32,562	(48,857)	150%
EBITDA ³	17,890	9,271	8,619	93%	31,202	14,431	16,771	116%
Adjusted EBITDA ³	17,890	9,396	8,494	90%	31,202	14,975	16,227	108%

1. A positive variance represents a positive impact to net income (loss) and a negative variance represents a negative impact to net income (loss)
2. Percentage change is presented in absolute values
3. EBITDA and adjusted EBITDA are non-GAAP measures, refer to the definitions in section "Non-GAAP measures" for additional details
4. Operating expenses include selling and marketing expenses, general and administrative expenses, research and development expenses, amortization and impairment of intangible assets

SELECT BALANCE SHEET ITEMS
[In thousands of Canadian dollars]

	06-30-22	12-31-21	Change	
			\$	% ¹
Cash, cash equivalents and marketable securities	136,235	149,502	(13,267)	9%
Trade and other receivables	131,570	103,875	27,695	27%
Inventory	76,400	72,397	4,003	6%
Financial assets	162,306	192,443	(30,137)	16%
Accounts payable and accrued liabilities	82,635	65,590	17,045	26%
Bank loans	32,483	35,927	(3,444)	10%

1. Percentage change is presented in absolute values

Revenues: For the quarter ended June 30, 2022 revenues increased by \$10,024 or 15% compared to the same period in prior year. The growth in revenues excluding the impact of hyperinflation was \$9,836 or 15% and is explained by the following:

- Knight recognized revenues of \$12,390 for Exelon®, an increase of \$8,202 or 200% driven by the following factors:
 - The timing of the acquisition of Exelon® executed on May 26, 2021
 - Estimated increase in revenues between \$4,000 to \$4,500 driven by the purchasing pattern of certain customers as well as higher sales in Brazil in anticipation of the transfer of commercial activities from Novartis to Knight
- An increase in revenues of \$1,634 driven by the growth of recently launched products including the Q1-22 launches of Lenvima®, Rembre® and Halaven® in Colombia, an increase in patient treatments as our markets reduce COVID-19 restrictions and buying patterns offset by a decrease in revenues of certain of our oncology branded generics products due to market entrance of new competitors. In addition, revenues decreased by approximately \$4,500 to \$6,000 due to lower demand of certain of our infectious diseases products associated with COVID-19.

Gross margin: For the quarter ended June 30, 2022, gross margin increased from 44% to 51% explained by a change in product mix as well as the acquisition of Exelon®. The revenues of Exelon® is recorded as a net profit transfer from Novartis with the exception of revenues generated in Colombia upon the transfer of commercial activities to Knight in June 2022. The gross margin would have been 54% versus 51% (YTD-21: 44% to 46%) after excluding the adjustment of hyperinflation accounting in accordance with IAS 29.

Knight expects gross margin as a % of revenues to decline over the next quarters as the commercial activities of Exelon® are

transferred to Knight on a country-by-country basis and the Company records revenues with related cost of sales instead of a net profit transfer.

Selling and marketing: For the quarter ended June 30, 2022, S&M expenses were \$10,926, an increase of \$1,742 or 19%, compared to the same period in prior year due to an increase in compensation expenses, certain variable costs such as logistics fees as well as an increase in selling and marketing activities related to key promoted products and Exelon®.

General and administrative: For the quarter ended June 30, 2022, G&A expenses were \$10,566, an increased of \$1,115 or 12%, compared to the same period in prior year due to an increase in compensation expense, certain consulting and professional fees partially offset by the lower costs of related to stock options

Research and development: For the quarter ended June 30, 2022, R&D expenses were \$3,412, an increase of \$827 or 32%, compared to the same period in prior year. The variance is not significant.

Amortization of intangible assets: For the quarter ended June 30, 2022, amortization of intangible assets was \$11,055, an increase of \$3,420 or 45%, compared to the same period in prior year driven by acquisition of Exelon®.

Interest income: Interest income is the sum of interest income on financial instruments measured at amortized cost and other interest income. For the quarter ended June 30, 2022, interest income was \$2,427, an increase of 36% or \$641, compared to the same period in prior year due to higher interest rates.

