

NowVertical Group Closes Acquisition of Allegient Defense and Closes US\$5.8M Credit Facility

*All amounts are in **US dollars** unless otherwise specified*

- **Strengthens government vertical with acquisition of leading U.S. defense business**
- **Contracted backlog to 2025 of approximately \$70M**
- **Establishes a \$5.8 million term loan and revolving credit facility**

TORONTO, Ontario – April 6, 2022 / Globe Newswire/ - NowVertical Group Inc. (TSX-V: NOW) ("**NOW**" or the "**Company**"), a big data, analytics and Vertical Intelligence™ ("**VI**") software and services company, is pleased to announce that after receiving approval from the Committee on Foreign Investment in the United States (CFIUS), it has closed its previously announced acquisition of 100% of the issued and outstanding securities of Allegient Defense, Inc. ("**Allegient**"), a U.S.-based government defense contractor providing systems engineering and technical assistance support to the Department of Defense through data analysis and assessment of cutting edge technologies (the "**Acquisition**").

Concurrent with the closing of the Acquisition, NOW secured a \$5,800,000 credit facility with US-based MVB Bank, comprising a \$3,800,000 term loan that will bear interest at the 5-Year Treasury Rate + 3.25% (with a floor of 4.5%) and a \$2,000,000 revolving line of credit that will bear interest at the WSJ Prime Rate plus 0.25% (with a floor of 3.5%) (the "**Facility**"). The Facility provides increased flexibility for meeting working capital requirements.

"In teaming up with Allegient, we continue to scale our government vertical. Allegient's positive history of contract performance with the highest level of U.S. Federal Government customers, excellent management and administrative team and infrastructure mark a critical and exciting expansion of NOW's public sector capabilities and offering," said Daren Trousdell, Chairman & CEO of NOW. "We are also thrilled to consider MVB Bank, who chose to finance this transaction in part given Allegient's history of positive performance and profitability, as one of our new and trusted stakeholders."

"The resources and strength of NOW will allow Allegient to enter our next chapter of growth while maintaining our reputation for unparalleled customer service through our unwavering dedication to solving the complex challenges facing our customers," said Angel Diaz, PMP, CEO of Allegient. "We're incredibly proud of everything we have accomplished at Allegient and look forward to growing as a part of the NOW team."

NOW acquired all issued and outstanding securities of Allegient for total aggregate consideration of \$10.4 million. For a summary of the Acquisition details, please see NOW's news release issued on December 21, 2021, available on the Company's website or on SEDAR.

About Allegient Defense, Inc.



Allegient Defense is a trusted advisor and partner to the U.S. Federal Government, providing technical expertise related to cloud computing, data analytics, artificial intelligence/machine learning, directed energy, autonomous aerial vehicles, and next-generation weapons systems. It brings together premier talent in engineering, information technology, program and project management, executive support, data management and compliance. Allegient Defense's innovative approach to providing evaluations and solutions for the U.S. Federal Government earned them SECAF's award of Government Contractor of the Year in 2020 for contractors in the \$7.5 to \$15M revenue group. They have developed deep experience working on behalf of organizations like U.S. Office of Naval Research (ONR), Defense Advanced Research Projects Agency (DARPA), and United States' departments of Defense, State, and Energy.

About NowVertical Group Inc.

NOW is a big data, analytics and Vertical Intelligence™ 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.

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.



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.

For further information, please contact:

Daren Trousdell, Chief Executive Officer

e: daren@nowvertical.com

t: (212) 302-0868

Glen Nelson, Investor Relations

e: glen@nowvertical.com

t: (403) 763-9797