Information in the right hands.

March 12, 2024

Management's Discussion and Analysis

For the Fourth Quarter and Year Ended December 31, 2023

CONTENTS

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") for Information Services Corporation ("ISC") discusses our financial and operating performance, business indicators and outlook from management's viewpoint.

This document should be read in its entirety and is intended to complement and supplement ISC's audited consolidated financial statements for the years ended December 31, 2023, and 2022 ("Financial Statements"). Additional information, including our Annual Information Form for the year ended December 31, 2023, is available on the Company's website at www.isc.ca and in the Company's profile on SEDAR+ at www.sedarplus.ca.

This MD&A contains information from the Financial Statements for the years ended December 31, 2023, 2022 and 2021, prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IAS Board"). The financial information that appears throughout our MD&A is consistent with the Financial Statements.

This MD&A also includes certain measures which have not been prepared in accordance with IFRS, such as adjusted net income, adjusted earnings per share, basic, adjusted earnings per share, diluted, EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, free cash flow and adjusted free cash flow. These measures are provided as additional information to complement IFRS measures. During the second quarter of 2023, ISC added adjusted net income, adjusted earnings per share, basic, adjusted earnings per share, diluted and adjusted free cash flow as new non-IFRS financial metrics that exclude certain items outside the normal course of business and are believed to provide useful information related to ISC's performance. Refer to Section 8.8 "Non-IFRS financial measures" for discussion on why we use these measures and their most closely related IFRS measures within the Financial Statements. Refer to Section 2 "Consolidated Financial Analysis" for a reconciliation of adjusted net income, EBITDA and adjusted EBITDA to net income and Section 6.1 "Cash flow" for a reconciliation of free cash flow and adjusted free cash flow to net cash flow provided by operating activities.

Unless otherwise noted, or unless the context indicates otherwise, "ISC", the "Company", "we", "us" and "our" refer to Information Services Corporation and its subsidiaries. Any statements in this MD&A made by, or on behalf of management are made in such persons' capacities as officers of ISC and not in their personal capacities. In this MD&A, *this quarter, the quarter,* or *fourth quarter* refer to the three months ended December 31, 2023, and *year-to-date* or *year-over-year* refer to the year ended December 31, 2023 unless the context indicates otherwise. All results commentary is compared to the equivalent period in 2022 or as at December 31, 2022, as applicable, unless otherwise indicated.

The Financial Statements are presented in Canadian dollars ("CAD"). In this MD&A, all references to "$" or "dollars" are to CAD and amounts are stated in CAD unless otherwise indicated.

This MD&A contains forward-looking information and should be read in conjunction with the "Caution Regarding Forward-Looking Information" that follows. This MD&A is current as of March 12, 2024.

A reference made in this MD&A to other documents or to information or documents available on a website does not constitute the incorporation by reference into this MD&A of such other documents or such other information or documents available on such website, unless otherwise stated.

RESPONSIBILITY FOR DISCLOSURE

The ISC Board of Directors ("Board") carries out its responsibility for review of this disclosure primarily through the Audit Committee ("Audit Committee") of the Board, which is comprised exclusively of independent directors.

The Audit Committee reviews the fiscal year-end MD&A and recommends it to the Board for approval. Interim MD&As are reviewed and approved by the Audit Committee.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this MD&A and certain information incorporated by reference herein contain forward-looking information within the meaning of applicable Canadian securities laws. The purpose of the forward-looking information is to provide a description of management's expectations regarding future events or developments and may not be appropriate for other purposes.

Forward-looking information that may be found in this MD&A includes, without limitation, that contained in the "Outlook" section hereof and management's expectations, intentions, and beliefs concerning the industries in which we operate, business strategy and strategic direction, growth opportunities, integration, contingent consideration, development and completion of projects, the competitive landscape, seasonality, our future financial position and results of operations, capital and operating expectations, projected costs, the impact of certain payments to the Government of Saskatchewan, access to financing, debt levels, free cash flow, expectations for meeting future cash requirements, the economy and the real estate market, reporting currency and currency fluctuations, dividend expectations, market trends and other plans and objectives of or involving ISC. The words *may*, *will*, *would, should, could, expect, plan, intend, anticipate, believe, estimate, predict, strive, strategy, continue, likely* and *potential* or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking information.

Forward-looking information is based on estimates and assumptions made by us in light of ISC's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that ISC believes are appropriate and reasonable in the circumstances. There can be no assurance that such estimates and assumptions will prove to be correct. Certain assumptions with respect to our ability to implement our business strategy and compete for business (other than our exclusive service offerings) and market our technology assets and capabilities, as well as business, economic, market and other conditions, availability of financing, currency exchange rates, consumer confidence, interest rates, level of unemployment, inflation, liabilities, income taxes and our ability to attract and retain skilled staff are material factors in preparing forward-looking information.

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. Factors that could cause our actual results or events to differ materially from those expressed or implied by such forward-looking information include, without limitation, operational, economic, market, financial, competitive, regulatory, technological and other risks (including those arising from public health concerns) detailed from time to time in the filings made by the Company, including those detailed in our Annual Information Form for the year ended December 31, 2023, and the Financial Statements, copies of which are available on our website at www.isc.ca and in the Company's profile on SEDAR+ at www.sedarplus.ca. You should consider these factors carefully. We caution that the foregoing list is not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, this forward-looking information. See Section 7.2 "Business risks and risk management".

Furthermore, unless otherwise stated, the forward-looking information contained in this MD&A is made as of the date of this MD&A. We have no intention and undertake no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law. The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. You should not place undue reliance on forward-looking information contained herein.

1. Overview

2023 was one of the most significant years in the history of the Company. Securing an extension from the Government of Saskatchewan to operate the Saskatchewan Registries (as defined in Section 3.1 “Saskatchewan Registries”) until 2053 (the “Extension” or “Extension Agreement”) marked a milestone for ISC, projecting an estimated $1.3 billion in cash flow through the extended period and an impressive 90 per cent increase in total assets.

This achievement (the first to be successfully completed in the Canadian registry market since ISC secured the initial master service agreement (the “MSA”) with the Government of Saskatchewan in 2013), underscores the Company's commitment to registries and the opportunities for sustained growth and long-term stability they represent.

As part of the Extension, the Company increased its credit facility (the “Credit Facility”) and entered into an amended and restated credit agreement (the “Amended and Restated Credit Agreement”) to fund the upfront payment (the “Upfront Payment”) to the Government of Saskatchewan of $150.0 million. More information about our Credit Facility can be found in Section 6.3 “Debt”.

During the year the Company's expansion continued with the addition of the operational rights for two registries: the Bank of Canada Bank Act Security Registry and the International Registry of Interests in Rolling Stock. These additions reflect ISC’s strategic move towards diversification in its expansion of service offerings, enhancing the Company's presence in key registry sectors.

ISC also attained notable success on the national and international front, securing multiple contracts for its Technology Solutions segment. Contracts such as the Bank of Canada, the State of Michigan, States of Guernsey and the Department of Registrar of Companies and Intellectual Property in Cyprus demonstrate the Company's global reach and reputation for delivering high-quality solutions. The Company’s Services segment continued to be the driver of organic growth in a market that continues to see strong demand for its solutions.

In line with the focus on high-quality solutions and overall excellence, ISC also achieved ISO/IEC 27001 certification enterprise-wide, underscoring its dedication to maintaining the highest standards of security and reliability in its operations.

The investments the Company has made in 2023, while still delivering record revenue and record adjusted EBITDA, consistent with guidance and maintaining robust quarterly cash dividend payments in 2023, has positioned ISC for the next stage of our growth, beginning in 2024, and underscores the Company's strong financial performance and dedication to delivering shareholder value.

1.1 Consolidated highlights

SELECT CONSOLIDATED FINANCIAL INFORMATION

Revenue	Net income	Earnings per share, diluted	Net cash flow provided by operating activities
$214.5M	$25.0M	$1.39	$56.8M
+13% vs 2022	-19% vs 2022	-19% vs 2022	+30% vs 2022

Adjusted net income[1]	Adjusted EBITDA[1]	Adjusted free cash flow[1]
$34.2M	$72.9M	$50.8M
+3% vs 2022	+13% vs 2022	+14% vs 2022

SELECT FINANCIAL INFORMATION

The select quarterly financial information set out for the years ended December 31, 2023, 2022 and 2021, is derived from the Financial Statements and has been prepared on a consistent basis. In the opinion of the Company's management, such financial data reflects all adjustments necessary for a fair presentation of the results for those periods.

						Year Ended December 31,
(thousands of CAD)		**2023**		2022		2021
Revenue	$	**214,520**	$	189,895	$	169,379
Net income		**25,045**		30,769		32,078
Net cash flow provided by operating activities		**56,771**		43,536		61,212
Adjusted net income[1]	$	**34,213**	$	33,348	$	37,414
Adjusted EBITDA[1]		**72,866**		64,390		67,815
Adjusted EBITDA margin (% of revenue)[1]		**34.0%**		33.9%		40.0%
Adjusted free cash flow[1]	$	**50,770**	$	44,390	$	47,308
Dividend declared per share	$	**0.92**	$	0.92	$	0.83
Earnings per share, basic		**1.41**		1.75		1.83
Earnings per share, diluted		**1.39**		1.71		1.78
Adjusted earnings per share, basic		**1.92**		1.89		2.14
Adjusted earnings per share, diluted		**1.90**		1.86		2.08

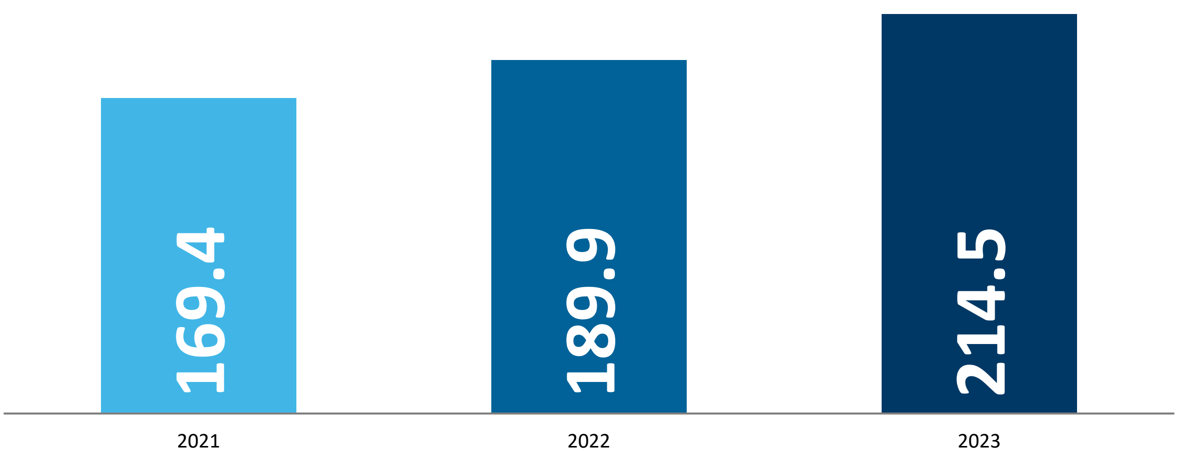
						As at December 31,
		2023		2022		2021
Total assets	$	**536,323**	$	283,454	$	232,498
Total non-current liabilities	$	**304,048**	$	88,240	$	57,888

[1] *Adjusted net income, adjusted earnings per share, basic, adjusted earnings per share, diluted, adjusted EBITDA, adjusted EBITDA margin and adjusted free cash flow are not recognized as measures under IFRS and do not have a standardized meaning prescribed by IFRS and, therefore, they may not be comparable to similar measures reported by other companies; refer to Section 8.8 "Non-IFRS financial measures". Refer to Section 2 "Consolidated Financial Analysis" for a reconciliation of adjusted net income and adjusted EBITDA to net income. Refer to Section 6.1 "Cash flow" for a reconciliation of adjusted free cash flow to net cash flow provided by operating activities.*

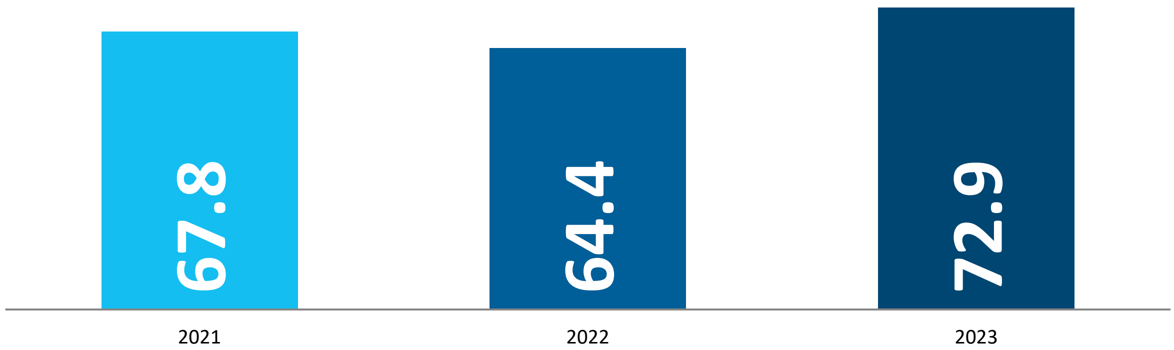
ISC has generated strong consolidated results over the past three years through robust organic growth and executing value-add M&A. Some of the key financial highlights for 2023 were:

- Revenue grew by 13 per cent from $189.9 million in 2022 to a record $214.5 million in 2023 as a result of the following:
    - Registry Operations revenue grew by 13 per cent due to fee adjustments made in July associated with the Extension Agreement, resulting in higher revenue from the Saskatchewan Land Registry accompanied by a full year of revenue compared to seven months in the prior year from our acquisition of Ontario Property Tax Assessment Services in June 2022.
    - Services revenue grew by 10 per cent year-over-year due to customer and transaction growth in the Regulatory Solutions division.
    - Technology Solutions revenue grew by 45 per cent year-over-year due to Third Party revenue growth as this segment began to deliver on new solution definition and implementation contracts announced earlier this year as well as continued to make progress on ongoing contracts.
- Adjusted EBITDA grew by 13 per cent from $64.4 million in 2022 to a record $72.9 million in 2023 as a result of strong operating results across Registry Operations, Services and Technology Solutions.
- Net income for the year was $25.0 million, down from $30.8 million in the prior year as strong operating results were offset by increases in net finance expense and depreciation and amortization costs associated with the Extension Agreement and investments in acquisition, integration as well as other costs required to support-long term sustainability and growth.
- Adjusted free cash flow increased to a record $50.8 million in 2023, up 14 per cent over the 2022 results, demonstrating the Company's continuing ability to generate strong free cash flow.

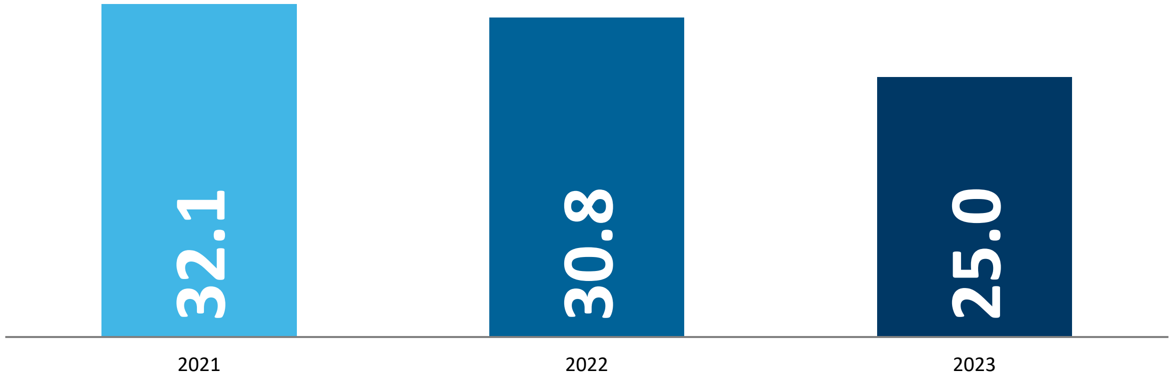
Consolidated Revenue
for the year ended December 31,
(CAD millions)



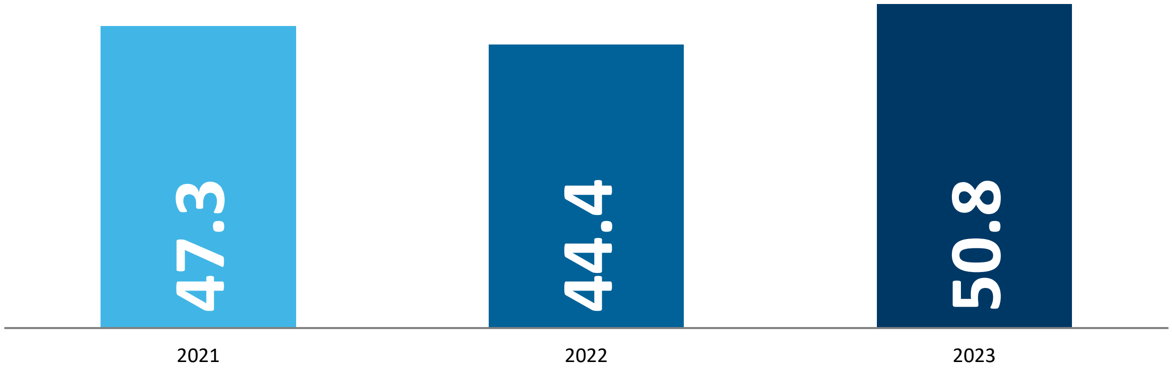
Consolidated Adjusted EBITDA
for the year ended December 31,
(CAD millions)



Consolidated Net Income
for the year ended December 31,
(CAD millions)



Consolidated Adjusted Free Cash Flow
for the year ended December 31,
(CAD millions)



FOURTH QUARTER CONSOLIDATED HIGHLIGHTS

- **Revenue** was a record $57.5 million for the quarter, an increase of 25 per cent compared to the fourth quarter of 2022. Growth was due to fee adjustments implemented in July for the Saskatchewan Registries in Registry Operations, customer and transaction growth in Services' Regulatory Solutions division and the execution of Third Party solution definition and implementation contracts in Technology Solutions.
- **Net income** was $5.7 million or $0.32 per basic and diluted share compared to $3.9 million or $0.22 per basic and diluted share in the fourth quarter of 2022. Strong adjusted EBITDA growth in all operating segments drove the increase in net income during the quarter. This was partially offset by an increase in costs associated with the Extension Agreement including increased borrowings, an increase in interest rates, interest accrued on the vendor concession liability and amortization of the intangible asset associated with the Extension.
- **Net cash flow provided by operating activities** was $22.2 million for the quarter, a 20 per cent increase from $18.4 million in the fourth quarter of 2022. This was due to increased results driven by stronger contributions in all operating segments, offset by a net increase of $6.0 million in non-cash working capital, mainly due to changes in accounts payable and the timing of income tax payments.
- **Adjusted net income** was $9.8 million or $0.55 per basic share and $0.54 per diluted share compared to $5.9 million or $0.34 per basic share and $0.33 per diluted share in the fourth quarter of 2022. The reason for the increase in adjusted net income is similar to that regarding net income, with the exception of the interest accrued on the vendor concession liability and the amortization related to the intangible asset associated with the Extension, as these items are excluded from adjusted net income.
- **Adjusted EBITDA** was a record $21.3 million for the quarter compared to $13.5 million in 2022 due to the impact of fee adjustments in Registry Operations' Saskatchewan Registries division and continued customer and transaction growth in Services' Regulatory Solutions division. Technology Solutions' adjusted EBITDA also grew compared to the prior year quarter due to increased revenue from new solution definition and implementation contracts announced in 2023 as well as ongoing contracts. **Adjusted EBITDA margin** was 37.1 per cent compared to 29.3 per cent in the fourth quarter of 2022.
- **Adjusted free cash flow** for the quarter was $14.0 million, up 55 per cent compared to $9.0 million in the fourth quarter of 2022, due to stronger results in our operating segments. This was partially offset by an increase in costs associated with the Extension Agreement, including increased borrowings to fund the Upfront Payment and an increase in interest rates.
- Voluntary prepayments of $10.0 million were made towards ISC's Credit Facility during the quarter demonstrating ISC's plan to deleverage towards a long-term net leverage target of 2.0x – 2.5x.
- On November 1, 2023, ISC announced a new US$3.2 million (approximately CAD$4.5 million) contract with the State of Michigan for a period of five years to be delivered through its Technology Solutions segment. This contract includes the delivery of a modern, online Uniform Commercial Code System using the Company's RegSys platform to support service improvement and efficiencies.
- On November 7, 2023, our Board declared a quarterly cash dividend of $0.23 per Class A Limited Voting Share ("Class A Share"), payable on or before January 15, 2024, to shareholders of record as of December 31, 2023.
- On November 20, 2023, ISC announced that the Company, including its subsidiaries, achieved ISO/IEC 27001 certification. ISO/IEC 27001 defines requirements that an information security management system ("ISMS") must meet in order to obtain certification. Achieving ISO/IEC 27001 certification is expected to benefit our current customers as well as help generate new revenue and adjusted EBITDA growth in the future.
- On December 4, 2023, ISC announced that the Bank of Canada selected the Company as operator and technology solutions provider for the *Bank Act* Security Registry, which enables security interests to be registered under section 427 of the *Bank Act* across Canada. Registry Operations will be responsible for service delivery related to this new registry with development and implementation of the technology solution provided by Technology Solutions.

- On December 11, 2023, ISC announced the appointment of Jeff Fallowfield as President of ESC Corporate Services Ltd. with accountability for the Services segment, effective January 1, 2024.