Interest expense: For the quarter ended June 30, 2022, interest expense was \$1,717, an increase of \$1,049 or 157%, compared to the same period in prior year due to higher interest rates partially offset by a lower average bank loan balance.

Adjusted EBITDA: For the quarter ended June 30, 2022, adjusted EBITDA increased by \$8,494 or 90%. The growth in adjusted EBITDA is driven by an increase in gross margin of \$9,424, offset by an increase in operating expenses.

Net loss or income: For the quarter ended June 30, 2022, net income was \$2,516 compared to net income of \$29,004 for the same period in prior year. The variance mainly resulted from the above-mentioned items and (1) a net loss on the revaluation of financial assets measured at fair value through profit or loss of \$7,692 versus a net gain of \$28,472 in the same period in prior year, mainly due to unrealized revaluations of the strategic fund investments, offset by (2) a foreign exchange gain of \$4,507 mainly due to the unrealized gains on intercompany balances driven by the appreciation of the USD compared to a foreign exchange loss of \$3,194 in the same period in prior year mainly due to depreciation of the USD.

Cash, cash equivalents and marketable securities: As at June 30, 2022, Knight had \$136,235 in cash, cash equivalents and marketable securities, a decrease of \$13,267 or 9% as compared to December 31, 2021. The variance is primarily due to outflows related to due to upfront payments and certain milestones mainly related to in-licensing of AKYNZEO® and ALOXI® from Helsinn as well as fostamatinib from Rigel, shares repurchased through NCIB, partially offset by cash inflows from operating activities.

Financial assets: As at June 30, 2022, financial assets were at \$162,306, a decrease of \$30,137 or 16%, as compared to the prior year, mainly due to negative mark-to-market adjustments of \$23,520 driven by the decline in the share prices of the publicly-traded equities of our strategic fund investments due to general market conditions and distributions of \$4,336. Given the nature of the fund investments there could be significant fluctuations in the fair value of the underlying assets.

Bank Loans: As at June 30, 2022, bank loans were at \$32,483, a decrease of \$3,444 or 10% as compared to the prior period, due to loan repayments of \$5,391, partially offset by the appreciation of BRL and accrued interest.

Product Updates

The marketing authorizations of Exelon® for Colombia, Mexico, Chile and Brazil were transferred to Knight. The Company expects that remaining marketing authorizations will be transferred in the second half of 2022. Furthermore, Knight has assumed the commercial activities of Exelon® in Colombia and expects to assume commercial activities in Brazil, Mexico and Chile in Q3-22.

Knight entered into an exclusive license, distribution and supply agreement with Helsinn for AKYNZEO® oral/IV (netupitant/palonosetron / fosnetupitant/palonosetron) in Canada, Brazil and select LATAM countries and ALOXI® oral/IV (palonosetron) in Canada. AKYNZEO® oral is approved and marketed in Canada for the prevention of acute and delayed nausea and vomiting associated with highly emetogenic cancer chemotherapy and the prevention of acute nausea and vomiting associated with moderately emetogenic cancer therapy that is uncontrolled by a 5-HT3 receptor antagonist alone in adults. AKYNZEO® oral is also approved and marketed in Argentina and Brazil for the prevention of acute and delayed nausea and vomiting associated with highly emetogenic cisplatin-based cancer chemotherapy and prevention of acute and delayed nausea and vomiting associated with moderately emetogenic cancer chemotherapy in adults. ALOXI® solution for injection is approved and marketed in Canada for the prevention of acute and delayed nausea and vomiting associated with moderately emetogenic

cancer chemotherapy and highly emetogenic cancer chemotherapy, including high dose cisplatin in adults. In Canada, the product is also indicated in pediatric patients aged 2 to 17 years for the prevention of acute nausea and vomiting associated with moderately and highly emetogenic cancer chemotherapy. ALOXI® oral is approved in Canada for use in adults for the prevention of acute nausea and vomiting associated with moderately emetogenic cancer chemotherapy. According to IQVIA, sales of AKYNZEO® in Canada and Brazil were approximately \$7 million in 2021. Knight assumed commercial activities of AKYNZEO® in Brazil and Argentina in July 2022 and will begin commercial activities following a transition period from Helsinn's current licensees in Canada.

