



## ISC Expects a Strong 2022; Announces Annual Guidance

February 17, 2022

REGINA, Saskatchewan, Feb. 17, 2022 (GLOBE NEWSWIRE) -- Information Services Corporation (TSX:ISV) ("ISC", "we" or the "Company") today announced its outlook and annual guidance for 2022.

### Highlights – Consolidated Annual Guidance 2022<sup>1</sup>

- Revenue is expected to be between \$168.0 million and \$173.0 million
- Net income is expected to be between \$23.0 million and \$27.0 million
- Earnings before interest, taxes, depreciation and amortization ("EBITDA")<sup>2</sup> is expected to be between \$48.0 million and \$53.0 million

### Outlook

The Company expects to see continued strength in 2022 across its two largest operating segments, Registry Operations and Services. Both have benefitted from strong economic conditions in 2021, including an overall positive impact on transactions and seasonality trends during the pandemic.

While the pandemic has disrupted various sectors of the Saskatchewan economy, Registry Operations is expected to deliver exceptional results in fiscal 2021, mainly due to the robust real estate sector in Saskatchewan. While we do not expect the strong economic activity experienced in 2021 will continue indefinitely, we believe 2022 will still exceed pre-pandemic levels. Saskatchewan's economy and registry transactions are expected to begin to return to more normalized levels midway through 2022 and finish the year just below 2021 record levels.

Consequently, we expect that Registry Operations will continue to be a robust contributor to our results in 2022, due largely to the strong cash flow this business generates on a consistent basis. Additional investments in 2022 related to people and technology will be made within this segment to ensure continued high levels of service as well as secure and efficient systems.

We expect Services to continue to deliver organic growth in 2022, aided by continuous technology advancements driving operational efficiency and new product innovation. We are deliberate in growing our business with existing customers and acquiring and onboarding new customers, particularly with our new cloud-based Registry Complete software. A focus on investments in people and technology to advance our growth will be important. This will allow us to expand our offering to existing customers and facilitate the acquisition of new customers throughout the year. The recent announcement of the acquisition of UPLLevel will also support this expansion.

In Technology Solutions, we expect to see continued progress and completion of solution delivery projects where COVID-19 and other related delays have resulted in certain milestones being deferred to 2022. Governments are expected to continue directing measured efforts to managing COVID-19, but we are seeing the re-commencement of early-stage procurement activity, which could translate into additional projects commencing later in 2022. An investment in our sales and technology development teams will be necessary to support these activities, as well as provide support across the organization on our technology initiatives. We have also begun the search to find an Irish-based leader for our Dublin subsidiary to support and drive growth.

As economic trends potentially revert to pre-COVID-19 levels, we expect our results to reflect those levels more closely. However, our results from the last seven quarters have demonstrated the resilience of our business to economic adversity as well its ability to benefit from a strong economy. The Company's diversified range of services, pursuit of growth opportunities, and strong core offerings position us well for continued success in the years to come.

In keeping with our strategy, the Company will actively explore appropriate acquisition targets in 2022 that complement or add value to our existing lines of business or provide new key service offerings that will also drive value.

Based on the above, we expect revenue for 2022 to be between \$168.0 million and \$173.0 million, net income to be between \$23.0 million and \$27.0 million and EBITDA<sup>2</sup> to be between \$48.0 million and \$53.0 million.

### Notes

<sup>1</sup> Consolidated annual guidance for 2022 includes UPLLevel which ISC acquired, through its wholly-owned subsidiary, ESC Corporate Services Ltd., on February 14, 2022. No other acquisitions are contemplated in the Company's Annual Guidance for 2022.

<sup>2</sup> EBITDA is not a recognized measure under International Financial Reporting Standards ("IFRS") and does not have a standardized meaning prescribed by IFRS and, therefore, it may not be comparable to similar measures reported by other corporations. Please refer to section 8 for "Non-IFRS Financial Measures" and "Financial Measures and Key Performance Indicators" in Management's Discussion and Analysis for the three and nine months ended September 30, 2021. Additionally, see Non-GAAP Performance Measures section noted below.

### 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 includes forward-looking information within the meaning of applicable Canadian securities laws including, without limitation, expectations with respect to future results, including revenue, net income and EBITDA, the industries in which we operate, economic activity, growth opportunities, investments, completion of projects, the impact of COVID-19 and acquisitions. 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, including those arising from public health concerns, reliance on key customers and licences, dependence on key projects and clients, securing new business and fixed-price contracts, identification of viable growth opportunities, implementation of our growth strategy, 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, 2020 and ISC's Unaudited Condensed Consolidated Interim Financial Statements and Notes and Management's Discussion and Analysis for the third quarter ended September 30, 2021, copies of which are filed on SEDAR at [www.sedar.com](http://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.

#### Non-GAAP Performance Measures

Included within this news release is reference to the following non-GAAP performance measure. This measure is reviewed regularly by management and the Board of Directors in assessing our performance and making decisions regarding the ongoing operations of our business and its ability to generate returns. This measure may also be used by external parties in decision making related to ISC's performance. This is not a recognized measure under GAAP and does not have a standardized meaning under IFRS, so may not be reliable ways to compare us to other companies.

Non-GAAP Performance Measure	Why we use it	How we calculate it	Most comparable IFRS financial measure
EBITDA	<ul style="list-style-type: none"><li>• To evaluate performance and profitability of segments and subsidiaries as well as conversion of revenues.</li><li>• We believe that certain investors and analysts use EBITDA to measure our ability to service debt and meet other performance obligations.</li><li>• EBITDA is also used as a component of determining short-term incentive compensation for employees.</li></ul>	EBITDA: Net income add Depreciation and amortization, net finance expense, income tax expense	Net income

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Source: Information Services Corporation