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July 30, 2025

Unaudited Condensed Consolidated Interim Financial Statements

For the Three and the Six Months Ended June 30, 2025



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Condensed Consolidated Statements of Financial Position

As at

(thousands of CAD, unaudited)	Note	June 30, 2025	December 31, 2024
Assets			
Current assets			
Cash		\$ 21,344	\$ 20,994
Trade and other receivables		18,423	16,778
Contract assets		4,895	6,131
Income tax recoverable	7	680	134
Prepaid expenses and deposits		5,234	3,531
Total current assets		50,576	47,568
Non-current assets			
Property, plant and equipment		1,988	2,180
Right-of-use assets		11,193	6,002
Intangible assets	5	330,200	335,593
Goodwill	6	101,656	101,340
Deferred tax asset	7	28,509	27,339
Total non-current assets		473,546	472,454
Total assets		\$ 524,122	\$ 520,022
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		\$ 41,617	\$ 40,781
Vendor concession liability	10	23,474	22,562
Contract liabilities		4,233	3,001
Lease obligations		2,117	1,688
Income tax payable	7	596	3,959
Total current liabilities		72,037	71,991
Non-current liabilities			
Lease obligations		10,260	5,407
Deferred tax liability	7	8,270	9,108
Long-term debt	9	154,685	167,553
Vendor concession liability	10	88,095	85,158
Other liabilities		1,281	528
Total non-current liabilities		262,591	267,754
Shareholders' equity			
Share capital	12	40,734	37,388
Equity settled employee benefit reserve	8	265	581
Accumulated other comprehensive income		1,404	36
Retained earnings		147,091	142,272
Total shareholders' equity		189,494	180,277
Total liabilities and shareholders' equity		\$ 524,122	\$ 520,022

See accompanying Notes

Condensed Consolidated Statements of Comprehensive Income

(thousands of CAD, unaudited)	Note	Three Months Ended June 30,		Six Months Ended June 30,	
		2025	2024	2025	2024
Revenue	14	\$ 67,312	\$ 67,848	\$ 126,617	124,248
Expenses					
Wages and salaries		21,944	15,207	38,223	35,899
Cost of goods sold		15,274	16,774	28,196	31,090
Depreciation and amortization		6,159	6,801	12,327	13,575
Information technology services		4,678	4,419	9,387	8,083
Occupancy costs		1,151	1,131	2,294	2,305
Professional and consulting services		3,849	1,697	5,271	3,230
Financial services		948	638	1,732	1,357
Other		898	964	2,006	1,911
Total expenses		54,901	47,631	99,436	97,450
Net income before items noted below		12,411	20,217	27,181	26,798
Finance income (expense)					
Interest income		137	252	278	501
Interest expense	15	(4,540)	(6,042)	(9,214)	(12,208)
Net finance expense		(4,403)	(5,790)	(8,936)	(11,707)
Income before tax		8,008	14,427	18,245	15,091
Income tax expense	7	(2,118)	(4,108)	(4,869)	(4,349)
Net income		\$ 5,890	\$ 10,319	\$ 13,376	\$ 10,742
Other comprehensive income					
Items that may be subsequently reclassified to net income					
Unrealized gain on translation of financial statements of foreign operations		558	83	1,368	57
Other comprehensive income		558	83	1,368	57
Total comprehensive income		\$ 6,448	\$ 10,402	\$ 14,744	\$ 10,799
Earnings per share (\$ per share)					
Total, basic	11	\$ 0.32	\$ 0.57	\$ 0.72	\$ 0.59
Total, diluted	11	\$ 0.32	\$ 0.56	\$ 0.72	\$ 0.59