YEAR-END CONSOLIDATED HIGHLIGHTS

- **Revenue** was a record $214.5 million for the year ended December 31, 2023, an increase of 13 per cent compared to $189.9 million in 2022. This growth was due to the same reasons given for the quarter accompanied by a full year of revenue from Ontario Property Tax Assessment Services in the current year compared to seven months in the prior year.
- **Net income** was $25.0 million or $1.41 per basic share and $1.39 per diluted share for the year ended December 31, 2023, compared to $30.8 million or $1.75 per basic share and $1.71 per diluted share in 2022. The year-over-year decrease is due to higher net finance cost, amortization expense, and acquisition, integration and other costs related to the Extension, and commencement of registry enhancements (as further discussed under Section 3.1 "Saskatchewan Registries") offset by increased adjusted EBITDA contributions from Registry Operations, Services and Technology Solutions.
- **Net cash flow provided by operating activities** was $56.8 million for the year ended December 31, 2023, an increase of $13.2 million compared to 2022. This was attributable to higher contributions from all operating segments, augmented by a net decrease of non-cash working capital of $2.6 million related to accounts payable and the timing of income tax payments.
- **Adjusted net income** was $34.2 million or $1.92 per basic share and $1.90 per diluted share for the year ended December 31, 2023, compared to $33.3 million or $1.89 per basic share and $1.86 per diluted share for the year ended December 31, 2022. The year-over-year increase was due to increased contributions from all operating segments, partially offset by increased interest expense due to an increase in long-term debt to fund the Upfront Payment and higher interest rates as compared to the prior year, which impacted our cost of borrowing.
- **Adjusted EBITDA** was a record $72.9 million for the year compared to $64.4 million last year. The increase relates to higher adjusted EBITDA in Registry Operations from a combination of fee adjustments implemented in its Saskatchewan Registries division in July, which offset reduced volume in the Land Registry (reflecting reduced activity in the Saskatchewan real estate sector due to a higher interest rate environment) and a full year of contributions from Ontario Property Tax Assessment Services in the current year compared to seven months in the prior year. In addition, Services continued to deliver strong customer and transaction growth in its Regulatory Solutions division while Technology Solutions advanced work on both new solution definition and implementation contracts announced during the year as well as on ongoing contracts. Partially offsetting this adjusted EBITDA growth were increased cost of goods sold associated with the growth in Services' Regulatory Solutions division along with increased investment in the Corporate segment in people and technology. **Adjusted EBITDA margin** for the year was 34.0 per cent, consistent with 2022.
- **Adjusted free cash flow** for the year ended December 31, 2023, was a record $50.8 million, which represented an increase of $6.4 million compared to $44.4 million in 2022. The increase was due to stronger results from our operating segments, partially offset by increased cash interest expense during the current year due to increased borrowings to fund the Upfront Payment and an increase in interest rates.
- On July 5, 2023, the Company entered into the Extension Agreement with the Government of Saskatchewan to extend the term of its exclusive MSA until 2053. The Extension Agreement extends ISC's exclusive right to manage and operate the Saskatchewan Registries. Further details can be found in Section 3.1 "Registry Operations".
- In connection with the Extension Agreement, ISC entered into an Amended and Restated Credit Agreement with its syndicate of lenders in connection to its Credit Facility, increasing the amount available under the Credit Facility from $150.0 million to $250.0 million. Further details can be found in Section 6.3 "Debt".

- On July 27, 2023, ISC announced that it has expanded the lenders under the Company's Credit Facility to include the Bank of Montreal ("BMO"). The syndicated Credit Facility now includes the Royal Bank of Canada ("RBC"), the Canadian Imperial Bank of Commerce ("CIBC") and BMO.
- Voluntary prepayments on our debt facilities during the year totalled $39.0 million of which $10.0 million was paid in the fourth quarter, demonstrating ISC's commitment to deleverage its balance sheet towards a long-term net leverage target of 2.0x – 2.5x. Long-term debt at December 31, 2023 was $177.3 million.

1.2 Subsequent events

- On February 5, 2024, ISC announced the retirement of Ken Budzak, Executive Vice President of Registry Operations, effective May 2024. During this transition period, the Company will undertake a process to fill the role.
- On March 8, 2024, Regulis S.A. ("Regulis"), a wholly owned subsidiary of ISC, launched the International Registry of Interests in Rolling Stock consistent with its contract under the Luxembourg Rail Protocol of the Cape Town Convention which provides the exclusive right and obligation to develop, deliver and operate the International Registry of Interests in Rolling Stock for a period of 10 years from the date of go live. Pursuant to our Share Purchase Agreement of Regulis executed in 2022, additional purchase consideration of €0.6 million (approximately $0.9 million) has been paid following setting of the go live target date.
- On March 12, 2024, the Board declared a quarterly cash dividend of $0.23 per Class A Share, payable on or before April 15, 2024, to shareholders of record as of March 31, 2024.

1.3 Outlook

The following section includes forward-looking information, including statements related to our strategy, future results, including revenue and adjusted EBITDA, segment performance, expenses, operating costs and capital expenditures, the industries in which we operate, economic activity, growth opportunities, investments and business development opportunities. Refer to "Caution Regarding Forward-Looking Information".

In 2024, we expect revenue to grow within a range of $240.0 million to $250.0 million and adjusted EBITDA to grow within a range of $83.0 million to $91.0 million. When compared to our actual results for 2023, our guidance for 2024 represents expected year-over-year increases of up to 17 per cent for revenue and up to 25 per cent for adjusted EBITDA.

Our expected performance year-over-year marks the beginning of the next phase of ISC's growth plan. We intend to leverage the investments and achievements of 2023 while intensifying our focus on organic growth and continuing to execute on accretive M&A opportunities.

In Registry Operations, we expect transactions in 2024 to be largely flat with revenue growth through a realization of a full year of fee adjustments, including those amended in July 2023 because of the Extension Agreement and regular annual CPI fee adjustments. Services will continue to be a significant part of our organic growth, with a forecasted increase in transactions and number of customers. Our Technology Solutions segment is also forecasted to see double-digit growth as we deliver on existing and new solutions delivery contracts in 2024.

The key drivers of expenses in adjusted EBITDA in 2024 are expected to be wages and salaries and cost of goods sold. Furthermore, as a result of the Extension Agreement, the Company will have additional operating costs associated with the enhancement of the Saskatchewan Registries and increased interest expense arising from additional borrowings in 2023, which are excluded from adjusted EBITDA.

Our capital expenditures will also increase because of the enhancement of the Saskatchewan Registries but will remain immaterial overall. As a result, the Company expects to see robust free cash flow in 2024, which will support the deleveraging of our balance sheet to realize a long-term net leverage target of 2.0x – 2.5x.

2. Consolidated Financial Analysis

Revenue for the three months and year ended December 31, 2023, was up 25 and 13 per cent respectively, compared to the same prior year periods due to growth in all operating segments. Revenue for the quarter primarily grew due to fee adjustments implemented for the Saskatchewan Registries division in Registry Operations in July, customer and transaction growth in Services' Regulatory Solutions division and execution on new and ongoing third-party solution definition and implementation contracts in Technology Solutions. Full year revenue grew for the same reasons as in the fourth quarter, with the exception of having a full year of Ontario Property Tax Assessment Services division revenue within Registry Operations compared to only seven months in the prior year.

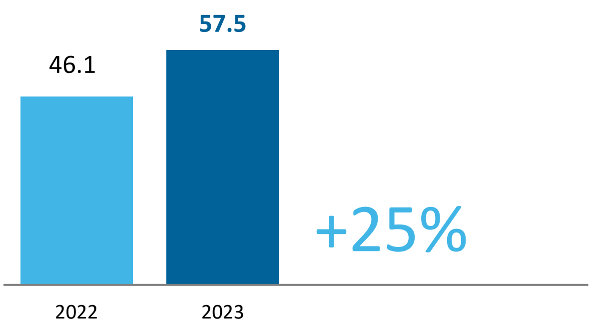
Net income was up 45 per cent for the three months ended December 31, 2023, and down 19 per cent for the year ended December 31, 2023, when compared to the same prior year periods. The increase during the quarter compared to the prior year quarter was the result of increased profitability in all operating segments, partially offset by increased net finance costs and depreciation and amortization related to the Extension. The year-over-year reduction in net income is due to higher net finance costs, depreciation and amortization, acquisition, integration and other costs related to the Extension and commencement of registry enhancement (as further discussed under Section 3.1 "Saskatchewan Registries") offset by increased adjusted EBITDA contributions from all operating segments.

2.1 Consolidated statements of comprehensive income

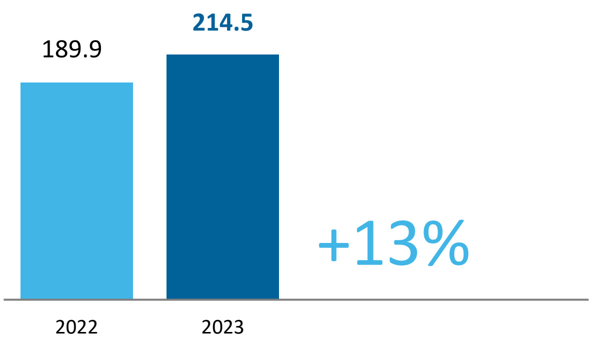
	Three Months Ended December 31,		Year Ended December 31,	
(thousands of CAD)	**2023**	2022	**2023**	2022
Revenue				
Registry Operations	**$ 28,519**	$ 22,605	**$ 103,516**	$ 91,721
Services	**25,368**	22,441	**101,712**	92,306
Technology Solutions	**3,604**	1,047	**9,268**	5,849
Corporate and other	**-**	11	**24**	19
Total revenue	**57,491**	46,104	**214,520**	189,895
Expenses				
Wages and salaries	**15,098**	15,997	**59,999**	54,267
Cost of goods sold	**13,946**	12,007	**55,387**	49,215
Depreciation and amortization	**6,643**	4,100	**20,506**	14,735
Information technology services	**3,654**	3,205	**13,280**	10,584
Occupancy costs	**1,166**	1,167	**4,648**	4,003
Professional and consulting services	**1,522**	1,245	**5,981**	4,988
Financial services	**751**	601	**3,077**	2,669
Other	**903**	1,074	**3,669**	3,239
Total expenses	**43,683**	39,396	**166,547**	143,700
Net income before items noted below	**13,808**	6,708	**47,973**	46,195
Finance income (expense)				
Interest income	**264**	269	**1,163**	463
Interest expense	**(6,482)**	(1,307)	**(14,346)**	(3,640)
Net finance (expense)	**(6,218)**	(1,038)	**(13,183)**	(3,177)
Income before tax	**7,590**	5,670	**34,790**	43,018
Income tax expense	**(1,876)**	(1,721)	**(9,745)**	(12,249)
Net income	**5,714**	3,949	**25,045**	30,769
Other comprehensive income (loss)				
Unrealized gain (loss) on translation of financial statements of foreign operations	**104**	688	**192**	(33)
Change in fair value of marketable securities, net of tax	**-**	-	**-**	11
Other comprehensive income (loss) for the period	**104**	688	**192**	(22)
Total comprehensive income	**$ 5,818**	$ 4,637	**$ 25,237**	$ 30,747

2.2 Consolidated revenue

Consolidated revenue
for the three months ended December 31,
(CAD millions)



Consolidated revenue
for the year ended December 31,
(CAD millions)



	Three Months Ended December 31,		Year Ended December 31,	
(thousands of CAD)	**2023**	2022	**2023**	2022
Registry Operations	**$ 28,519**	$ 22,605	**$ 103,516**	$ 91,721
Services	**25,368**	22,441	**101,712**	92,306
Technology Solutions	**3,604**	1,047	**9,268**	5,849
Corporate and other	**-**	11	**24**	19
Total revenue	**$ 57,491**	$ 46,104	**$ 214,520**	$ 189,895

Total revenue increased during the quarter by $11.4 million compared to the prior year quarter as a result of:

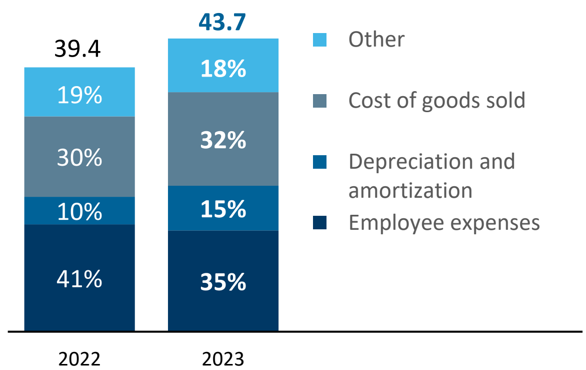
- Increased revenue in Registry Operations of $5.9 million, or 26 per cent, compared to the fourth quarter of 2022 following the implementation of fee adjustments in the third quarter in the Saskatchewan Land Registry.
- A revenue increase of $2.9 million in Services, or 13 per cent, for the fourth quarter of 2023 compared to the same period in 2022. Growth was driven by continued customer and transaction growth in the Regulatory Solutions division where financial institutions and equipment and auto finance customers continued to enhance due diligence processes in an environment of higher interest rates and increased regulatory oversight.
- Increased Third Party revenue of $2.6 million in Technology Solutions compared to the fourth quarter of 2022, as revenue continues to be recognized for new contracts announced in 2023 accompanied by revenue recognized for other ongoing contracts.

Total revenue for the year increased by $24.6 million or 13 per cent compared to the prior year, again mainly due to:

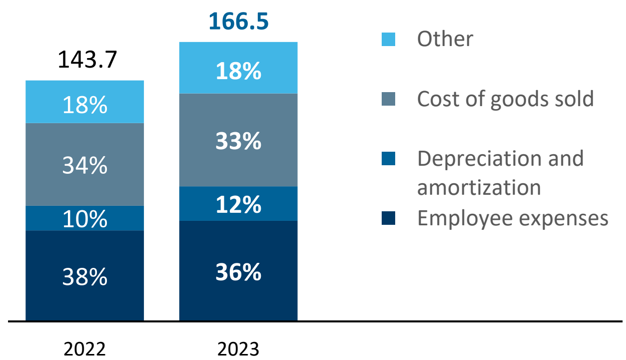
- Increased revenue of $11.8 million, or 13 per cent, in Registry Operations compared to the prior year. Growth was due to a combination of fee adjustments made in the third quarter of 2023, resulting in higher revenue from the Saskatchewan Registries division, accompanied by $6.7 million in incremental revenue earned for the full year from the Ontario Property Tax Assessment Services division compared to seven months in the prior year when it was acquired.
- Increased revenue of $9.4 million, or 10 per cent, in Services driven primarily by customer and transaction growth in the Regulatory Solutions division as outlined in the quarterly results above.
- Increased Third Party revenue of $3.4 million, or 58 per cent, in Technology Solutions due to progress during the year on both new and ongoing solution definition and implementation contracts.

2.3 Consolidated expenses

Consolidated expenses
for the three months ended December 31,
(CAD millions)



Consolidated expenses
for the year ended December 31,
(CAD millions)



Note: Values in tables may not add due to rounding.

	Three Months Ended December 31,		Year Ended December 31,	
(thousands of CAD)	**2023**	2022	**2023**	2022
Wages and salaries	**$ 15,098**	$ 15,997	**$ 59,999**	$ 54,267
Cost of goods sold	**13,946**	12,007	**55,387**	49,215
Depreciation and amortization	**6,643**	4,100	**20,506**	14,735
Information technology services	**3,654**	3,205	**13,280**	10,584
Occupancy costs	**1,166**	1,167	**4,648**	4,003
Professional and consulting services	**1,522**	1,245	**5,981**	4,988
Financial services	**751**	601	**3,077**	2,669
Other	**903**	1,074	**3,669**	3,239
Total expenses	**$ 43,683**	$ 39,396	**$ 166,547**	$ 143,700

Expenses were $43.7 million for the quarter, an increase of $4.3 million compared to the same quarter last year. The increase in the quarter was due to:

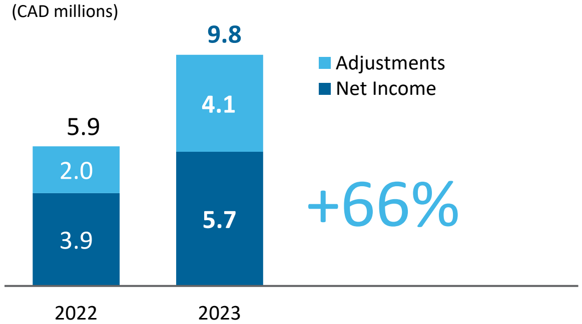
- An increase in depreciation and amortization of $2.5 million related to amortization of the intangible asset associated with the right to manage and operate the Saskatchewan Registries, which was capitalized in July.
- An increase in cost of goods sold of $1.9 million related to the increase in Services revenue within the Regulatory Solutions division.
- Increased information technology costs of $0.4 million related to project delivery work in Technology Solutions.
- An increase in professional and consulting services of $0.3 million driven by increased acquisition, integration and other costs related to the Extension Agreement and registry enhancements.

Increases were offset by a decrease in wages and salaries of $0.9 million when compared to the prior year quarter. This relates to a $1.9 million decrease in share-based compensation expense and a $1.0 million increase in investment in people to support execution on Technology Solutions contracts and additional capacity in Corporate to support growth priorities.

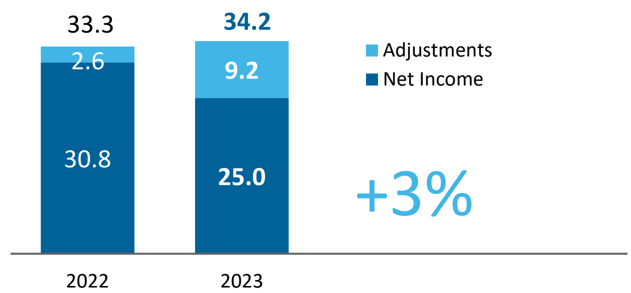
The year-over-year rise in expenses for the year ended December 31, 2023, was $22.8 million. This was driven by the same factors outlined for the quarter, accompanied by a full year of expenses for the operations of acquisitions made in the prior year reported within Services and Registry Operations in February and June 2022, respectively.

2.4 Consolidated net income and adjusted net income

Net income and adjusted net income
for the three months ended December 31,
(CAD millions)



Net income and adjusted net income
for the year ended December 31,
(CAD millions)



Note: Values in tables may not add due to rounding.

	Three Months Ended December 31,					
	Pre-tax		Tax[1]		After-tax	
(thousands of CAD)	**2023**	2022	**2023**	2022	**2023**	2022
Adjusted net income	**$ 13,253**	$ 8,401	**$ (3,405)**	$ (2,459)	**$ 9,848**	$ 5,942
Add (subtract):						
Share-based compensation (expense)	**(307)**	(2,180)	**83**	589	**(224)**	(1,591)
Acquisition, integration and other costs	**(559)**	(533)	**151**	144	**(408)**	(389)
Effective interest component of interest expense	**(64)**	(18)	**17**	5	**(47)**	(13)
Interest on vendor concession liability	**(2,599)**	**-**	**702**	-	**(1,897)**	-
Amortization of right to manage and operate the Saskatchewan Registries	**(2,134)**	**-**	**576**	-	**(1,558)**	-
Net income	**$ 7,590**	$ 5,670	**$ (1,876)**	$ (1,721)	**$ 5,714**	$ 3,949

[1] *Calculated at ISC's statutory tax rate of 27.0 per cent.*

	Year Ended December 31,					
	Pre-tax		Tax[1]		After-tax	
(thousands of CAD)	**2023**	2022	**2023**	2022	**2023**	2022
Adjusted net income	**$ 47,350**	$ 46,550	**$ (13,137)**	$ (13,202)	**$ 34,213**	$ 33,348
Add (subtract):						
Share-based compensation (expense)	**(283)**	(1,483)	**76**	400	**(207)**	(1,083)
Acquisition, integration and other costs	**(4,104)**	(1,977)	**1,108**	534	**(2,996)**	(1,443)
Effective interest component of interest expense	**(165)**	(72)	**45**	19	**(120)**	(53)
Interest on vendor concession liability	**(4,332)**	**-**	**1,170**	-	**(3,162)**	-
Amortization of right to manage and operate the Saskatchewan Registries	**(3,676)**	**-**	**993**	-	**(2,683)**	-
Net income	**$ 34,790**	$ 43,018	**$ (9,745)**	$ (12,249)	**$ 25,045**	$ 30,769

[1] *Calculated at ISC's statutory tax rate of 27.0 per cent.*

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	**2023**	2022
Earnings per share, basic	**$ 0.32**	$ 0.22	**$ 1.41**	$ 1.75
Earnings per share, diluted	**0.32**	0.22	**1.39**	1.71
Adjusted earnings per share, basic	**0.55**	0.34	**1.92**	1.89
Adjusted earnings per share, diluted	**0.54**	0.33	**1.90**	1.86
Weighted average # of shares	**18,004,641**	17,701,498	**17,820,729**	17,598,864
Weighted average # of diluted shares	**18,130,264**	18,012,223	**18,023,777**	17,949,493

Net income for the quarter was $5.7 million or $0.32 per basic and diluted share compared to $3.9 million or $0.22 per basic and diluted share in the fourth quarter of 2022 and was $25.0 million or $1.41 per basic share and $1.39 per diluted share in 2023 compared to $30.8 million or $1.75 per basic share and $1.71 per diluted share last year.

The increase in net income for the three months ended December 31, 2023, compared to the prior year period was due to:

- Strong adjusted EBITDA growth of $5.5 million in Registry Operations following the implementation of fee adjustments in July 2023 coupled with Technology Solutions generating $3.2 million more in adjusted EBITDA when compared to the prior year quarter. The increase in Technology Solutions was due to revenue recognized on new contracts announced in the first quarter of 2023. Services also continued to be a strong contributor to adjusted EBITDA.
- A decrease in share-based compensation expense of $1.9 million compared to the prior year quarter driven by a smaller increase in the Company's share price during the current year quarter compared to the previous year quarter.

