



Information in the right hands.

# Investor Presentation

August 7, 2024

**isc.ca** TSX:ISV

# LEGAL

This presentation contains forward-looking information within the meaning of applicable Canadian securities legislation including, without limitation, statements related to the industries in which we operate, growth opportunities and our future financial position and results of operations. 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](http://www.isc.ca) and in the Company's profile on SEDAR+ at [www.sedarplus.ca](http://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" of the MD&A.

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

This presentation also includes certain measures, which have not been prepared in accordance with International Financial Reporting Standards ("IFRS"), such as adjusted net income, adjusted earnings per share ("adjusted EPS"), EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, free cash flow, adjusted free cash flow, adjusted free cash flow per share ("adjusted FCFPS"). Rather, these measures are provided as additional information to complement those IFRS measures. Refer to section 8.8 "Non-IFRS financial measures" in the MD&A for discussion of why we use these measures and their most closely related IFRS measures within the Consolidated Financial Statements and Notes. Refer to section 2 "Consolidated Financial Analysis" of the MD&A for a reconciliation of EBITDA and adjusted EBITDA to net income and a reconciliation of adjusted net income to net income. Also refer to section 6.1 "Cash flow" of the MD&A for a reconciliation of adjusted free cash flow and free cash flow to net cash flow from operating activities. Adjusted earnings per share and adjusted free cash flow per share referenced in this presentation are calculated by dividing adjusted net income and adjusted free cash flow by the average number of shares outstanding, respectively. Additionally, the reconciliations of adjusted net income, EBITDA, adjusted EBITDA, free cash flow and adjusted free cash flow to their most closely related IFRS measures can also be found on pages 38 to 40 of this presentation.

All amounts are in Canadian dollars unless otherwise specified.

# EXECUTIVE SUMMARY

# COMPANY OVERVIEW



A leading provider of registry and information management technology and services for public data and records related to land, personal property, and corporations.



Registries are essential for legal transactions, property rights, and corporate governance.



We manage and provide access to registries ensuring security, legal compliance, and ease of access for users.



We operate through three lines of business (Registry Operations, Services and Technology Solutions).



Our customers include, Government Agencies, Private Businesses and Corporations, Legal Professionals, Financial Institutions and Individual's.

## ISC by the Numbers

~550 Employees	8 Canadian Offices 2 International
2024 Revenue Guidance ~ \$240M to \$250M	2024 Q2 Revenue \$67.8M
2024 Q2 Adjusted EBITDA \$27.2M 40.0% margin	2024 Q2 Net Income \$10.3M
2024 Q2 Adjusted Net Income \$14.1M	2024 Quarterly Dividend \$0.23/share represents a Dividend Yield of 3.59%*
\$8.3M paid year to date in Dividends and over \$150M since IPO (2013)	Cash on Hand \$22.1M Total Debt \$163.4M from \$250M facility

\*As at August 7, 2024

# KEY INVESTOR CONSIDERATIONS



Delivering very strong growth, predictable cash flow and revenue diversification across three segments

**Registry Operations**  
~\$1.3B CAD in cash flow over the next 30 years through Saskatchewan Registries

**Services**  
significant growth - \$12M to over \$100M in revenue since ESC acquisition in 2015

**Technology Solutions**  
future growth and international expansion



Leading proprietary technologies offering market differentiation



Strong history of M&A - over \$200M invested into 8 transactions since 2015



Consistently rewarding shareholders – stable and predictable dividends (\$150M paid since IPO)



Strong balance sheet and free cash flow – supports meaningful organic and M&A growth strategy



2024 guidance for revenue (\$240M-\$250M) and adjusted EBITDA (\$83M-\$91M)  
Targeting to double annual revenue and adjusted EBITDA by 2028






