



ISC Announces Annual Guidance and Outlook for 2025

January 28, 2025

- **Sustained organic revenue and adjusted EBITDA growth** forecasted in 2025.
- **Robust free cash flow** will support growth and further deleveraging of the balance sheet.
- **Focus on M&A and business development** in 2025 in support of 2028 growth goals.

REGINA, Saskatchewan, Jan. 28, 2025 (GLOBE NEWSWIRE) -- Information Services Corporation (TSX:ISC) ("ISC", "we" or the "Company") today announced its annual guidance and outlook for 2025.

Consolidated Annual Guidance 2025 (in millions of Canadian dollars)

	Guidance Ranges 2024	Guidance Ranges 2025
Revenue	\$240.0 to \$250.0	\$257.0 to \$267.0
Adjusted EBITDA ¹	\$83.0 to \$91.0	\$89.0 to \$97.0

Outlook

2025 marks the second year of ISC's growth plan to again double the size of the Company by 2028, on a similar metrics basis and based on 2023 results. Our guidance for 2025 reflects continued organic growth in line with historical trends. While not included in our guidance, our disciplined M&A strategy is intended to support our 2028 growth targets as we continue to pursue new opportunities.

As shown in our third-quarter year-to-date results, 2024 was a strong year as we executed on organic growth. Initial indications from our unaudited fourth-quarter results suggest that we can expect to report at the top end of our 2024 guidance because of higher-than-expected high-value registrations in the Saskatchewan Land Registry for the fourth quarter of 2024.

In Registry Operations, a declining interest rate environment is likely to support ongoing activity in the Saskatchewan real estate market. As a result, there is expected to be typical annual growth in overall volumes in the Saskatchewan Land Registry of two to three per cent. At the same time, there is also forecasted to be an increase in the fair market value of regular real estate transfers, along with inventory challenges in the lower-value homes category. The stability of the Ontario Property Tax Assessment division, along with a full year of the Bank Act Security Registry ("BASR") and annual Saskatchewan Registries CPI fee adjustments, will support the segment's steady financial performance.

In Services, we expect continued growth in the Regulatory Solutions division due to the ongoing trend of increased due diligence by financial institutions. In addition, we expect to build on the strong gains made in the Recovery Solutions division in 2024. Growth in these two divisions is expected to offset any headwinds from the further opening of the Ontario Business Registry, as well as the unexpected banning of the Notice of Interest Registration ("NOSI") in Ontario in the second half of 2024.

In Technology Solutions, we are again forecasting double-digit growth in 2025, supported by a pipeline of third-party and related-party contracts that are currently being delivered, including our projects in Cyprus, Guernsey, Michigan, and the recently announced contract with Liechtenstein, among others.

As in prior years, the key drivers of expenses in 2025 are expected to be wages and salaries, cost of goods sold, as well as the additional operating costs associated with the enhancement of the Saskatchewan Registries and interest expense, which are excluded from adjusted EBITDA.

As a result, in 2025, ISC expects revenue to be within a range of \$257.0 million to \$267.0 million and adjusted EBITDA to be in a range of \$89.0 million to \$97.0 million. In keeping with our historical performance, the Company also expects to see robust free cash flow in 2025, which will support the deleveraging of our balance sheet to realize a long-term net leverage target of 2.0x – 2.5x.

Notes

¹ Adjusted EBITDA is not a recognized measure under International Financial Reporting Standards ("IFRS") and does not have a standardized meaning prescribed by IFRS, therefore, it may not be comparable to similar measures reported by other corporations. Please refer to section 8 for "Non-IFRS Financial Measures" and "Financial Measures and Key Performance Indicators" in Management's Discussion and Analysis for the three and nine months ended September 30, 2024. Additionally, see the Non-IFRS Performance Measures section noted below.

About ISC®

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

Cautionary Note Regarding Forward-Looking Information

This news release contains forward-looking information within the meaning of applicable Canadian securities laws, including, without limitation, those contained in the "Outlook" section hereof and statements related to the industries in which we operate, growth opportunities and our future financial

position and results of operations. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those expressed or implied by such forward-looking information. Important factors that could cause actual results to differ materially from the Company's plans or expectations include risks relating to changes in economic, market and business conditions, changes in technology and customers' demands and expectations, 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, termination risks 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, 2023 and ISC's unaudited Condensed Consolidated Interim Financial Statements and Notes and Management's Discussion and Analysis for the third quarter ended September 30, 2024, copies of which are filed on SEDAR+ at www.sedarplus.ca.

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

Non-IFRS Performance Measures

Included within this news release is reference to certain measures that have not been prepared in accordance with IFRS, such as adjusted EBITDA. This measure is 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 future capital expenditure and working capital requirements.

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

Non-IFRS Performance Measure	Why we use it	How we calculate it	Most comparable IFRS financial measure
Adjusted EBITDA	<ul style="list-style-type: none"> To evaluate performance and profitability of segments and subsidiaries as well as the conversion of revenue while excluding non-operational and share-based volatility. We believe that certain investors and analysts use adjusted EBITDA to measure our ability to service debt and meet other performance obligations. Adjusted EBITDA is also used as a component of determining short-term incentive compensation for employees. 	Adjusted EBITDA: EBITDA add (remove) share-based compensation expense, acquisition, integration and other costs, gain/loss on disposal of assets if significant	Net income

Investor Contact

Jonathan Hackshaw
Senior Director, Investor Relations & Capital Markets
Toll Free: 1-855-341-8363 in North America or 1-306-798-1137
investor.relations@isc.ca

Media Contact

Jodi Bosnjak
External Communications Specialist
Toll Free: 1-855-341-8363 in North America or 1-306-798-1137
corp.communications@isc.ca



Source: Information Services Corporation