Partially offsetting these items were:

- An increase in net finance expense from $1.0 million in the comparative quarter to $6.2 million during the three months ended December 31, 2023 due to a combination of increased borrowings associated with the Upfront Payment of $150.0 million that was made in the third quarter in connection with the Extension Agreement, an increase in interest rates and non-cash interest accrued on the vendor concession liability to the Government of Saskatchewan of $2.6 million.
- Increased depreciation and amortization expense of $2.5 million due to a full quarter of amortization with respect to the extended right to manage and operate the Saskatchewan Registries, which was capitalized in July.

For the full year, the decrease in net income from $30.8 million in the prior year to $25.0 million in the current year related to:

- Increased net finance costs and depreciation and amortization expense of $10.0 million and $5.8 million, respectively. The increase in net finance expense relates to a combination of additional borrowings to fund the Upfront Payment for the Extension Agreement, an increase in interest rates and non-cash interest accrued on the vendor concession liability to the Government of Saskatchewan. The increased depreciation and amortization expense relates to five months of amortization of the extended right to manage and operate the Saskatchewan Registries under the Extension.

Partially offsetting these items was:

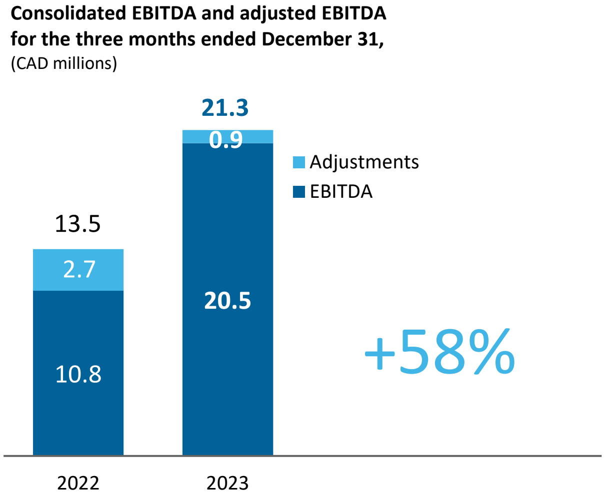
- Increased adjusted EBITDA contributions across Registry Operations, Services and Technology Solutions.

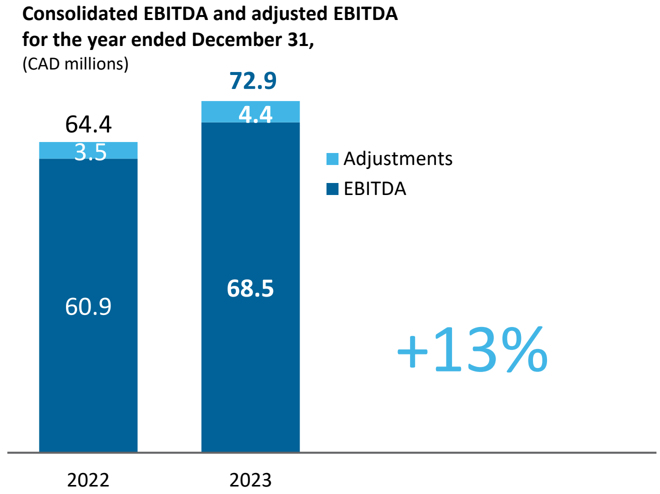
Adjusted net income for the quarter was $9.8 million or $0.55 per basic share and $0.54 per diluted share, an increase compared to $5.9 million in the comparative quarter last year or $0.34 per basic share and $0.33 per diluted share. For the year, adjusted net income was $34.2 million or $1.92 per basic share and $1.90 per diluted share compared to adjusted net income of $33.3 million or $1.89 per basic share and $1.86 per diluted share.

The increase in adjusted net income for the fourth quarter of 2023 compared to the prior year was due to increased adjusted EBITDA contributions from Registry Operations, Services and Technology Solutions discussed above, partially offset by increased interest expense due to increased borrowings and an increase in interest rates.

Adjusted net income for the year increased by $0.9 million resulting from higher year-over-year adjusted EBITDA contributions from all operating segments, offset by higher interest expense on long-term debt associated with the Extension and higher interest rates impacting our cost of borrowing as compared to the prior year.

2.5 Consolidated EBITDA and adjusted EBITDA





Note: Values in tables may not add due to rounding.

	Three Months Ended December 31,		Year Ended December 31,	
(thousands of CAD)	**2023**	2022	**2023**	2022
Adjusted EBITDA	**$ 21,317**	$ 13,521	**$ 72,866**	$ 64,390
Add (subtract):				
Share-based compensation (expense)	**(307)**	(2,180)	**(283)**	(1,483)
Acquisition, integration and other costs	**(559)**	(533)	**(4,104)**	(1,977)
EBITDA[1]	**$ 20,451**	$ 10,808	**$ 68,479**	$ 60,930
Add (subtract):				
Depreciation and amortization	**(6,643)**	(4,100)	**(20,506)**	(14,735)
Net finance expense	**(6,218)**	(1,038)	**(13,183)**	(3,177)
Income tax expense	**(1,876)**	(1,721)	**(9,745)**	(12,249)
Net income	**$ 5,714**	$ 3,949	**$ 25,045**	$ 30,769
EBITDA margin (% of revenue)[1]	**35.6%**	23.4%	**31.9%**	32.1%
Adjusted EBITDA margin (% of revenue)	**37.1%**	29.3%	**34.0%**	33.9%

[1] *EBITDA and EBITDA margin are not recognized as measures under IFRS and do not have a standardized meaning prescribed by IFRS and therefore, they may not be comparable to similar measures reported by other companies; refer to Section 8.8 "Non-IFRS financial measures".*

Adjusted EBITDA for the fourth quarter was $21.3 million, an increase of $7.8 million or 58 per cent from $13.5 million in the fourth quarter of 2022 due to:

- An increase in adjusted EBITDA in Registry Operations for the fourth quarter of $5.5 million when compared to the same quarter of 2022. The increase was due to a full quarter of fee adjustments implemented in the third quarter in the Saskatchewan Registries division pursuant to the Extension Agreement.

- An increase in adjusted EBITDA in Services of $0.4 million, or 9 per cent, compared to the fourth quarter of 2022. The increase resulted from customer and transaction growth in the Regulatory Solutions division. This was partially offset by increased cost of goods sold and investments in technology.
- Technology Solutions advancing delivery on both new solution definition and implementation contracts announced during the year as well as ongoing contracts and related party projects. This translated into $3.2 million in growth in adjusted EBITDA, compared to the fourth quarter of 2022.

For 2023, adjusted EBITDA was $72.9 million, an increase of $8.5 million, or 13 per cent, compared to $64.4 million in 2022. This was mainly due to:

- Increased adjusted EBITDA in Registry Operations of $6.9 million when compared to the prior year. The increase resulted from a combination of fee adjustments implemented in July in the Saskatchewan Registries division and a full year of contributions from the Ontario Property Tax Assessment Services division in the current year compared to seven months in the prior year.
- Growth in Services' adjusted EBITDA of $2.1 million, or 11 per cent, compared to the prior year. The increase resulted from customer and transaction growth in Regulatory Solutions partially offset by increased cost of goods sold and increased investments in technology.
- Increased adjusted EBITDA in Technology Solutions of $2.1 million when compared to the prior year for the same reasons as described above for the quarter.

These factors were offset by a reduction of $1.1 million in Corporate adjusted EBITDA due to an increased investment in people and technology to support ISC's continued focus on growth initiatives.

Adjusted EBITDA margin for the quarter grew when compared to the prior year from 29.3 per cent to 37.1 per cent. The increase for the quarter was due to the implementation of fee adjustments in the Saskatchewan Registries division in July, consistent year-over-year adjusted EBITDA margin in Services, as well as increased profitability in Technology Solutions following progress on both third-party contracts and related party projects.

The adjusted EBITDA margin for the year was 34.0 per cent, consistent with the margin in the prior year. The adjusted EBITDA margin for the year reflects lower year-over-year transaction volume within the Land Registry, most noticeably in the first half of 2023, when compared to the first half of 2022, which impacted revenue in that period, offset by fee adjustments implemented in July 2023.

2.6 Consolidated net finance expense

	Three Months Ended December 31,				Year Ended December 31,			
(thousands of CAD)		**2023**		2022		**2023**		2022
Interest income	**$**	**264**	$	269	**$**	**1,163**	$	463
Interest expense on long-term debt	**$**	**(3,696)**	$	(1,188)	**$**	**(9,449)**	$	(3,165)
Interest on vendor concession liability		**(2,599)**		-		**(4,332)**		-
Interest on lease liabilities		**(123)**		(101)		**(400)**		(403)
Effective interest component of interest expense		**(64)**		(18)		**(165)**		(72)
Interest expense	**$**	**(6,482)**	$	(1,307)	**$**	**(14,346)**	$	(3,640)
Net finance expense	**$**	**(6,218)**	$	(1,038)	**$**	**(13,183)**	$	(3,177)

Note: Brackets in the above table denote expense

Net finance expense was $6.2 million for the quarter, up $5.2 million from the prior year. For the year, net finance expense was $13.2 million in 2023, up compared to $3.2 million in 2022.

Net finance expense for the quarter and the year was higher due to higher interest expense as a result of:

- Higher average long-term debt outstanding in 2023 as compared to 2022 due to the draw down of the Credit Facility to fund the Upfront Payment.

- Increased interest expense due to higher interest rates impacting our cost of borrowing on long-term debt outstanding following successive interest rate increases by the Bank of Canada commencing in the first quarter of 2022 through July 2023.
- Non-cash interest on the vendor concession liability to the Government of Saskatchewan related to the Extension Agreement which requires ISC to make five annual cash payments of $30.0 million per year, commencing in July 2024.

2.7 Tax provision

The Company is subject to federal and provincial income taxes at an estimated combined statutory rate of 27.0 per cent (2022 – 27.0 per cent). Income tax expense varies from the amounts that would be calculated by applying the statutory income tax rate to earnings before taxes as outlined below:

(thousands of CAD)		2023		2022
Net income before tax	$	34,790	$	43,018
Combined statutory income tax rate		27.0%		27.0%
Expected income tax expense		9,393		11,615
Increase (decrease) in income tax resulting from:				
Non-deductible expenses		223		162
Foreign income tax differential		19		488
Adjustment to prior years' deferred tax assets and liabilities		(3)		(6)
Other		113		(10)
Income tax expense	$	9,745	$	12,249

In assessing the recovery of deferred income tax assets, management considers whether it is probable that the deferred income tax assets will be realized. The recognition and measurement of the current and deferred income tax assets and liabilities involve dealing with uncertainties in the application of complex tax regulations and the assessment of the recoverability of the deferred income tax assets. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences are deductible.

3. Business Segment Analysis

Headquartered in Canada, ISC is a leading provider of registry and information management services for public data and records. Throughout our history, we have delivered value to our customers by providing solutions to manage, secure and administer information.

ISC currently has three operating segments:

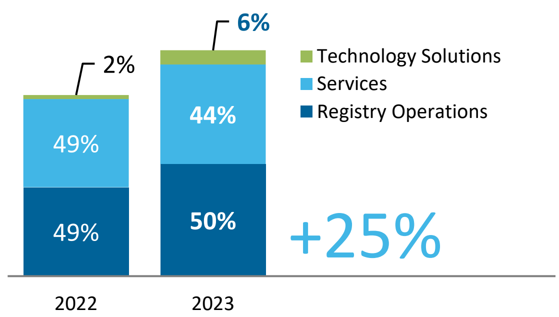
Registry Operations delivers registry and information services on behalf of governments and private sector organizations.

Services delivers products and services that utilize public records and data to provide value to customers in the financial and legal sectors.

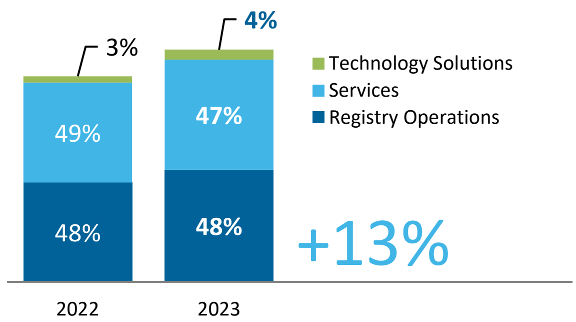
Technology Solutions provides the development, delivery and support of registry (and related) technology solutions.

The balance of our corporate activities and shared services is reported as Corporate and other.

Revenue by segment[1]
for the three months ended December 31,

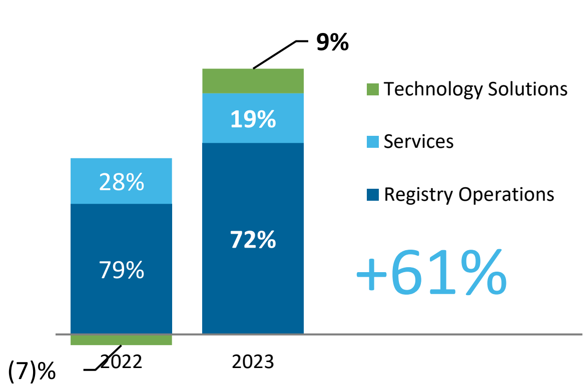


Revenue by segment[1]
for the year ended December 31,

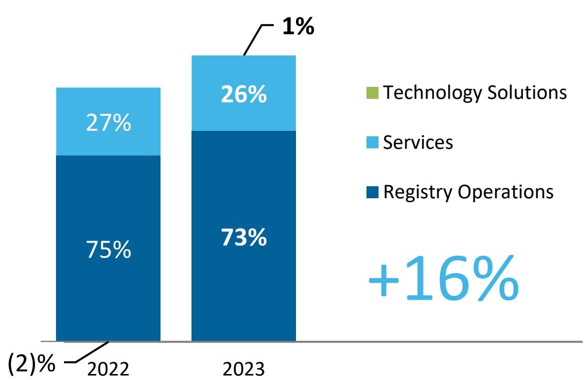


[1] Corporate and other and Inter-segment eliminations are excluded. Technology Solutions revenue included in the above graphs is Third Party revenue. Values may not add due to rounding.

Adjusted EBITDA by segment[1]
for the three months ended December 31,



Adjusted EBITDA by segment[1]
for the year ended December 31,



[1] Corporate and other and Inter-segment eliminations are excluded. Values may not add due to rounding.

3.1 Registry Operations

Our Registry Operations segment delivers registry and information services on behalf of governments and private sector organizations. This segment currently has two major clients: the Government of Saskatchewan and the Government of Ontario.

Our offerings are categorized into two divisions: Saskatchewan Registries and Ontario Property Tax Assessment Services.

For services in this segment, competitors include infrastructure funds and private equity firms as well as information services companies, registry software providers and other such information-based companies that develop and provide software platforms to manage registry and related information services. These types of companies may compete with ISC by acting as, or partnering with, businesses that can provide other required processes, such as customer service and delivery, in conjunction with software platforms to provide full-service solutions.

Saskatchewan Registries

ISC provides services on behalf of the Government of Saskatchewan under the amended and restated Master Service Agreement (the "Amended and Restated MSA") in effect until 2053 and is the exclusive full-service solution provider of the Saskatchewan Land Registry (including the Saskatchewan Land Titles Registry ("Land Titles Registry"), the Saskatchewan Land Surveys Directory ("Land Surveys") and Saskatchewan Geomatics services ("Geomatics"), collectively the "Land Registry"), the Saskatchewan Personal Property Registry ("Personal Property Registry") and the Saskatchewan Corporate Registry ("Corporate Registry") (collectively, the "Saskatchewan Registries").

On July 5, 2023, the Company entered into the Extension Agreement to extend ISC's exclusive right to manage and operate the Saskatchewan Registries until 2053. Under the Extension Agreement, ISC was granted the right to introduce and/or enhance fees on certain transactions. Applicable fee adjustments became effective July 29, 2023.

The Amended and Restated MSA implemented certain incremental terms and conditions, the objectives of which are to enhance security features and protocols for the Saskatchewan Registries; contemplate emerging and future technology enhancements for the Saskatchewan Registries and the services provided pursuant to the Amended and Restated MSA; refresh and clarify governance practices and structure; adjust the registry fees chargeable by the Company; and provide flexibility for change over the life of the extended term. Certain costs associated with the Extension along with a portion of the transaction costs associated with the Extension have been capitalized as an intangible asset related to the right to manage and operate the Saskatchewan Registries, while the remainder of the costs have been expensed pursuant to IFRS.

The consideration paid and to be paid by ISC to the Government of Saskatchewan with respect to the Extension consists of:

- the Upfront Payment of $150.0 million, paid in July 2023;
- five cash payments of $30.0 million per year, totalling $150.0 million, commencing in July 2024 with the final payment expected to be made in 2028 (the "Subsequent Payments"); and
- annual contingent payments potentially payable after 2033 if cumulative annual volume growth for certain Saskatchewan Land Registry transactions falls within a pre-determined range, calculated in any given year as follows:
    - 25 per cent of any revenue associated with long-term volume growth between 0 per cent to 1 per cent;
    - 50 per cent of any revenue associated with long-term volume growth between 1 per cent to 3 per cent;
    - ISC to retain unlimited upside on any incremental volume growth in excess of 3 per cent.

ISC has commenced enhancement of the Saskatchewan Registries (also referred to as registry enhancements), leveraging ISC-owned technology to offer a best-in-class technology, security and user experience. In accordance with IFRS, these expenditures will be capitalized as intangible assets or expensed.

Additional information about the Amended and Restated MSA is available on our website at www.isc.ca and in the Company's profile on SEDAR+ at www.sedarplus.ca.

Our Saskatchewan Registries division experiences moderate seasonality, primarily because Land Titles Registry revenue fluctuates in line with real estate transaction activity in Saskatchewan. Typically, the second and third quarters of the fiscal year generate higher revenue, as that is when real estate activity is traditionally highest.

Saskatchewan Land Registry

The Land Titles Registry issues titles to land and registers transactions affecting titles, including changes of ownership and the registration of interests in land, in Saskatchewan.

Revenue for the Land Titles Registry is earned through registration, search and maintenance fees. Registration fees are either flat or value-based, calculated as a percentage of the value of the land and/or property being registered.

We typically charge a flat fee per transaction for search and maintenance transactions. However, in certain instances, we may charge a negotiated fee for a customized search or maintenance transaction such as certain mineral certification or bulk data requests.

Because Land Titles Registry revenue comprises both residential and non-residential activity, mortgage rates and business lending rates may affect revenue. Changes in land values, provincial population and mortgage qualifying requirements also affect the housing market, which, in turn, influences changes of ownership and revenue.

Approximately 89 per cent of all Land Titles Registry registration transactions were submitted online in 2023.

Land Surveys registers land survey plans and creates a representation of Saskatchewan land parcels in the cadastral parcel mapping system. Revenue related to all Land Survey services is earned as a flat fee per transaction.

Geomatics manages geographic data related to the cadastral parcel mapping system, which is integrated with the Land Titles Registry and Land Surveys. Fees for Geomatics services are typically negotiated per transaction, based on the type and nature of services required.

Saskatchewan Personal Property Registry

The Personal Property Registry is a notice-based public registry in which security interests and certain other interests in personal property (property other than land, buildings and other property affixed to land) may be registered.

Customers are charged flat fees per transaction and the automated web-based system enables real-time completion of search and registration services as well as minimizes operational effort to deliver services.

General provincial economic drivers, including vehicle sales, interest rates and the strength of commercial activity across the province, influence revenue in the Personal Property Registry.

Customers complete almost all searches in the registry online. High online usage is stable, with minimal numbers of end-use consumers needing staff assistance to complete their transactions.

Saskatchewan Corporate Registry

The Corporate Registry is a province-wide system for the registration of business entities, including business corporations, non-profit corporations, co-operatives, sole proprietorships, partnerships and business names.

Unlike other registries, the Corporate Registry earns most of its revenue from maintenance services, including annual returns and changes to corporate articles, ownership or directorship.

Approximately 95 per cent of all registrations in the Corporate Registry were submitted online in 2023.

Ontario Property Tax Assessment Services

ISC also has an exclusive agreement with the Government of Ontario (the "OPTA Agreement") by which Ontario Property Tax Assessment Services provides online property tax analysis services to over 440 municipalities in Ontario, facilitating the management of property tax rates and distribution.

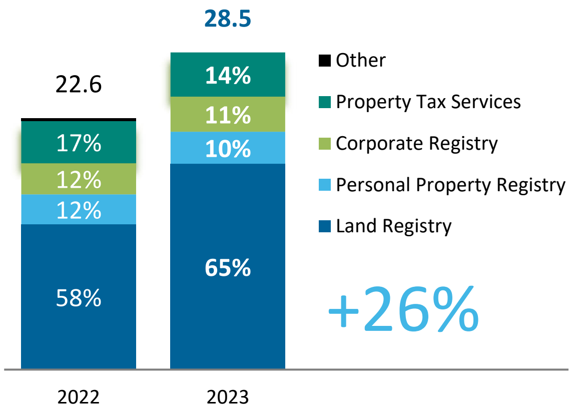
Reamined Systems Inc. ("Reamined"), which operates as the Ontario Property Tax Assessment Services division of Registry Operations, has provided these services to the Government of Ontario for over 25 years and, on a regular basis, has negotiated and typically renewed up to five-year agreements with the government. The current agreement expires in 2025. These services support critical applications of information used by municipalities to facilitate the annual determination of property taxes.