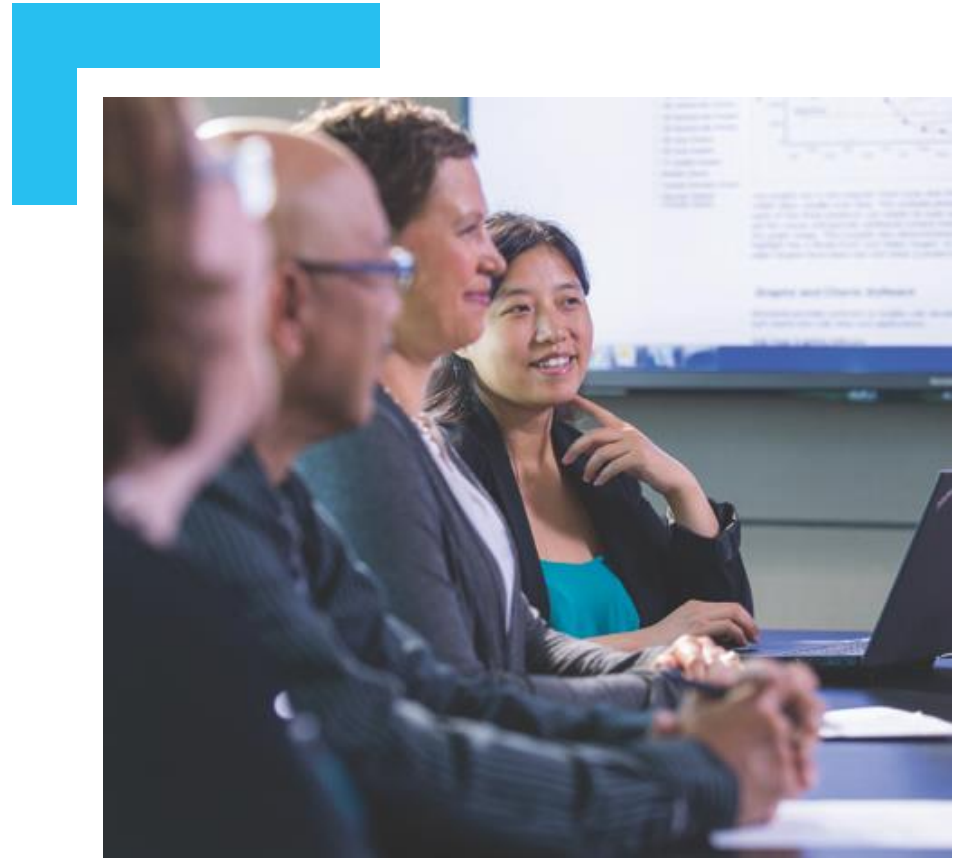
World class management team and Board of Directors with over 200 years of combined experience in registries, information services, technology, finance and M&A

# OPERATIONS

# BUSINESS SEGMENTS

To support our core business strategy and capitalize on market trends, we operate three segments:

-  **01** **REGISTRY OPERATIONS**
-  **02** **SERVICES**
-  **03** **TECHNOLOGY SOLUTIONS**



# REGISTRY OPERATIONS

Delivery of registry information and regulatory services on behalf of governments and private sector organizations

**Each registry serves a specific purpose and caters to different stakeholders.**

The types of registries we work with fall into one of the following categories:



## Land Registry

Management of records relate to land ownership, including title registrations, transfers, mortgages, and other land related transactions.



## Corporate Registry

Maintain records of corporations, including information about incorporation, annual filings, legal status, directors, and shareholders.



## Personal Property Registry

Track security interests in movable personal property (excluding land and buildings), such as vehicles, equipment, and other types of personal assets.



## Other Registries

Both typical and non typical registries for both Government and Corporate clients.



# REGISTRY OPERATIONS

Each of the registries we operate serves a critical function in the public and private sectors, ensuring the **integrity, accessibility, and security** of important data.

Our role in managing these registries ensures **accurate and up-to-date** records that are accessible to authorized parties in a **secure and efficient** manner.

## Our functions are crucial for:



real estate transactions, property ownership verification, and legal dispute resolutions



lenders and borrowers to secure and verify claims on personal property



legal compliance, corporate governance, and public disclosure of corporate information



government planning, public health policies, and legal documentation



financial market operations, ensuring transparency and regulatory compliance in securities transactions

# GROWTH SUPPORTED BY FREE CASH FLOW

In 2023, ISC Extended its Master Service Agreement (MSA) with Saskatchewan Registries until 2053

	<p>EXTENDS LONGSTANDING AND SUCCESSFUL PUBLIC PRIVATE PARTNERSHIP UNTIL 2053</p>
	<p>UNLOCKS VALUE OF THE SASKATCHEWAN REGISTRIES, A HIGH-QUALITY INFRASTRUCTURE ASSET</p>
	<p>PROVIDES ISC WITH STRONG, STABLE, LONG-TERM CASH FLOW</p>
	<p>NEW REVENUE MEANINGFULLY ENHANCES ISC'S SCALE AND FINANCIAL PROFILE</p>
	<p>ATTRACTIVE TRANSACTION ECONOMICS CREATE SIGNIFICANT VALUE FOR ISC'S SHAREHOLDERS</p>
	<p>ACTS AS A CATALYST - TO ACCELERATE ISC'S LONG-TERM GROWTH STRATEGY</p>

**\$1.3B**  
in predictable  
cash flow  
until 2053



# SERVICES

Leverages our core competencies in **understanding registries** and how to **extract and package** critical data

**Delivering 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 of customers across Canada



## Services Examples

### Regulatory Solutions

#### **Due Diligence**

identification, validation, name searches, real estate searches

#### **Collateral Management**

search and registrations, Bank Act filing, notice of security interest registrations, land searches

