Gamehost Inc. (GHIFF)

Updated May 17th, 2026, by Nikolaos Sismanis

Key Metrics

Current Price:	$9.76	**5 Year Annual Expected Total Return:**	7.3%	**Market Cap:**	$203 M
Fair Value Price:	$9.90	**5 Year Growth Estimate:**	3.0%	**Ex-Dividend Date:**	05/29/2026
% Fair Value:	99%	**5 Year Valuation Multiple Estimate:**	-0.2%	**Dividend Payment Date:**	06/11/2026
Dividend Yield:	4.5%	**5 Year Price Target**	$11.48	**Years Of Dividend Growth:**	2[1]
Dividend Risk Score:	F	**Sector:**	Consumer Discretionary	**Rating:**	Hold

Overview & Current Events

Gamehost is a hospitality and entertainment company headquartered in Red Deer County, Alberta. It owns and operates a portfolio of casinos, hotels, and food-and-beverage outlets across the province, focusing on mid-sized regional markets such as Calgary, Grande Prairie, and Fort McMurray. Gamehost has three main segments: Gaming (slot machines, table games, and electronic gaming), Hotel (full- and limited-service accommodations), and Food & Beverage (restaurants, bars, and entertainment venues). Its flagship properties include the Deerfoot Inn & Casino in Calgary, the Great Northern Casino and Service Plus Inns & Suites in Grande Prairie, and the Rivers Casino & Entertainment Centre in Fort McMurray. Gamehost generated $57.3 million in revenues last year, and is now trading at a market cap of $203 million. Gamehost reports its financials in CAD. All figures in this report have been converted to USD unless otherwise noted.

On March 30th, 2026, Gamehost entered into a definitive agreement to be acquired by Pure Casino Entertainment for C$13.65 (~$9.92) per share in cash. The shareholder vote is scheduled for June 11th, 2026. The transaction is structured as a take-private sale, with a related VICI sale-leaseback of certain real estate assets announced the same day.

On May 12th, 2026, Gamehost reported its Q1 results for the period ended March 31st, 2026. Operating revenue was $15.4 million, down 0.3% year-over-year, with gross profit of $6.3 million and EBITDA of $3.9 million. EBITDA margins declined to 25.3%, with net income of $2.3 million and EPS of about $0.11, reflecting significant transaction-related costs incurred during the quarter. Management highlighted that regular monthly dividends are permitted to continue through the close of the Pure Casino Entertainment transaction. For FY2026, we expect EPS of $0.90.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$0.49	$0.54	$0.51	$0.48	$0.18	$0.19	$0.42	$0.73	$0.64	$0.76	***$0.90***	***$1.04***
DPS	$0.57	$0.55	$0.51	$0.53	$0.14	---	$0.22	$0.29	$0.35	$0.44	***$0.44***	***$0.51***
Shares[2]	24.7	24.7	24.5	24.3	23.8	23.0	22.5	21.8	21.2	20.8	***20.8***	***20.0***

From 2016 through 2019, Gamehost's EPS reflected the broader fortunes of Alberta's economy. The 2015–2016 oil price collapse triggered a provincial recession that weighed on consumer spending across the company's core markets of Calgary, Grande Prairie, and Fort McMurray. The situation worsened in 2016 when the Fort McMurray wildfire forced months-long closure of the Boomtown Casino, cutting into volumes despite later insurance recoveries. As oil activity stabilized, results improved modestly in 2017–2018, though lingering regional weakness and soft household spending kept growth muted. By 2019, the conditions were still challenging but manageable.

The onset of COVID-19 in 2020 led to an unprecedented collapse in EPS as government-mandated closures shuttered all casinos and hotels for months and forced suspension of dividends. Limited reopenings and capacity restrictions endured well into 2021, resulting in only a marginal EPS recovery. Once Alberta lifted restrictions in 2022, however, Gamehost's operations rebounded sharply. Re-openings across all venues, pent-up gaming demand, and renewed travel lifted results back to and then above pre-pandemic levels, prompting the company to reinstate its monthly dividend.

[1] In local currency (CAD).

[2] Share count is in millions.

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By 2023, earnings hit record highs as Alberta's economy and population grew, casino revenue sharing improved temporarily, and tight cost control, buybacks, and strong hotel occupancy lifted profitability. In 2024, EPS dipped slightly as inflation and softer hotel results weighed on performance, but stayed well above pre-COVID levels thanks to a leaner, more cash-generative business. In 2025, EPS hit a record $0.75, driven by strong electronic gaming demand in Calgary, a busy fourth-quarter World Series of Poker event, and the AGLC's extension of the 17% commission rate through 2029.