Total revenue for each year of the agreement is determined at the time of renewal and is paid monthly by the Government of Ontario to Ontario Property Tax Assessment Services. Should the government request any change orders during the term of the contract, the revenue from any order is based on the scope of work agreed to by the parties and is in addition to regular revenue. Ontario Property Tax Assessment Services does not experience seasonality, as revenue is spread evenly throughout the year under the agreement with the Government of Ontario.

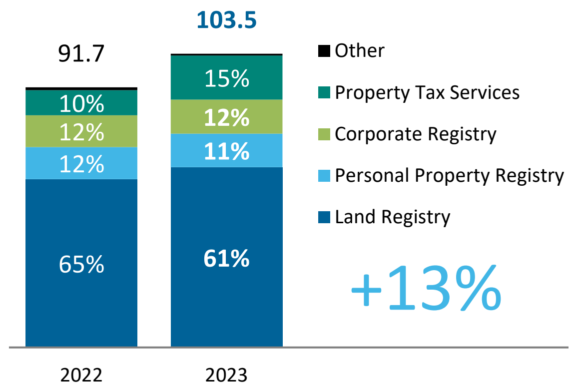
The majority of business is conducted online.

REGISTRY OPERATIONS REVENUE

Registry Operations revenue
for the three months ended December 31,
(CAD millions)



Registry Operations revenue
for the year ended December 31,
(CAD millions)



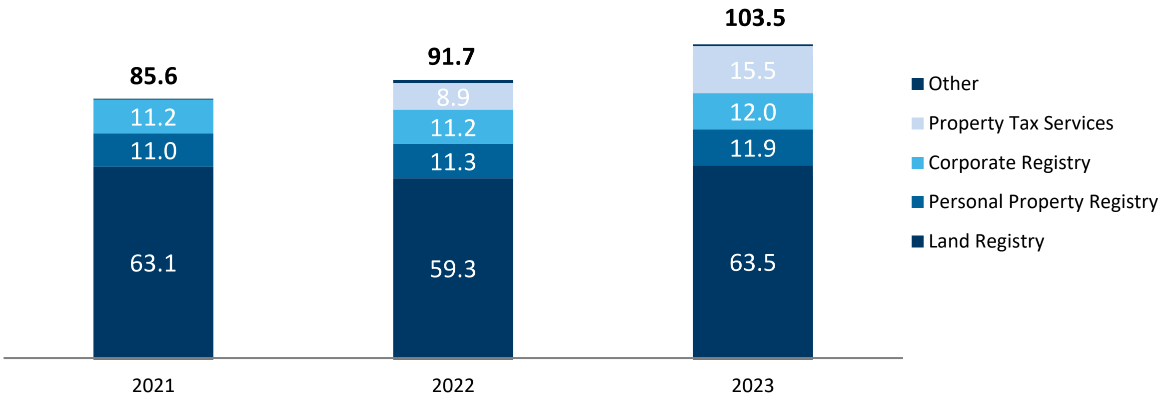
Note: Values may not add due to rounding.

(thousands of CAD)	Three Months Ended December 31, 2023	2022	Year Ended December 31, 2023	2022
Land Registry	**$ 18,501**	$ 13,062	**$ 63,525**	$ 59,310
Personal Property Registry	**2,885**	2,699	**11,879**	11,337
Corporate Registry	**3,163**	2,787	**11,979**	11,221
Property Tax Assessment Services	**3,970**	3,814	**15,545**	8,856
Other	**-**	243	**588**	997
Registry Operations revenue	**$ 28,519**	$ 22,605	**$ 103,516**	$ 91,721

Revenue for Registry Operations for the quarter was $28.5 million, up $5.9 million or 26 per cent compared to the fourth quarter of 2022. The primary reason for the increase is due to fee adjustments in the Saskatchewan Registries made in the third quarter pursuant to the Extension and as part of the annual review of registry fees related to Saskatchewan CPI which resulted in higher revenue in the Land Registry and Corporate Registry.

For the year, revenue was $103.5 million compared to $91.7 million in 2022, an increase of $11.8 million or 13 per cent. The increase was due to a full 12 months of revenue from Ontario Property Tax Assessment Services in the current year compared to seven months in the prior year and fee adjustments described above in the explanation for the quarter. The increase in Saskatchewan Registries revenue was partially offset by a reduction in Saskatchewan Land Registry transaction volume year-over-year due to reduced activity in the Saskatchewan real estate sector, particularly in the first half of the year, following the impact of successive interest rate increases by the Bank of Canada that commenced in the first quarter of 2022 and continued until mid-2023.

Registry Operations revenue
for the year ended December 31,
(CAD millions)



The top five customers for the Saskatchewan Registries made up 20 per cent of total division revenue in 2023. Of those customers, no single customer accounted for more than 10 per cent of total Saskatchewan Registries revenue. The Ontario Property Tax Assessment Services division earns its revenue from the Government of Ontario.

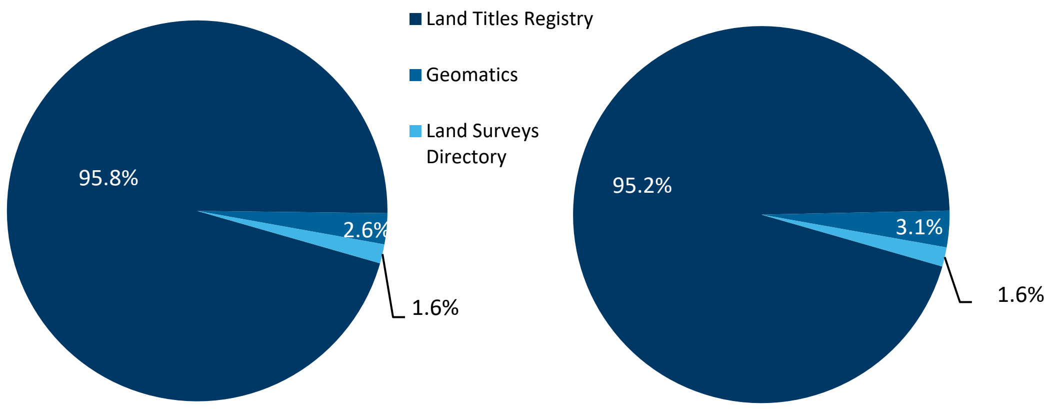
Saskatchewan Land Registry

For the fourth quarter of 2023, revenue for the Land Registry was $18.5 million, an increase of $5.4 million or 42 per cent compared to the same period in 2022. Fee adjustments implemented in the third quarter in relation to the Extension, as well as fee changes made as part of the annual review of registry fees related to Saskatchewan CPI, led to the increase in revenue. It should also be noted that Saskatchewan CPI for 2022 was 6.6 per cent, much higher than in recent years due to the impact of inflation.

Most of the revenue generated from the Land Registry is from the Land Titles Registry and is derived from value-based (ad valorem) fees. Land Titles Registry revenue for the fourth quarter was $17.9 million, increased by $5.5 million or 45 per cent compared to the fourth quarter in 2022. The growth was due to fee adjustments made in the third quarter of 2023.

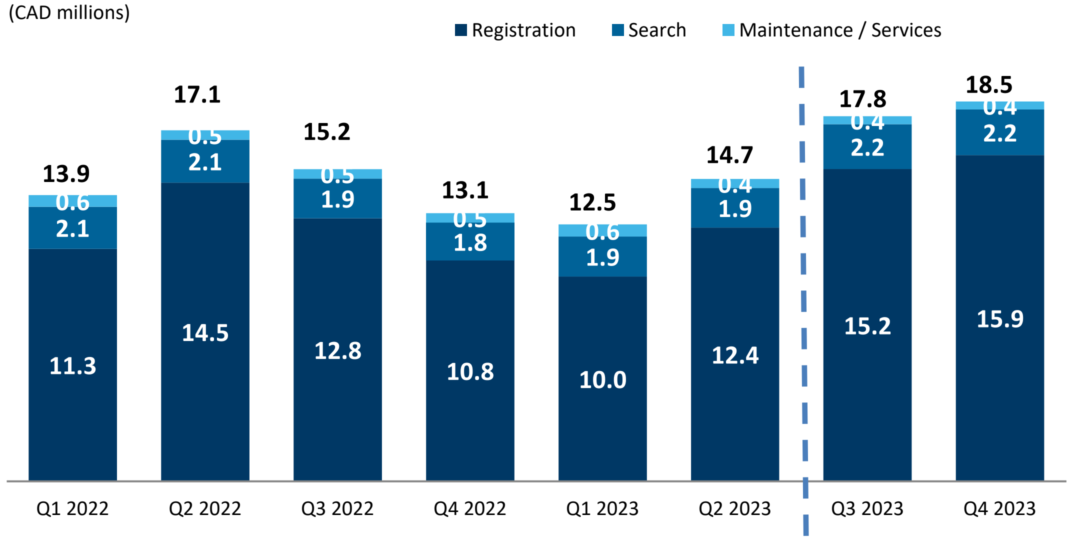
Saskatchewan Land Registry revenue for the year ended December 31, 2023

Saskatchewan Land Registry revenue for the year ended December 31, 2022



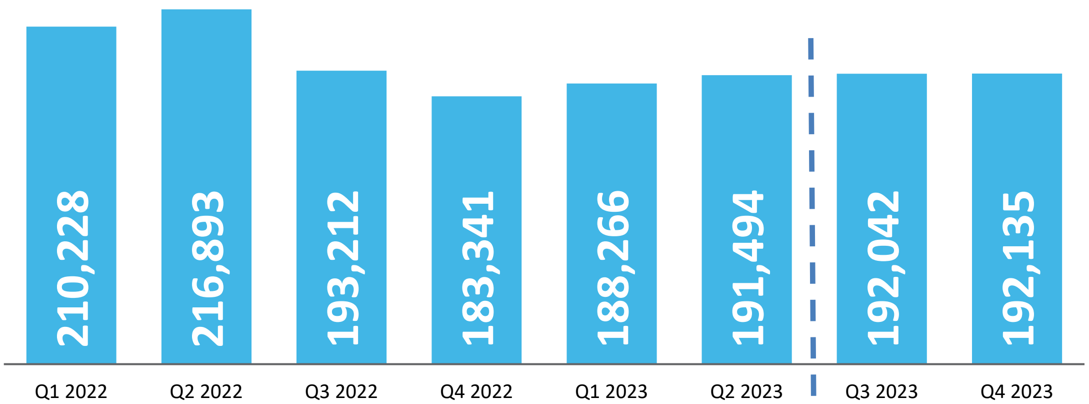
The following graphs show Land Registry revenue by type of transaction and overall transaction volume, respectively, for the last eight quarters. Typically, the second and third quarters generate the most revenue for the Land Registry. Fee adjustments made in relation to the Extension Agreement effective in July 2023, have temporarily impacted revenue seasonality in the short-term as we realize the first full year of these fee adjustments.

Saskatchewan Land Registry revenue by type
(CAD millions)



Note: The fee adjustments implemented in July 2023 positively impacted revenue for the third and fourth quarters of 2023. Therefore, results are not directly comparable to prior quarters' results for the reasons described throughout this section. Values may not add due to rounding.

Saskatchewan Land Registry transaction volume
(Number of transactions)



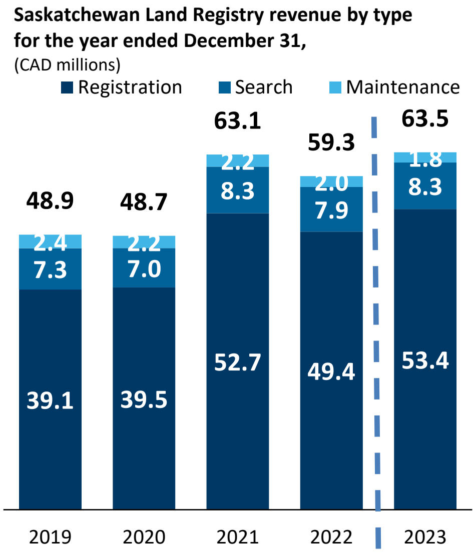
Note: The fee adjustments implemented in July of 2023 positively impacted volume for the third and fourth quarters of 2023 with the introduction of a new fee tied to mortgage discharge transactions. Therefore, results are not directly comparable to prior quarters' results for the reasons described throughout this section.

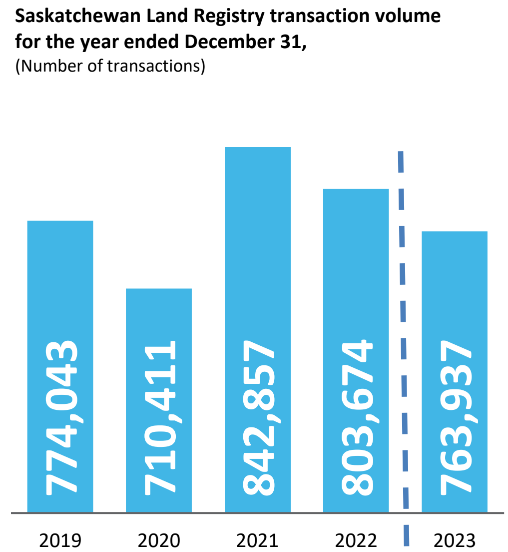
While transaction volume in the Land Titles Registry rose by 5 per cent for the fourth quarter of 2023 when compared to the same period in 2022, most of the growth is due to volume from the introduction of a mortgage discharge fee in July 2023 when fee adjustments related to the Extension Agreement were made. Excluding this transaction type, volume would have increased by 1 per cent during the quarter. Regular land transfers and mortgage registrations grew during the period, increasing by 9 per cent and 10 per cent, respectively, when compared to the fourth quarter of 2022. The current quarter saw a decline in the volume of title searches of 2 per cent. Title searches make up the largest portion of transaction volume at 69 per cent during the quarter.

For the year ended December 31, 2023, Land Registry revenue was $63.5 million compared to $59.3 million in 2022, an increase of $4.2 million or 7 per cent. Successive interest rate increases by the Bank of Canada from 2022 to mid-2023 led to lower year-over-year activity in the Saskatchewan real estate sector, which resulted in lower revenue during the first half of 2023 compared to the same period in 2022. The second half of 2023 saw volume stabilize compared to 2022 and revenue improve due to fee adjustments made in July.

Land Titles Registry revenue was $60.8 million for 2023, up 8 per cent compared to $56.5 million in 2022. This was due to fee adjustments made on July 29, 2023, despite lower volume, overall, during the year. Regular land transfers and mortgage registration volume ended the year lower, down 7 per cent and 10 per cent, respectively. Title search volume also ended the year lower, down 6 per cent. As a result, overall transaction volume declined 5 per cent when compared to 2022.

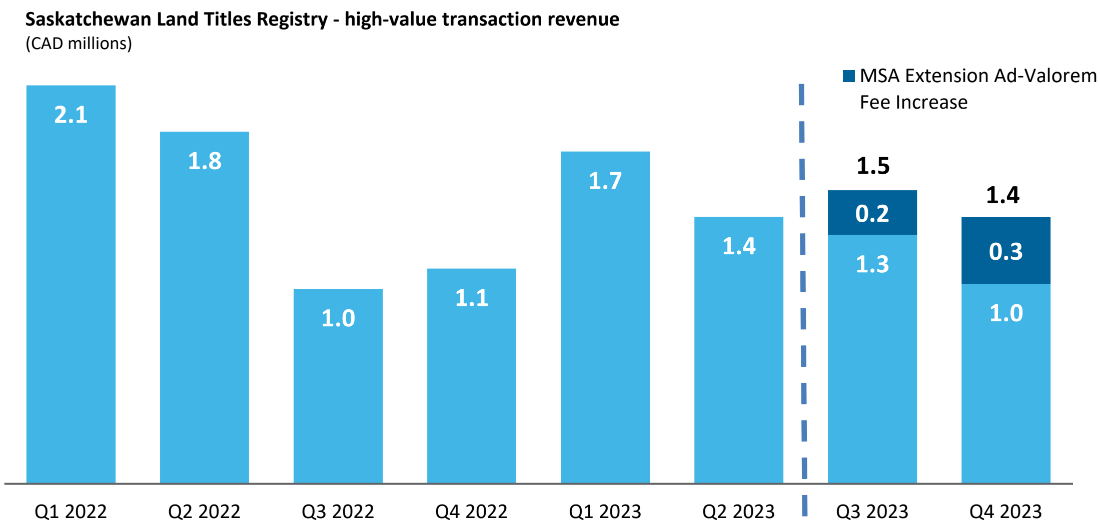
The following graphs present Land Registry results over the past five years to highlight historical trends. As noted above, the fee adjustments implemented in the third quarter have positively impacted current year revenue and volume.





Note: The fee adjustments implemented in July of 2023 positively impacted revenue and volume for 2023. Therefore, 2023 results are not directly comparable to prior years' results for the reasons described throughout this section. Values may not add due to rounding.

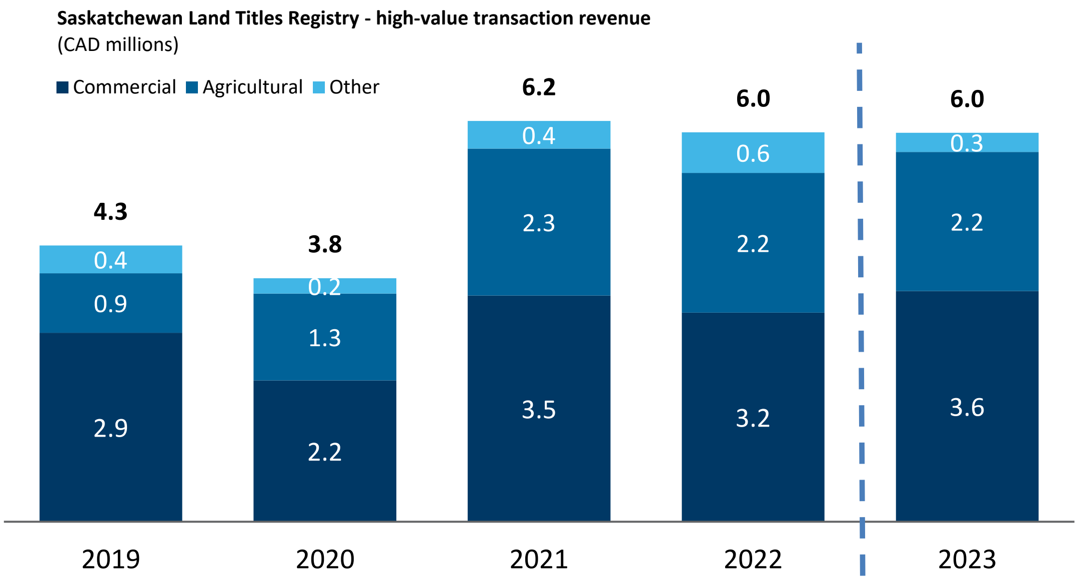
As a result of the increase to the ad-valorem fee (from 0.3 per cent to 0.4 per cent of the value of a land transfer) that was implemented on July 29, 2023, the revenue related to high-value transactions has increased. For comparative purposes, the graph below has been adjusted so that the impact of the additional revenue from the new ad-valorem rate is clear. The first six quarters in the graph below were prepared on the basis that a high-value transaction was a transaction that generated revenue of $10,000 (i.e., from a land value of $3.3 million or more). The light blue bar for the third and fourth quarters of 2023 were prepared using all transactions with a land value of $3.3 million or more at the previous ad-valorem rate of 0.3 per cent (for comparison), while the dark blue bar shows the additional revenue generated at the new ad-valorem rate of 0.4 per cent.



Note: Values may not add due to rounding.

High-value property registration revenue for the fourth quarter of 2023 was $1.4 million, an increase of $0.3 million compared to $1.1 million in the fourth quarter of 2022. This growth is due to the increase in the ad valorem fee that took effect in July, 2023. Had the ad-valorem rate remained at 0.3 per cent, high-value transactions revenue in the fourth quarter of 2023 would have been $1.0 million, as illustrated in the graph above which shows the last 8 quarters of high-value transaction revenue.

High-value property registration revenue was $6.0 million in 2023, consistent with 2022. The first half of 2023 experienced lower revenue from these transactions, while the second half of the year saw higher revenue due to the fee adjustments implemented in July. The following graph presents the split of high-value transactions over the past five years between commercial, agricultural and other.



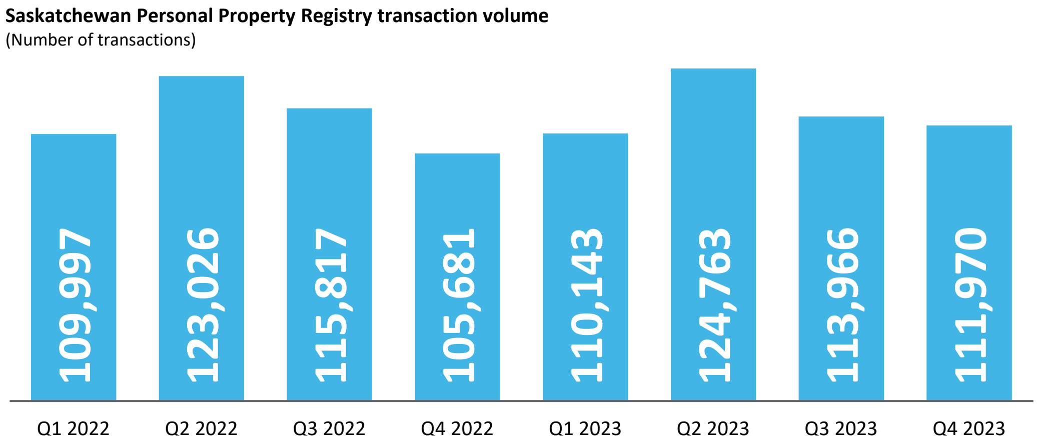
Note: The fee adjustments implemented in July of 2023 positively impacted revenue for 2023. Therefore, 2023 results are not directly comparable to prior years' results for the reasons described throughout this section. Values may not add due to rounding.