### Recovery Solutions

#### **Asset Recovery**

identification, retrieval and disposition of movable assets

#### **Accounts Receivable Management**

collection activities

### Corporate Solutions

#### **Incorporation Services**

nationwide business name registration and renewals, security filings and registrations

#### **Corporate Supplies**

minute books, seals and stamps, corporate legal packages

# TECHNOLOGY SOLUTIONS

Utilizing leading and proprietary (RegSys) suite of technologies, we develop, deliver and enhance operations and services for Government and Private registries globally resulting in:

## Market Expansion

Capture growing demand for digital transformation in public sector registry services



## Increases Revenue Potential

Create new revenue streams through licensing, subscription, support and maintenance contracts



## Strategic Positioning

Positions ISC as a leader in tech solutions for registry services



## Operational Efficiency

Leads to cost savings and improved margins due to automation and process optimization



**Leading technologies that delivers operational excellence,  
market differentiation, and customer satisfaction**

# SEGMENT STRATEGY AND REVENUE COMPOSITION

## Registry Operations

Consistent growth with a strong and predictable foundation

- Underpinned by long term contracts - provides a stable, diversified and long-term source of cash flow
- Meets the growing need for data management integrity

## Services

Strong growth business that leverages our core competency

- Complements existing segments and provides user fees revenue streams
- Allows us to capitalize on the growing trend to outsource business processes
- Meets an industry need for streamlined and secure access to highly-regulated information

## Technology Solutions

Establishes significant scaling opportunities

- Layers technologies and long-term innovation into our portfolio
- Allows us to quickly adapt and move into new markets and different registry verticals
- Creates recurring revenues
  - software licenses
  - monthly hosting
  - support and maintenance / warranty services

# SAMPLING OF OUR CLIENTS



## REGISTRY OPERATIONS



**Saskatchewan**  
Government of Saskatchewan



**Ontario**  
Government of Ontario



**Canada**  
Government of Canada



## SERVICES

Mostly serve the legal and financial industry. Currently service 18/33 Schedule I banks and 12/15 largest law firms in Canada\*




## TECHNOLOGY SOLUTIONS



**Irish Aviation Authority**  
Agreement to implement and support its new Safety Regulation System



**Nova Scotia Registry of Joint Stock Companies**  
Agreement to replace technology supporting the registry



**States of Guernsey**  
Contract to build and deploy RegSys for the Register of Charities and Non-Profit Organizations



**Republic of Cyprus**  
Contract to build and deploy RegSys to the Department of Registrar of Companies and Intellectual Property in Cyprus (in partnership)

\* The Legal 500 Canada Report.

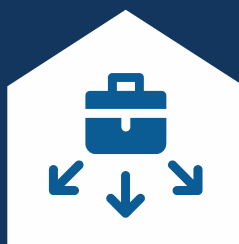
# OUR INDUSTRY

# MARKET TRENDS

We operate in a highly-specialized and complex landscape and our business is well-positioned to capitalize on current market trends:

## Outsourcing business processes & services

Governments, legal firms and financial institutions are looking to find cost savings and focus on their core business without compromising service quality.



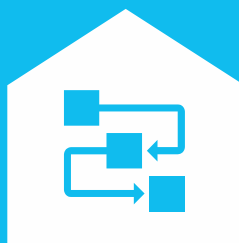
## Emphasis on reliability & security of information

We have the know-how, processes, technology and proven experience to manage data authentication and security.



## Increased regulatory & compliance requirements

Improved workflows and automated processes are helping to meet requirements and reduce potential business risk for clients.



## Emerging global registry market

We continue to believe the global registry market is an emerging sector.





# COMPETITIVE LANDSCAPE

## REGISTRY OPERATIONS

- Infrastructure funds
- Private equity firms
- Information services companies
- Registry software providers



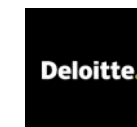
## SERVICES

- Vary by market and geography
- Primarily intermediaries and suppliers to lenders and legal professionals



## TECHNOLOGY SOLUTIONS

- Registry software providers
- Technology services organizations
- Large multinationals
- Local niche players



**Long Term Contracts - Strong Customer Stickiness - Exceptional Customer Service provides ISC with advantages and a competitive moat**

# FINANCIAL INFORMATION

# GUIDANCE – FULL YEAR

# 2024

FY Revenue
\$240M-\$250M

FY Adjusted EBITDA
\$83M-\$91M

Note: For further information, please see the “Outlook” section of our MD&A for the year ended December 31, 2023.