Moving forward, we believe Gamehost can grow EPS (and the dividend) at about 3% annually, driven by resilient gaming demand in Alberta and the three-year extension of the 17% AGLC revenue share through March 2029, offset by wage and utility inflation, and softer regional hotel results following recent provincial labor disruptions.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	15.3	15.4	18.6	15.6	---	---	15.5	9.6	11.7	10.4	***11.1***	***11.0***
Avg. Yld.	7.6%	6.6%	5.4%	7.1%	3.1%	---	3.4%	4.1%	4.7%	5.6%	***5.2%***	***6.4%***

Gamehost has historically traded at a low- to mid-teens P/E during normal conditions, consistent with its steady but low-growth profile. Today, we believe the stock is fairly valued. We have set our fair multiple at 11.0. However, the stock is likely to trade in line with the pending transaction terms rather than based on its underlying P/E multiple.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	116%	102%	100%	110%	78%	---	52%	40%	55%	58%	***49%***	***49%***

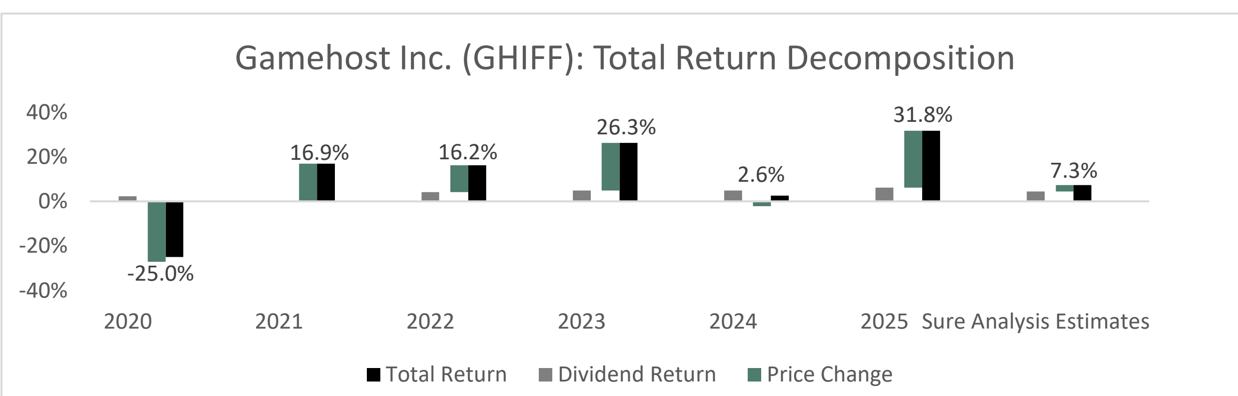
Gamehost maintains a conservative balance sheet, moderate leverage, and steady cash generation, exhibiting strong financial stability and high-quality earnings. Its competitive advantage lies in regional market dominance, owning some of the few full-service casino-hotel complexes in secondary Alberta cities such as Grande Prairie and Fort McMurray, where competition is limited and regulatory barriers are high. While discretionary in nature, gaming in these markets tends to be locally driven and less reliant on tourism, giving the business a degree of resilience through economic cycles.

While a recession is likely to have an adverse impact on its results, Gamehost remained profitable during the pandemic despite severe revenue declines because of its low fixed-cost structure, government wage subsidies, and aggressive cost controls, including staff reductions and deferred capital spending. We believe that today's dividend is sustainable.

Final Thoughts & Recommendation

Gamehost remains a stable, cash-generative operator with strong local positions and reliable dividends. Under normal conditions, we would forecast annualized returns of 7.3% through 2031, driven by our growth estimate and the starting dividend yield. We rate Gamehost as a hold.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	51	53	54	51	26	27	54	62	60	60
Gross Profit	20	21	22	19	6	6	17	25	23	24
Gross Margin	39.5%	40.9%	40.8%	36.9%	23.1%	22.2%	32.6%	40.6%	38.2%	40.0%
SG&A Exp.	3	3	3	3	3	3	3	3	3	3
D&A Exp.	3	2	2	3	3	4	4	3	3	3
Operating Profit	18	19	20	17	4	4	15	22	20	21
Operating Margin	34.9%	36.5%	36.1%	32.6%	16.5%	15.3%	28.3%	36.2%	33.7%	35.0%
Net Profit	13	14	14	13	4	5	10	16	14	15
Net Margin	25.7%	26.1%	25.9%	24.4%	16.5%	18.3%	18.7%	25.3%	23.9%	25.0%
Free Cash Flow	14	17	16	14	5	2	14	17	18	18
Income Tax	5	5	5	3	1	1	3	5	4	4.6

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	124	131	128	137	139	152	137	138	124	129
Cash & Equivalents	11	12	12	12	9	13	12	11	10	11.5
Accounts Receivable	1	2	1	2	1	4	2	3	2	2
Inventories	0	0	1	0	0	0	1	1	0	0.5
Goodwill & Int. Ass.	57	61	56	59	60	61	57	58	53	56
Total Liabilities	32	32	40	46	51	61	61	56	45	42
Accounts Payable	3	4	3	3	2	3	3	3	3	3.6
Long-Term Debt	22	21	30	35	41	49	49	44	34	30
Shareholder's Equity	87	93	82	85	83	86	77	83	79	87
LTD/E Ratio	0.26	0.22	0.37	0.41	0.49	0.57	0.64	0.53	0.42	0.35

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	10.6%	10.7%	10.9%	9.5%	3.1%	3.3%	6.9%	11.3%	10.9%	12.2%
Return on Equity	14.2%	14.3%	15.1%	14.0%	4.7%	5.4%	11.9%	19.6%	17.7%	18.5%
ROIC	11.5%	11.7%	11.8%	10.3%	3.3%	3.6%	7.5%	12.4%	12.0%	13.4%
Shares Out.	24.7	24.7	24.5	24.3	23.8	23.0	22.5	21.8	21.2	20.8
Revenue/Share	2.06	2.13	2.22	2.11	1.08	1.15	2.38	2.84	2.83	2.90
FCF/Share	0.57	0.68	0.66	0.59	0.21	0.08	0.62	0.79	0.83	0.85

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.