Information in the right hands.

May 4, 2022

Management's Discussion and Analysis

For the Three Months Ended March 31, 2022

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 unaudited condensed consolidated interim financial statements ("Financial Statements") for the three months ended March 31, 2022, and 2021. Additional information, including our Annual Information Form for the year ended December 31, 2021, is available on the Company's website at www.company.isc.ca and in the Company's profile on SEDAR at www.sedar.com.

This MD&A contains information from the Financial Statements, prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting, using accounting policies that are consistent 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 EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin and free cash flow. Rather, these measures are provided as additional information to complement those IFRS measures. Refer to section 8.8 "Non-IFRS financial measures" for discussion of 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 EBITDA and adjusted EBITDA to net income and section 6.1 "Cash flow" for a reconciliation of free cash flow.

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.

The Financial Statements are presented in Canadian dollars ("CAD"). In this MD&A, all references to "$" or "dollars" are to Canadian dollars and amounts are stated in Canadian dollars 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 May 4, 2022.

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 contains 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 which 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 anticipated integration and growth of UPLevel (as that term is defined herein) business, 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, 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 to the Government of Saskatchewan), and market our technology assets and capabilities, our ability to integrate the group of companies operating as UPLevel ("UPLevel") on terms consistent with our expectations and the business of UPLevel performing in a manner consistent with our expectation, 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 such as COVID-19) 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, 2021, and the Financial Statements, copies of which are available on our website at www.company.isc.ca and in the Company's profile filed on SEDAR at www.sedar.com. 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

ISC has continued to deliver very strong results in the first quarter of 2022, building on the strength we experienced in 2021 and fueled by organic growth and the continued robust economic activity in the markets in which we operate.

Registry Operations success continues to be driven by record high-value transaction revenues in the Land Registry as well as an increase in average land values transacted through the registry. The Personal Property Registry and Corporate Registry also performed well, decreasing modestly compared to the same period last year.

For the first time since the creation of the Services segment in 2016, Services surpassed Registry Operations as the biggest revenue contributor of ISC's three segments in a quarter. This has been achieved through a continued focus on the acquisition and onboarding of new customers, supported by our cloud-based Registry Complete software. Our customer-oriented approach is also a key factor in the strong organic growth this quarter driven through Regulatory, Corporate and Recovery Solutions. Recovery Solutions (excluding UPLevel) had a particularly strong quarter compared to last year, with revenue up 23 per cent year-over-year. Services has been further supplemented by the addition of UPLevel partway through the quarter.

Technology Solutions continues to be the most affected by COVID-19, which has impacted our progress on active projects and the commencement of potential new opportunities, as governments around the world have been responding to the pandemic. The appointment of a Managing Director for our Irish-based subsidiary is expected to be completed by the end of the second quarter.

1.1 Consolidated highlights

SELECT CONSOLIDATED FINANCIAL INFORMATION

Revenue	Net income	Earnings per share, diluted
$44.2M	$7.4M	$0.41
+13% vs Q1 2021	+34% vs Q1 2021	+32% vs Q1 2021

EBITDA[1]	Adjusted EBITDA[1]	Free Cash Flow[1]	Dividends Paid
$13.8M	$14.6M	$11.0M	$4.0M
+17% vs Q1 2021	-1% vs Q1 2021	+24% vs Q1 2021	+15% vs Q1 2021

[1] EBITDA, adjusted EBITDA and 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 EBITDA and adjusted EBITDA to net income. Refer to section 6.1 "Cash flow" for a reconciliation of free cash flow.

SELECT FINANCIAL INFORMATION

The select quarterly financial information set out for the three months ended March 31, 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.

	Three months ended March 31,	
(thousands of CAD)	**2022**	2021 (restated)[2]
Revenue	**$ 44,153**	$ 39,148
Net income	**7,407**	5,548
EBITDA[1]	**$ 13,835**	$ 11,869
Adjusted EBITDA[1]	**14,586**	14,786
EBITDA margin (% of revenue)[1]	**31.3%**	30.3%
Adjusted EBITDA margin (% of revenue)[1]	**33.0%**	37.8%
Free cash flow[1]	**$ 10,985**	$ 8,878
Dividend declared per share	**$ 0.23**	$ 0.20
Earnings per share, basic	**0.42**	0.32
Earnings per share, diluted	**0.41**	0.31
	As at March 31, 2022	December 31, 2021
Total assets	**$ 229,801**	$ 232,498
Total non-current liabilities	**$ 57,012**	$ 57,888

[1] EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin and 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 EBITDA and adjusted EBITDA to net income. Refer to section 6.1 "Cash flow" for a reconciliation of free cash flow.

[2] In the fourth quarter of 2021, the Company revised its accounting policy related to the configuration and customization costs incurred in implementing Software-as-a-service ("SaaS") arrangements in response to the International Financial Reporting Interpretations Committee agenda decision released in April 2021. This accounting policy change resulted in the expense of formerly capitalized financial system implementation costs incurred in 2018 through 2021. This change resulted in a retroactive adjustment to expense these costs effective January 1, 2020. See Note 2 of the Financial Statements for further details on this adjustment.

FIRST QUARTER CONSOLIDATED HIGHLIGHTS

- **Revenue** was $44.2 million for the quarter, an increase of 13 per cent compared to the first quarter of 2021 due to continued organic growth in Services, increased revenue from Recovery Solutions as well as new revenue from the acquisition of UPLevel mid-way through the first quarter. Registry Operations also contributed to increased revenues due to strong activity in the real estate sector including record high-value transactions revenues and higher average land values transacted through the Land Registry.

- **Net income** was $7.4 million or $0.42 per basic and $0.41 per diluted share compared to $5.5 million or $0.32 per basic share and $0.31 per diluted share in the first quarter of 2021. The increase is due to the increased revenue in Registry Operations and Services, reductions in share-based compensation, and continued effective cost management.

- **EBITDA** was $13.8 million compared to $11.9 million for the same quarter in 2021, again due to increased revenue accompanied by reductions in share-based compensation expense, resulting in strong margins across all segments, and a consolidated **EBITDA margin** of 31.3 per cent for the quarter compared to 30.3 per cent in 2021.

- **Adjusted EBITDA** was $14.6 million for the quarter compared to $14.8 million in 2021. The decrease is due to decreased adjustments for share-based compensation amounts partially offset by increases in acquisition and integration costs in the quarter. **Adjusted EBITDA margin** was 33.0 per cent compared to 37.8 per cent in 2021.

- **Free cash flow** for the quarter was $11.0 million, an increase of 24 per cent compared to the first quarter of 2021 due to higher results of operations.

- On February 14, 2022, the Company's Services segment, through its wholly-owned subsidiary ESC, acquired all of the shares of a group of companies operating as UPLevel. The purchase consideration is $9.0 million, subject to working capital and other post-closing adjustments set out in the share purchase agreement.

- On March 15, 2022, our Board declared a quarterly cash dividend of $0.23 per Class A Limited Voting Share ("Class A Share"), payable on or before April 15, 2022, to shareholders of record as of March 31, 2022.

1.2 Subsequent events

- On May 4, 2022, our Board declared a quarterly cash dividend of $0.23 per Class A Share, payable on or before July 15, 2022, to shareholders of record as of June 30, 2022.

1.3 Outlook

The following section includes forward-looking information, including statements related to the industries in which we operate, growth opportunities, our future financial position and results of operations, capital and operating expectations and the expected impact of COVID-19. Refer to "Caution Regarding Forward-Looking Information".

Over the past two years, our business has continued to prosper despite adversity, showcasing its resilience.

Following the remarkable results of 2021, the robust real estate sector in Saskatchewan continues to contribute to strong revenue during the first quarter of 2022. As mentioned in our last reporting period, we expect 2022 will exceed pre-pandemic levels, even though we do not expect to see the same level of economic activity we saw in 2021. In some cases, registry transactions have begun to return to more normalized, pre-pandemic levels while the Land Registry is anticipated to begin to return to more normalized levels midway through 2022.

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

We expect Services to continue to deliver organic growth in 2022, fueled by continuous technology advancements driving operational efficiency and new product innovation. We are deliberate in growing our business with existing customers and the acquisition and onboarding of new customers, particularly with our leading cloud-based Registry Complete software. During the course of the year, we expect to deploy new technology to support our Recovery Solutions business aimed at providing improved customer performance reporting and operational efficiencies as well as complimenting our leading Regulatory Solutions cloud based solution, Registry Complete. Similar to Registry Operations, a focus on investments in people and technology to advance our growth will be important. This will allow us to expand our offering to existing customers and facilitate the acquisition of new customers throughout the year.

In Technology Solutions, we expect to see completion of a number of solution delivery projects where milestones previously set for 2021 were deferred to 2022. Governments are expected to continue directing their efforts to managing COVID-19, but we are seeing the re-commencement of early-stage procurement activity, which could translate into additional projects. An investment in our sales and technology development teams will be necessary to support these activities, as well as provide support across the organization on our technology initiatives. The recruitment process for a leader for our Irish-based subsidiary to support and drive the growth of this segment is expected to be completed by the end of the second quarter.

It is based on the foregoing that we continue to expect revenue to be between $168.0 million and $173.0 million, net income to be between $23.0 million and $27.0 million, and EBITDA[1] to be between $48.0 million and $53.0 million in 2022.

The Company's diversified range of services, pursuit of growth opportunities, and strong core offerings have positioned us well for continued success. In keeping with our strategy, the Company will continue to actively explore appropriate acquisition targets in 2022 that complement or add value to our existing lines of business or provide new key service offerings that will also drive value.

[1] EBITDA is not recognized as a measure under IFRS and does not have a standardized meaning prescribed by IFRS and, therefore, it 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 historical EBITDA to net income.

2 Consolidated Financial Analysis

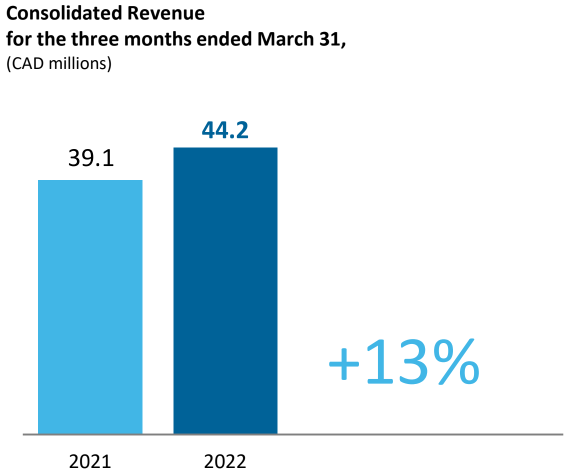
Consolidated revenue was up 13 per cent for the three months ended March 31, 2022, compared to same period last year. Net income was up 34 per cent compared to the same quarter last year due to increased revenue in the Registry Operations and Services segments.