# REVENUE GROWTH

- Registry Operations – provides for steady and predictable cashflow
- Services – grown from \$12M - \$100M since 2015
- Technology Solutions – allows for significant growth opportunities and market expansion

### 2024 Annual Guidance

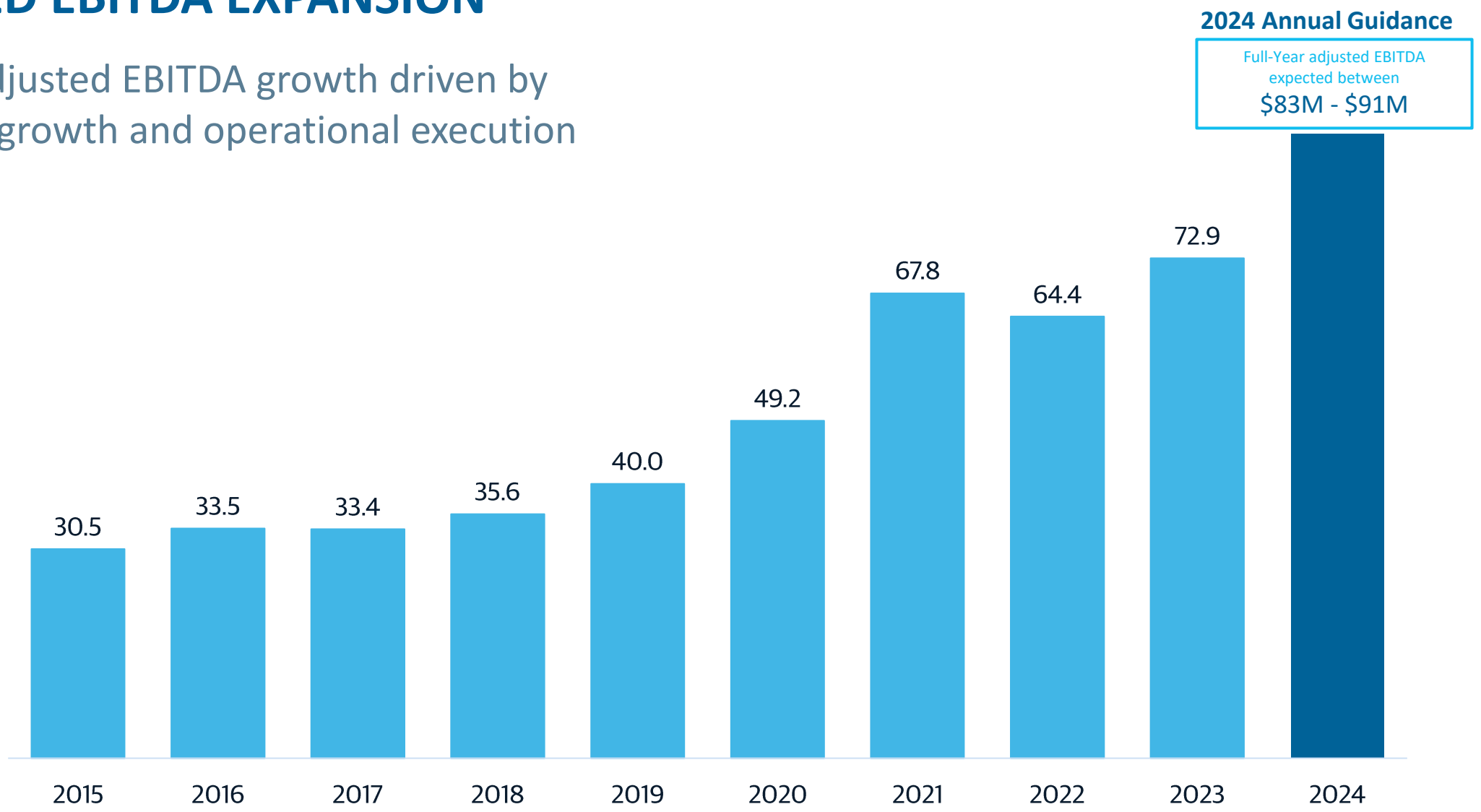
Full-Year Revenue expected between \$240M - \$250M



Represents consolidated revenue for the years ended December 31 in CAD millions.