The main customers of the Land Registry include law firms, financial institutions, governments, surveyors, developers and resource companies as well as the general public. For 2023, the top 20 Land Registry customers comprised 40 per cent of revenue and the top 100 Land Registry customers represented 79 per cent of revenue.

Saskatchewan Personal Property Registry

For the fourth quarter of 2023, revenue for the Personal Property Registry was $2.9 million, consistent with the same quarter in 2022. Overall volume was up 6 per cent during the period when compared to the same period of 2022. Registration, search and maintenance volume rose by 6 per cent, 6 per cent and 3 per cent, respectively, compared to the same period in 2022.

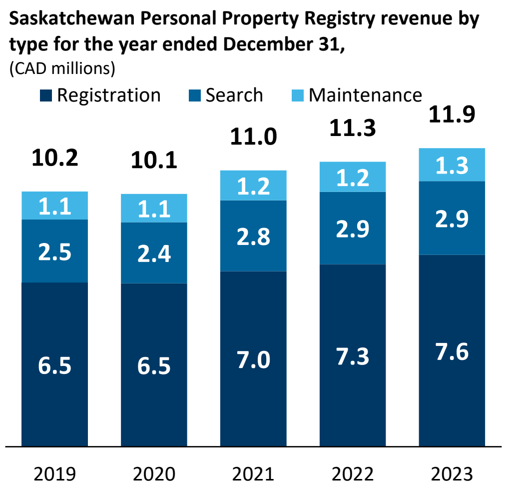
The following graph shows the transaction volume for the Personal Property Registry by quarter.

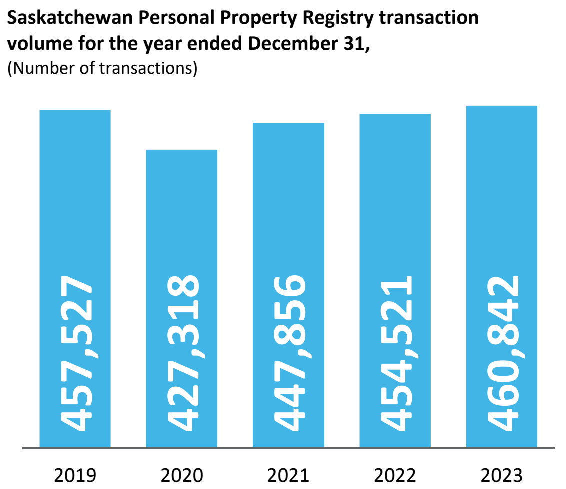


Full year revenue for the Personal Property Registry was $11.9 million in 2023, an increase of $0.5 million or 5 per cent compared to 2022. Registration, search and maintenance revenue rose by 5 per cent, 2 per cent and 9 per cent, respectively. Fee adjustments made in July 2022 resulted in a higher revenue growth rate than volume growth during the first half of 2023, which was the main driver of the revenue increase year-over-year.

Overall volume for 2023 was consistent with 2022. Search volume, which represented 63 per cent of the volume for the registry this year, rose by 2 per cent. Registration and maintenance volume were consistent with the prior year.

The following graphs present Personal Property Registry revenue and transaction volume to show trends over the past five years.





Note: Values may not add due to rounding.

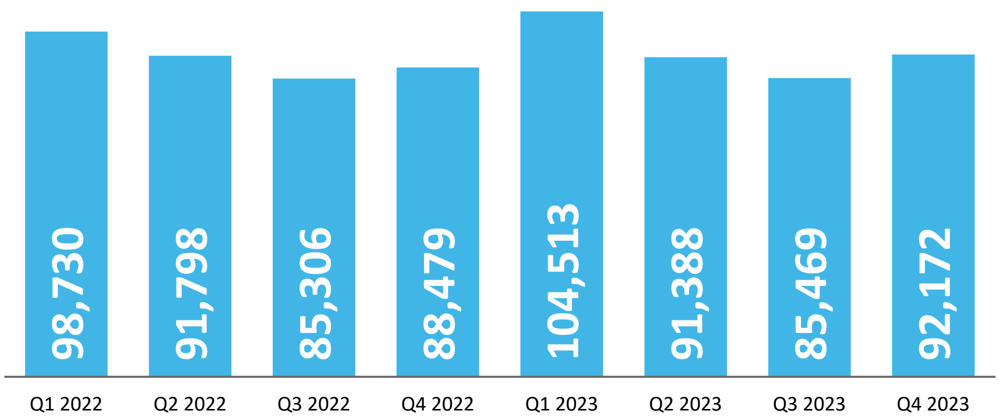
Customers of the Personal Property Registry are primarily in the financial sector but also include law firms. The top 20 Personal Property Registry customers encompassed about 85 per cent of the revenue in 2023, while the top 100 yielded 95 per cent of the revenue.

Saskatchewan Corporate Registry

Revenue for the Corporate Registry for the fourth quarter of 2023 was $3.2 million, an increase of 13 per cent, or $0.4 million, compared to the same period in 2022. Search revenue grew by 61 per cent mainly due to Saskatchewan CPI fee adjustments which came into effect in July 2023. Registration revenue grew by 15 per cent as a result of higher levels of new entity creation in the registry, while maintenance rose by 3 per cent.

The following graph shows transaction volume for the Corporate Registry by quarter.

Saskatchewan Corporate Registry transaction volume
(Number of transactions)



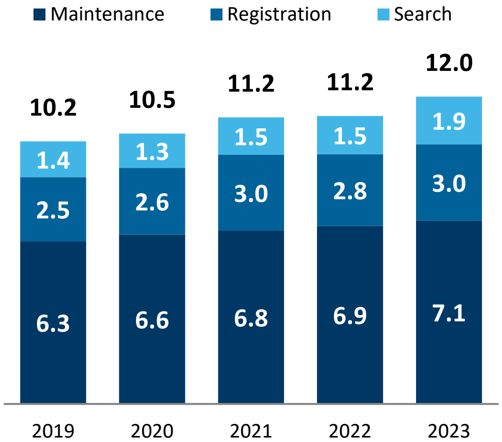
Transaction volume for the fourth quarter of 2023 grew by 4 per cent when compared to the same period of 2022. Search transactions, which are the largest component of volume and accounted for 63 per cent of overall volume during the quarter, rose by 4 per cent. Registration volume increased by 12 per cent while maintenance volume remained consistent with the same period in 2022.

For the full year, revenue for the Corporate Registry was $12.0 million, an increase of $0.8 million, or 7 per cent, compared with 2022. During 2023, registration revenue rose by 6 per cent when compared to 2022. Search revenue grew by 25 per cent due to CPI pricing increases which came into effect on July 29, 2023. Maintenance revenue, the largest of the three revenue streams, increased by 3 per cent during the year when compared to 2022.

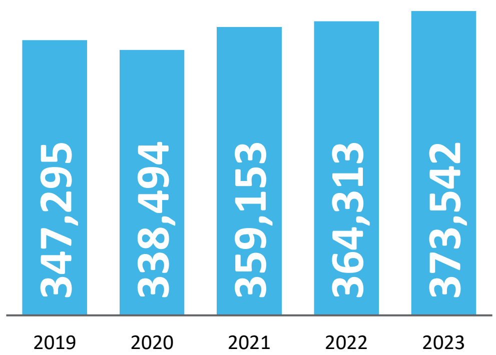
Annual transaction volume for 2023 rose by 3 per cent compared to 2022. Registration volume grew by 5 per cent as a result of higher levels of new entity creation in the registry during the year. Search volume grew at 3 per cent while maintenance volume remained flat when compared to the prior year.

The following graphs present Corporate Registry revenue and transaction volume over the past five years illustrating further trends.

Saskatchewan Corporate Registry revenue by type for the year ended December 31,
(CAD millions)



Saskatchewan Corporate Registry transaction volume for the year ended December 31,
(Number of transactions)



Note: Values may not add due to rounding.

For the Corporate Registry, customers include law firms and companies in the financial sector, as well as the Government of Saskatchewan. They also include corporations, non-profit corporations, co-operatives and sole proprietorships that are, were or will be registered in the Corporate Registry. The top 20 Corporate Registry customers produced 34 per cent of revenue in 2023 and the top 100 customers accounted for 52 per cent of revenue for the year.

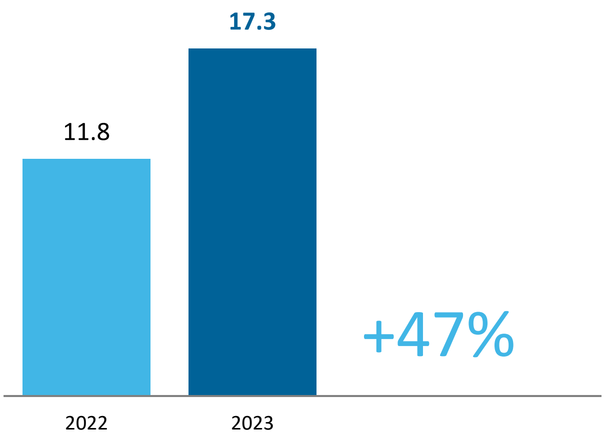
Ontario Property Tax Assessment Services

Revenue for the Ontario Property Tax Assessment Services division in the fourth quarter of 2023 was $4.0 million, an increase of 4 per cent compared to $3.8 million in the same quarter last year. Total revenue for each year of the agreement with the Government of Ontario is determined at the time of renewal and is paid monthly. Should the Government of Ontario request any change orders during the term of the contract, the revenue from any change order is based on the scope of work agreed to by the parties and is in addition to regular revenue.

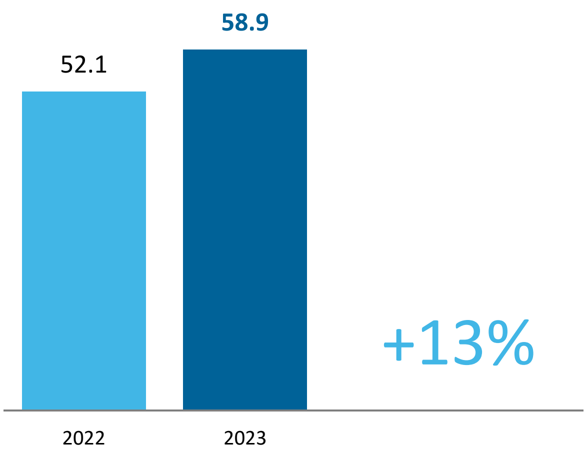
Ontario Property Tax Assessment Services revenue for the year ended December 31, 2023, was $15.5 million, $6.7 million higher than the $8.9 million realized in 2022, as a result of a full year of revenue during the current year when compared to seven months in the prior year.

REGISTRY OPERATIONS EXPENSES, EBITDA AND ADJUSTED EBITDA

Registry Operations adjusted EBITDA
for the three months ended December 31,
(CAD millions)



Registry Operations adjusted EBITDA
for the year ended December 31,
(CAD millions)



(thousands of CAD)	Three Months Ended December 31, **2023**	2022	Year Ended December 31, **2023**	2022
Revenue	**$ 28,519**	$ 22,605	**$ 103,516**	$ 91,721
Total expenses[1]	**12,782**	12,346	**48,236**	40,828
EBITDA	**$ 15,737**	$ 10,259	**$ 55,280**	$ 50,893
Adjustments[2]	**1,590**	1,555	**3,644**	1,166
Adjusted EBITDA	**$ 17,327**	$ 11,814	**$ 58,924**	$ 52,059

[1] *Total expenses exclude interest, taxes, depreciation and amortization.*
[2] *As shown in Section 2.5 "Consolidated EBITDA and adjusted EBITDA", adjusted EBITDA adjustments are comprised of share-based compensation and acquisition, integration and other costs applicable to each segment.*

Adjusted EBITDA for Registry Operations for the fourth quarter was $17.3 million, up 47 per cent compared to the same period last year. The increase was largely due to the fee adjustments made in July 2023, pursuant to the Extension Agreement and as part of the annual fee adjustments made based on Saskatchewan CPI. Overall expenses, which include expenses related to registry enhancements, remained relatively constant for the quarter compared to the prior year quarter. The increase in Registry Operations adjusted EBITDA margin during the quarter compared to the prior period was largely driven by the $5.4 million increase in Land Registry revenue due to fee adjustments described above with volume remaining largely consistent with the prior year.

Year-over-year, adjusted EBITDA was $58.9 million, an increase of $6.9 million, or 13 per cent. This was driven by the fee adjustments discussed above combined with a full year of revenue from Ontario Property Tax Assessment Services compared to seven months in the prior year. Offsetting this was a reduction in Saskatchewan Land Registry transactions year-over-year due to reduced activity in the Saskatchewan real estate sector, particularly in the first half of the year, following the impact of successive interest rate increases by the Bank of Canada that commenced in the first quarter of 2022 and continued until mid-2023. Expenses for the full year included expenses related to registry enhancements for the Saskatchewan Registries, which are expected to continue into 2024, as well as a full year of expenses from Ontario Property Tax Assessment Services compared to seven months in the prior year.

3.2 Services

Services delivers solutions uniting public records data, customer authentication, corporate services, collateral management, asset recovery and accounts receivable management to support registration, due diligence and lending practices across Canada.

Our offerings are generally categorized into three divisions: Corporate Solutions, Regulatory Solutions and Recovery Solutions. The table below sets out the various offerings provided by the Services segment.

Division	Offering	Products
Corporate Solutions	Incorporation Services	Nationwide Business Name Registration and Renewals Security Filings and Registrations
	Corporate Supplies	Minute Books Seals and Stamps Corporate Legal Packages
Regulatory Solutions	Know-Your-Customer ("KYC") and Due Diligence	Individual Identification Legal Entity Validation Beneficial Ownership Validation Account Onboarding Services US and International Corporate Entity Validation Corporate Profile or Business Name Searches NUANS®[1] Searches Real Estate Searches Vital Statistics Searches
	Collateral Management	PPSA[2]/RDPRM[3] Search and Registrations *Bank Act* Filing Notice of Security Interest (Fixture) Registrations Land Searches US UCC[4] Search and Filings
Recovery Solutions	Asset Recovery	Fully managed service across Canada Identification, retrieval and disposition of movable assets
	Accounts Receivable Management	Early-stage collection activities Late-stage collection activities

Competition

Our competitors vary by market and geography. They primarily include other intermediaries and suppliers to lenders and legal professionals.

Corporate Solutions

Corporate Solutions captures revenue from nationwide search, business name registration and corporate filing services sold primarily to legal professionals or to the general public directly or indirectly through our government relationships. It further derives revenue from our corporate supplies business where our customers include legal professionals and the general public.

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1 *A NUANS® report is a search that provides a comprehensive comparison of proposed corporate, business or trademark names with existing names already in use by other businesses and corporations. NUANS® name reports reserve the proposed name for 90 days, providing the time necessary to prepare and file incorporations, extra-provincial registrations, amalgamations or other relevant corporate filings.*

2 *Personal Property Security Act.*

3 *Registre des Droits Personnels et Réels Mobiliers (translated as Register of Personal and Real Movable Rights).*

4 *Uniform Commercial Code.*

Incorporation Services

- Corporate Solutions provides a convenient, cost-effective method to incorporate businesses online or through our staff-assisted process. Leveraging our online technology platforms, Corporate Solutions services legal customers and the general public through a team of experienced law clerks in Ontario and Quebec.
- The Company has historically held one of the two exclusive licences, which has allowed us to access the Ontario Corporate Registry electronically on behalf of customers. Ontario has been transitioning to a new licensing model and launched the first phase of its new public portal in October 2021 and subsequently took steps to further open this portal in the first quarter of 2023. During the third quarter of 2023, an extension to the contract with the Government of Ontario that retains our preferential access rights was renegotiated. We believe that our strong customer service supported by the industry-leading *Registry Complete* platform will allow us to differentiate our service from the public portal. The Company also has non-exclusive licences to do the same in all other provincial and federal (Corporations Canada) corporate registries across Canada.
- In addition to incorporations, various other corporate filings are often required to operate a business. These include amendments to a company's governing articles, amalgamations, the continuance of a company, a change in registered address or changes to a board of directors. Corporate Solutions also provides online and real-time NUANS® and business name searches, registered agents of service and corporate document preparation to assist in the organization and maintenance of a business.

Corporate Supplies

- Corporate Solutions provides a comprehensive array of corporate supplies to help companies organize and maintain their corporate legal documents. This is primarily offered through the most common corporate supplies in packaged or individual formats, including customized corporate minute books, corporate seals/embossers, bylaws and share certificates, as well as a large variety of rubber and self-inking stamps.

Regulatory Solutions

Regulatory Solutions captures revenue from our KYC, collateral management and general due diligence service offerings. The Company uses its proprietary platform to assist customers with intuitive business rules and advanced automation to deliver regulatory services to support their credit/banking and legal processes. Public registry data is leveraged to provide insights and improved customer experience through a single technology. Our technology is supplemented with deep subject-matter knowledge offered through our legal professionals in three locations (Montreal, Que.; Toronto, Ont.; and Vernon, B.C.).

Our technology platform, *Registry Complete,* is a unified and streamlined platform that enables our customers to search and register with various ministries across Canada in a secure cloud-based environment. This enhanced service allows our customers to take advantage of expanded Application Programming Interface ("API") service offerings, improved tools, faster turnaround and a greater array of services in the pursuit of exceptional and expedient due diligence checks and customer service. It also addresses key operational gaps in the modern legal and financial industries landscape.

Our customer base includes both legal and non-legal customers, such as financial institutions and auto and equipment finance companies.

Know-Your-Customer ("KYC") and Due Diligence

- Regulatory Solutions supports legal and financial institutions' due diligence activities for compliance purposes through the KYC verification (corporate and individual), public records search and registration services across Canada. Customers can obtain numerous reports and intelligence to verify and authenticate customer data to comply with internal customer onboarding policies mandated by FINTRAC[1]/Anti-Money Laundering regulations. Using a web-based tool and associated APIs that provide real-time access to validate and verify an

[1] Financial Transactions and Reports Analysis Centre of Canada.

individual's or a business' existence, our KYC service aggregates information from multiple trusted sources to provide reliable and accurate identification of an individual and/or a business and its principals.

- Our public records search offerings include corporate profiles, business name searches, NUANS®, PPSA searches, security searches and real estate searches.
- Due diligence is an essential component of most merger and acquisition and financing transactions, where searches are performed to obtain a complete understanding of all legal obligations associated with a person or business. During a due diligence undertaking, law firms, lenders and/or other professional advisors will often order a series of public records searches to verify third-party information. These searches are commonly referred to as security (or securities) searches.
- Regulatory Solutions provides security searches that can be conducted against an individual, business or corporation, property and assets across the country. Searches will reveal both present and historical information relating to debts and liabilities, pending and potential lawsuits, bankruptcy, liens, judgments and sales of assets across Canada.
- Regulatory Solutions also provides account onboarding services and customer care.

Collateral Management

- To ensure or to perfect a security interest against the personal property of a debtor, secured parties need to register in the statutory registry under applicable personal property legislation. Registering provides the secured party with statutory protection and priority against other parties with competing security interests against the applicable movable collateral. Once a secured party has been paid out, or the security against the debtor is otherwise terminated, registrations (or liens) are then discharged and removed from the applicable security registry.
- Regulatory Solutions services the adjudication and completes the loan fulfilment process, which involves detailed searches and registrations to be completed to perfect the security interest. The Company has invested in technology, processes and innovation to ensure customer and industry digitization strategies are supported. This allows us to offer a complete lien registry solution that reaches further than the traditional registry submission services and includes PPSA/RDPRM searches and management, fixture filings, garage/repair liens and US UCC filings.

Recovery Solutions

Recovery Solutions offers fully managed asset recovery accompanied by accounts receivable management services to our customers. Recovery Solutions allows us to provide our customers with a full service offering across the credit life cycle from origination to recovery. By connecting the registrations from our other offerings to our Recovery Solutions services, we provide our customers with a seamless recovery process.

Our customers include most of the major banks as well as credit unions and other creditors.

Asset Recovery

- Recovery Solutions offers a fully-managed service across Canada, which aids in facilitating and co-ordinating asset recovery on behalf of our customers. Asset recovery involves identification, retrieval and disposal of movable assets such as automobiles, boats, recreational vehicles and other forms of portable physical assets used as collateral security for primarily consumer-focused credit transactions.
- Our customers enjoy a complete turnkey solution where our team manages every step in the asset recovery process, including co-ordinating bailiffs, investigators and auctions. Our process also allows us to increase recoveries through our superior supply chain management experience.

Accounts Receivable Management

- As a licenced collections agency, the Company performs recovery services related to past due accounts in both a first-party capacity representing our customers, and a third-party collections capacity.

- Our customers receive a complete collections solution where they can assign overdue accounts at any stage in the default process to be pursued in a manner that is respectful to all parties.