Knight entered into exclusive license and supply agreements with Rigel Pharmaceuticals for the exclusive rights to commercialize fostamatinib, an oral spleen tyrosine kinase (SYK) inhibitor, in Latin America. Fostamatinib is commercially available in the United States under the brand name TAVALISSE® and in Europe under the brand name TAVLESSE® for the treatment of chronic immune thrombocytopenia. On June 8, 2022, Rigel announced topline efficacy and safety data from the Phase 3 clinical trial of fostamatinib in patients with warm autoimmune hemolytic anemia (wAIHA). The trial did not demonstrate statistical significance in the primary efficacy endpoint of durable hemoglobin response in the overall study population. The safety profile was consistent with prior clinical experience, and no new safety issues were identified. Rigel is conducting an in-depth analysis of this data to better understand differences in patient characteristics and outcomes and expects to discuss these findings with the FDA to determine the path forward in wAIHA. Fostamatinib is also in Phase 3 clinical trials for the treatment of hospitalized patients with COVID-19^{1,2}.

¹ *Clinicaltrials.gov: NCT04629703*

² *Clinicaltrials.gov: NCT04924660*

Corporate Updates

NCIB

On July 12, 2022, the Company announced that the Toronto Stock Exchange approved its notice of intention to launch a NCIB ("2022 NCIB"). Under the terms of the 2022 NCIB, Knight may purchase for cancellation up to 7,988,986 common shares of the Company which represented 10% of its public float as at June 30, 2022. The 2022 NCIB commenced on July 14, 2022 and will end on the earlier of July 13, 2023 or when the Company completes its maximum purchases under the NCIB. Furthermore, Knight entered into an agreement with a broker to facilitate purchases of its common shares under the NCIB. Under Knight's automatic share purchase plan, the broker may purchase common shares which would ordinarily not be permitted due to regulatory restrictions or self-imposed blackout periods.

For the three-month period ended June 30, 2022, the Company purchased 1,460,684 common shares at an average price of \$5.30 for an aggregate cash consideration of \$7,739. The Company did not acquire any common shares subsequent to the quarter ended June 30, 2022.

Settlement Agreement

Knight executed a settlement agreement and general release ("Settlement Agreement") with the former shareholders of GBT. The Company made certain claims ("Claims") with respect to its indemnification rights under the purchase agreement for the acquisition of GBT. Under the Settlement Agreement, Knight will receive \$5.9 million (US\$4.6 million) as settlement for the Claims, which will be recorded in the Statement of Income.

Conference Call Notice

Knight will host a conference call and audio webcast to discuss its second quarter ended June 30, 2022, today at 8:30 am ET. Knight cordially invites all interested parties to participate in this call.

Date: Thursday, August 11, 2022

Time: 8:30 a.m. ET

Telephone: Toll Free: 1-855-669-9657 or International 1-412-317-0790

Webcast: www.gud-knight.com or [Webcast](#)

This is a listen-only audio webcast. Media Player is required to listen to the broadcast.

Replay: An archived replay will be available for 30 days at www.gud-knight.com

About Knight Therapeutics Inc.

Knight Therapeutics Inc., headquartered in Montreal, Canada, is a specialty pharmaceutical company focused on acquiring or licensing and commercializing pharmaceutical products for Canada and Latin America. Knight's Latin American subsidiaries operate under United Medical, Biotoscana Farma and Laboratorio LKM. Knight Therapeutics Inc.'s shares trade on TSX under the symbol GUD. For more information about Knight Therapeutics Inc., please visit the company's web site at www.gud-knight.com or www.sedar.com.