# ADJUSTED EBITDA EXPANSION

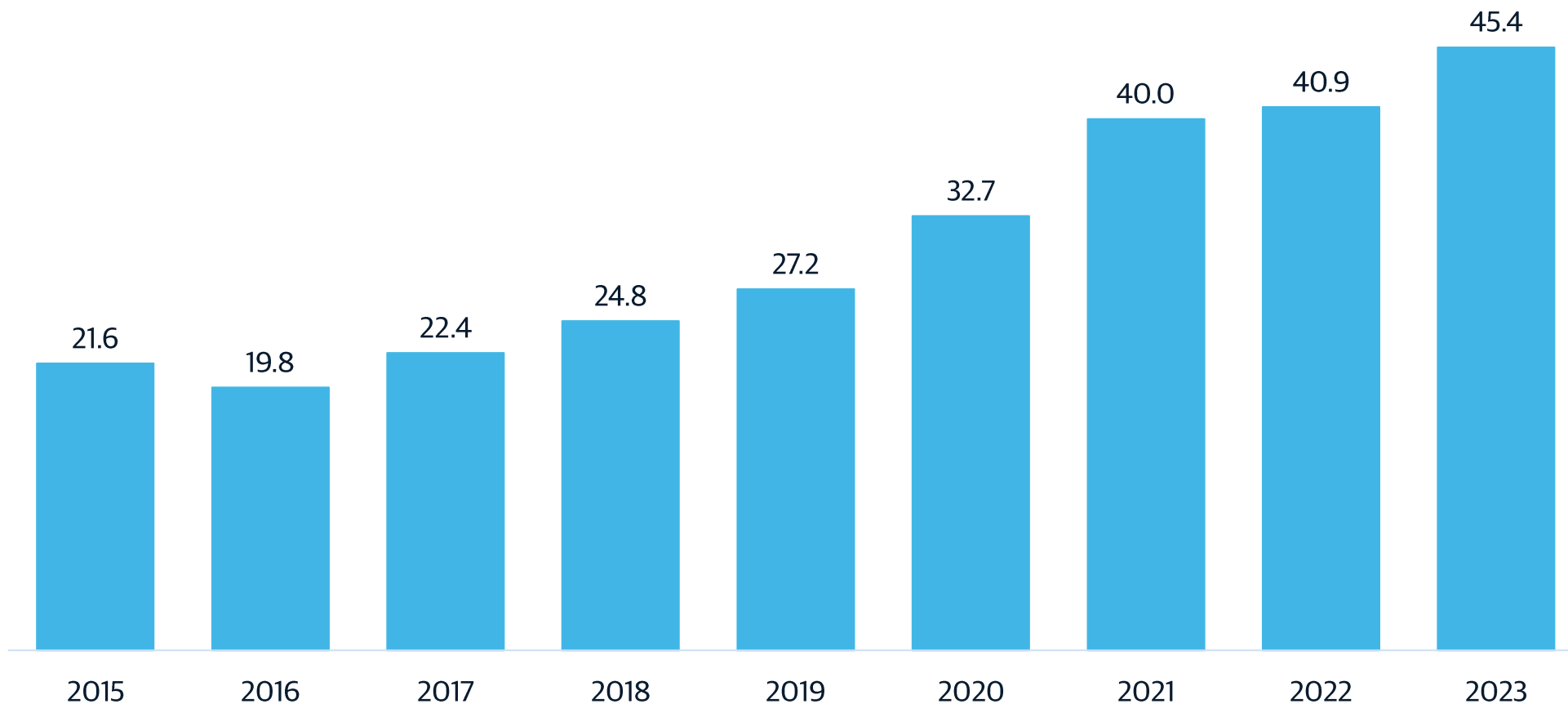
- Stable adjusted EBITDA growth driven by revenue growth and operational execution



Represents consolidated adjusted EBITDA for the years ended December 31 in CAD millions.

# STRONG FREE CASH FLOW GENERATION

- Strong free cash flow generations to support growth and dividends



Represents consolidated free cash flow for the years ended December 31 in CAD millions.

# SECOND QUARTER FINANCIAL RESULTS AND HIGHLIGHTS

## For three months ended June 30, 2024

Revenue	<b>\$67.8M</b>
Adjusted EBITDA	<b>\$27.2M</b>
Net Income	<b>\$10.3M</b>
Adjusted Net Income	<b>\$14.1M</b>
EPS (diluted)	<b>\$0.56</b>

## For the year ended December 31, 2023

Revenue	<b>\$214.5M</b>
Adjusted EBITDA	<b>\$72.9M</b>
Net Income	<b>\$25.0M</b>
Adjusted Net Income	<b>\$34.2M</b>
EPS (diluted)	<b>\$1.39</b>

Ticker Symbol	<b>TSX:ISV</b>
Market Capitalization	<b>\$464.2M*</b>
Dividend Per Share	<b>\$0.23</b>
Dividend Yield	<b>3.59%*</b>
Cash on Hand	<b>\$22.1M</b>



**\$240M Shelf Prospectus in place**

**\$250M Credit facility available through RBC, CIBC, BMO to help fund growth**

**\$163.4M currently drawn as debt**

\*As at August 7, 2024

# OUR GROWTH STRATEGY



# GOAL TO DOUBLE ANNUAL REVENUE AND ADJ. EBITDA BY 2028

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.