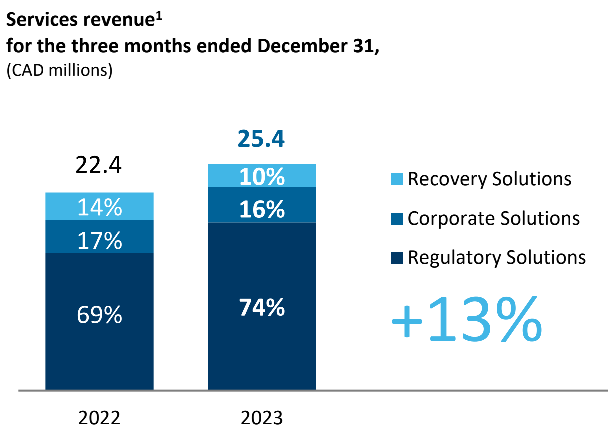
Revenue

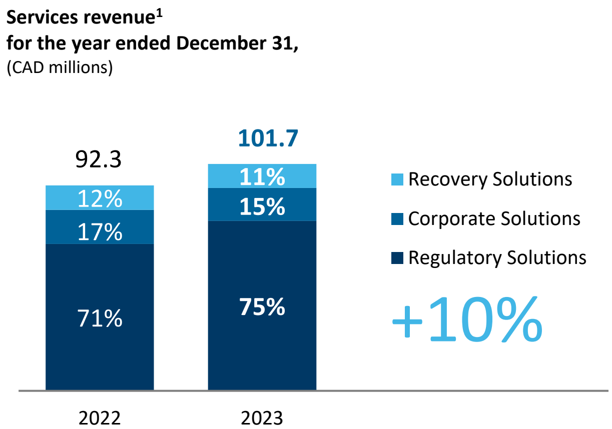
Revenue is earned through transaction fees for search and registration services provided through incorporation, KYC, public records and due diligence, and collateral management services. All government fees associated with the service are either embedded in the transaction or management service fee or charged in addition. Additional revenue is earned in Recovery Solutions through management fees and commissions earned by the provision of asset recovery and accounts receivable management services. Corporate supplies are charged a per-unit fee in the same manner as a retail transaction product.

Key drivers for our revenue include increased regulatory and compliance requirements; the growing trend towards outsourcing business processes and services to realize cost savings and focus on core business activities; economic activity that can affect credit lending, mergers, acquisitions, incorporations and various new business start-up activities; and economic conditions impacting consumer behaviour, which can affect the financing or default of new and used movable property in our collateral management and asset recovery business.

Our revenue in Corporate Solutions and Regulatory Solutions is reasonably diversified and has little seasonality; instead, it fluctuates in line with general economic drivers. In particular, our collateral management services experience seasonality aligned to vehicle and equipment financing cycles, which are generally more robust in the second and fourth quarters. Recovery Solutions does not have specific seasonality but is counter-cyclical to our other business in that it can perform better in poor economic conditions.

SERVICES REVENUE





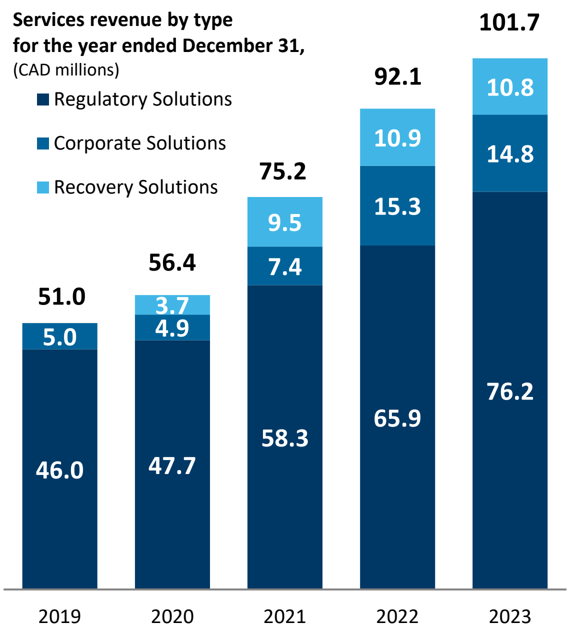
[1] *Related Party and other revenue not displayed in graph. Values may not add due to rounding.*

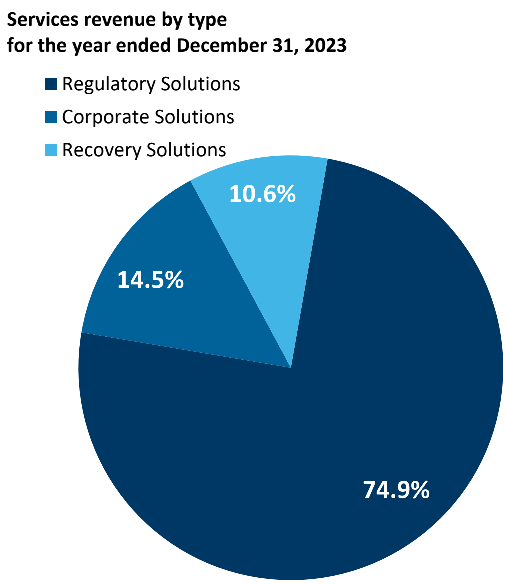
	Three Months Ended December 31,		Year ended December 31,	
(thousands of CAD)	**2023**	2022	**2023**	2022
Regulatory Solutions	**$ 18,850**	$ 15,410	**$ 76,166**	$ 65,863
Recovery Solutions	**2,567**	3,061	**10,791**	10,923
Corporate Solutions	**3,951**	3,725	**14,755**	15,275
Related Party and other	**-**	245	**-**	245
Services revenue	**$ 25,368**	$ 22,441	**$ 101,712**	$ 92,306

Revenue for Services was $25.4 million for the fourth quarter of 2023, an increase of 13 per cent, or $2.9 million compared to the same period in 2022. Growth was driven by continued customer and transaction growth in Regulatory Solutions, where financial institutions and equipment and auto finance customers continued to enhance due diligence processes in an environment of higher interest rates and increased regulatory oversight.

Revenue on a year-over-year basis increased by 10 per cent or $9.4 million due to customer and transaction growth in Regulatory Solutions.

The following graph demonstrates the growth in Services revenue over the past five years, representing a cumulative annual growth rate of 19 per cent. These revenue increases are the result of new customer onboarding, the addition of value-added services and transaction growth combined with the acquisition of various value add businesses.





Note: Related Party and other revenue not displayed in the graphs. Values may not add due to rounding.

Regulatory Solutions

Revenue in Regulatory Solutions for the fourth quarter of 2023 was $18.9 million, an increase of $3.4 million or 22 per cent compared to the same period in 2022. The increase in revenue was a direct result of customer and transaction growth where financial institutions and equipment and auto finance customers continued to enhance due diligence in an environment of higher interest rates and increased regulatory oversight.

For the full year, revenue was $76.2 million, an increase of $10.3 million or 16 per cent compared to the same period in 2022. Annual revenue grew from 2022 for the same reasons described above for the fourth quarter.

Recovery Solutions

Revenue in Recovery Solutions for the fourth quarter of 2023 was $2.6 million, a decrease of $0.5 million or 16 per cent compared to the same prior year period. The decline during the quarter was due to a reduction in revenue per file in Asset Recovery as a result of a reduction in used vehicle prices from the highs seen in the prior year combined with reduced Accounts Receivable Management activity.

Revenue for 2023 was $10.8 million, which was consistent with 2022. Following successive interest rate increases by the Bank of Canada starting in 2022 to mid-2023, we have seen a reduction in used vehicle prices compared to the highs experienced during the COVID-19 pandemic, thereby reducing the revenue per file in Asset Recovery. During the year we saw an increase in individual Asset Recovery customer assignments which was offset by the loss of one customer who exited the retail auto finance business. We expect a continued increase in assignments in

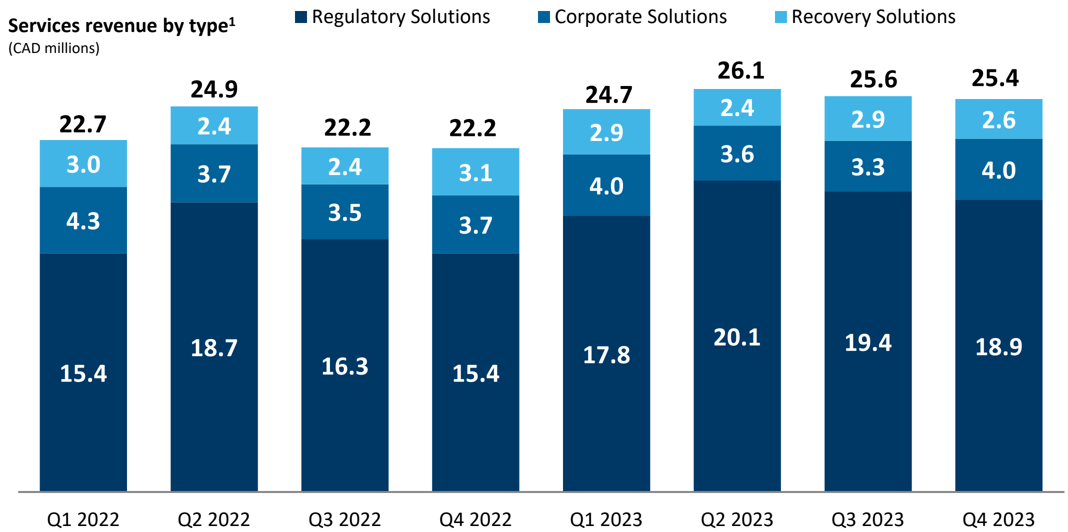
2024 from existing customers and by winning new customers.

Corporate Solutions

Corporate Solutions revenue for the quarter was $4.0 million, consistent with the fourth quarter of 2022.

Revenue for 2023 was $14.8 million, a decrease of $0.5 million or 3 per cent compared to 2022. This was due to an expected reduction in Ontario corporate filing transactions following further opening of the Ontario Business Registry in March 2023, partially offset by new customer onboarding during the year.

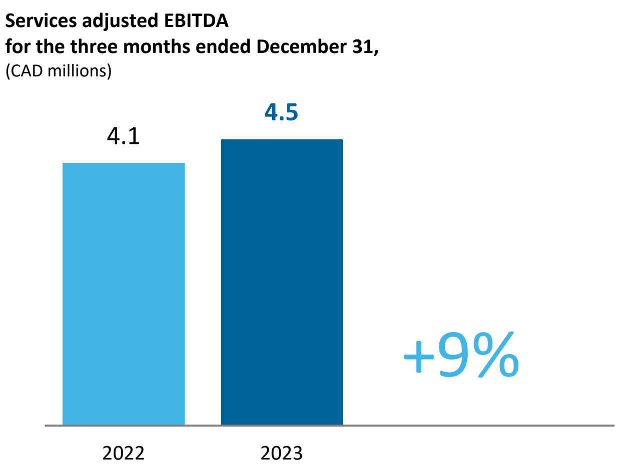
Our Services segment revenue by division is shown in the following graph.

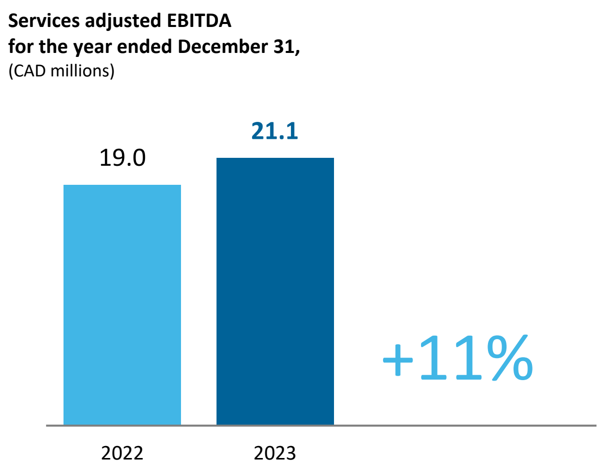


[1] *Related Party and other revenue not displayed in graph. Values may not add due to rounding.*

The top 20 Services customers for 2023 comprised almost 65 per cent of revenue, while the top 100 Services customers accounted for 82 per cent of revenue. No single customer accounted for more than 25 per cent of revenue.

SERVICES EXPENSES, EBITDA AND ADJUSTED EBITDA





(thousands of CAD)	Three Months Ended December 31, 2023	2022	Year Ended December 31, 2023	2022
Revenue	$ 25,368	$ 22,441	$ 101,712	$ 92,306
Total expenses[1]	20,880	18,458	80,669	73,711
EBITDA	$ 4,488	$ 3,983	$ 21,043	$ 18,595
Adjustments[2]	22	152	20	366
Adjusted EBITDA	$ 4,510	$ 4,135	$ 21,063	$ 18,961

[1] *Total expenses exclude interest, taxes, depreciation and amortization.*

[2] *As shown in Section 2.5 "Consolidated EBITDA and adjusted EBITDA", adjusted EBITDA adjustments are comprised of share-based compensation and acquisition, integration and other costs applicable to each segment.*

Adjusted EBITDA for Services was $4.5 million for the fourth quarter compared to $4.1 million for the same period last year. The increase was driven by continued customer and transaction growth in Regulatory Solutions, augmented by customers in the financial institution and auto finance sectors as they continued to enhance due diligence processes in an environment of higher interest rates and increased regulatory oversight. This increase was partially offset by an increase in the cost of goods sold related to the additional revenue and increased investment in technology.

For the year, Services adjusted EBITDA was $21.1 million compared to $19.0 million in the prior year, an increase of 11 per cent, due to customer and transaction growth in Regulatory Solutions partially offset by increased cost of goods sold related to this additional revenue and increased investment in technology. Other costs in Services remained stable when compared to the prior year.

3.3 Technology Solutions

Technology Solutions provides the development, delivery and support of registry (and related) technology solutions, generating revenue through the following:

- sale of software licences related to our technology platforms;
- provision of technology solution definition and implementation services; and
- provision of monthly hosting, support and maintenance services.

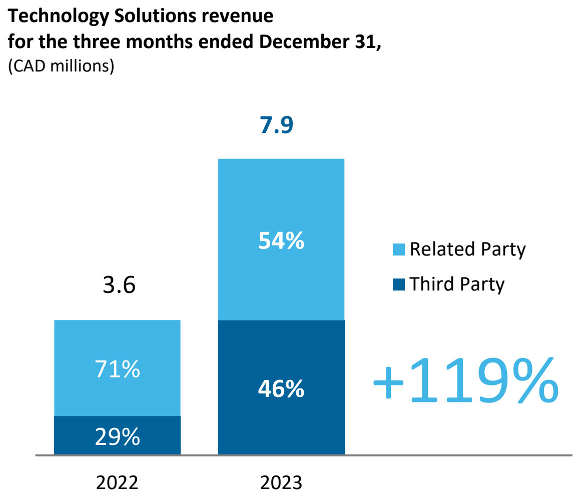
We offer RegSys — a complete registry solution that provides a readily transferable technology platform capable of serving a wide range of registry needs. RegSys is a multi-register platform that delivers the flexibility, scalability and features that enable public sector organizations to deliver enhanced services to businesses and citizens.

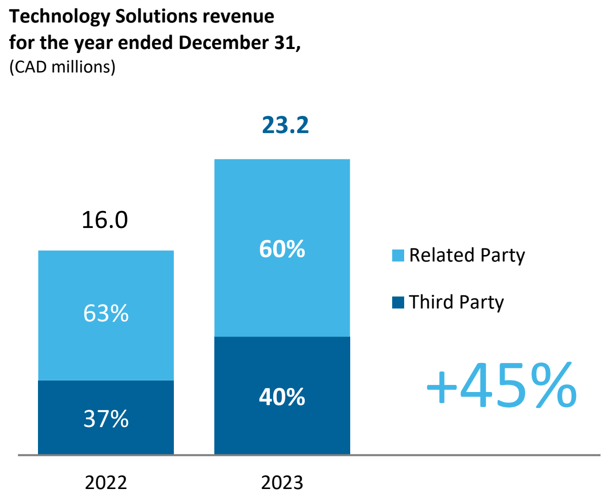
With a full suite of integrated modules that provide core functionality for submission, enforcement and inquiry processing, RegSys delivers solutions enabling the provision of core services to citizens in a user-friendly, efficient manner across multiple access points. The RegSys solution has also been used to manage other legal registers such as intellectual property, securities, licences, charities, UCC and pension schemes.

Competitors in this segment include other registry software providers that develop and provide software platforms to manage registries. On the technology services side, our competitors include all technology services organizations that provide application development, systems integration and/or application management services. This includes large multinationals or local niche players, both of which we can partner with to complement our offerings depending on the customer's needs.

Technology Solutions does not experience seasonality but does fluctuate due to the timing of project-related revenue.

TECHNOLOGY SOLUTIONS REVENUE



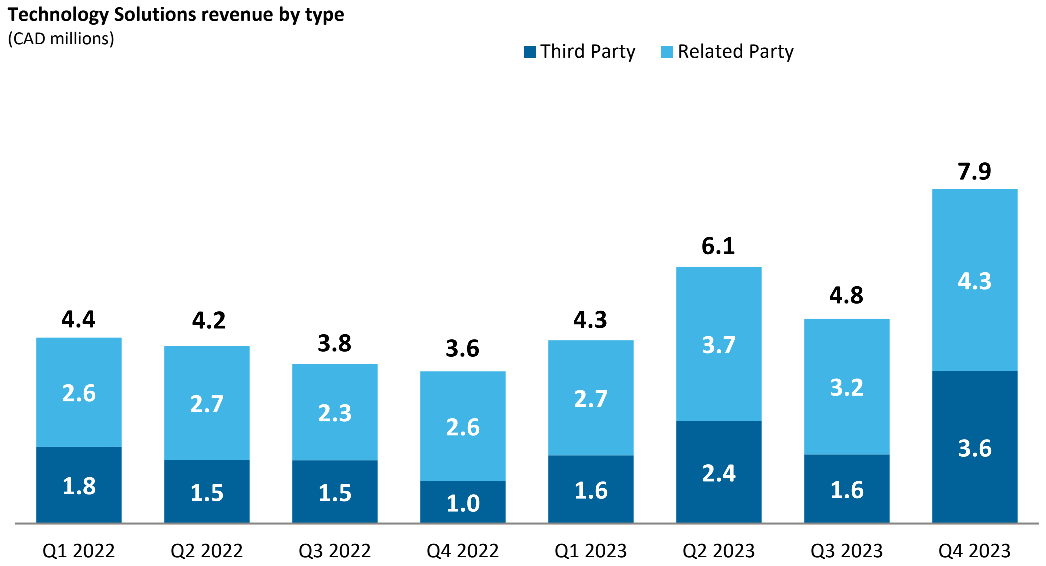


	Three Months Ended December 31,		Year Ended December 31,	
(thousands of CAD)	**2023**	2022	**2023**	2022
Third Party	**$ 3,604**	$ 1,047	**$ 9,268**	$ 5,849
Related Party	**4,312**	2,560	**13,906**	10,168
Technology Solutions revenue	**$ 7,916**	$ 3,607	**$ 23,174**	$ 16,017

Revenue in Technology Solutions was $7.9 million for the quarter, an increase of 119 per cent or $4.3 million compared to $3.6 million for the same period in 2022.

Third Party revenue for the quarter increased by $2.6 million compared to the fourth quarter of 2022. Project work continued on new contracts disclosed in the first quarter of 2023, including for the States of Guernsey and the Department of Registrar of Companies and Intellectual Property in Cyprus, accompanied by execution on other ongoing contracts.

Technology Solutions continued delivery of registry enhancements for the Saskatchewan Registries division in Registry Operations, in addition to support and development work for the rest of the organization. The segment is also continuing development of a registry solution to support operation of the International Registry of Interests in Rolling Stock (formerly referred to as the International Registry for Railway Rolling Stock) that will be operated by Regulis, currently reported under our Corporate segment. Related Party revenue in any quarter is dependent on resources used or consumed internally, particularly in Registry Operations. Our intent is to continue to service the needs of internal customers as efficiently and effectively as possible, including the provision of service through related-party resources; therefore, segment revenue may continue to fluctuate over time, particularly as we pursue additional Third Party revenue.

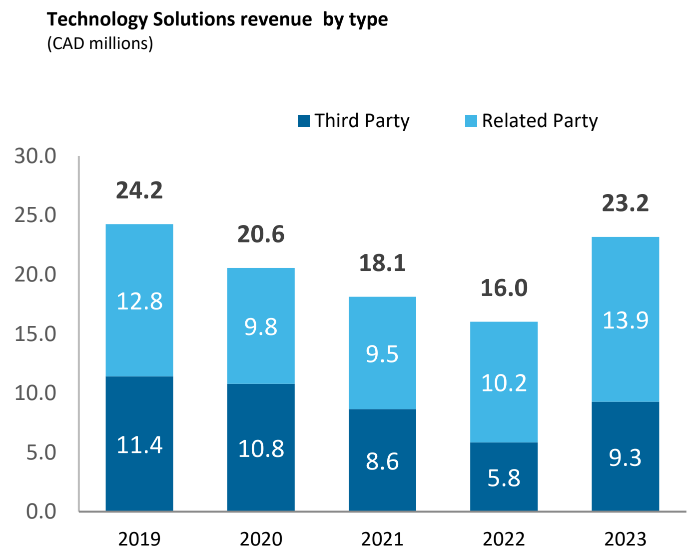


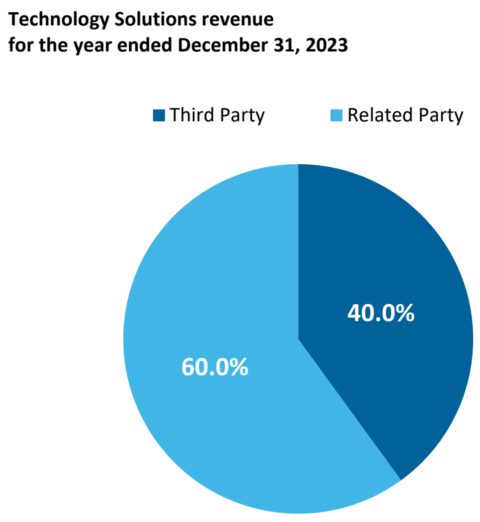
Revenue for the year was $23.2 million, an increase of $7.2 million or 45 per cent compared to 2022.

Third Party revenue for 2023 was $9.3 million compared to $5.8 million in 2022 due to continued progress with new contracts announced in 2023 and ongoing solution definition and implementation contracts. The solution definition and implementation revenue was supported by consistent hosting, support and maintenance revenue when compared to the prior year.

Related Party revenue for the year increased for the same reason as the quarter.