Forward-Looking Statement

This document contains forward-looking statements for Knight Therapeutics Inc. and its subsidiaries. These forward-looking statements, by their nature, necessarily involve risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements. Knight Therapeutics Inc. considers the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared but cautions the reader that these assumptions regarding future events, many of which are beyond the control of Knight Therapeutics Inc. and its subsidiaries, may ultimately prove to be incorrect. Factors and risks, which could cause actual results to differ materially from current expectations are discussed in Knight Therapeutics Inc.'s Annual Report and in Knight Therapeutics Inc.'s Annual Information Form for the year ended December 31, 2021 as filed on www.sedar.com. Knight Therapeutics Inc. disclaims any intention or obligation to update or revise any forward-looking statements whether because of new information or future events, except as required by law.

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IMPACT OF HYPERINFLATION [In thousands of Canadian dollars]

The Company applies IAS 29, Financial Reporting in Hyperinflation Economies, as the Company's Argentine subsidiaries used the Argentine Peso as their functional currency. IAS 29 requires that the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy be adjusted based on an appropriate general price index to express the effects of inflation. If the Company did not apply IAS 29, the effect on the Company's operating income would be as follows:

	Q2-22				YTD-22			
	Reported under IFRS	Excluding impact of IAS 29 ¹	Variance \$ ²	% ³	Reported under IFRS	Excluding impact of IAS 29 ¹	Variance \$ ²	% ³
Revenues	75,820	75,021	799	1%	139,627	138,855	772	1%
Cost of goods sold	37,525	34,199	(3,326)	10%	68,855	64,222	(4,633)	7%
Gross margin	38,295	40,822	(2,527)	6%	70,772	74,633	(3,861)	5%
<i>Gross margin (%)</i>	<i>51%</i>	<i>54%</i>			<i>51%</i>	<i>54%</i>		
Expenses								
Selling and marketing	10,926	10,740	(186)	2%	20,616	20,439	(177)	1%
General and administrative	10,566	9,716	(850)	9%	19,398	18,261	(1,137)	6%
Research and development	3,412	3,165	(247)	8%	6,395	6,007	(388)	6%
Amortization of intangible assets	11,055	10,499	(556)	5%	22,343	21,372	(971)	5%
Operating income	2,336	6,702	(4,366)	65%	2,020	8,554	(6,534)	76%

1. Financial results excluding the impact of hyperinflation (IAS 29) is a non-GAAP measure. Refer to the definitions in section "Non-GAAP measures" for additional details
2. A positive variance represents a positive impact to net income due to the application of IAS 29 and a negative variance

represents a negative impact to net income due to the application of IAS 29

3. Percentage change is presented in absolute values

NON-GAAP MEASURES
[In thousands of Canadian dollars]

Non-GAAP measures

The Company discloses non-GAAP measures that do not have standardized meanings prescribed by IFRS. The Company believes that shareholders, investment analysts and other readers find such measures helpful in understanding the Company's financial performance. Non-GAAP financial measures do not have any standardized meaning prescribed by IFRS and may not have been calculated in the same way as similarly named financial measures presented by other companies.

The Company uses the following non-GAAP measures:

Revenues and Financial results excluding the impact of hyperinflation under IAS 29: Revenues and financial results under IFRS are adjusted to remove the impact of hyperinflation under IAS 29. Impact of hyperinflation under IAS 29 is calculated by applying an appropriate general price index to express the effects of inflation. After applying the effects of translation, the statement of income is converted using the closing foreign exchange rate of the month.

Revenues/financial results at constant currency allow revenues/financial results to be viewed without the impact of fluctuations in foreign currency exchange rates thereby facilitating the comparison of results period over period. The presentation of revenues/financial results under constant currency is considered to be a non-GAAP measure and does not have any standardized meaning under GAAP. As a result, the information presented may not be comparable to similar measures presented by other companies.

EBITDA: Operating income or loss adjusted to exclude amortization and impairment of intangible assets, depreciation, purchase price allocation accounting adjustments, and the impact of IAS 29 (accounting under hyperinflation) but to include costs related to leases.

Adjusted EBITDA: EBITDA adjusted for acquisition costs and non-recurring expenses.