See accompanying Notes

Condensed Consolidated Statements of Changes in Equity

(thousands of CAD, unaudited)	Note	Retained Earnings	Share Capital	Accumulated Other Comprehensive Income (Loss)	Equity Settled Employee Benefit Reserve	Total
Balance at January 1, 2024		\$ 138,812	\$ 28,542	\$ (185)	\$ 1,610	\$ 168,779
Net income		10,742	-	-	-	10,742
Other comprehensive income		-	-	57	-	57
Stock options exercised	8	-	1,083	-	(372)	711
Dividend declared	12	(8,339)	-	-	-	(8,339)
Balance at June 30, 2024		\$ 141,215	\$ 29,625	\$ (128)	\$ 1,238	\$ 171,950
Balance at January 1, 2025		\$ 142,272	\$ 37,388	\$ 36	\$ 581	\$ 180,277
Net income		13,376	-	-	-	13,376
Other comprehensive income		-	-	1,368	-	1,368
Stock options exercised	8	-	3,346	-	(316)	3,030
Dividend declared	12	(8,557)	-	-	-	(8,557)
Balance at June 30, 2025		\$ 147,091	\$ 40,734	\$ 1,404	\$ 265	\$ 189,494

See accompanying Notes

Condensed Consolidated Statements of Cash Flows

(thousands of CAD, unaudited)	Note	Three Months Ended June 30,		Six Months Ended June 30,	
		2025	2024	2025	2024
Operating					
Net income		\$ 5,890	\$ 10,319	\$ 13,376	10,742
Add: Items not affecting cash					
Depreciation		758	875	1,531	1,730
Amortization		5,401	5,926	10,796	11,845
Foreign exchange losses (gains)		154	(26)	51	(46)
Deferred tax recovery recognized in net income	7	(1,326)	(929)	(1,942)	(2,975)
Gain on disposal of property, plant and equipment		-	(1)	-	(2)
Net finance expense		4,403	5,790	8,936	11,707
Net change in non-cash working capital	17	7,590	2,195	(4,104)	1,616
Net cash flow provided by operating activities		22,870	24,149	28,644	34,617
Investing					
Interest received		137	252	278	501
Proceeds on disposal of property, plant and equipment		-	1	-	2
Additions to property, plant and equipment		(151)	(305)	(153)	(1,270)
Additions to intangible assets	5	(2,433)	(2,405)	(4,376)	(3,557)
Acquisitions and post-closing adjustments	5	-	-	-	(879)
Net cash flow used in investing activities		(2,447)	(2,457)	(4,251)	(5,203)
Financing					
Interest paid	15	(1,412)	(4,307)	(3,747)	(7,740)
Interest paid on lease obligations	15	(186)	(125)	(378)	(259)
Principal repayments on lease obligations		(536)	(697)	(1,068)	(1,392)
Repayment of long-term debt	9	(15,000)	(10,000)	(16,000)	(14,000)
Proceeds of long-term debt	9	3,000	-	3,000	-
Financing fees		-	(11)	-	(11)
Dividends paid	12	(4,258)	(4,170)	(8,516)	(8,311)
Stock options exercised	8	3,030	-	3,030	711
Contractual payments on vendor concession liability	10	(500)	(500)	(500)	(500)
Net cash flow used in financing activities		(15,862)	(19,810)	(24,179)	(31,502)
Effects of exchange rate changes on cash held in foreign currencies		(41)	34	136	43
Increase (decrease) in cash		4,520	1,916	350	(2,045)
Cash, beginning of period		16,824	20,232	20,994	24,193
Cash, end of period		\$ 21,344	\$ 22,148	\$ 21,344	\$ 22,148

See accompanying Notes

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

1 Nature of the Business

Information Services Corporation is the parent company of its subsidiary group (collectively, the “Company”, or “ISC”) and is a Canadian corporation with its Class A Limited Voting Shares (“Class A Shares”) listed on the Toronto Stock Exchange (“TSX”) under the symbol ISC. The Company is a provider of registry and information management services for public data and records. The head and registered office of the Company is 300 – 10 Research Drive, Regina, Saskatchewan, S4S 7J7. The Company maintains Canadian office locations in Saskatchewan, British Columbia and Ontario and international offices in Ireland and Luxembourg. ISC has three reportable segments: Registry Operations, Services and Technology Solutions. A functional summary of these segments is as follows:

