

NowVertical Group Reports Third Quarter 2021 Results and Other Recent Developments

TORONTO, Nov. 19, 2021 /CNW/ - NowVertical Group Inc. (TSXV: NOW) ("**NOW**" or the "**Company**"), a global big data, Vertical Intelligence (VI) software and services company, is pleased to announce its financial results for the three and nine months ended September 30, 2021.

Third Quarter 2021 Highlights

- Revenues and adjusted revenues for the three months ended September 30, 2021 were \$957,708, an increase of nearly 25% compared to pro forma revenues and pro forma adjusted revenues of \$768,018 for the three months ended September 30, 2020.
- Gross profit for the three months ended September 30, 2021 was \$801,903, an increase of nearly 16% compared to pro forma gross profit of \$693,030 for the three months ended September 30, 2020.
- On a full year pro forma basis, including the Company's recent acquisitions of 100% of the securities of Affinio Inc. ("**Affinio**") and substantially all of the assets of DocAuthority Ltd. ("**DocAuthority**") , NOW's acquisition strategy has grown revenues from zero to approximately \$7.1 million for the last twelve months ended September 30, 2021.
- On October 1, 2021, the Company acquired substantially all of the assets of DocAuthority, an Israeli-based data governance software-as-a-service (SAAS) platform that helps companies save money and reduce risk by organizing, managing and protecting their data. DocAuthority was founded in 2013, and its customers use its software platform to automatically catalogue their data and documents to define the assets they have, what such assets contain, where they reside, and who has access to them, thus allowing customers to reduce risk and focus on doing more with their data.
- On November 1, 2021 the Company acquired 100% of the issued and outstanding securities of Affinio, a Canadian-based audience insights and privacy-safe customer analytics platform company. Affinio was founded in 2013 with a focus on identifying and understanding the underpinning connections that can exist across massive data sets. Affinio users can work across a variety of data sources to leverage rich customer insights and powerful privacy-safe data collaboration enterprise-wide, all without having to move their data.
- On November 10, 2021, the Company filed a preliminary short form prospectus with the securities commissions or similar regulatory authorities in each of the provinces of Canada (other than Quebec), in connection with an overnight marketed public offering (the "**Offering**") of units of the Company (the "**Units**") for minimum gross proceeds of CAD\$5.0 million and maximum gross proceeds of CAD\$8.0 million and an over-allotment option of 15%. On November 11, 2021, the Company announced that due to strong investor demand, it has increased the size of the Offering. Under the amended terms, the Company intends to issue the Units at a price of CAD\$0.95 per Unit, for minimum gross proceeds of CAD\$5,000,000 and maximum gross proceeds of CAD\$9,000,015 ("**Maximum Offering Size**"). In the event the over-allotment option is exercised in full under the Maximum Offering Size, the aggregate gross proceeds of the Offering will be CAD\$10,350,017. Closing of the Offering is subject to customary closing conditions, including, but not limited to, the approval of the security regulatory authorities and the TSX Venture Exchange (the "**TSXV**").

"NOW has successfully acquired three innovative software companies since going public on July 5, 2021, with each deal adding blue-chip global customers, key management and technology leaders and new growing multi-year SAAS revenue for the group. We are excited to continue to acquire and integrate great companies into the NOW platform, with further revenue growth and market expansion

expected for Q4 2021 and 2022", said Daren Trousdell, Chairman and CEO of NOW.

Marketing Services Agreement

On November 18, 2021, NOW entered into a marketing services agreement (the "**Marketing Agreement**") with AGORA Internet Relations Corp. ("**AGORACOM**") pursuant to which AGORACOM will provide marketing services in exchange for subordinate voting shares of the Company, subject to TSXV approval. The term of the Marketing Agreement is for 12 months effective November 1, 2021.

Pursuant to the terms of the Marketing Agreement, and subject to TSXV approval, the Company intends to issue subordinate voting shares equal to CAD\$100,000 plus HST to AGORACOM in instalments over the next 12 months. The number of subordinate voting shares to be issued at the end of each period in which AGORACOM provides services to the Company will be determined by using the closing price of such shares on the TSXV on the first trading day following the end of each period.

Additional Information

The Company's interim condensed consolidated financial statements, notes to financial statements, and management's discussion and analysis for the three and nine months ended September 30, 2021 are available on the Company's SEDAR profile at www.sedar.com. Unless otherwise indicated, all references to "\$" in this press release refer to US dollars, and all references to "CAD\$" in this press release refer to Canadian dollars.

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 TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

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 Vertical Intelligence 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 Vertical Intelligence 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.

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CNW 16:05e 19-NOV-21