Adjustments include the following:

- With the adoption of IFRS 16, the lease payments of Knight are not reflected in operating expenses. The IFRS 16 adjustment approximates the cash outflow related to leases of Knight.
- Acquisition costs relate to costs incurred on legal, consulting and advisory fees for the acquisition of GBT and the acquisition of products.
- Other non-recurring expenses relate to expenses incurred by Knight that are not due to, and are not expected to occur in, the ordinary course of business.

For the three and six-month periods ended June 30, the Company calculated EBITDA and adjusted EBITDA as follows:

	Q2-22	Q2-21	Change		YTD-22	YTD-21	Change	
			\$ ¹	% ²			\$ ¹	% ²
Operating income (loss)	2,336	16	2,320	14500%	2,020	(2,219)	4,239	191%
Adjustments to operating income (loss):								
Amortization of intangible assets	11,055	7,635	3,420	45%	22,343	12,937	9,406	73%
Depreciation of property, plant and equipment and ROU assets	2,723	1,576	1,147	73%	4,816	2,982	1,834	62%
Lease costs (IFRS 16 adjustment)	(643)	(703)	60	9%	(1,289)	(1,397)	108	8%
Impact of IAS 29	2,419	747	1,672	224%	3,312	2,128	1,184	56%
EBITDA ³	17,890	9,271	8,619	93%	31,202	14,431	16,771	116%
Acquisition and transaction costs	-	82	(82)	100%	-	432	(432)	100%
Other non-recurring expenses	-	43	(43)	100%	-	112	(112)	100%
Adjusted EBITDA ³	17,890	9,396	8,494	90%	31,202	14,975	16,227	108%

¹ A positive variance represents a positive impact to net income (loss) and a negative variance represents a negative impact to net income (loss)

² Percentage change is presented in absolute values

³ EBITDA and adjusted EBITDA are non-GAAP measures, refer to the definitions in section "Non-GAAP measures" for additional details

INTERIM CONSOLIDATED BALANCE SHEETS

[In thousands of Canadian dollars]

[Unaudited]

As at	June 30, 2022	December 31, 2021
ASSETS		
Current		
Cash and cash equivalents	93,119	85,963
Marketable securities	43,116	63,539
Trade receivables	78,387	55,388
Other receivables	8,623	5,056
Inventories	76,400	72,397
Prepays and deposits	2,004	2,165
Other current financial assets	13,696	13,491
Income taxes receivable	5,006	6,970
Total current assets	320,351	304,969
Prepays and deposits	3,104	3,046
Right-of-use assets	5,587	4,671
Property, plant and equipment	26,844	25,265
Investment properties	1,479	1,457
Intangible assets	365,115	350,299
Goodwill	79,818	75,403
Other financial assets	148,610	178,952
Deferred income tax assets	3,844	2,048
Other long-term receivables	44,560	43,431
	678,961	684,572
Assets held for sale	1,822	2,350
Total assets	1,001,134	991,891

INTERIM CONSOLIDATED BALANCE SHEETS (continued)

[In thousands of Canadian dollars]

[Unaudited]

LIABILITIES AND EQUITY

Current

Accounts payable and accrued liabilities	82,402	65,309
Lease liabilities	2,018	1,614
Other liabilities	3,361	1,989
Bank loans	24,335	26,662
Income taxes payable	3,439	7,073
Other balances payable	10,479	2,655

Total current liabilities	126,034	105,302
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Accounts payable and accrued liabilities	233	281
Lease liabilities	3,713	3,417
Bank loan	8,148	9,265
Other balances payable	24,304	19,235
Deferred income tax liabilities	9,013	12,373

Total liabilities	171,445	149,873
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Shareholders' Equity

Share capital	611,967	628,854
Warrants	117	117
Contributed surplus	22,936	21,776
Accumulated other comprehensive loss	19,166	(376)
Retained earnings	175,503	191,647

Total shareholders' equity	829,689	842,018
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Total liabilities and shareholders' equity	1,001,134	991,891
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INTERIM CONSOLIDATED STATEMENTS OF INCOME (LOSS)

[In thousands of Canadian dollars, except for share and per share amounts]