2.1 Consolidated statements of comprehensive income

(thousands of CAD)	Three Months Ended March 31, 2022	2021 (restated)[1]
Revenue		
Registry Operations	**$ 19,612**	$ 19,200
Services	**22,723**	16,237
Technology Solutions	**1,817**	3,711
Corporate and other	**1**	-
Total revenue	**44,153**	39,148
Expenses		
Wages and salaries	**12,464**	14,707
Cost of goods sold	**11,277**	7,589
Depreciation and amortization	**3,145**	3,675
Information technology services	**2,173**	2,057
Occupancy costs	**862**	850
Professional and consulting services	**1,571**	758
Financial services	**1,207**	965
Other	**764**	353
Total expenses	**33,463**	30,954
Net income before items noted below	**10,690**	8,194
Finance income (expense)		
Interest income	**22**	23
Interest expense	**(457)**	(816)
Net finance expense	**(435)**	(793)
Income before tax	**10,255**	7,401
Income tax expense	**(2,848)**	(1,853)
Net income	**7,407**	5,548
Other comprehensive income (loss)		
Unrealized (loss) on translation of financial statements of foreign operations	**(440)**	(744)
Change in fair value of marketable securities, net of tax	**(8)**	(15)
Other comprehensive (loss) for the period	**(448)**	(759)
Total comprehensive income	**$ 6,959**	$ 4,789

[1] In the fourth quarter of 2021, the Company revised its accounting policy related to the configuration and customization costs incurred in implementing Software-as-a-service ("SaaS") arrangements in response to the International Financial Reporting Interpretations Committee agenda decision released in April 2021. This accounting policy change resulted in the expense of formerly capitalized financial system implementation costs incurred in 2018 through 2021. This change resulted in a retroactive adjustment to expense these costs effective January 1, 2020. See Note 2 of the Financial Statements for further details on this adjustment.

2.2 Consolidated revenue



(thousands of CAD)		Three Months Ended March 31, 2022		2021
Registry Operations	$	**19,612**	$	19,200
Services		**22,723**		16,237
Technology Solutions		**1,817**		3,711
Corporate and other		**1**		-
Total revenue	$	**44,153**	$	39,148

Total revenue increased during the quarter as a result of:

- higher revenue in Registry Operations from increased activity in the real estate sector, driven by record high-value transactions within the Land Registry accompanied by higher average land values transacted through the registry. The strength in Registry Operations was supported by consistent performance in the Personal Property and Corporate Registries;

- increased revenue in Services for the quarter of $6.5 million or 40 per cent due to several factors:

  - organic growth in Regulatory and Corporate Solutions following the onboarding of new customers combined with increased business from current customers. In both cases, Registry Complete has been a significant driver of this activity;

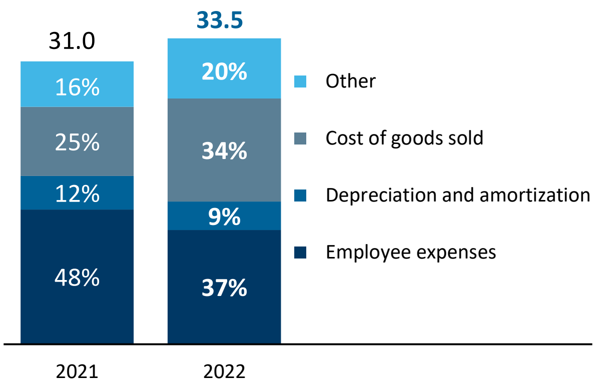
  - additional revenue of $1.1 million following the acquisition of UPLevel mid-way through the quarter;

  - an increase of $0.5 million or 23 per cent in Recovery Solutions (excluding UPLevel) revenue compared to the same period last year due to increased assignments from our customers and higher values for used vehicles due to a shortage in supply in that market across Canada; and

  - the transition of customers to the Registry Complete platform, which provides additional services and hence changes our revenue recognition by accounting for revenue on a gross instead of net basis resulting in an increase in revenue of $2.2 million compared to the same period last year.

2.3 Consolidated expenses

Consolidated Expenses
for the three months ended March 31,
(CAD millions)



(thousands of CAD)	Three Months Ended March 31, 2022	2021 (restated)[1]
Wages and salaries	**$ 12,464**	$ 14,707
Cost of goods sold	**11,277**	7,589
Depreciation and amortization	**3,145**	3,675
Information technology	**2,173**	2,057
Occupancy costs	**862**	850
Professional and consulting	**1,571**	758
Financial services	**1,207**	965
Other	**764**	353
Total expenses	**$ 33,463**	$ 30,954

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

[1] In the fourth quarter of 2021, the Company revised its accounting policy related to the configuration and customization costs incurred in implementing SaaS arrangements in response to the IFRIC agenda decision released in April 2021. This accounting policy change resulted in the expense of formerly capitalized financial system implementation costs incurred in 2018 through 2021. This change resulted in a retroactive adjustment to expense these costs effective January 1, 2020. Values in table may not add due to rounding.

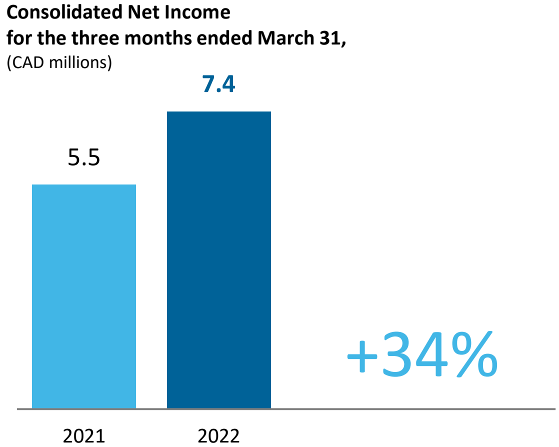
Consolidated expenses were $33.5 million for the quarter, an increase of $2.5 million compared to the same quarter last year. The increase in the quarter was due to:

- an increase in cost of goods sold primarily related to higher revenue in Services combined with the transition of customers to the Registry Complete platform, which provides additional services and hence has changed our revenue recognition by accounting on a gross instead of net basis;
- an increase in professional and consulting for increased spending related to merger and acquisition activities;
- an increase in expenses following the acquisition of UPLevel totalling $1.2 million, of which $0.6 million is related to wages and salaries.

This increase was partially offset by reductions in wages and salaries related to reduced share-based compensation plans as a result of a decrease in the Company's share price during the quarter.

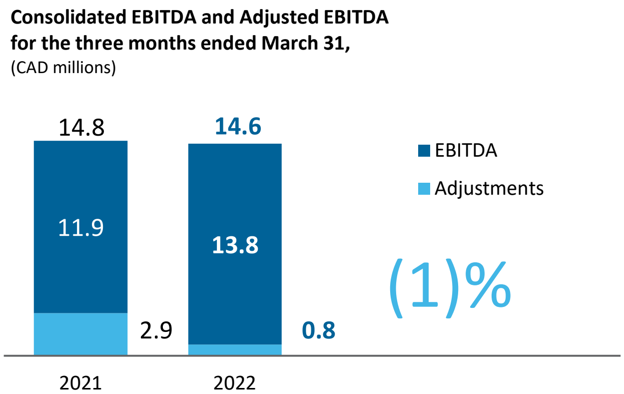
All other expenses were largely consistent with the prior year.

2.4 Consolidated net income



Net income for the quarter was $7.4 million or $0.42 per basic and $0.41 per diluted share, an increase of $1.9 million compared to $5.5 million or $0.32 per basic share and $0.31 per diluted share for the first quarter last year, due to increased revenue in the Registry Operations and Services segments.

2.5 Consolidated EBITDA and adjusted EBITDA



EBITDA for the quarter was $13.8 million compared to $11.9 million for the same quarter last year, due to strong results in the Registry Operations and Services segments accompanied by a reduction in share-based compensation. Adjusted EBITDA was $14.6 million for the quarter, compared to $14.8 million in the first quarter of 2021. The decrease in the quarter compared to the same quarter last year was due to a lower share-based compensation adjustment.

	Three Months Ended March 31,	
(thousands of CAD)	**2022**	2021 (restated)[2]
Net income	**$ 7,407**	$ 5,548
Depreciation and amortization	**3,145**	3,675
Net finance expense	**435**	793
Income tax expense	**2,848**	1,853
EBITDA	**$ 13,835**	$ 11,869
Adjustments		
Share-based compensation expense	**134**	2,822
Stock option (recovery) expense	**(12)**	37
Acquisition and integration costs	**629**	58
Gain on disposal of property, plant and equipment assets	**-**	-
Adjusted EBITDA	**$ 14,586**	$ 14,786
EBITDA margin (% of revenue)	**31.3%**	30.3%
Adjusted EBITDA margin (% of revenue)	**33.0%**	37.8%

[2] In the fourth quarter of 2021, the Company revised its accounting policy related to the configuration and customization costs incurred in implementing SaaS arrangements in response to the IFRIC agenda decision released in April 2021. This accounting policy change resulted in the expense of formerly capitalized financial system implementation costs incurred in 2018 through 2021. This change resulted in a retroactive adjustment to expense these costs effective January 1, 2020. See Note 2 of the Financial Statements for further details on this adjustment.

3 Business Segment Analysis

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

ISC currently has three operating segments:

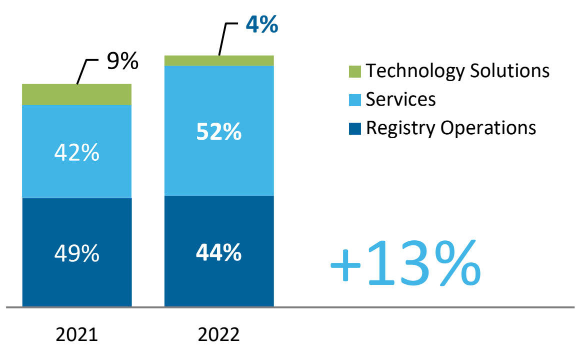
Registry Operations delivers registry and information services on behalf of governments and private sector organizations.

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

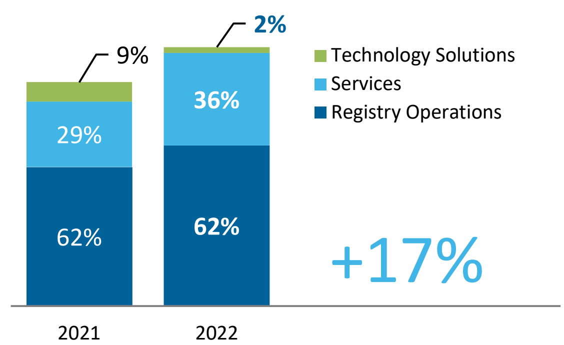
Technology Solutions provides the development, delivery and support of registry (and related) technology solutions.