## M&A

- ISC is committed to its accretive M&A growth strategy
- ISC will pursue opportunities to expand its reach and capabilities in its existing lines of business, and seek to further diversify its revenue streams



## Registry Technology

- ISC will embark on developing the next generation of its RegSys proprietary registry technology
- This benefits the people of Saskatchewan but will also support ISC's pursuit of new registry opportunities globally



## Organic Growth

- ISC will continue to pursue growth opportunities in its Services and Technology Solutions segments by deepening relationships with existing customers, establishing partnerships, and adding new products and services



## Capital Allocation

- ISC has a history of disciplined capital allocation
- Strong future focus on de-leveraging, maintaining and growing its dividend, and investing in growth



# STRONG TRACK RECORD OF ACQUISITIONS

## Over \$200M invested to date into multiple transactions

We continue to extract value from our recent acquisitions, setting the stage for stable, reliable growth.



Establishment of Service Portfolio in Ontario and Quebec



Provides automation software technology services to serve lending, leasing and credit issuing businesses and institutions in Canada



Leading recovery solutions provider of a national, turnkey technology platform for clients to efficiently manage their recovery portfolios.



Leading registry technology solutions provider based in Dublin, Ireland, enhances core registry offering



Leading provider of Know-Your-Customer (KYC) services, a direct result of our customers' requests to enhance this offering



A recognized leader in providing property tax management infrastructure and services in Ontario



Registrar that manages and operates the International Registry of Interests in Rolling Stock

# ACQUISITION STRATEGY

Preference for large (\$50M+) opportunities that are material to ISC or smaller opportunities (<\$50M) that meet key criteria



Accelerate the increase in scope and scale of the business



Expand technology and services portfolio and capabilities with acquisitions of complementary businesses



Augment revenue, especially recurring revenue

## Target Criteria

### Strong alignment with ISC offerings

- Registries or services/technologies for registries
- Privatized government services that have a tech and operations component
- Services for financial institutions and law firms
- Mostly recurring revenues with long-term contracts
- History of >20% organic revenue growth rate
- EBITDA positive, accretive or in line with ISC EBITDA margins
- Cross-sell opportunities to ISC customer base
- Opex savings

# LEADERSHIP SUMMARY

# LEADERSHIP

ISC has assembled a world class management team and Board of Directors in a multitude of areas of expertise, including but not limited to: registries, information services, technology, finance and M&A. The combined team has been responsible for the development and execution of ISC's growth strategy over the past 10 years, **having grown revenue from just under \$80 million in 2013 to over \$200 million in 2023** including the deployment of over \$300 million in capital in acquisitions and regular dividend payments. The focus remains on the growth of the Company while delivering shareholder value.



## Valuable Experience with the Following Organizations



Crop Science



# EXECUTIVE TEAM



**Shawn B. Peters**  
President and Chief  
Executive Officer



**Robert (Bob) Antochow**  
Chief Financial Officer



**Todd Antill**  
Vice-President,  
Registry Operations



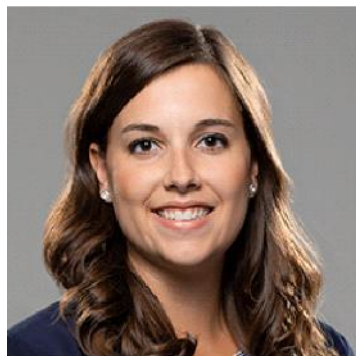
**Susan Bowman**  
Head of ERS



**Loren Cisyk**  
Executive Vice-President,  
Technology Solutions



**Jeffrey Fallowfield**  
President, ESC Corporate  
Services



**Laurel Garven**  
Vice-President, Business  
Strategy



**Kathy E. Hillman-Weir, K.C.**  
Executive Vice-President,  
Chief Corporate Officer,  
General Counsel and  
Corporate Secretary



**Catherine McLean**  
Vice-President,  
People and Culture

# BOARD OF DIRECTORS



**Joel Teal**  
Board Chair



**Amber Biemans**  
Governance & Nominating  
Committee Member



**Roger Brandvold**  
Compensation Committee  
Member



**Doug Emsley**  
Board Vice-Chair &  
Compensation  
Committee Chair



**Anthony Guglielmin**  
Audit Committee  
Member



**Iraj Pourian**  
Governance & Nominating  
Committee Member



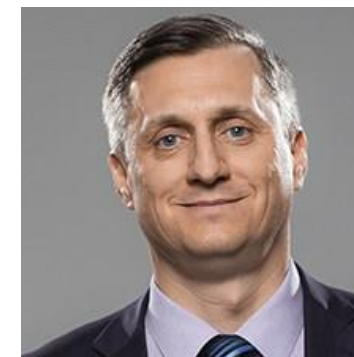
**Laurie Powers**  
Audit Committee Chair



**Jim Roche**  
Audit Committee  
Member



**Heather Ross**  
Compensation  
Committee Member



**Dion Tchorzewski**  
Governance & Nominating  
Committee Chair

# IN SUMMARY – DELIVERING VALUE & SIGNIFICANT GROWTH

## Pre-eminent leader in registry and information management

History of operational excellence since our IPO in 2013

## Highly predictable revenue model with stable cash flow generation

Expected to generate over \$1.3B CAD of cash flow  
Until 2053 from Saskatchewan MSA alone