[Unaudited]

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Revenues	75,820	65,796	139,627	111,865
Cost of goods sold	37,525	36,925	68,855	62,414
Gross margin	38,295	28,871	70,772	49,451
Expenses				
Selling and marketing	10,926	9,184	20,616	16,797
General and administrative	10,566	9,451	19,398	16,533
Research and development	3,412	2,585	6,395	5,403
Amortization of intangible assets	11,055	7,635	22,343	12,937
Operating income (loss)	2,336	16	2,020	(2,219)
Interest income on financial instruments measured at amortized cost	(708)	(647)	(1,054)	(1,533)
Other interest income	(1,719)	(1,139)	(2,853)	(2,251)
Interest expense	1,717	668	2,828	1,328
Other (income) expense	(219)	19	(129)	(93)
Net loss (gain) on financial instruments measured at fair value through profit or loss	7,692	(28,472)	24,055	(37,945)
Foreign exchange (gain) loss	(4,507)	3,194	1,682	7,395
Gain on hyperinflation	(556)	(182)	(833)	(122)
Income (loss) before income taxes	636	26,575	(21,676)	31,002
Income tax				
Current	798	(706)	971	(58)
Deferred	(2,678)	(1,723)	(6,352)	(1,502)
Income tax recovery	(1,880)	(2,429)	(5,381)	(1,560)
Net income (loss) for the period	2,516	29,004	(16,295)	32,562
Attributable to shareholders of the Company				
Basic net earnings (loss) per share	0.02	0.23	(0.14)	0.26
Diluted net earnings (loss) per share	0.02	0.23	(0.14)	0.26
Weighted average number of common shares outstanding				
Basic	115,082,184	125,971,873	116,127,721	127,406,628
Diluted	115,177,789	126,009,078	116,127,721	127,443,974

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

[In thousands of Canadian dollars]

[Unaudited]

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
OPERATING ACTIVITIES				
Net (loss) income for the period	2,516	29,004	(16,295)	32,562
Adjustments reconciling net income to operating cash flows:				
Depreciation and amortization	13,778	9,030	27,159	15,738
Net gain on financial instruments	7,692	(28,472)	24,055	(37,945)
Unrealized foreign exchange loss	(5,981)	699	669	5,356
Other operating activities	(714)	603	(3,186)	2,055
	17,291	10,864	32,402	17,766
Changes in non-cash working capital and other items	(5,770)	1,545	(8,002)	11,850
Cash inflow from operating activities	11,521	12,409	24,400	29,616
INVESTING ACTIVITIES				
Purchase of marketable securities	(43,427)	(16,103)	(59,235)	(47,895)
Proceeds on maturity of marketable securities	43,324	63,740	79,870	146,896
Investment in funds	(413)	(4,016)	(453)	(5,604)
Proceeds from distribution of funds	3,178	7,034	3,178	11,370
Purchase of intangible assets	(18,216)	(217,871)	(18,450)	(218,493)
Other investing activities	(23)	2,258	331	4,688
Cash inflow from investing activities	(15,577)	(164,958)	5,241	(109,038)
FINANCING ACTIVITIES				
Repurchase of common shares through Normal Course Issuer Bid	(10,259)	(4,494)	(16,922)	(23,043)
Principal repayment on bank loans	(5,391)	(6,063)	(5,391)	(14,911)
Proceeds from bank loans	-	-	422	-
Other financing activities	(555)	(633)	(1,126)	(1,263)
Cash outflow from financing activities	(16,205)	(11,190)	(23,017)	(39,217)
(Decrease) increase in cash and cash equivalents during the period	(20,261)	(163,739)	6,624	(118,639)
Cash and cash equivalents, beginning of the period	113,457	271,218	85,963	229,592
Net foreign exchange difference	(77)	(4,897)	532	(8,371)
Cash and cash equivalents, end of the period	93,119	102,582	93,119	102,582
Cash and cash equivalents			93,119	102,582
Marketable securities			43,116	63,539
Total cash, cash equivalents and marketable securities			136,235	166,121



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