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

Revenue by Segment[1]
for the three months ended March 31,



EBITDA by Segment[1]
for the three months ended March 31,



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

3.1 Registry Operations

When providing registry and information services to governments and private sector organizations, we work with those customers to support their policies and execute procedures to ensure the integrity of the data and manage the information technology, data management and authentication processes.

Most significantly, Registry Operations provides services on behalf of the Province of Saskatchewan under a 20-year Master Service Agreement ("MSA"), in effect until 2033, 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"). Additional information about the MSA is available in our Annual Information Form for the year ended December 31, 2021, on our website at www.company.isc.ca and in the Company's profile on SEDAR at www.sedar.com.

Competitors in this segment 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.

Registry Operations experiences moderate seasonality, primarily because land titles revenue fluctuates in line with real estate transaction activity in Saskatchewan. Typically, our second and third quarters generate higher revenue during the fiscal year when real estate activity is traditionally highest, however the COVID-19 pandemic has disrupted our normal pattern of seasonality.

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 a flat fee or value-based, calculated as a percentage of the value of the land and/or property being registered. Approximately 86 per cent of all Land Titles Registry registration transactions were submitted online in 2021.

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 the Land Titles Registry revenue is comprised of 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.

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 other certain 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 the revenue in the Personal Property Registry.

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

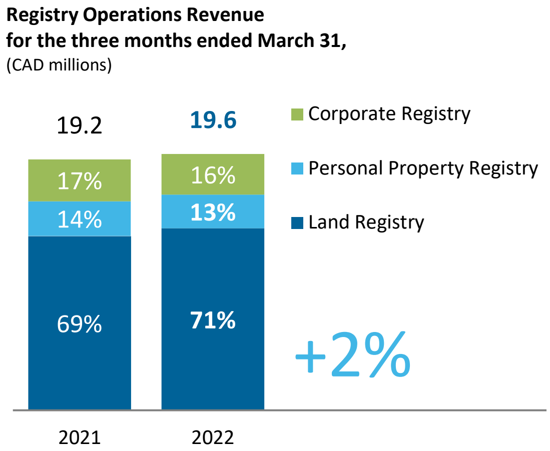
Saskatchewan Corporate Registry

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. Entities must maintain an active registration in the Corporate Registry to legally carry on business within Saskatchewan.

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 93 per cent of all registrations in the Corporate Registry were submitted online in 2021.

REGISTRY OPERATIONS REVENUE



(thousands of CAD)	Three Months Ended March 31, 2022	2021
Land Registry	$ 13,938	$ 13,337
Personal Property Registry	2,551	2,653
Corporate Registry	3,123	3,210
Other	-	-
Registry Operations revenue	$ 19,612	$ 19,200

Revenue for Registry Operations was $19.6 million for the first quarter, up $0.4 million or 2 per cent compared to $19.2 million in the first quarter of 2021. Land Registry revenue rose compared to the same period last year while the Personal Property Registry and Corporate Registry continued to perform well despite modest declines, respectively, compared to the same period last year. The first-quarter increase of Land Registry revenue was due to record high-value transaction revenue, and an increase in the average land values transacted through the registry driven by the Saskatchewan real estate sector activity.

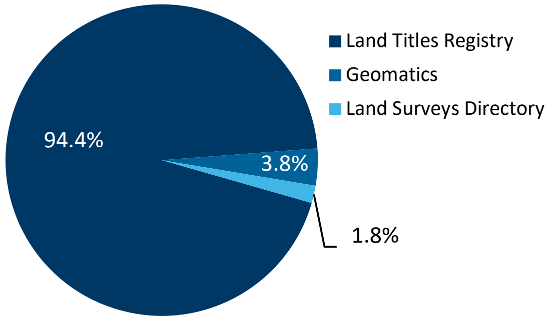
The top five customers for Registry Operations accounted for just under 21 per cent of the total segment revenue for the first quarter of 2022. Of those customers, no single customer made up more than 10 per cent of total Registry Operations revenue.

Saskatchewan Land Registry

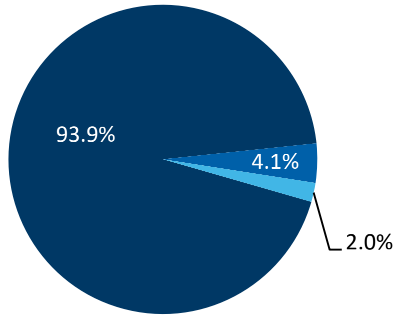
For the first quarter of 2022, revenue for the Land Registry was $13.9 million, up by $0.6 million or 5 per cent compared to the same period in 2021, due to the positive results in the Land Titles Registry, which continued to experience elevated activity in the real estate sector.

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 quarter was $13.2 million, up $0.6 million or 5 per cent compared to the first quarter in 2021. The growth was due to record high-value property registrations as well as higher revenue from regular land transfers (changes of ownership), during the quarter relative to the same period in 2021. Land Titles Registry transaction volume increased by 4 per cent in the first quarter. Average land values for regular land transfers were also higher during the first quarter of 2022 compared to the same period in 2021.

Saskatchewan Land Registry Revenue, for the quarter ended March 31, 2022



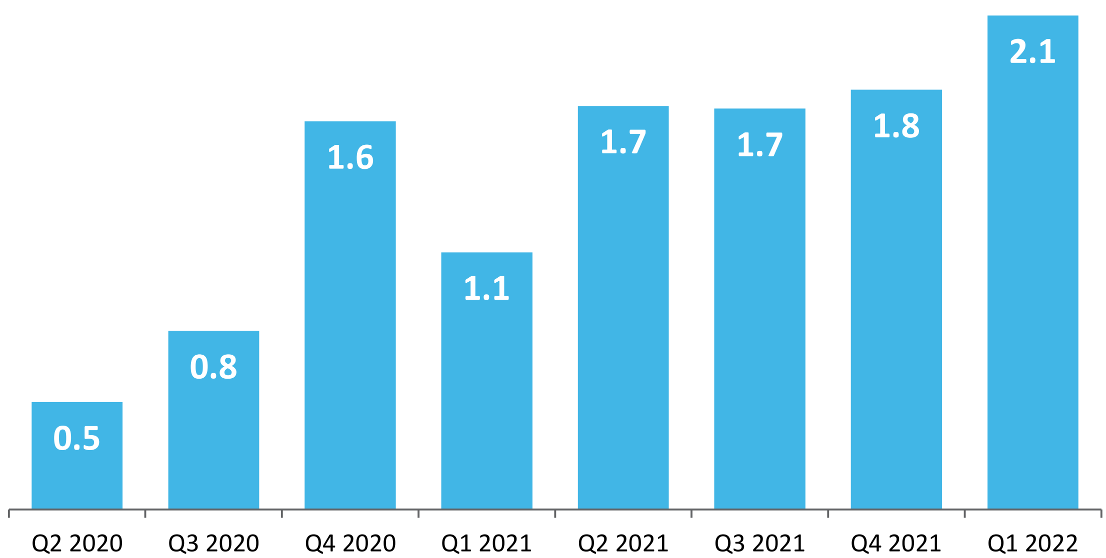
Saskatchewan Land Registry Revenue, for the quarter ended March 31, 2021



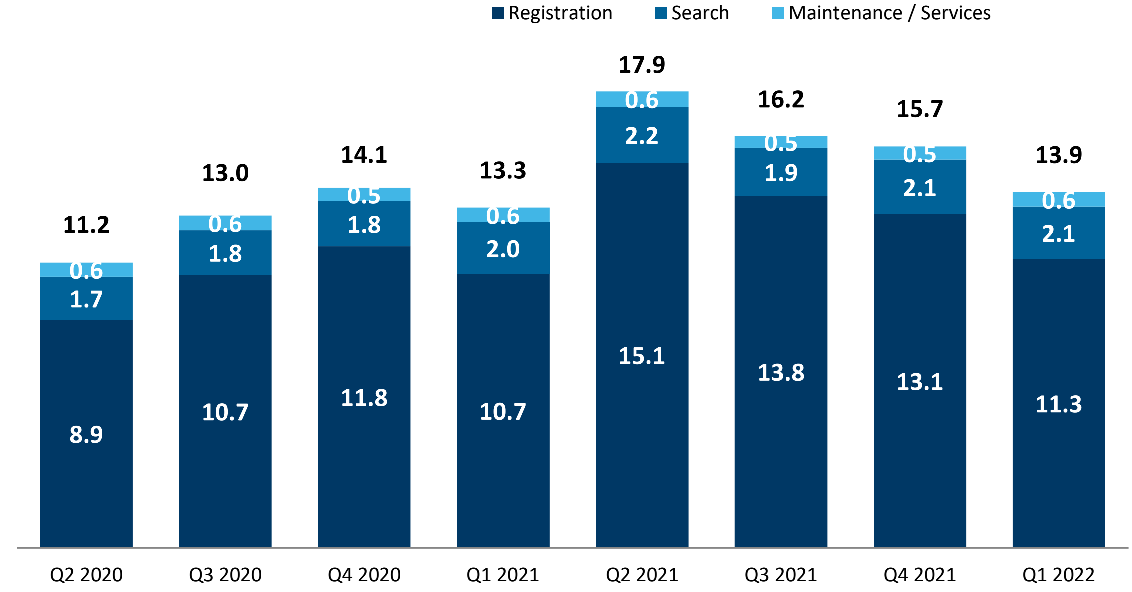
High-value property registration revenue was again strong during the first quarter of 2022, finishing at a record $2.1 million. This almost doubled the $1.1 million in the first quarter of 2021, which was closer to our recent historical average for first quarter results. Each high-value registration generates revenue of $10,000 or more and is typically seen in both commercial and larger agricultural transactions.

The following graphs show the Land Registry revenue by type of transaction and the overall transaction volume, respectively. Typically, the second and third quarters generate the most revenue for the Land Registry. COVID-19 restrictions resulted in lower revenue during the second quarter of 2020, after which we observed higher revenue in the third and fourth quarters, unusual compared to our historical pattern of seasonality. Results for all four quarters of 2021 are higher than we traditionally encounter, although the pattern in 2021 is more indicative of the normal seasonality we experience. For more information on seasonality, refer to section 4 “Summary of Consolidated Quarterly Results”.

