



NEWS RELEASE

# ISC® Highlights Achievements for 2020 and Provides Outlook for 2021

2/3/2021

REGINA, Saskatchewan, Feb. 03, 2021 (GLOBE NEWSWIRE) -- Information Services Corporation (TSX:ISV) ("ISC" or the "Company") today provided its outlook for 2021 as well as some of the achievements for 2020.

## 2020 Corporate Highlights

- Revenue for 2020 is expected to be above consensus estimate of \$135.7M, based on strength in the Saskatchewan real estate market in the third and fourth quarters, new customer acquisitions in our Services segment and the addition of our new Recovery Solutions division.
- A focus on cost management, combined with COVID-19 related reductions, is expected to assist in strong fourth quarter and annual EBITDA performance, compared to consensus estimates of \$11.3M and \$41.2M, respectively.
- Completed the acquisition of the assets of Paragon Inc. to create the Recovery Solutions division in the Company's Services segment. Since 2013, ISC has deployed over \$150 million in capital in pursuit of its growth and diversification strategy via M&A.
- Paid \$14.0 million in dividends to shareholders in 2020. Since going public, ISC has paid over \$100 million in dividends to shareholders (as at the year ended December 31, 2020).
- Increased the credit facility to \$150 million to ensure that the Company continues to have access to capital and the ability to act on growth opportunities as they arise.
- Continued to execute on our technology roadmap for our Services segment with the soft launch of our updated legal sector platform, Registry Complete.

- Completed the deployment and successful implementation of new technology for the Companies Registration Office (Ireland) and the Irish Aviation Authority.
- Subsequent to the end of the fourth quarter, the membership of SGEU Local 2214 ratified a new collective agreement with respect to ISC's in-scope employees. The new six-year agreement runs to September 30, 2025.
- Subsequent to the end of the fourth quarter, we successfully implemented new technology for our client in Nova Scotia (Registry of Joint Stock Companies).

Commenting on 2020, Jeff Stusek, President and CEO stated, "There is no question that 2020 was a remarkable year for ISC even though we all faced challenges due to the global pandemic. Our Registry Operations business continues to be a strong free cash flow generator and world-leading example of how core public registries should be run. Following the successful acquisition of the assets of Paragon in July, our Services business now offers a complete collateral management solution to our customers and became a major contributor to our free cash flow alongside Registry Operations, further strengthening the foundation of our consolidated business. Technology Solutions is continuing to gain traction as a key piece of our portfolio with the successful completion of implementations in several jurisdictions during the year. While the short-term economic outlook remains uncertain, our performance in 2020 reinforces the resilience of our business and why I remain excited about the future for ISC."

#### Outlook

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

Despite an excellent performance in 2020, the uncertainty around the impacts of COVID-19 remain for 2021 as we manage through new, additional or extended pandemic response measures. However, we are well-positioned to manage through this in 2021 and expect our results will reflect that. Our long-term strategy remains centered on delivering value for shareholders through the consistent performance of our existing business and the execution of appropriate growth opportunities, including acquisition targets that are complementary to or add value to existing lines of business.

In our Registry Operations and Services segments, we expect our volumes to be lower than normal in 2021, as the pace of recovery of the Canadian economy may be uneven and is dependent on how long the pandemic continues.

Despite this, we are continuing to invest in the technology supporting our Services segment and transition away from legacy platforms to optimize the customer experience through automation of the delivery of services and reduce our cost of delivery. As well, we expect the strong EBITDA margin profile of the recently acquired Recovery

Solutions division of our Services segment to positively impact our consolidated EBITDA margin profile in 2021.

In our Technology Solutions segment, project implementation work continues for multiple clients. As mentioned in our previous 2020 reporting, we have been able to work remotely during the pandemic. However, some ongoing implementations which we expected to be completed in 2020 were delayed due to the pandemic and are now expected to be completed in 2021. For example, subsequent to the end of the fourth quarter, we successfully completed the implementation for the Registry of Joint Stock Companies in Nova Scotia. In addition, we commenced implementation planning for our newest customer, the islands of Bonaire, St. Eustatius and Saba (the “BES Islands”), following the award of a contract in December 2020.

The uncertainty surrounding the duration and potential outcomes of the COVID-19 pandemic remains for the foreseeable future. While we expect strong 2020 results and have positioned the Company to manage through this situation, we continue to be unable, at this time, to predict the full impact on our financial results in 2021. Therefore, we will not be providing guidance for the coming year.

#### Note to Readers

All figures are in Canadian dollars unless otherwise noted.

#### About ISC®

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

#### Cautionary Note Regarding Forward-Looking Information

This news release contains forward-looking information within the meaning of applicable Canadian securities legislation including, without limitation, those contained in the “Outlook” section hereof and statements related to the expected impact of COVID-19, the industries in which we operate, growth opportunities and our future financial position and results. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those expressed or implied by such forward-looking information. Important factors that could cause actual results to differ materially from the Company's plans or expectations include risks relating to changes in the condition of the economy, including those arising from public health concerns, reliance on key customers and licences, dependence on key projects and clients, securing new business and fixed-price contracts, identification of viable growth opportunities, implementation of our growth strategy, competition and other risks detailed from time to time in the filings made by the Company including those detailed in ISC's Annual Information Form for the year ended December 31, 2019

and ISC's Unaudited Condensed Consolidated Financial Statements and Notes and Management's Discussion and Analysis for the third quarter ended September 30, 2020, copies of which are filed on SEDAR at [www.sedar.com](http://www.sedar.com).

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

Investor Contact

Jonathan Hackshaw

Director, Investor Relations & Capital Markets

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

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

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