## Industry leading technologies

Meeting the growing demand for digital transformation for registry operators globally

## Proven track record of delivering organic & M&A growth

From \$12M to \$100M in Services revenue growth since 2015  
Targeting to double annual revenue by 2028

## Disciplined capital allocation

Investing in growth, reducing debt, while ensuring a stable dividend program (\$150M paid since IPO)

## Strong balance sheet

Capital available to take advantage of future growth opportunities (8 acquisitions since IPO)



# CONTACT



## Jonathan Hackshaw

Senior Director, Investor Relations & Capital Markets



[investor.relations@isc.ca](mailto:investor.relations@isc.ca)

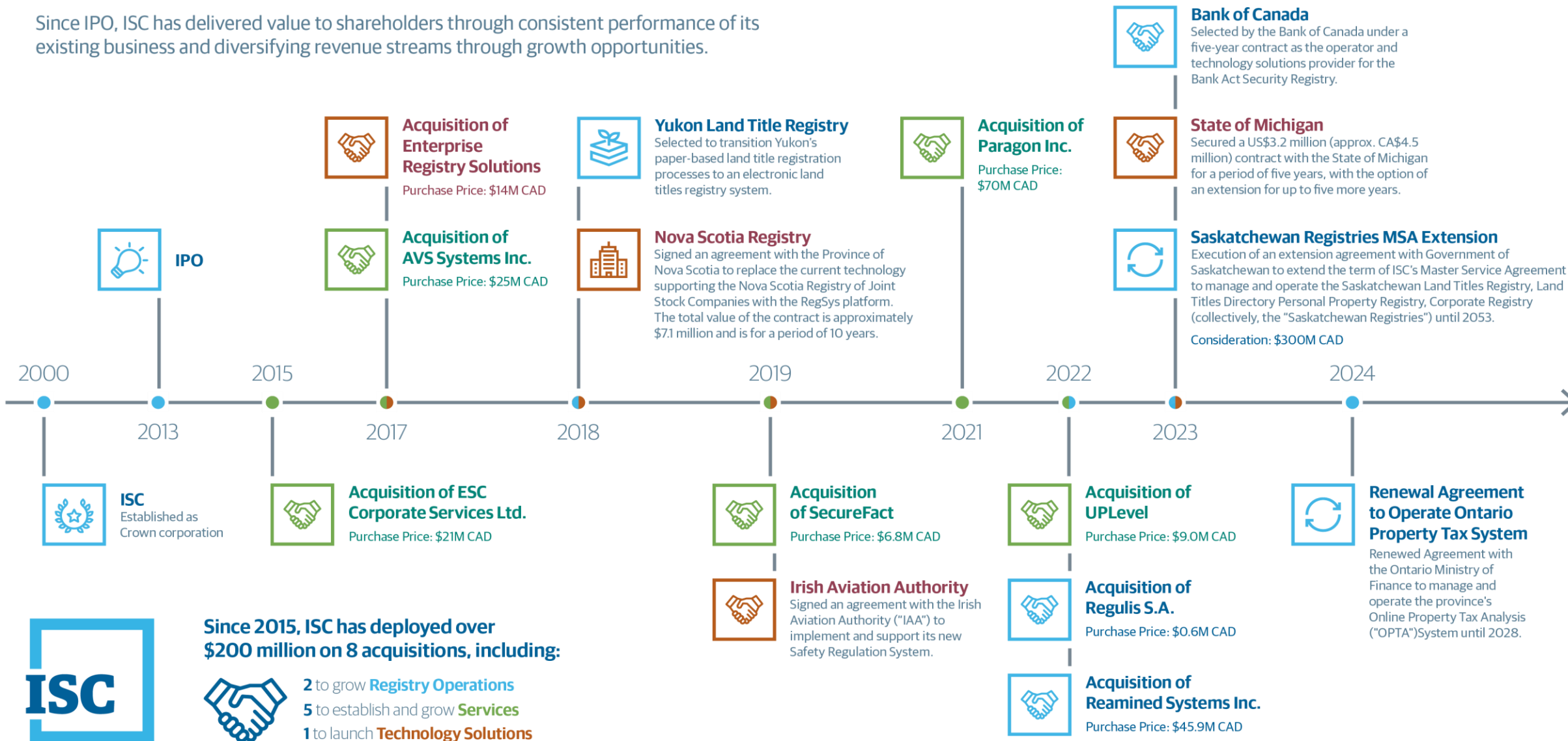


**Toll Free:** 1-855-341-8363 in North America  
or 1-306-798-1137

# APPENDIX

# COMPANY TIMELINE\*

Since IPO, ISC has delivered value to shareholders through consistent performance of its existing business and diversifying revenue streams through growth opportunities.