Saskatchewan Land Titles Registry - High Value Transaction Revenue
(CAD millions)

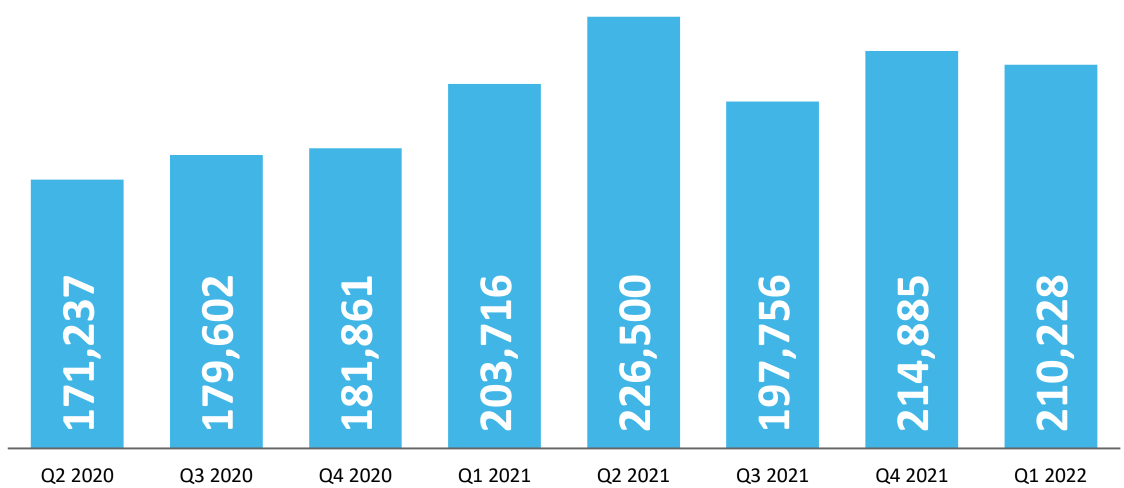


Saskatchewan Land Registry Revenue by Type
(CAD millions)



Note: Values may not add due to rounding.

Saskatchewan Land Registry Transaction Volume
(Number of transactions)



Revenue-generating transactions in the Land Titles Registry rose by 4 per cent for the first quarter of 2022 when compared to the same period in 2021. This was largely due to a rise in mineral-related transfers during the quarter, along with growth in title searches, which rose by 1 per cent in the first quarter of 2022 compared to last year. Title searches make up the largest component of transaction volume, comprising 74 per cent of the volume for the registry during the quarter. While overall volume did improve, the volume of regular land transfers and mortgage registrations declined by 14 per cent and 17 per cent, respectively, compared to the first quarter last year. For regular land transfers during the first quarter, we experienced volume declines in the lower value property ranges while at the same time, we encountered increases in the higher value property ranges. This contributed to the increase in revenue despite the volume decline for regular land transfers.

The main customers of the Land Registry include law firms, financial institutions, governments, surveyors, developers, resource companies as well as the general public. For the first quarter, our top 20 Land Registry customers encompassed just under 43 per cent of revenue, and our top 100 Land Titles Registry customers made up almost 79 per cent of revenue.

Saskatchewan Personal Property Registry

For the first quarter of 2022, revenue for the Personal Property Registry was $2.6 million, down $0.1 million or 4 per cent compared to the same quarter in 2021. Overall volume was effectively flat during the period when compared to the first quarter of 2021 as a result of search volume growth offsetting declines elsewhere.

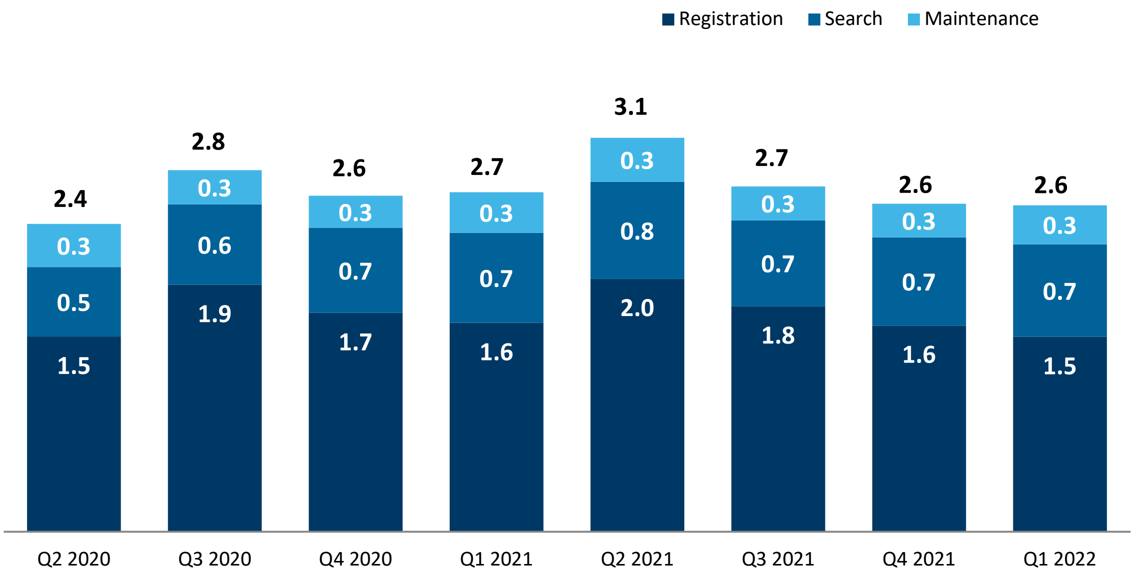
Search volume, which comprises 66 per cent of the volume for the registry this quarter, grew 3 per cent during the quarter. As a result, search revenue also rose by 3 per cent for the first quarter of 2022 compared to the same quarter in 2021.

Registration revenue in the first quarter continues to be negatively impacted as supply chain issues reduced inventories and limited sales particularly in the new motor vehicle sales segment. Volume fell by 7 per cent during the quarter, and revenue was 7 per cent lower compared to 2021. Average term-length for personal property security registration setups was flat compared to the same quarter in 2021.

Maintenance revenue declined by 4 per cent in the first quarter due lower volume, down 6 per cent compared to the same period last year. Revenue declined at a lesser rate than volume due to the increase in average term-length for renewals of personal property security registrations.

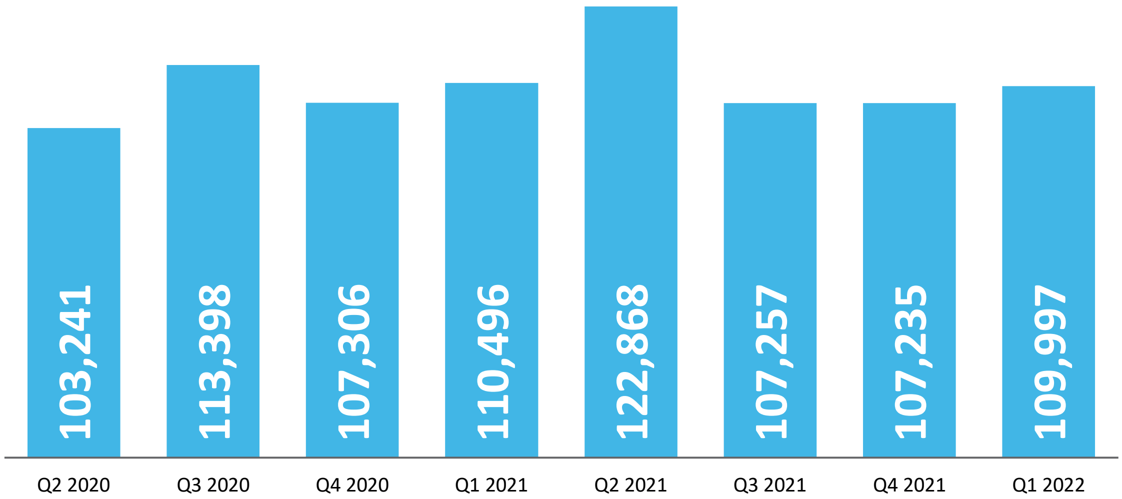
Normally, the pattern of seasonality for this registry contains higher revenues during the second and third quarter each year. COVID-19 has impacted that trend in recent periods, where it appears to have affected customer sentiment and behaviour, however, in 2021 we began to see a return to historical patterns.

Saskatchewan Personal Property Registry Revenue by Type
(CAD millions)



Note: Values may not add due to rounding.

Saskatchewan Personal Property Registry Transaction Volume
(Number of transactions)



Customers of the Personal Property Registry are primarily in the financial sector but also include law firms. The top 20 Personal Property Registry customers generated about 83 per cent of the revenue for the first quarter this year, while the top 100 produced 95 per cent of the revenue.

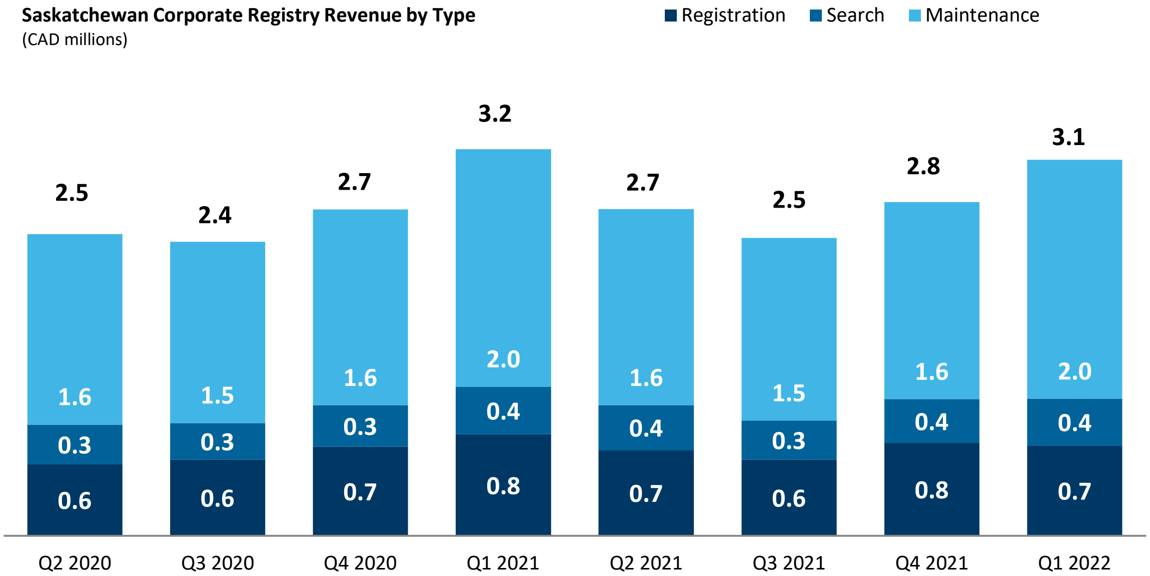
Saskatchewan Corporate Registry

Revenue for the Corporate Registry for the first quarter of 2022 was $3.1 million, down 3 per cent, or $0.1 million compared to the same period in 2021, with a 2 per cent decline in overall transaction volumes.