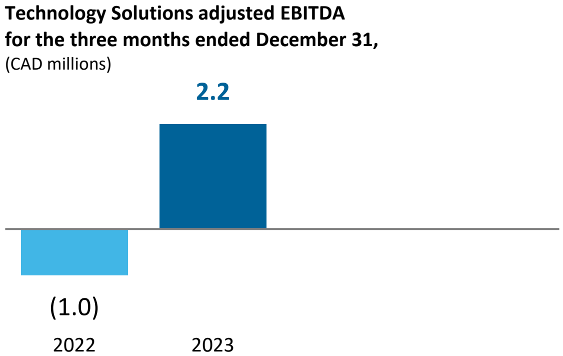
The following graph provides details on Technology Solutions revenue over the past five years. While Technology Solutions Third Party revenue was impacted by the COVID-19 pandemic through delays in active solution definition and implementation contracts as well as new projects coming to market, we began to see renewed interest in procurement activities for these projects in 2022. This translated into new wins announced early in 2023 and the recovery of Third Party revenue in 2023 overall.

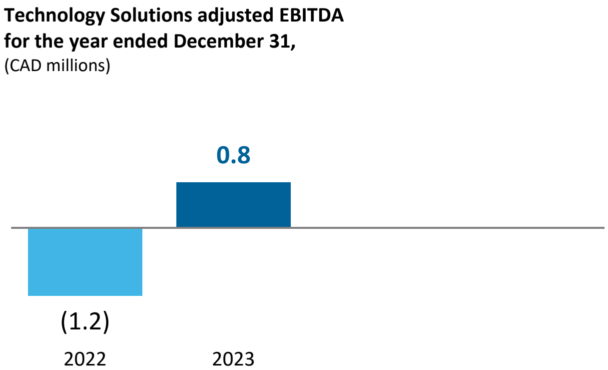




Note: Values may not add due to rounding.

TECHNOLOGY SOLUTIONS EXPENSES, EBITDA AND ADJUSTED EBITDA





(thousands of CAD)	Three Months Ended December 31, 2023	2022	Year Ended December 31, 2023	2022
Revenue	**$ 7,916**	$ 3,607	**$ 23,174**	$ 16,017
Total expenses[1]	**5,722**	4,807	**22,376**	17,397
EBITDA	**$ 2,194**	$ (1,200)	**$ 798**	$ (1,380)
Adjustments[2]	**30**	218	**28**	148
Adjusted EBITDA	**$ 2,224**	$ (982)	**$ 826**	$ (1,232)

[1] *Total expenses exclude interest, taxes, depreciation and amortization.*
[2] *As shown in Section 2.5 "Consolidated EBITDA and adjusted EBITDA", adjusted EBITDA adjustments are comprised of share-based compensation and acquisition, integration and other costs applicable to each segment.*

Adjusted EBITDA for Technology Solutions was $2.2 million for the quarter compared to a loss of $1.0 million in the fourth quarter of 2022 and $0.8 million for the year ended December 31, 2023, compared to a loss of $1.2 million for 2022. Progress continues to be made on new and continuing solution definition and implementation contracts combined with related-party projects, including registry enhancements for Registry Operations. The advancement of these contracts has led to increased revenue for both the quarter and year when compared to the same prior year periods. Growth in revenue has been partially offset by continued investments in people to deliver on solution definition and implementation contracts as well as related-party priorities as described above.

3.4 Corporate and other

Corporate and other includes expenses related to our corporate activities and shared services functions. The operations of Regulis are also currently reported in this segment. Eliminations of inter-segment revenue and costs are presented separately in the Financial Statements and therefore excluded below. Management believes this format provides a transparent representation of the Corporate and other activities.

Subsequent to the end of the fourth quarter, on March 8, 2024, Regulis launched the International Registry of Interests in Rolling Stock (formerly referred to as the International Registry for Railway Rolling Stock). Regulis holds a contract under the Luxembourg Rail Protocol of the Cape Town Convention, which provides the exclusive right and obligation to develop, deliver and operate the International Registry of Interests in Rolling Stock for a period of 10 years from the date the registry goes live. The launch of this new international registry aligns well with ISC's expertise in the development, management and operation of registry solutions.

On November 30, 2023, ISC announced that the Company, including its subsidiaries, achieved ISO/IEC 27001 certification. This certification, which defines requirements for an ISMS, reflects ISC's commitment to establishing, implementing, maintaining and continually improving an ISMS and ensuring a robust system for managing risks related to data security. Costs associated with obtaining this certification have been included within Corporate and other for 2023.

	Three Months Ended December 31,		Year Ended December 31,	
(thousands of CAD)	**2023**	2022	**2023**	2022
Third Party	**$ -**	$ 11	**$ 24**	$ 19
Related Party	**37**	36	**150**	145
Corporate and other revenue	**$ 37**	$ 47	**$ 174**	$ 164
Total expenses[1]	**(2,005)**	(2,281)	**(8,816)**	(7,342)
EBITDA	**$ (1,968)**	$ (2,234)	**$ (8,642)**	$ (7,178)
Adjustments[2]	**282**	788	**2,162**	1,780
Adjusted EBITDA	**$ (1,686)**	$ (1,446)	**$ (6,480)**	$ (5,398)

[1] *Total expenses exclude interest, taxes, depreciation and amortization.*

[2] *As shown in Section 2.5 "Consolidated EBITDA and adjusted EBITDA", adjusted EBITDA adjustments are comprised of share-based compensation and acquisition, integration and other costs applicable to each segment.*

Adjusted EBITDA for the three months ended December 31, 2023, was consistent with the prior year period. For the year, adjusted EBITDA decreased by $1.1 million due to an increase in corporate costs related to investments in people, technology including ISO/IEC 27001 and ISC's continued focus on growth initiatives.

4. Summary of Consolidated Quarterly Results

The following table sets out select results for the past eight quarters. Registry Operations experiences moderate seasonality, primarily because Saskatchewan Land Registry revenue fluctuates in line with real estate transaction activity in Saskatchewan. Typically, the second and third quarters of the fiscal year generate higher revenue, when real estate activity is traditionally highest. Fee adjustments made in July 2023 have temporarily impacted revenue seasonality in the short-term as we realize the first full year of these fee adjustments. Volume seasonality has also been impacted with the introduction of mortgage discharge fees starting in July. Ontario Property Tax Assessment Services revenue does not experience seasonality, as revenue is recognized evenly throughout the year under the agreement with the Government of Ontario.

In Services, revenue for our Corporate Solutions and Regulatory Solutions divisions is diversified and has little seasonality; instead, it fluctuates in line with general economic drivers. Some smaller categories of products or services can have some seasonal variation, increasing slightly during the second and fourth quarters. In particular, our collateral management services experience seasonality aligned with vehicle and equipment financing cycles, which are generally stronger in the second and fourth quarters. Our Recovery Solutions revenue also does not have specific seasonality, but is generally counter-cyclical to our other business, in that it can perform better in poor economic conditions.

Technology Solutions does not experience seasonality; however, this segment is impacted by the timing of procurement activities largely undertaken by governments around the world and the timing of revenue recognition related to the progress of work on solution definition and implementation contracts.

The balance of our corporate activities and shared services functions do not experience seasonality. Expenses are generally consistent from quarter to quarter but can fluctuate due to the timing of project-related or acquisition activities. As a result, our EBITDA and adjusted EBITDA margin fluctuates in line with the cumulative impact of the above factors.

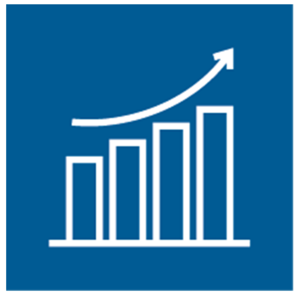
	2023				2022			
(thousands of CAD)	**Q4**	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue	**$ 57,491**	$ 54,610	$ 53,295	$ 49,124	$ 46,104	$ 48,768	$ 50,870	$ 44,153
Expenses	**43,683**	43,334	40,965	38,565	39,396	36,922	33,919	33,463
Net income before items noted below	**13,808**	11,276	12,330	10,559	6,708	11,846	16,951	10,690
Net finance expense	**(6,218)**	(5,171)	(889)	(905)	(1,038)	(1,038)	(666)	(435)
Income before tax	**7,590**	6,105	11,441	9,654	5,670	10,808	16,285	10,255
Income tax expense	**(1,876)**	(1,871)	(3,208)	(2,790)	(1,721)	(3,052)	(4,628)	(2,848)
Net income	**$ 5,714**	$ 4,234	$ 8,233	$ 6,864	$ 3,949	$ 7,756	$ 11,657	$ 7,407
Other comprehensive income (loss)	**104**	(27)	5	110	688	48	(310)	(448)
Total comprehensive income	**$ 5,818**	$ 4,207	$ 8,238	$ 6,974	$ 4,637	$ 7,804	$ 11,347	$ 6,959
EBITDA	**$ 20,451**	$ 16,900	$ 16,441	$ 14,687	$ 10,808	$ 15,829	$ 20,458	$ 13,835
Adjusted EBITDA	**21,317**	19,209	17,824	14,516	13,521	17,037	19,246	14,586
Adjusted net income	**9,848**	8,357	9,256	6,752	5,942	8,652	10,785	7,969
Free cash flow	**12,695**	11,978	10,713	10,054	6,282	10,149	14,430	10,069
Adjusted free cash flow	**13,975**	14,444	12,468	9,883	8,995	11,357	13,218	10,820
EBITDA margin	**35.6%**	30.9%	30.8%	29.9%	23.4%	32.5%	40.2%	31.3%
Adjusted EBITDA margin	**37.1%**	35.2%	33.4%	29.5%	29.3%	34.9%	37.8%	33.0%
Earnings per share, basic	**$ 0.32**	$ 0.24	$ 0.47	$ 0.39	$ 0.22	$ 0.44	$ 0.66	$ 0.42
Earnings per share, diluted	**$ 0.31**	$ 0.23	$ 0.46	$ 0.38	$ 0.22	$ 0.43	$ 0.65	$ 0.41

5. Business Strategy

The Company's strategy is influenced by a set of principles:

Long-term Orientation

Strategic focus on the sustainability of the business and the services we deliver



Growth

Strategically leverage the investments and achievements of 2023 while intensifying our focus on organic growth and continuing to execute on accretive M&A opportunities

Values and Differentiation

Strategically focus on service delivery quality - how we treat our customers and employees remains at the core.

Leveraging our proven approach for sustainable growth, underpinned by our strategic principles, the updated pillars of our growth strategy include:

(1) Organizational Excellence to Provide a Strong Foundation

- Deliver leading registry and regulatory services and solutions to customers through existing and new lines of business, ensuring an exceptional customer experience for those interacting with ISC's people and information.
- Deploy capital on M&A and internal investments to generate a return that exceeds our cost of capital and aligns with our long-term return on invested capital ("ROIC")[1] target.

(2) Organic Growth in Our Three Segments

- Accelerate our revenue growth while maintaining strong adjusted EBITDA margins.
- Registry Operations: Operates registries and provides related services on behalf of governments and other institutions.
- Services: Delivers value-add services to the financial and legal sectors, utilizing public data and records.
- Technology Solutions: Designs, implements, and supports registry and regulatory technology solutions.

(3) M&A and Partnerships as an Accelerant

- Deploy capital on M&A and internal investments to generate a return that exceeds our cost of capital and aligns with our long-term ROIC target.

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[1] *The Company does not provide ROIC guidance and will not be disclosing the ROIC targets. Disclosure of the ROIC targets would reveal sensitive information, including information relating to forecasted earnings and capital structure extending beyond a fiscal year.*

- Acquisitions will continue to play an important part in our growth strategy, enabled by our strong free cash flow generation and organizational capability.
- We look for companies that align with our customer needs, possess the right cultural fit, and have the ability to generate strong financial returns for ISC shareholders.

This will enable us to execute on our next phase of growth. Having doubled the size of ISC on a revenue and adjusted EBITDA basis over the last 10 years, our goal is to again double the size of the Company, on a similar metrics basis and based on 2023 results, but in half the time (5 years), through a combination of organic growth and M&A.

Our measures of success will be driven by a mix of:		
TARGET	Profitable Annual Revenue Growth	Customer and Employee Satisfaction
MEASURES	Measured by progress towards doubling within 5 years.	Measured by regular customer survey results and employee turnover.
HOW	• Significant organic revenue growth targets[2] • Supplemented with M&A and other growth acquisitions, targeting 1 to 2 transactions per year, ensuring the long-term returns exceed our cost of capital.	• Ensure an exceptional customer experience creating delighted customers and ISC ambassadors. • Advance a high-performance organization that people love working at.

We regularly review and if necessary, adjust our strategy to ensure that the Company remains well positioned in the long term, while being adaptable to near-term factors.

[2] *Such as shown through our 2024 revenue guidance.*

6. Financial and Capital Management

6.1 Cash flow

Our primary source of operating cash flow is generated from revenue related to the Registry Operations and Services segments. Our primary uses of these funds are operational expenses, capital and other growth-related expenditures, reduction of long-term debt and the payment of dividends.

Historically, ISC has financed operations and met capital and finance expenditure requirements through cash provided from operating activities. The Company has also used borrowings to supplement cash generated from operations to finance acquisition activities. The Company believes that internally-generated cash flow, supplemented by additional borrowings that may be available to us through our Credit Facility and Base Shelf Prospectus dated April 3, 2023, will be sufficient to meet cash requirements, capital expenditures, merger and acquisition activity and anticipated dividend payments (refer to Note 15 in the December 31, 2023 Financial Statements, which are available on our website at www.isc.ca and in the Company's profile on SEDAR+ at www.sedarplus.ca for our existing Credit Facility). In connection with the Extension Agreement, ISC entered into the Amended and Restated Credit Agreement with its syndicate of lenders discussed further in Section 6.3 "Debt".

Liquidity risk is managed based on financial forecasts and anticipated cash flow. The majority of cash is held with Canadian chartered banks and the risk of loss is believed to be minimal. As at December 31, 2023, the Company held $24.2 million in cash compared to $34.5 million as at December 31, 2022, a decrease of $10.3 million as the Company used excess cash to reduce its long-term debt.

The Company expects to be able to meet its cash requirements, including being able to settle current liabilities of $63.5 million (December 31, 2022 – $39.6 million) and meet any unanticipated cash requirements due to changes in working capital commitments. Such changes that would affect our liquidity may arise from, among other factors, general economic conditions and the failure of one or more customers to pay their obligations. Deficiencies arising from short-term working capital requirements and capital expenditures may be financed on a short-term basis with bank indebtedness or on a permanent basis with offerings of securities.

CONSOLIDATED FREE CASH FLOW AND ADJUSTED FREE CASH FLOW

(thousands of CAD)	Three Months Ended December 31, 2023	2022	Year Ended December 31, 2023	2022
Adjusted free cash flow	**$ 13,975**	$ 8,995	**$ 50,770**	$ 44,390
Add (subtract):				
Share-based compensation (expense)	**(307)**	(2,180)	**(283)**	(1,483)
Acquisition, integration and other costs	**(559)**	(533)	**(4,104)**	(1,977)
Registry enhancement capital expenditures	**(414)**	-	**(943)**	-
Free cash flow[1,2]	**$ 12,695**	$ 6,282	**$ 45,440**	$ 40,930
Add (subtract):				
Cash additions to property, plant and equipment	**144**	163	**394**	574
Cash additions to intangible assets[3]	**714**	157	**2,000**	890
Interest received	**(263)**	(269)	**(1,163)**	(463)
Interest paid	**3,840**	1,162	**8,533**	2,902
Interest paid on lease obligations	**123**	101	**400**	403
Principal repayment on lease obligations	**637**	600	**2,383**	2,137
Net change in non-cash working capital[4]	**4,263**	10,224	**(1,216)**	(3,837)
Net cash flow provided by operating activities	**$ 22,153**	$ 18,420	**$ 56,771**	$ 43,536

[1] Free cash flow is not recognized as a measure under IFRS and does not have a standardized meaning prescribed by IFRS and therefore, they may not be comparable to similar measures reported by other companies; refer to Section 8.8 "Non-IFRS financial measures".

[2] Commencing on January 1, 2023, ISC revised the definition of free cash flow which is a non-IFRS measure to include interest received and paid as well as principal repayments on lease obligations. This is further defined in Section 8.8 "Non-IFRS financial measures", reconciled above and has been reflected in the comparative period. The impact of the change to free cash flow to include interest received and paid, interest paid on lease obligations and principal repayments on lease obligations on the previously stated prior year results was a $1.6 million decrease for the three months ended December 31, 2022 and a decrease of $5.0 million for the year ended December 31, 2022.

[3] During the year, ISC entered into the Extension Agreement which resulted in the acquisition of an intangible asset related to the right to manage and operate the Saskatchewan Registries until 2053. Cash paid during the year of $153.4 million has been excluded from the above calculation due to its long-term and transformational nature.

[4] Refer to Note 26 to the Financial Statements for reconciliation.

Free cash flow increased to $12.7 million for the fourth quarter of 2023 compared to $6.3 million in the prior year quarter due to stronger results from operations during the current period. This was due to:

- A full quarter of increased cash flows related to the fee adjustments for the Saskatchewan Registries in Registry Operations that took effect in July 2023.
- Continued customer and transaction growth in Services increasing cash flows.
- Technology Solutions advancing new and ongoing solution definition and implementation contracts increasing the segment's cash flow contributions when compared to the prior year quarter.

The stronger results of operations were partially offset by increased interest paid on debt obligations during the quarter compared to the same period in the prior year due to a combination of increased borrowings associated with the Extension Agreement and an increase in interest rates.

For the year ended December 31, 2023, free cash flow was $45.4 million, up from $40.9 million in the prior year due to the explanations provided above for the fourth quarter. While the Company experienced lower Land Registry volume resulting from lower activity in the Saskatchewan real estate sector during the first half of the year, this was offset by the fee adjustments made in July 2023. Strong results in Services were also a contributing factor with customer and transaction growth in the Regulatory Solutions division accompanied by increased contributions in 2023 by Technology Solutions.

Adjusted free cash flow for the quarter was $14.0 million, up 55 per cent compared to $9.0 million in the fourth quarter of 2022 and was $50.8 million for the full year, compared to $44.4 million in 2022, an increase of 14 per cent. While certain items are excluded from adjusted free cash flow, including the commencement of registry enhancement work for Registry Operations, the explanation for the increase from the prior year for both the quarter and the full year is consistent with the reasons cited for free cash flow.

The following table summarizes sources and uses of funds for the fourth quarter and year ended December 31, 2023 and 2022:

	Three Months Ended December 31,		Year Ended December 31,	
(thousands of CAD)	**2023**	2022	**2023**	2022
Net cash flow provided by operating activities	**$ 22,153**	$ 18,420	**$ 56,771**	$ 43,536
Net cash flow used in investing activities	**(594)**	(563)	**(154,886)**	(55,619)
Net cash flow provided by (used in) financing activities	**(18,742)**	(16,435)	**87,799**	6,247
Effects of exchange rate changes on cash held in foreign currencies	**(15)**	150	**30**	211
Increase (decrease) in cash	**$ 2,802**	$ 1,572	**$ (10,286)**	$ (5,625)
Cash, beginning of period	**21,391**	32,907	**34,479**	40,104
Cash, end of period	**$ 24,193**	$ 34,479	**$ 24,193**	$ 34,479

NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES

Net cash flow provided by operating activities was $22.2 million for the fourth quarter compared to cash provided of $18.4 million for the same period last year. The increase of $3.7 million was due to improved contributions across all operating segments, partially offset by a $6.0 million reduction in cash from changes in non-cash working capital. Non-cash working capital changes mainly include the following:

- A $4.2 million decrease in cash flow from non-cash working capital due to a smaller increase in accounts payable in the current quarter when compared to the prior year quarter. This is primarily attributable to a lower share price reducing share-based compensation liabilities, together with timing differences in payables in the Services' Recovery Solutions division.
- A $3.3 million decline in cash flow due to the timing of Technology Solutions payments related to contract assets and contract liabilities, which is due to timing differences in revenue recognition and contract payments relative to the comparable period.

The above declines in cash are offset by a $2.0 million net favourable change in cash relating to timing of income tax payments.

For the year ended December 31, 2023, cash provided by operating activities was $56.8 million compared to $43.5 million in the prior year. This was the result of a year-over-year increase in contributions from operating segments, augmented by a $2.6 million increase in cash from changes in non-cash working capital primarily related to the timing of tax payments. This was partially offset by the items described above for the quarter.

NET CASH FLOW USED IN INVESTING ACTIVITIES

Net cash used in investing activities for the quarter was consistent with the prior year quarter.

Net cash used in investing activities for the year ended December 31, 2023, was $154.9 million compared to $55.6 million in the comparative period. The current year increase primarily resulted from the Upfront Payment required by the Extension Agreement compared to the acquisition of Reamined and the UPLevel group of companies in the prior year.

NET CASH FLOW USED IN FINANCING ACTIVITIES

Net cash flow used in financing activities during the quarter was $18.7 million, compared to $16.4 million in the fourth quarter of 2022. As ISC embarked on its deleveraging strategy, $10.0 million in debt prepayments were made in the quarter, consistent with the comparative quarter in the prior year. In addition, interest paid increased $2.7 million compared to the prior year quarter due to increased borrowings associated with the Extension Agreement and an increase in interest rates.

Net cash flow provided by financing activities for the full year was $87.8 million compared to $6.2 million in the prior year, for a net increase of $81.6 million. Primary drivers of the increase were the following:

- Additional borrowings of $150.7 million with respect to the Upfront Payment and other costs associated with the Extension Agreement, compared to $40.0 million in borrowings in the prior year to finance the acquisition of Reamined.
- In line with our deleveraging strategy, ISC voluntarily prepaid $39.0 million in debt during the year, an increase of $24.0 million from the prior year.
- Similar to the quarterly explanation, interest paid during the year increased over the prior year by $5.6 million to $8.5 million primarily due to a higher average principal balance outstanding associated with funding the Upfront Payment and higher interest rates, which increased our cost of borrowing compared to the prior year.

