



ISC Expands Its Registry Operations Segment With Acquisition of Reamined

June 1, 2022

All values are in Canadian dollars unless otherwise stated.

REGINA, Saskatchewan, June 01, 2022 (GLOBE NEWSWIRE) -- Information Services Corporation (TSX:ISV) ("ISC" or the "Company") announced today that it has acquired all of the issued and outstanding shares of Reamined Systems Inc. ("Reamined"), a recognized leader in providing property tax management infrastructure and services in the Province of Ontario, for \$45.9 million, subject to customary purchase price adjustments. The purchase price is consistent with the Company's previous acquisition multiples and the business will become part of ISC's Registry Operations segment.

Through a contract with the Province of Ontario, Reamined exclusively provides the platform, data and guidance by which over 440 municipalities in Ontario manage property tax rates and distribution. A trusted and strategic partner central to Ontario's public infrastructure, Reamined's proprietary offerings support critical applications of information in the province's government ecosystem which it utilizes to facilitate the determination of property taxes annually.

Reamined has provided these services to the Province of Ontario for over 25 years, and on a regular basis, has negotiated and typically renewed up to five-year agreements with the province. ISC's experience in providing critical services on behalf of governments ensures the stability of Reamined's value-added service to the province and the Company looks forward to continuing and enhancing that relationship.

Reamined will be reported under the Company's Registry Operations segment, as the business aligns with ISC's core experience and competencies of providing critical infrastructure, trusted information and operation services on behalf of governments through long-standing relationships. It also provides a strategic opportunity for the Company to expand its presence in the Ontario market with new channels for products, service offerings and customers in the future.

Shawn Peters, President & CEO of ISC, commented, "The acquisition of Reamined strongly aligns with our commitment to pursue strategic growth and capitalize on opportunities that add long-term, diversified value to our business. Reamined is integral to Ontario's public sector and has a proven track record of providing trusted, reliable and specialized solutions. This natural extension of our Registry Operations segment expands our role as a trusted service provider to other jurisdictions. We are excited to welcome Reamined, its talented employees and industry experience into the fold."

Judy Wong of Reamined commented, "For more than two decades, we have worked with all levels of the Province of Ontario's ecosystem to provide property tax administrators with expert guidance and proven regulatory service solutions. Today, we proudly become part of ISC to bring our service offerings into their next chapter of growth for the benefit of Ontario's municipalities. We are thrilled to become a part of an organization that is anchored by the same values that drive us: optimizing operational needs while providing quality solutions to ensure the integrity of data, and secure management of critically important information technology."

Transaction Highlights

- **Accretive** to both earnings per share and free cash flow
- **Strong strategic fit**, providing stable and consistent EBITDA margins within a critical Canadian public sector market under exclusive, economically resilient contract terms
- **Broadens ISC's industry experience**, adding another trusted, value-add and essential end-to-end government regulatory solution to the Company's existing Registry Operations portfolio
- **Proven track record** of over 25 years of seamless, exclusive and critical service to the Ontario property tax ecosystem
- **Further diversifies Registry Operations' portfolio, revenue profile and customer channels** with expanded presence in Ontario and further exposure to a critical market

As a result of this acquisition, ISC will review its current guidance for 2022 and anticipates providing an update to the market when it reports its earnings for the three and six months ended June 30, 2022. For competitive reasons, ISC will not be disclosing any further financial information specific to this transaction at this time.

Funds

ISC acquired all of the shares of Reamined through a new wholly-owned subsidiary for a purchase price of \$45.9 million, \$41.3 million of which was paid upon close with the \$4.6 million balance held in escrow for payout 18 months after close, pending satisfaction of the escrow release conditions. Funding was provided through a combination of \$5.9 million in cash and \$40 million drawn from ISC's current credit facility.

Advisors

Stikeman Elliott LLP acted as legal counsel to ISC on the transaction.

About ISC

Headquartered in Canada, ISC® is the leading provider of registry and information management services for public data and records. Throughout our history, we have delivered value to our clients by providing solutions to manage, secure and administer information through our Registry Operations, Services and Technology Solutions segments. ISC is focused on sustaining its core business while pursuing new growth opportunities. The Class A Shares of ISC trade on the Toronto Stock Exchange under the symbol ISV.

Cautionary Note Regarding Forward-Looking Information

This news release contains forward-looking information within the meaning of applicable Canadian securities legislation including, without limitation, those statements related to the accretiveness and financial impact of the acquisition, the industries in which we operate, our ability to achieve strategic, measured growth and capitalize on opportunities, Reamined remaining integral to Ontario's public sector, ISC becoming a trusted service provider in Ontario, the ability to provide stable and consistent EBITDA margins, the economic resiliency of contract terms, enhanced exposure to the Ontario market, and ISC's intentions to update its guidance. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those expressed or implied by such forward-looking information. Important factors that could cause actual results to differ materially from the Company's plans or expectations include risks relating to changes in economic, market and business conditions, implementation of our growth strategy, integration, competition and other risks detailed from time to time in the filings made by the Company including those detailed in ISC's Annual Information Form for the year ended December 31, 2021 and ISC's unaudited Condensed Consolidated Interim Financial Statements and Notes and Management's Discussion and Analysis for the first quarter ended March 31, 2022, copies of which are filed on SEDAR at www.sedar.com.

The forward-looking information in this release is made as of the date hereof and, except as required under applicable securities laws, ISC assumes no obligation to update or revise such information to reflect new events or circumstances.

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