Registration and search revenue declined by 11 per cent and 2 per cent, respectively. Maintenance revenue, the largest of the three revenue streams, was up about 1 per cent.

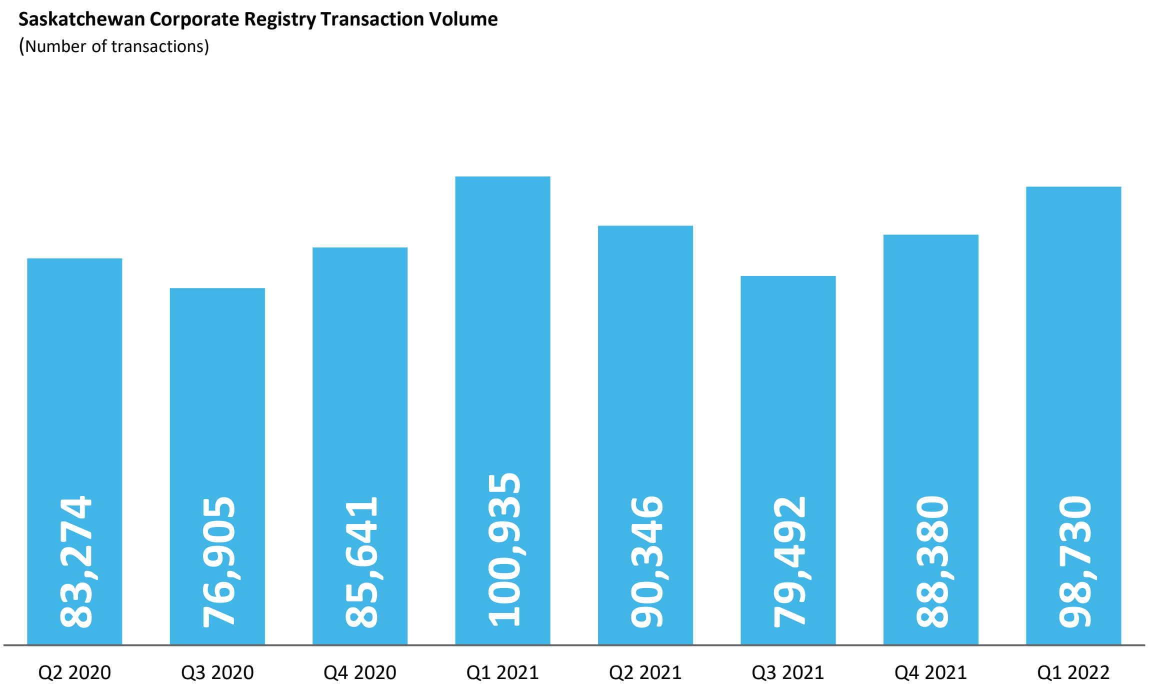
As of March 31, 2022, there were 77,952 active Saskatchewan Business Corporations registered with the Corporate Registry compared to 75,977 as of March 31, 2021.

The following graph illustrates the Corporate Registry revenue by type of transaction. Quarterly revenue in this registry continues to mirror the usual pattern of seasonality, as seen below.



Note: Values may not add due to rounding.

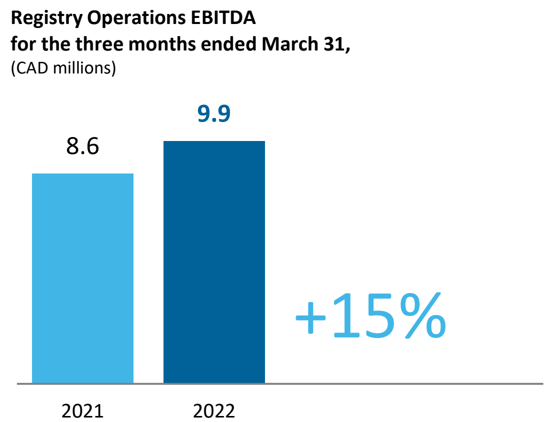
The following graph shows the transaction volumes for the Corporate Registry by quarter.



Transaction volumes for the first quarter dropped by 2 per cent compared to the same period last year. Registration and search volumes declined by 15 per cent and 2 per cent, respectively, compared to the same period in 2021. Maintenance volume was effectively flat for the quarter.

For the Corporate Registry, customers include law firms, companies in the financial sector, as well as the Government of Saskatchewan. They also include businesses such as 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 comprised nearly 34 per cent of revenue for the first quarter of 2022 and the top 100 customers yielded about 51 per cent of revenue.

REGISTRY OPERATIONS EXPENSES AND EBITDA



(thousands of CAD)	Three Months Ended March 31, 2022	2021
Revenue	$ 19,612	$ 19,200
Total expenses[1]	9,701	10,619
EBITDA	$ 9,911	$ 8,581

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

EBITDA for Registry Operations for the first quarter was $9.9 million, up 15 per cent compared to the same period last year. The increase was due to further strength in the Land Registry driven by record high value transactions and increases in average land values transacted through the registry propelled by the Saskatchewan real estate sector activity. This increase in revenue was accompanied by a reduction in corporate allocated costs from reduced share-based compensation expense during the quarter.

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 of customers across Canada.

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

Category	Offering	Software	Products
Corporate Solutions	Incorporation Services	Custom in-house	Nationwide Business Name Registration and Renewals Security Filings and Registrations
	Corporate Supplies	Custom in-house	Minute Books Seals and Stamps Corporate Legal Packages
Regulatory Solutions	Know-Your-Customer (“KYC”)	SIDni®, AttestaNet® LEV®	Individual Identification Legal Entity Validation Beneficial Ownership Validation Account Onboarding Services US & International Corporate Entity Validation
	Public Records Searches	Custom in-house Registry Complete	Corporate Profile or Business Name Searches NUANS[1] Searches PPSA[2] Searches Real Estate Searches Vital Statistics Searches
	Collateral Management	Custom in-house	PPSA[2]/RDPRM[3] Search & Registrations Bank Act Filing Notice of Security Interest (Fixture) Registrations US UCC[4] Search & Filings
Recovery Solutions	Asset Recovery	Repo>>Connect	Fully managed service across Canada Identification, retrieval and disposition of movable assets
	Accounts Receivable Management	FACS[5] DRS[6]	Early-stage collection activities Late-stage collection activities

Acquisition

On February 14, 2022, the Company’s Services segment acquired all the shares of a group of companies operating as UPLevel and has since commenced integration into the Services segment. This acquisition provides our current and new customers an expanded range of services.

With operations in Ontario and Quebec and the ability to serve customers across Canada, UPLevel provides contact and accounts receivable management, debt collection and PPSA search and registration services. The acquisition expands ESC’s leading role in the PPSA market through Regulatory Solutions and augments its credit life-cycle product suite by adding early and late-stage collections enhancing our Recovery Solutions offering.

[1] A NUANS® report is a search which 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 incorporation, 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.

[5] Flexible Automated Collections System.

[6] Debt Recovery System.

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 to legal professionals or the general public directly or indirectly through our government relationships. It also captures revenue from our corporate supplies business. Our customers include legal professionals, the consumer market and the general public.

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 both Ontario and Quebec.

- Currently, the Company holds one of the two exclusive licences which allows us to access the Ontario Corporate Registry electronically on behalf of customers. Ontario intends to transition to a new licencing model and launched the first phase of their new public portal on October 19, 2021. Until the new model is fully rolled out, the Company expects to continue to hold one of the two exclusive licences. 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. Items such as 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 done through the most common corporate supplies in packaged or individual formats, including customized corporate minute books, corporate seals/embossers, by-laws 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. All our technology is supplemented with deep subject-matter knowledge offered through our legal professionals located in four locations (Montreal, QC, Stratford, ON, Toronto, ON, and Vernon, BC).

Our newest, leading technology platform, Registry Complete is a unified and streamlined platform that enables legal organizations to search and register with the various ministries across Canada in a secure cloud-based environment. This service allows legal organizations 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 industry landscape.

Our customers include non-legal customers, such as financial institutions and auto and equipment finance companies.

Know-Your-Customer

- Regulatory Solutions supports legal and financial institution 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 their 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 individual or business's existence, our KYC services aggregates information from multiple trusted sources to provide reliable and accurate identification of an individual and/or a business and its principals.

Collateral Management

- In order to ensure or "perfect" a security interest against the personal property of a debtor, secured parties need to register in the statutory registry under the 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 legislation.

- Regulatory Solutions service the adjudication and complete 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.

Public Records Search Services/Due Diligence

- Our public records search offerings include corporate profiles, business name searches, NUANS, PPSA searches, security searches, real estate searches, and birth, death and marriage certificate 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. In the course of 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 provide 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.

Recovery Solutions

Recovery Solutions offers a fully managed asset recovery service. The acquisition of UPLevel during the quarter enhanced our Recovery Solutions offering to include licensed early and late-stage collection services for our customers. Therefore, Recovery Solutions allows us to offer our customers a complete solution in the credit life cycle, from origination to recovery. By connecting the registrations from our other offerings to our Recovery Solutions offering, our customers can leverage our lien registry services platform to optimize an early-stage portfolio assessment to validate the borrower's identity and ensure that their security on the asset in their portfolio is perfected.

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

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, aircraft, 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 and performance management of bailiffs, investigators, and auctions.

Accounts Receivable Management

- As a licensed 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 and has delivered strong historical results.

- This new service integrates seamlessly with Asset Recovery, Regulatory and Corporate Solutions currently offered to our customers.

Revenue

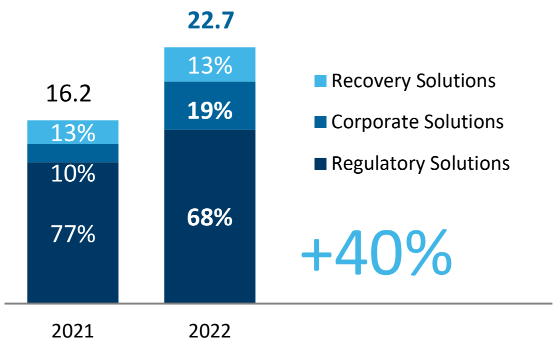
Revenue is earned through transaction fees for search and registration services provided through incorporation, KYC, public records and due diligence, and collateral management services. All government fees associated with the service are either embedded in the transaction or management service fee or charged in addition to the service transaction fee. 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 startup 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. 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 experiences 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 countercyclical to our other business, in that it can perform better in poor economic conditions.

