



NowVertical Group Enters into a Definitive Agreement to Acquire CoreBI

NOW's acquisition will expand its global reach with an established footprint in South America.

TORONTO, Ontario, January 13, 2022 /CNW/ - NowVertical Group Inc. (TSXV: NOW) ("**NOW**" or the "**Company**"), a global big data analytics software and services company, is pleased to announce that it has entered into a definitive agreement to acquire 100% of the issued and outstanding securities of CoreBI S.A. and CoreBI S.A.S. (together, "CoreBI"), an ISO 9000 certified data science and analytics firm that provides data engineering, big data, data governance, business intelligence and data science in South America (the "**Transaction**").

"We are extremely pleased to reach another significant milestone in NOW's evolution. Once completed, we will have established a significant global growth platform with new offices in Argentina, Colombia, and an established presence Chile" said Daren Trousdell, Chairman & CEO of NOW. "We have been vigorously pursuing the right addition to integrate and deploy NOW's offering to the Latin American market, representing roughly 14 percent of the global big data analytics market*. CoreBI provides a market-leading team of experts, a solid software-agnostic technology implementation track-record and immediate access to customers already embracing data analytics professionalization across multiple verticals."

Operating from two primary locations in Argentina (Buenos Aires & Cordoba), CoreBI was founded in 2006 by Leandro Srur and Mauricio Pinto. The company is focused on empowering bold decision-making for their customers through big data, data-driven consulting, business intelligence, advanced-analytical models, and data governance business insights. CoreBI currently services more than 20 marquee customers across the banking and finance, telecommunications, retail, energy, and pharmaceutical industries. With over 60 regional success stories, CoreBI works with some of the world's most recognizable global enterprises, including Metlife Worldwide, Disney, Nike, Visa, and Raízen Energia, providing consulting services and software solutions across the big data analytics value chain. CoreBI generated net income of approximately US\$0.6 million, US\$5.8 million in revenue, and US\$0.9 million in EBITDA* in 2021 (unaudited, on a consolidated basis).

"We are excited by the opportunity to integrate with NOW. This is a great opportunity to take our solutions offering to the next level by providing our clients with NOW's operational scale and top-of-the-line technologies," said Santiago Trogolo, Chief Executive Officer of CoreBI. "Joining forces with NOW is great for our customers, partners, and employees as we move to expand our offering, reach and impact, which will accelerate our mission to bring strategy, design and consulting services to the most ambitious brands in the region."

* Source: <https://www.fortunebusinessinsights.com/big-data-analytics-market-106179>

* See Cautionary Note Regarding Non-IFRS Measures at the end of this release



Transaction Details

Pursuant to the terms of a share purchase agreement dated January 12, 2022, the Company has agreed to acquire CoreBI for total aggregate consideration of up to US\$8.0 million, consisting of (i) a cash payment of US\$3.0 million on closing, (ii) a contingent cash payment of US\$1.75 million payable on the 12-month anniversary of closing provided certain corporate objectives are satisfied and (iii) up to a maximum aggregate of US\$3.25 million in the form of an earn-out, payable to the vendors on the first, second, third and fourth year anniversaries of closing upon CoreBI achieving certain adjusted EBITDA targets. Closing of the Transaction is subject to customary closing conditions.

About NowVertical Group Inc.

NOW is a big data, Vertical Intelligence (“VI”) software and services company that is growing organically and through acquisition. NOW's VI solutions are organized by industry vertical and are built upon a foundational set of data technologies that fuse, secure, and mobilize data in a transformative and compliant way. The NOW product suite enables the creation of high-value VI solutions that are predictive in nature and drive automation specific to each high-value industry vertical. For more information about the Company, visit www.nowvertical.com.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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Forward-Looking Statements

This news release may contain forward-looking statements (within the meaning of applicable securities laws) which reflect the Company's current expectations regarding future events. Forward-looking statements are identified by words such as "believe", "anticipate", "project", "expect", "intend", "plan", "will", "may", "estimate" and other similar expressions. These



statements are based on the Company's expectations, estimates, forecasts and projections and include, without limitation, statements regarding the future success of the Company's business.

The forward-looking statements in this news release are based on certain assumptions. The forward-looking statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this news release and, except as expressly required by applicable law, the Company assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Cautionary Note Regarding Non-IFRS Measures

This news release makes reference to certain non-IFRS measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company's results of operations from management's perspective. The Company's definitions of non-IFRS measures used in this news release may not be the same as the definitions for such measures used by other companies in their reporting. Non-IFRS measures have limitations as analytical tools and should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS. The Company uses non-IFRS financial measures including "Adjusted Revenues", "EBITDA" and "Adjusted EBITDA". These non-IFRS measures are used to provide investors with supplemental measures of our operating performance and to eliminate items that have less bearing on our operating performance or operating conditions and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. Specifically, the Company believes that Adjusted EBITDA, when viewed with the Company's results under IFRS, provide useful information about the Company's business without regard to potential distortions. By eliminating differences in results of operations between periods caused by factors such as acquisition related adjustments, depreciation and amortization methods, impairment and other charges, the Company believes that Adjusted EBITDA can provide a useful basis for comparing the current performance of the underlying operations being evaluated. The Company believes that securities analysts, investors and other interested parties frequently use non-IFRS financial measures in the evaluation of issuers. The Company's management also uses non-IFRS financial measures in order to facilitate operating performance comparisons from period to period and to prepare annual budgets and forecasts.