Since 2015, ISC has deployed over **\$200 million** on **8 acquisitions**, including:



- 2 to grow **Registry Operations**
- 5 to establish and grow **Services**
- 1 to launch **Technology Solutions**



\*Purchase prices are approximate and do not account for adjustments or contingent payment consideration

# ANALYST COVERAGE

Acumen Capital Partners	Trevor Reynolds
CIBC	Scott Fletcher
Cormark Securities	Jesse Pytlak
Edison Investment Research Limited	Andy Murphy & Harry Kilby
Raymond James	Stephen Boland
RBC Capital Markets	Paul Treiber

# APPENDIX

Included below is a reconciliation of Non-IFRS financial measures used in this presentation for the quarter ended June 30, 2024. Further information and details can be found in the MD&A for the period ended June 30, 2024 in Sections 8.8 “Non-IFRS financial measures”, Section 2 “Consolidated Financial Analysis” and section 6.1 “Cash Flow”. No reconciliation is provided for guidance.

## Reconciliation of Adjusted Net Income to Net Income

(thousands of CAD)	Three Months Ended June 30,					
	Pre-tax		Tax <sup>1</sup>		After-tax	
	2024	2023	2024	2023	2024	2023
Adjusted net income	\$ 19,562	\$ 12,842	\$ (5,495)	\$ (3,586)	\$ 14,067	\$ 9,256
Add (subtract):						
Share-based compensation expense	1,097	347	(296)	(94)	801	253
Acquisition, integration and other costs	(1,259)	(1,730)	340	467	(919)	(1,263)
Effective interest component of interest expense	(65)	(18)	18	5	(47)	(13)
Interest on vendor concession liability	(2,594)	-	700	-	(1,894)	-
Amortization of right to manage and operate the Saskatchewan Registries	(2,314)	-	625	-	(1,689)	-
Net income	\$ 14,427	\$ 11,441	\$ (4,108)	\$ (3,208)	\$ 10,319	\$ 8,233

<sup>1</sup> Calculated at ISC's statutory tax rate of 27.0 per cent.

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## Reconciliation of Adjusted EBITDA to EBITDA to Net Income

(thousands of CAD)	Three Months Ended June 30,	
	2024	2023
Adjusted EBITDA	\$ 27,180	\$ 17,824
Add (subtract):		
Share-based compensation expense	1,097	357
Acquisition, integration and other costs	(1,259)	(1,730)
EBITDA <sup>1</sup>	\$ 27,018	\$ 16,441
Add (subtract):		
Depreciation and amortization	(6,801)	(4,111)
Net finance expense	(5,790)	(889)
Income tax expense	(4,108)	(3,208)
Net income	\$ 10,319	\$ 8,233
EBITDA margin (% of revenue) <sup>1</sup>	39.8%	30.8%
Adjusted EBITDA margin (% of revenue)	40.0%	33.4%

<sup>1</sup> 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” for calculation of EBITDA and EBITDA margin.

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## Reconciliation of Adjusted Free Cash Flow to Free Cash Flow to Net Cash Flow Provided by Operating Activities

(thousands of CAD)	Three Months Ended June 30,	
	2024	2023
Adjusted free cash flow <sup>1</sup>	\$ 15,664	\$ 12,468
Add (subtract):		
Share-based compensation expense	1,097	347
Acquisition, integration and other costs	(1,259)	(1,730)
Registry enhancement capital expenditures	(1,135)	(372)
Free cash flow <sup>1,2</sup>	\$ 14,367	\$ 10,713
Add (subtract):		
Cash additions to property, plant and equipment	305	164
Cash additions to intangible assets	2,405	635
Interest received	(252)	(243)
Interest paid	4,307	1,043
Interest paid on lease obligations	125	94
Principal repayment on lease obligations	697	574
Net change in non-cash working capital <sup>3</sup>	2,195	1,327
Net cash flow provided by operating activities	\$ 24,149	\$ 14,307

<sup>1</sup>Cash additions to intangible assets for the three and six month periods ending June 30, 2023, was restated due to a change in the definition of sustaining capital expenditures, which was made in the third quarter of 2023. This resulted in a restatement that decreased the cash additions to intangible assets by \$0.6 million for the three and six month periods ended June 30, 2023.

<sup>2</sup>Free cash flow is not recognized as a measure under IFRS and does not have a standardized meaning prescribed by IFRS and therefore, may not be comparable to similar measures reported by other companies; refer to Section 8.8 “Non-IFRS financial measures” for a discussion on why we use these measures, the calculation of them, and their most directly comparable IFRS financial measure.

<sup>3</sup>Refer to Note 17 to the Financial Statements for reconciliation.