SERVICES REVENUE

Services Revenue[1]
for the three months ended March 31,
(CAD millions)



	Three Months Ended March 31,			
(thousands of CAD)		**2022**		2021
Regulatory Solutions	**$**	**15,413**	$	12,508
Recovery Solutions		**3,037**		2,100
Corporate Solutions		**4,273**		1,629
Services revenue	**$**	**22,723**	$	16,237

[1]Internal related parties and other revenue not displayed in graph. Values may not add due to rounding.

Revenue for Services was $22.7 million for the first quarter, up 40 per cent, or $6.5 million compared to the same period in 2021. This increase was driven by continued organic growth in Regulatory, Corporate and Recovery Solutions, as well as the addition of new revenue from the acquisition of UPLevel mid-way through the first quarter. Our organic growth comes from the addition of new legal customers, increased KYC financial customers, the uptake of new services from existing customers and increased asset recovery assignments. From the start of 2022, customers continued to transition from our legacy platform to our new Registry Complete platform. The response from customers continues to be extremely positive, and as a result we have realized increased revenue.

A portion of the revenue increase in Regulatory Solutions and Corporate Solutions during the first quarter of 2022 relates to changes in accounting method for revenue as customers migrate to the Registry Complete technology, where additional value-added services are provided. This results in an increase in revenue of $2.2 million during the quarter and a corresponding increase in cost of goods sold with no impact to net income or EBITDA.

Regulatory Solutions

Revenue in Regulatory Solutions for the first quarter of 2022 was $15.4 million, up 23 per cent compared to $12.5 million for the same period of 2021. Revenue grew in the quarter due to organic customer growth in the following sectors: KYC, alternative small business lending and auto financing. We also onboarded new legal customers who recognize the value-add services of Registry Complete. New revenue following the acquisition of UPLevel also contributed to the increase in revenue this quarter.

During the first quarter this year, $0.4 million of the increase in revenue relates to changes in accounting method for revenue as customers migrate to the Registry Complete technology where additional value-added services are provided. This change results in an increase in revenue and corresponding increase in cost of goods sold with no change in EBITDA.

Recovery Solutions

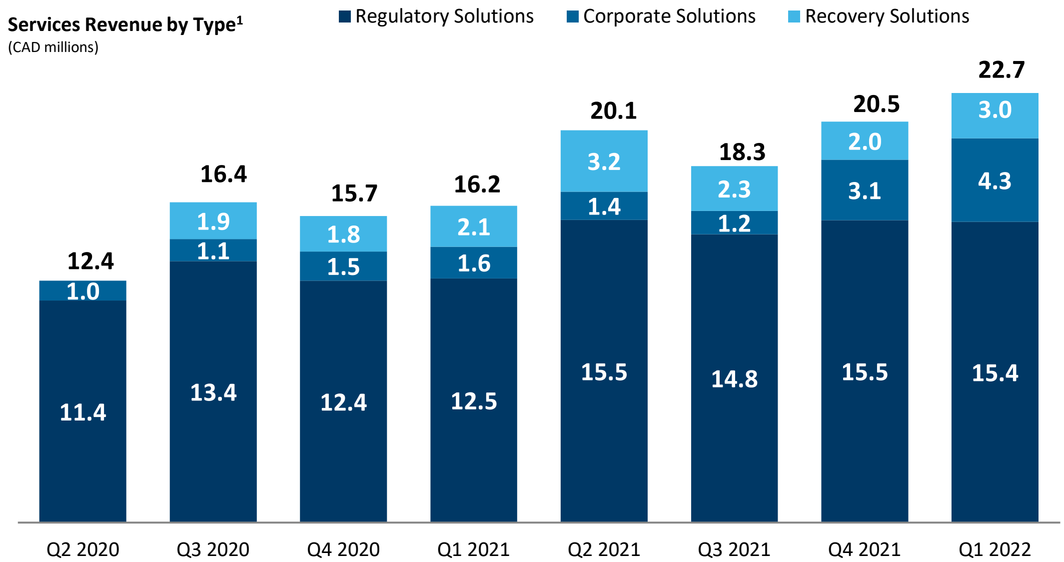
Revenue in Recovery Solutions for the first quarter of 2022 was $3.0 million, a rise of $0.9 million or 45 per cent over the same period in 2021. The increase was due to:

- an increase in assignment levels as COVID-19 pandemic related government subsidy programs ended, accompanied by some return to improved transaction levels compared to the pandemic-impacted period in the prior year;
- higher values for used vehicles due to a shortage in supply in that market across Canada;
- new revenue from the acquisition of UPLevel.

Corporate Solutions

Corporate Solutions revenue for the quarter was $4.3 million, rising by 162 per cent or $2.6 million compared to $1.6 million in the first quarter of 2021. This increase for the quarter is a result of additional Corporate Filing products being added to Registry Complete and the transitioning of some of our existing customers from our legacy platform to Registry Complete, where revenue is accounted for on a gross basis instead of net accounting as a result of additional value-added services being provided. This change in accounting treatment caused $1.8 million of the increase during the quarter to both revenue and cost of goods sold resulting in no impact to net income or EBITDA.

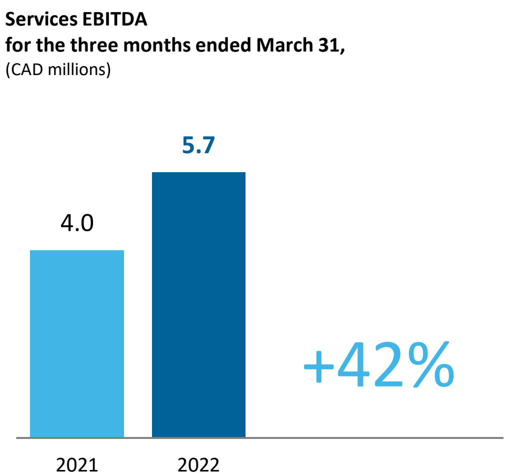
Our Services revenue by solution is shown in the following graph.



[1] Internal related parties and other revenue not displayed in graph. Values may not add due to rounding.

The top 20 Services customers in the quarter accounted for approximately 62 per cent of the revenue, while the top 100 Services customers encompassed almost 79 per cent of revenue. No single customer accounted for more than 25 per cent of Services revenue in the period.

SERVICES EXPENSES AND EBITDA



	Three Months Ended March 31,	
(thousands of CAD)	**2022**	2021
Revenue	**$ 22,723**	$ 16,237
Total expenses[1]	**17,003**	12,197
EBITDA	**$ 5,720**	$ 4,040

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

EBITDA for Services was $5.7 million for the quarter compared to $4.0 million for the same period last year. The increase was due to the increased revenue from the organic growth.

Services expenses were $17.0 million for the quarter compared to $12.2 million last year. The increase was due to increased cost of goods sold related to both the increase in revenue and change in accounting method as well as additional expenses following the acquisition of UPLevel during the quarter.

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.

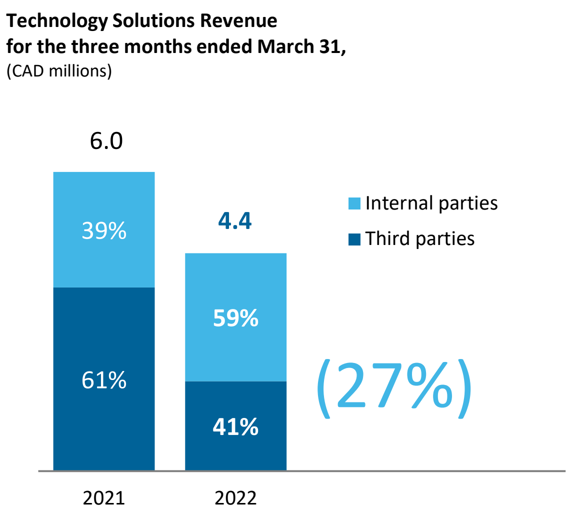
We offer RegSys — a complete registry solution that provides a readily transferable technology platform capable of serving a wide range of registry needs. RegSys is a multi-register platform that delivers the flexibility, scalability and features that enable public sector organizations to deliver enhanced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

With a full suite of integrated modules that provide core functionality for submission, enforcement and enquiry 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, licenses, charities, UCC and pension schemes.

Competitors in this segment include 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 offering depending on the customers' needs.

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

TECHNOLOGY SOLUTIONS REVENUE



(thousands of CAD)		Three Months Ended March 31, 2022		2021
Third parties	**$**	**1,817**	$	3,711
Internal related parties		**2,583**		2,330
Technology Solutions revenue	**$**	**4,400**	$	6,041

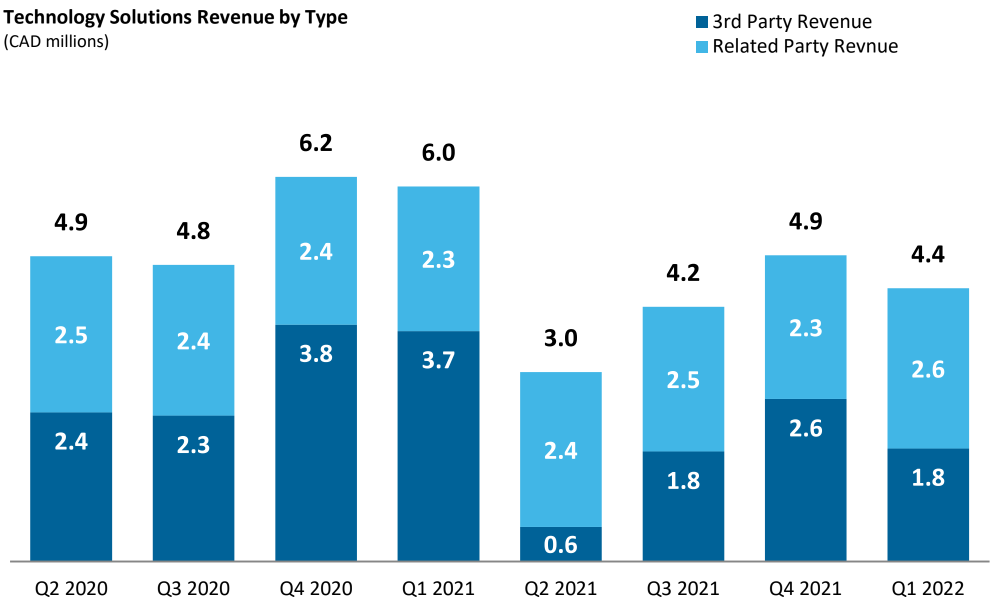
Revenue in Technology Solutions was $4.4 million for the quarter, a decrease of $1.6 million compared to $6.0 million for the same period in 2021.