6.2 Sustaining capital expenditures

ISC capital expenditures for the purpose of this analysis include cash additions of sustaining property, plant and equipment and intangible assets excluding additions subject to business combinations. The capital expenditures listed below also exclude cash paid during the year of $153.4 million related to the right to manage and operate the Saskatchewan Registries to 2053, which made up part of the intangible assets capitalized.

These capital expenditures have been excluded from sustaining capital as they are not considered part of business-as-usual activities given the long-term and transformational nature of the expenditure. Sustaining capital expenditures were $0.9 million for the quarter, compared to $0.3 million in the prior year quarter and $2.4 million for the year compared to $1.5 million in the prior year. The increase for the quarter and the year when compared to the prior year periods primarily resulted from increased system development work across our business segments, including registry enhancements for Registry Operations.

	Three Months Ended December 31,		Year Ended December 31,	
(thousands of CAD)	**2023**	2022	**2023**	2022
Registry Operations	**$ 28**	$ 49	**$ 189**	$ 19
Services	**157**	278	**709**	707
Technology Solutions	**439**	(57)	**1,066**	688
Corporate and other	**234**	50	**430**	50
Total capital expenditures	**$ 858**	$ 320	**$ 2,394**	$ 1,464

6.3 Debt

At December 31, 2023, the Company's debt was $177.3 million compared to $66.0 million at December 31, 2022.

In connection with the Extension Agreement, ISC entered into the Amended and Restated Credit Agreement with its syndicate of lenders on July 5, 2023. The aggregate amount available under the Credit Facility has been increased from $150.0 million to $250.0 million and consists of ISC's existing $150.0 million revolving credit facility together with a new $100.0 million revolving credit facility. In addition, ISC maintains access to a $100.0 million accordion option, providing the flexibility to upsize the aggregate revolving credit facility up to $350.0 million. The Consolidated Net Funded Debt to EBITDA financial covenant has been increased to provide additional balance sheet flexibility to ISC. The expiry date of the Credit Facility of September 2026 remains unchanged. ISC funded the Upfront Payment and other related transaction costs for the Extension by drawing on the Credit Facility.

On July 27, 2023, ISC announced that it has expanded the lenders under the Company's Credit Facility to include BMO. The syndicated Credit Facility now includes RBC, CIBC and BMO. The total amount available under the Credit Facility remained unchanged.

The Company was in compliance with all its covenants throughout the period. The amount of borrowing costs capitalized during 2023 and 2022 was nil.

During 2023, the Company made voluntary prepayments of $39.0 million (2022 – $15.0 million) against its revolving credit facility to minimize interest expense. $10.0 million (2022 – $10.0 million) of the total voluntary prepayments were made in the fourth quarter, which is consistent with the comparable period. In 2022, the Company borrowed $40.0 million to finance the acquisition of Reamined, offset by $15.0 million of debt prepayments.

The Company is focused on continuing sustainable growth and deleveraging its balance sheet towards a long-term net leverage target of 2.0x – 2.5x. The prepayments described above are a reflection of deleveraging plans.

For further information on our Credit Facility, refer to Note 15 in the December 31, 2023, Financial Statements, which are available on our website at www.isc.ca and in the Company's profile on SEDAR+ at www.sedarplus.ca.

6.4 Total assets

Total assets were $536.3 million at December 31, 2023, compared to $283.5 million at December 31, 2022. Total assets increased during the year as a result of the acquisition of the $277.6 million intangible asset associated with the right to manage and operate the Saskatchewan Registries in connection with the signing of the Extension Agreement.

(thousands of CAD)	Registry Operations	Services	Technology Solutions	Corporate and other	**As at December 31, 2023**
Total assets excluding intangibles, goodwill and cash	$ 23,281	$ 17,812	$ 5,843	$ 12,158	**$ 59,094**
Intangibles	303,548	42,322	4,874	1,026	**351,770**
Goodwill	21,098	71,537	8,631	-	**101,266**
Cash	-	-	-	24,193	**24,193**
Total assets	$ 347,927	$ 131,671	$ 19,348	$ 37,377	**$ 536,323**

(thousands of CAD)	Registry Operations	Services	Technology Solutions	Corporate and other	As at December 31, 2022
Total assets excluding intangibles, goodwill and cash	$ 23,667	$ 15,838	$ 4,408	$ 14,829	$ 58,742
Intangibles	32,301	51,383	4,638	671	88,993
Goodwill	21,098	71,537	8,605	-	101,240
Cash	-	-	-	34,479	34,479
Total assets	$ 77,066	$ 138,758	$ 17,651	$ 49,979	$ 283,454

6.5 Working capital

Between December 31, 2022, and December 31, 2023, working capital decreased by $32.8 million largely driven by the impact of the Extension.

(thousands of CAD)	**As at December 31, 2023**	As at December 31, 2022
Current assets	**$ 48,332**	$ 57,216
Current liabilities	**(63,496)**	(39,626)
Working capital	**$ (15,164)**	$ 17,590

The main drivers of the $32.8 million decrease in working capital compared to December 31, 2022, are as follows:

(thousands of CAD)		
Cash additions to intangible assets pursuant to the Extension Agreement	**$**	**(153,430)**
Portion financed with long-term debt		**150,684**
Subtotal		**(2,746)**
Free cash flow for 2023		**45,440**
Financing and other items:		
Repayment of long-term debt		**(39,000)**
Dividends paid		**(16,355)**
Stock options exercised		**4,379**
Vendor concession liability – current portion		**(20,816)**
All other		**(3,656)**
Total change in working capital	**$**	**(32,754)**

6.6 Outstanding share data

The number of issued and outstanding Class A Shares as at December 31, 2023, was 18,004,641 and the number of issued and outstanding share options as of December 31, 2023, was 1,005,198. As of March 12, 2024, the date of filing, the number of issued and outstanding Class A Shares was 18,004,641 and the number of issued and outstanding share options was 1,005,198.

6.7 Common share dividend

On November 7, 2023, the Board declared a quarterly cash dividend of $0.23 per Class A Share, paid on or before January 15, 2024, to shareholders of record as of December 31, 2023.

6.8 Commitments

The Company has commitments over the next five years that include future minimum payments for leasing of office space, information technology service agreements and other management services contracts. The following table summarizes our commitments as of December 31, 2023:

(thousands of CAD)	2024	2025	2026	2027	2028	Thereafter	Total
Operating leases and non-lease component of office leases[1]	$ 1,830	$ 1,053	$ 763	$ 704	$ 642	$ 512	$ 5,504
Information technology[2] and other service agreements	6,972	3,749	3,621	3,526	3,154	-	21,022
Total	$ 8,802	$ 4,802	$ 4,384	$ 4,230	$ 3,796	$ 512	$ 26,526

[1] *The Company leases all of its office space and certain office equipment. The office spaces have lease terms of between three and 10 years, with various options to extend. The office equipment leases relate to photocopiers and have lease terms of three years. The Company does not have an option to purchase the leased assets at the expiry of the lease period.*

[2] *The Company has service agreements related to Information Technology with various service providers, including lease commitments for computer equipment where the Company has taken the exemption for low-value assets. Other service agreements relate to service contracts associated with corporate and shared services infrastructure.*

7. Business Risks

7.1 Financial instruments and financial risks

Financial instruments held in the normal course of business included in our consolidated statements of financial position as at December 31, 2023, consist of cash, trade and other receivables, accounts payable and accrued liabilities excluding share-based accrued liabilities, the vendor concession liability and long-term debt.

The Company does not currently use any form of derivative financial instruments to manage our exposure to credit risk, interest rate risk, market risk or foreign currency exchange risk. Refer to Note 20 to the Financial Statements for information pertaining to financial instruments and related risk management.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of cash, trade and other receivables, accounts payable and accrued liabilities excluding share-based accrued liabilities approximate fair value due to their immediate or relatively short-term maturity. The fair values of the vendor concession liability and long-term debt are estimated by discounting the future contractual cash flows at the cost of borrowing of the Company. With long-term debt, ISC has its borrowings under the Credit Facility, which is managed with prime loans, CDOR loans and letters of credit. Certain borrowings will bear interest at a base rate of prime plus applicable margin varying between 0.20 per cent and 3.00 per cent per annum while other borrowings will bear interest at CDOR rates between 1.20 per cent and 3.00 per cent per annum.

CREDIT RISK

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Company extends credit to its customers in the normal course of business and is exposed to credit risk in the event of non-performance by customers but does not anticipate such non-performance would be material. The Company monitors the credit risk and credit rating of customers on a regular basis. The Company has significant concentration of credit risk among government sectors. Its customers are predominantly provincial, federal and municipal government ministries and agencies and its private sector customers are diverse.

The majority of cash is held with Canadian chartered banks and the Company believes the risk of loss to be minimal. The maximum exposure to credit risk at December 31, 2023, is $39.9 million (December 31, 2022 — $49.4 million), equal to the carrying value of the Company's financial assets: those being cash at $24.2 million (December 31, 2022 — $34.5 million) and trade and other receivables at $15.7 million (December 31, 2022 — $14.9 million). Quarterly reviews of the aged receivables are completed. The Company expects to fully collect the carrying value on all outstanding receivables. Therefore, the risk to the Company is low.

LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's cash resources are managed based on financial forecasts and anticipated cash flows.

MARKET RISK

The Company's exposure to market risk is limited to the deferred share units, share appreciation rights and performance share unit liabilities whose fair values are affected by equity prices.

INTEREST RATE RISK

Interest rate risk arises from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company is subject to interest rate risks on its debt. This debt bears interest at rates that float, which can vary with changes in prime borrowing rates. The Company is managing its interest rate risk through its treasury function, the continued focus on debt repayment and keeping excess cash in higher interest short-term savings.

The Company has estimated that a 100 basis point spread in interest rate for the year ended December 31, 2023 would increase/decrease comprehensive income by $0.8 million (2022 — $0.5 million).

FOREIGN CURRENCY EXCHANGE RISK

The Company operates internationally and is exposed to fluctuations in various currencies, with the euro being the most material, followed by the US dollar. Movements in foreign currencies against the Canadian dollar may impact revenue, and the value of assets and liabilities and affect the Company's profit and loss. The Company's exposure to other currencies is not significant at the end of the period.

7.2 Business risks and risk management

All companies are exposed to risk and are required to mitigate risks on a daily and long-term basis. A key component of creating strong and sustainable corporate performance is to balance risk and reward.

ISC considers risks that may affect the Company's ability to achieve its goals and objectives on an ongoing basis and implements processes to manage those risks. ISC is continuously monitoring numerous existing and emerging risks. Our corporate strategies and plans are designed to implement effective risk mitigation or management approaches on an ongoing basis.

The Board oversees ISC's Enterprise Risk Management ("ERM") framework. This includes ensuring appropriate management systems are in place to ensure ISC's risks are prudently managed.

The senior leadership team is accountable for providing executive oversight of ISC's ERM activities, including the ongoing identification and assessment of risks and the development of mitigation strategies to manage the corporate risks facing the Company.

A complete list of ISC's key business risks is contained in the Company's Annual Information Form available on the Company's website at www.isc.ca and in the Company's profile on SEDAR+ at www.sedarplus.com.

8. Accounting Policies, Financial Measures and Controls

8.1 Off-balance sheet arrangements

The Company had no off-balance sheet arrangements as at December 31, 2023.

8.2 Related party transactions

Routine operating transactions with related parties are settled at agreed upon exchange amounts under normal trade terms. Refer to Note 23 in the December 31, 2023 Financial Statements, which are available on our website at www.isc.ca and in the Company's profile on SEDAR+ at www.sedarplus.ca for information about transactions with related parties.

8.3 Critical accounting estimates

ISC's critical accounting estimates are contained in Note 2 to the Financial Statements under the summary of use of estimates and judgments and include references to:

- the carrying value, impairment and estimated useful lives of property, plant and equipment;
- the carrying value, impairment and estimated useful lives of intangible assets and goodwill;
- the recoverability of deferred tax assets; and
- the amount and timing of revenue from contracts from customers recognized over time.

The preparation of the Financial Statements, in conformity with IFRS, requires management to make estimates and underlying assumptions and judgments that affect the accounting policies and reported amounts of assets, liabilities, revenue and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Critical accounting estimates and judgments are those that have a significant risk of causing material adjustment.

8.4 Changes in accounting policies

The Company has adopted the following new accounting pronouncements or policies and revised standards, along with any consequential amendments, effective January 1, 2023, or on such date as they became applicable. These changes were made in accordance with applicable transitional provisions.

Proposed Standard	**Description**
Amendments to IAS 1 and IFRS Practice Statement 2 – *Disclosure of Accounting Policy Information*	The amendments to IAS 1 – *Presentation of Financial Statements and IFRS Practice Statement 2 – Making Materiality Judgements* require that an entity discloses its material accounting policies, instead of its significant accounting policies. The Company adopted this amendment on January 1, 2023, and has only disclosed material accounting policies as described in Note 3 to the Notes to the Consolidated Financial Statements.
Amendments to IAS 8 – *Definition of Accounting Estimates*	The amendments introduce a definition of accounting estimates and are intended to help entities distinguish changes in accounting policies from changes in accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". This distinction is important because changes in accounting policies must be applied retrospectively while changes in accounting estimates are accounted for prospectively. The Company adopted this amendment to IAS 8 effective January 1, 2023, which has had no impact on the consolidated financial statements.
Amendments to IAS 12 – *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	The amendments narrow the scope of the initial recognition exemption to clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. The Company adopted this amendment to IAS 12 effective January 1, 2023, which has had no impact on the consolidated financial statements.
IFRS 17 – *Insurance Contracts*	IFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 – *Insurance Contracts*. The Company adopted IFRS 17 effective January 1, 2023, and analysed all relevant contracts. There has been no impact on the consolidated financial statements as a result of the adoption of IFRS 17.

The International Accounting Standards Board and IFRS Interpretations Committee issued the following new standards and amendments to standards and interpretations, which become effective for future periods.

Proposed Standard	**Description**	**Effective Date**
Amendments to IAS 1 – *Classification of Liabilities as Current or Non-current*	The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. These amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements.	January 1, 2024

	The amendments are applied retrospectively for annual periods beginning on or after January 1, 2024, with early application permitted. This amendment is currently being assessed by the Company to determine the impact.	
Amendments to IFRS 16 – *Lease liability in a Sale and Leaseback*	The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 – *Revenue from Contracts with Customers* to be accounted for as a sale. The amendment is effective for annual periods beginning on or after January 1, 2024. The Company has assessed the impact of the adoption of this amendment and it is not expected to have a material impact on the Company's consolidated financial statements.	January 1, 2024
Amendments to IAS 7 and IFRS 7 – *Supplier Finance Arrangements*	The amendments add disclosure requirements and 'signposts' within existing disclosure requirements that ask entities to provide qualitative and quantitative information about supplier finance arrangements. The amendments are effective for annual periods beginning on or after January 1, 2024. The Company has assessed the impact of the adoption of the amendments and they are not expected to have a material impact on the Company's consolidated financial statements.	January 1, 2024

8.5 Financial measures and key performance indicators

Revenue, expenses, net income and net cash flow provided by operating activities are key performance indicators the Company uses to manage its business and evaluate its financial results and operating performance. In addition to these results, which are reported in accordance with IFRS, certain non-IFRS measures are supplemental indicators of operating performance and financial position as well as used for internal planning purposes. The Company evaluates its performance against these metrics by comparing actual results to management budgets, forecasts and prior period results. These non-IFRS financial measures include adjusted net income, EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, free cash flow and adjusted free cash flow. Refer to Section 8.8 "Non-IFRS financial measures".

8.6 Internal controls over financial reporting

The Company's management, including the President and Chief Executive Officer and the Chief Financial Officer, is responsible for establishing and maintaining appropriate internal controls over financial reporting. Internal controls over financial reporting have been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS and management has concluded these controls were operating effectively as of December 31, 2023.

No changes in our internal controls over financial reporting that have occurred during the period have materially affected or are reasonably likely to materially affect our internal controls over financial reporting.

It should be noted that all internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

8.7 Disclosure controls and procedures

The Company's management, including the President and Chief Executive Officer and the Chief Financial Officer, is responsible for establishing and maintaining appropriate disclosure controls and procedures. Disclosure controls and procedures are designed to provide reasonable assurance that relevant information is gathered and reported to senior management, including the President and Chief Executive Officer and the Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosures. Management has concluded these controls were operating effectively as of December 31, 2023.

8.8 Non-IFRS financial measures

This MD&A includes certain measures that have not been prepared in accordance with IFRS, such as adjusted net income, adjusted earnings per share, basic, adjusted earnings per share, diluted, EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, free cash flow and adjusted free cash flow. These measures are provided as additional information to complement IFRS measures by providing further understanding of our financial performance from management's perspective, to provide investors with supplemental measures of our operating performance and, thus, highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS financial measures.

Management also uses non-IFRS measures to facilitate operating performance comparisons from period to period, prepare annual operating budgets, and assess our ability to meet future capital expenditure and working capital requirements.

Accordingly, these non-IFRS measures should not be considered in isolation or as a substitute for analysis of our financial information reported under IFRS. Such measures do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies.

Non-IFRS performance measure	**Why we use it**	**How we calculate it**	**Most comparable IFRS financial measure**
Adjusted net income Adjusted earnings per share, basic Adjusted earnings per share, diluted	• To evaluate performance and profitability while excluding non-operational and share-based volatility. • We believe that certain investors and analysts will use adjusted net income and adjusted earnings per share to evaluate performance while excluding items that management believes do not contribute to our ongoing operations.	Adjusted net income: Net income Add Share-based compensation expense, acquisitions, integration and other costs, effective interest component of interest expense, debt finance costs expensed to professional and consulting, amortization of the intangible asset associated with the right to manage and operate the Saskatchewan Registries, amortization of registry enhancements, interest on the vendor concession liability and the tax effect of these adjustments at ISC's statutory tax rate. Adjusted earnings per share, basic: Adjusted net income divided by weighted average number of common shares outstanding Adjusted earnings per share, diluted: Adjusted net income divided by diluted weighted average number of common shares outstanding	Net income Earnings per share, basic Earnings per share, diluted
EBITDA	• To evaluate performance and profitability of segments and	EBITDA:	Net income

EBITDA margin	subsidiaries as well as the conversion of revenue. • We believe that certain investors and analysts use EBITDA to measure our ability to service debt and meet other performance obligations.	Net income add (remove) Depreciation and amortization, net finance expense, and income tax expense EBITDA margin: EBITDA divided by Total revenue	
Adjusted EBITDA Adjusted EBITDA margin	• To evaluate performance and profitability of segments and subsidiaries as well as the conversion of revenue while excluding non-operational and share-based volatility. • We believe that certain investors and analysts use adjusted EBITDA to measure our ability to service debt and meet other performance obligations. • Adjusted EBITDA is also used as a component of determining short-term incentive compensation for employees.	Adjusted EBITDA: EBITDA add (remove) share-based compensation expense, acquisition, integration and other costs, gain/loss on disposal of assets and asset impairment charges if significant Adjusted EBITDA margin: Adjusted EBITDA divided by Total revenue	Net income
Free cash flow	• To show cash available for debt repayment and reinvestment into the Company on a levered basis. • We believe that certain investors and analysts use this measure to value a business and its underlying assets. • Free cash flow is also used as a component of determining short-term incentive compensation for employees.	Free cash flow: Net cash flow provided by operating activities deduct (add) Net change in non-cash working capital, cash additions to property, plant and equipment, cash additions to intangible assets, interest received and paid as well as interest paid on lease obligations and principal repayments on lease obligations	Net cash flow provided by operating activities
Adjusted free cash flow	• To show cash available for debt repayment and reinvestment into the Company on a levered basis from continuing operations while excluding non-operational and share-based volatility. • We believe that certain investors and analysts use this measure to value a business and its underlying assets based on continuing operations while excluding short term non-operational items.	Adjusted free cash flow: Free cash flow deduct (add) Share-based compensation expense, acquisition, integration and other costs and registry enhancement capital expenditures	Net cash flow provided by operating activities

8.9 Non-IFRS financial measures definition

Adjusted net income is defined as net income adjusted for share-based compensation expense or income, acquisition, integration and other costs, the effective interest component of interest expense, amortization of the intangible asset associated with the right to manage and operate the Saskatchewan Registries and amortization of registry enhancement capital expenditures, interest on the vendor concession liability and the tax effect of these adjustments at ISC's statutory tax rate. We believe this measure provides useful information to evaluate earnings while excluding non-operational and share-based volatility.

EBITDA is defined as earnings before interest, taxes, depreciation and amortization expense. Adjusted EBITDA adjusts EBITDA for share-based compensation expense or income, transactional gains or losses on assets, asset impairment charges and acquisition, integration and other costs. These measures, in addition to net income and income from operations, remove fluctuations caused by the above adjustments. EBITDA margin and adjusted EBITDA margin are calculated as a percentage of overall revenue.

Free cash flow is used as a financial measure of liquidity and financial strength. By adjusting for the swings in non-cash working capital items due to seasonality or other timing issues, and cash additions to property, plant and equipment and intangible assets, as well as interest received and paid including interest paid on lease obligations and principal repayments on lease obligations, free cash flow assists in the long-term assessment of liquidity and financial strength. Adjusted free cash flow adjusts for share-based compensation expense or recovery, acquisition, integration and other costs and registry enhancement capital expenditures. Adjusted free cash flow does not represent residual cash flow available for discretionary expenditures.