Revenue from external parties for the quarter decreased $1.9 million compared to the same period in 2021. The decrease was due to the timing of solution implementation projects, which impacts the timing of revenue recognition in the quarter.

Our Technology Solutions segment continues to be the most affected by COVID-19 which has impacted the commencement of potential new opportunities as well as progress on active projects as governments around the world have been responding to the pandemic. While we continue to see progress on solution delivery projects, delays to milestones have occurred thereby deferring certain milestones on these projects to later in 2022. Revenue on our solution implementation projects will continue to be recognized in the quarters in which they are earned either through achievement of milestones or percentage of completion consistent with the revenue recognition method adopted for projects.

Internal 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 via related party resources; therefore, this figure may continue to fluctuate over time, particularly as we pursue additional external revenue.

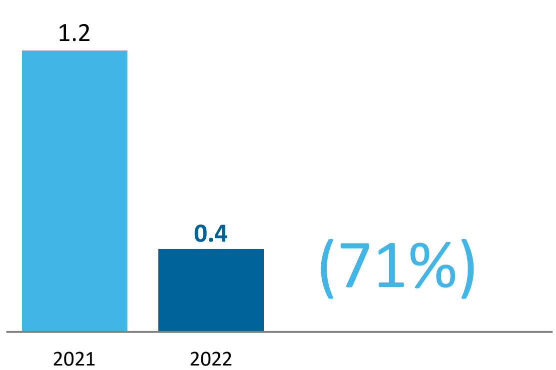
Technology Solutions Revenue by Type
(CAD millions)



Note: Values may not add due to rounding.

TECHNOLOGY SOLUTIONS EXPENSES AND EBITDA

Technology Solutions EBITDA
for the three months ended March 31,
(CAD millions)



(thousands of CAD)	Three Months Ended March 31, 2022	2021
Revenue	$ 4,400	$ 6,041
Total expenses[1]	4,048	4,839
EBITDA	$ 352	$ 1,202

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

EBITDA for Technology Solutions was $0.4 million for the quarter compared to $1.2 million in the first quarter of 2021.

For the quarter, Technology Solutions expenses were $4.0 million compared to $4.8 million in the same period in 2021. EBITDA was down for the year primarily due to lower third-party revenue on solution implementation contracts. Expenses were also down compared to prior year due to contract implementation expenses recognized in 2021 when contract milestones were completed.

3.4 Corporate and other

Corporate and other includes expenses related to our corporate activities and shared services functions. The Company previously included eliminations of Inter-segment revenue and costs in Corporate and other. These are now presented separately in the Financial Statements and therefore excluded below. Management believes this format provides a more transparent representation of the Corporate and other activities.

	Three Months Ended March 31,			
(thousands of CAD)		**2022**		2021
Third parties	**$**	**1**	$	-
Internal related parties		**36**		51
Corporate and other revenue	**$**	**37**	$	51
Total expenses[1]		**(2,185)**		(2,005)
EBITDA	**$**	**(2,148)**	$	(1,954)

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

EBITDA for the quarter decreased compared to the same quarter last year, as a result of increased professional and consulting services related to projects and the acquisition of UPLevel, increased advertising costs, and increased occupancy costs. These increases were offset by a reduction in share-based compensation expenses during the quarter. All other expenses were largely consistent with the previous year.

4 Summary of Consolidated Quarterly Results

The following table sets out select quarterly results for the past eight quarters. As outlined earlier, Registry Operations experiences moderate seasonality, primarily because Land Titles revenue fluctuates in line with real estate transaction activity in Saskatchewan. Typically, our second and third quarters generate higher revenue during the fiscal year when real estate activity is traditionally highest.

In Services, our Corporate Solutions and Regulatory Solutions revenue is relatively 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 experiences seasonality aligned to 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 countercyclical to our other business in that it can perform better in poor economic conditions.

The Company has observed that its historical pattern of seasonality in Registry Operations, and to some degree in Services, has been impacted due to the COVID-19 pandemic. Although the current year trends would support historical patterns, at this time, we are uncertain if or when seasonality will fully return to historical patterns.

Technology Solutions does not experience seasonality, however, it is the segment that has been most impacted by COVID-19 as a result of governments and customers being focused on responding to COVID-19. This has resulted in delays in solution implementation as well as new business development opportunities coming to market. 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 margin fluctuates in line with the cumulative impact of the above factors.

	2022		2021 (restated)[1]				2020 (restated)[1]	
(thousands of CAD)	**Q1**	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenue	**$ 44,153**	$ 44,238	$ 41,369	$ 44,623	$ 39,148	$ 39,013	$ 37,120	$ 30,993
Expenses	**33,463**	29,775	27,268	34,627	30,954	27,086	29,637	24,707
Net income before items noted below	**10,690**	14,463	14,101	9,996	8,194	11,927	7,483	6,286
Net finance (expense)/income	**(435)**	(482)	(661)	(737)	(793)	(1,116)	(397)	(258)
Income before tax	**10,255**	13,981	13,440	9,259	7,401	10,811	7,086	6,028
Income tax expense	**(2,848)**	(3,695)	(3,706)	(2,749)	(1,853)	(2,888)	(1,999)	(1,607)
Net income	**$ 7,407**	$ 10,286	$ 9,734	$ 6,510	$ 5,548	$ 7,923	$ 5,087	$ 4,421
Other comprehensive income (loss)	**(448)**	(262)	(4)	(37)	(759)	(69)	331	(226)
Total comprehensive income	**$ 6,959**	$ 10,024	$ 9,730	$ 6,473	$ 4,789	$ 7,854	$ 5,418	$ 4,195
EBITDA margin	**31.3%**	39.8%	42.3%	30.4%	30.3%	40.2%	29.4%	29.2%
Adjusted EBITDA margin	**33.0%**	38.9%	41.8%	41.5%	37.8%	43.6%	38.0%	33.5%
Earnings per share, basic	**$ 0.42**	$ 0.59	$ 0.56	$ 0.37	$ 0.32	$ 0.45	$ 0.29	$ 0.25
Earnings per share, diluted	**$ 0.41**	$ 0.57	$ 0.54	$ 0.36	$ 0.31	$ 0.45	$ 0.29	$ 0.25

[1] In the fourth quarter of 2021, the Company changed its accounting policy with respect to customization and configuration of SaaS arrangements. See section 2.1 “Consolidated highlights” – footnote 2 for further details.

5 Business Strategy

STRATEGIC PRIORITIES

ISC's strategy focuses on delivering value to shareholders through the consistent performance of its existing business and the execution of appropriate growth opportunities. The Company's strategy is realized through three key functions:

- operating registries on behalf of governments;
- implementing and supporting registry and regulatory technology solutions; and
- delivering value-add services utilizing public data and records.

Through these functions, ISC's strategy is executed with the intent to:

- deliver leading registry and regulatory services and solutions to customers around the world through existing lines of business and potential extension into adjacent opportunities through innovation and/or acquisition;
- produce increasing revenue with continued emphasis on EBITDA growth; and
- provide an enhanced customer experience for those interacting with ISC's systems, people and information.

ISC'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 – *active pursuit of attainable organic and inorganic growth;*

Innovation – *emphasis on product and service innovation and exploration of new verticals;*

Company Values – *prominent focus on quality of service delivery and the engagement of our customers and employees.*

As the jurisdictions in which we operate begin to emerge from the COVID-19 pandemic and remove restrictions, the Company remains well positioned to thrive through adherence to and execution of its priorities, principles, and long-term strategy. As always, we will review and adjust our strategy to ensure the consistent delivery of the intended outputs listed above.

6 Financial and Capital Management

6.1 Cash flow

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

Historically, ISC has financed its operations and met its capital and finance expenditure requirements through cash provided from operating activities. The Company has also utilized borrowing to supplement cash generated from operations to finance acquisition activities. The Company believes that internally generated cash flow, supplemented by additional borrowing that may be available to us through our existing Credit Facility, will be sufficient to meet cash requirements, capital expenditures, merger and acquisition activity and anticipated dividend payments (refer to Note 16 in the December 31, 2021, Financial Statements, which are available on our website at www.company.isc.ca and in the Company's profile on SEDAR at www.sedar.com for our existing Credit Facility).

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 March 31, 2022, the Company held $23.4 million in cash compared to $40.1 million as at December 31, 2021, a decrease of $16.7 million.

The Company expects to be able to meet its cash requirements, including being able to settle current liabilities of $32.2 million (December 31, 2021 – $36.9 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

		Three Months Ended March 31,		
(thousands of CAD)		**2022**		2021
Net cash flow provided by operating activities	**$**	**(2,279)**	$	6,945
Net change in non-cash working capital[1]		**13,784**		2,315
Cash provided by operating activities excluding working capital		**11,505**		9,260
Cash additions to property, plant and equipment		**(90)**		-
Cash additions to intangible assets		**(430)**		(382)
Consolidated free cash flow	**$**	**10,985**	$	8,878

[1] Refer to Note 23 of the Financial Statements for reconciliation.

Consolidated free cash flow for the quarter was $11.0 million compared to $8.9 million for the same quarter in 2021. The increase was due to higher cash flows from operations.

The following table summarizes our sources and uses of funds for the three months ended March 31, 2022, and 2021:

		Three Months Ended March 31,		
(thousands of CAD)		**2022**		2021
Net cash flow (used in) provided by operating activities	**$**	**(2,279)**	$	6,945
Net cash flow used in investing activities		**(9,250)**		(359)
Net cash flow used in financing activities		**(4,963)**		(9,851)
Effects of exchange rate changes on cash held in foreign currencies		**(214)**		(325)
Increase (decrease) in cash	**$**	**(16,706)**	$	(3,590)
Cash, beginning of period		**40,104**		33,946
Cash, end of period	**$**	**23,398**	$	30,356

NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES

Net cash flow associated with operating activities was an outflow of $2.3 million for the quarter compared to an inflow of $6.9 million for the same period last year. The variance is a net outflow of $9.2 million, most of which is due to the impact of incremental corporate income tax payments of $7.0 million, which were necessary due to strong corporate earnings in 2021. The remaining outflow variance of $2.2 million is primarily attributable to $4.1 million of share-based compensation due to a decrease in share price quarter over quarter and a $1.3 million payout of PSUs partly offset by $2.0 million in stronger operating results.

NET CASH FLOW USED IN INVESTING ACTIVITIES

Net cash used in investing activities for the quarter was $9.3 million compared to $0.4 million in the same period last year. The increase primarily reflects the acquisition of UPLevel, combined with slightly higher capital expenditures.

NET CASH FLOW USED IN FINANCING ACTIVITIES

Net cash flow used in financing activities for the quarter was $5.0 million, compared to $9.9 million for the same period in 2021. Last year's quarter included a $5.0 million voluntary repayment of long-term debt. Increased dividend payments in the current quarter are largely offset by lower interest payments, which reflect the impact of debt prepayment initiatives undertaken throughout the 2021 calendar year.

6.2 Capital expenditures

Capital expenditures were $0.5 million for the quarter, compared to $0.4 million last year. In both periods, capital expenditures were primarily related to system development work in our Technology Solutions and Services segments.

	Three Months Ended March 31,	
(thousands of CAD)	**2022**	2021
Registry Operations	**$ -**	$ -
Services	**136**	113
Technology Solutions	**384**	269
Corporate and other	**-**	-
Total capital expenditures	**$ 520**	$ 382

6.3 Debt

At March 31, 2022, our debt was $41.0 million, largely unchanged from the balance at December 31, 2021. Debt of $1.0 million acquired in the UPLevel acquisition was settled shortly after acquisition via a non-cash transaction with the vendor, whereby an equal and offsetting amount due from the vendor was deemed to be settled against this debt.

In the comparable quarter last year, the Company made a voluntary prepayment of $5.0 million towards its previous facility. The total aggregate amount available under the Credit Facility at March 31, 2021, remains at $150.0 million.

For further information on our Credit Facility, refer to Note 16 in the December 31, 2021, Financial Statements, which are available on our website at www.company.isc.ca and in the Company's profile on SEDAR at www.sedar.com.

The Company was in compliance with all covenants throughout the period. The amount of borrowing costs capitalized during 2022 and 2021 was nil.

6.4 Total assets

Total assets were $229.8 million at March 31, 2021, compared to $232.5 million at December 31, 2021.

(thousands of CAD)	Registry Operations	Services	Technology Solutions	Corporate and other	**As at March 31, 2022**
Total assets excluding intangibles, goodwill and cash	$ 22,560	$ 19,177	$ 4,325	$ 14,947	**$ 61,009**
Intangibles	1,399	58,149	4,755	9	**64,312**
Goodwill	1,200	71,463	8,419	-	**81,082**
Cash	-	-	-	23,398	**23,398**
Total assets	$ 25,159	$ 148,789	$ 17,499	$ 38,354	**$ 229,801**

(thousands of CAD)	Registry Operations	Services	Technology Solutions	Corporate and other	As at December 31, 2021
Total assets excluding intangibles, goodwill and cash	$ 23,108	$ 12,516	$ 4,099	$ 14,470	$ 54,193
Intangibles	1,506	54,794	4,755	12	61,067
Goodwill	1,200	67,372	8,562	-	77,134
Cash	-	-	-	40,104	40,104
Total assets	$ 25,814	$ 134,682	$ 17,416	$ 54,586	$ 232,498

6.5 Working capital

At March 31, 2022, working capital was $15.2 million compared to $19.5 million at December 31, 2021. The $4.3 million decrease in working capital is primarily the result of the $8.8 million cash outflow for the acquisition of UPLevel, a $5.0 million cash outflow for financing items including dividends of $4.0 million, a $1.6 million net decrease in long-term liabilities associated with share-based compensation, all of which is partly offset by free cash flow of $11.0 million for the 3 months ended March 31, 2022.

(thousands of CAD)	**As at March 31, 2022**	As at December 31, 2021
Current assets	**$ 47,352**	$ 56,447
Current liabilities	**(32,162)**	(36,905)
Working capital	**$ 15,190**	$ 19,542

6.6 Outstanding share data

The number of issued and outstanding Class A Shares as at March 31, 2022, was 17.5 million and the number of issued and outstanding share options as of March 31, 2022, was 1,533,515. As of May 4, 2022, the date of filing, the number of issued and outstanding Class A Shares was 17,501,800 and the number of issued and outstanding share options were 1,531,715.

6.7 Common share dividend

On March 15, 2022, our Board declared a quarterly cash dividend of $0.23 per Class A Share, paid on April 15, 2022, to shareholders of record as of March 31, 2022.

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 March 31, 2022, consist of cash, short-term investments, trade and other receivables, accounts payable and accrued liabilities excluding share-based accrued liabilities, 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 of the Financial Statements for information pertaining to financial instruments and related risk management.

7.2 Business risks and risk management

ISC faces certain risks which can impact its business and its financial and operational performance. For the information on the risk management approach, business risks and risk management, refer to the Management's Discussion and Analysis and Annual Information Form for the year ended December 31, 2021, which are available on the Company's website at www.company.isc.ca and in the Company's profile on SEDAR at www.sedar.com. The main risks and uncertainties that could affect our future business results and associated risk mitigation activities have not materially changed since the release of our Management's Discussion and Analysis for the year ended December 31, 2021, which includes the impacts from COVID-19, as updated below.

The COVID-19 pandemic continues to impact Canadians and economies around the world. As conditions allow, we will be introducing a methodical, cautious, phased approach as we prepare our organization to adapt to our "new normal" in the workplace. All of our segments have remained operational throughout the pandemic, and our staff have provided service to customers virtually, either online or by telephone. In the fourth quarter of 2021, the Company implemented a COVID-19 Vaccination Policy (the "Policy") for all of its employees. This Policy was implemented to ensure the health and safety of our employees and their families, our customers and all other stakeholders. Employees who choose not to be fully vaccinated or not to disclose their vaccination status will be required to provide proof of a negative test on a consistent basis, prior to entering any location maintained by ISC or any of its subsidiaries.

The global outbreak of COVID-19 continues to evolve. The ultimate long-term impact of COVID-19 on the Company and its business is uncertain and cannot be predicted with confidence.

8 Accounting Policies, Financial Measures and Controls

8.1 Off-balance sheet arrangements

The Company had no off-balance sheet arrangements as at March 31, 2022.

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 22 in the December 31, 2021, Financial Statements, which are available on our website at www.company.isc.ca and in the Company's profile on SEDAR at www.sedar.com for information about transactions with related parties.

8.3 Critical accounting estimates

ISC's critical accounting estimates are contained in Note 2 of 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 allocation of the purchase price for the acquisition of the group of companies operating as UPLevel ("UPLevel");
- the recoverability of deferred tax assets; and
- the amount and timing of revenue from contracts from customers recognized over time with milestones.

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 revised standards, along with any consequential amendments, effective January 1, 2022, or on such date as they became applicable. These changes were made in accordance with the applicable transitional provisions. Refer to Note 2 of the Financial Statements for further information pertaining to the adoption and changes in these policies.

Proposed Standard	Description
Amendments to IAS 37 – *Onerous Contracts – Cost of Fulfilling a Contract*	The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

	This amendment will affect the assessment of and accounting for onerous contracts. The Company has adopted this amendment to IAS 37 effective January 1, 2022. The Company does not have any onerous contracts as of March 31, 2022.
Amendments to IFRS 3 – *Reference to the Conceptual Framework*	The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 — *Levies*, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. Finally, the amendments add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination. This change will impact the analysis of business combinations. The company has adopted this amendment to IFRS 3 from January 1, 2022 and has applied this to acquisitions completed during 2022.

The IAS Board and IFRIC 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 Noncurrent*	The amendments to IAS 1 affect only the presentation of liabilities as current or noncurrent 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. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, with early application permitted. This amendment is currently being assessed by the Company to determine the impact.	January 1, 2023
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 Material Judgements* require that an entity discloses its material accounting policies, instead of its significant accounting policies. The amendment is effective for annual periods beginning on or after January 1, 2023. This change will impact disclosures in Note 2 to the Notes to the Consolidated Financial Statements.	January 1, 2023
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 amendment is effective for annual periods beginning on or after January 1, 2023. This amendment is currently being assessed by the Company to determine the impact.	January 1, 2023

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 amendment is effective for annual periods beginning on or after January 1, 2023. This amendment is currently being assessed by the Company to determine the impact.	January 1, 2023

8.5 Financial measures and key performance indicators

Revenue, expenses and net income 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 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 EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin and 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.

The design scope of internal controls over financial reporting has been limited to exclude controls, policies and procedures of UPLevel, having been acquired less than 365 days prior to March 31, 2022. See section 8.7 “Disclosure controls and procedures” for UPLevel’s contribution to the Financial Statements.

Other than as described above, 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.

The design scope of disclosure controls and procedures has been limited to exclude controls, policies and procedures of UPLevel, have been acquired less than 365 days prior to March 31, 2022.

The contribution of UPLevel to the Financial Statements for the three months ended March 31, 2022, was approximately 2 per cent of revenue and 3 per cent of expenses.

8.8 Non-IFRS financial measures

This MD&A includes certain measures, that have not been prepared in accordance with IFRS, such as EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin and free cash flow. Rather, these measures are provided as additional information to complement those 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 our 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-GAAP Performance Measure	Why we use it	How we calculate it	Most comparable IFRS financial measure
EBITDA EBITDA Margin	• To evaluate performance and profitability of segments and 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. • EBITDA is also used as a component of determining short-term incentive compensation for employees.	EBITDA: Net income add Depreciation and amortization, net finance expense, income tax expense EBITDA Margin: EBITDA divided by Total revenue	Net income
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: EBITDA add (remove) Share-based compensation expense, stock option expense, acquisition and integration costs, gain on disposal of property, plant and equipment assets 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. • We believe that certain investors and analysts use this measure to value a business and its underlying assets.	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	Net cash flow provided by operating activities

8.9 Non-IFRS financial measures definition

EBITDA is defined as earnings before interest, taxes, depreciation and amortization expense. Adjusted EBITDA adjusts EBITDA for share-based compensation expense or income, stock option expense, transactional gains or losses on assets, asset impairment charges, and acquisition and integration costs. These measures, in addition to net income and income from operations, measure business performance and cash flow generation because it removes cash flow fluctuations caused by the above adjustments. Furthermore, we use adjusted EBITDA for business planning purposes and to evaluate and price potential acquisitions. In addition to use by management, we also believe these measures are widely used by securities analysts, investors and others to evaluate the financial performance of the Company and for comparing our results with those of other companies. EBITDA margin and adjusted EBITDA margin are calculated as a percentage of overall revenue.

Free cash flow is used as a financial measure in our evaluation of liquidity and financial strength. 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, free cash flow assists in the long-term assessment of liquidity and financial strength. This measurement is useful as an indicator of our ability to service our debt, meet other payment obligations and make strategic investments. Free cash flow does not represent residual cash flow available for discretionary expenditures.