- Registry Operations delivers registry and information services on behalf of governments and private sector organizations. This segment currently has two major clients: the Government of Saskatchewan and the Government of Ontario. Registry Operations offerings are categorized into three divisions: Saskatchewan Registries, Ontario Property Tax Assessment Services and Other Registries.
- Services delivers solutions uniting public records data, customer authentication, corporate services, collateral management, asset recovery and accounts receivable management to support registration, due diligence and lending practices across Canada.
- Technology Solutions provides the development, delivery and support of registry (and related) technology solutions.

The balance of our corporate activities and shared services functions is reported as Corporate and other.

As at June 30, 2025, ISC’s principal revenue-generating segments were Registry Operations and Services.

2 Basis of Presentation

Statement of compliance

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IAS 34 - Interim Financial Reporting, using accounting policies that are consistent with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”). Therefore, they do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Company’s most recent audited annual consolidated financial statements for the year ended December 31, 2024, which have been prepared in accordance with IFRS Accounting Standards.

These unaudited condensed consolidated interim financial statements have been prepared following the same accounting policies and methods of computation as the year-end financial statements for the Company for the year ended December 31, 2024, as described in Note 3 of the December 31, 2024, consolidated financial statements. The significant estimates and assumptions in determining the value of assets and liabilities and the significant judgments in applying accounting policies are the same as those applied in the Company’s consolidated financial statements for the year ended December 31, 2024. The unaudited condensed consolidated interim financial statements include all adjustments, composed of normal recurring adjustments, considered necessary by management to fairly state the Company’s results of operations, financial position and cash flows.

These unaudited condensed consolidated interim financial statements were authorized by the Audit Committee of the ISC Board of Directors (“Board”) for issue on July 30, 2025.

Use of estimates and judgments

The preparation of these unaudited condensed consolidated interim financial statements, in conformity with IFRS Accounting Standards, requires management to make estimates and underlying assumptions and judgments that affect the accounting policies and reported amounts of assets, liabilities, revenue and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Critical accounting estimates and judgments are those that have a significant risk of causing material adjustment. Management believes that the following are the significant accounting estimates and judgments used in the preparation of the unaudited condensed consolidated interim financial statements:

- the carrying value, impairment and estimated useful lives of intangible assets (Note 5) and goodwill (Note 6);
- the recoverability of deferred tax assets (Note 7); and
- the amount and timing of revenue from contracts from customers recognized over time (Note 14).

3 Material Accounting Policy Information

Future accounting policy changes

For details on future accounting policy changes, refer to Note 3 to the consolidated financial statements included in our consolidated financial statements for the year ended December 31, 2024. We are continuing to evaluate the impact of standards that are effective for future periods.

4 Seasonality

Registry Operations experiences moderate seasonality, primarily because the Saskatchewan Land Registry revenue fluctuates in line with real estate transaction activity. Typically, the second and third quarters of the fiscal year generate higher revenue, when residential real estate activity is traditionally highest. Ontario Property Tax Assessment Services revenue does not experience seasonality, as revenue is recognized evenly throughout the year under the agreement with the Government of Ontario.

In Services, revenue for our Corporate Solutions and Regulatory Solutions divisions is diversified and has little seasonality; instead, it fluctuates in line with general economic drivers. Some smaller categories of products or services can have some seasonal variation, increasing slightly during the third and fourth quarters. In particular, our collateral management services experience seasonality aligned with vehicle and equipment financing cycles, which are generally stronger in the second and fourth quarters. Our Recovery Solutions revenue does not exhibit specific seasonality but is generally counter-cyclical to our other divisions, in that it tends to perform better during economic downturns.

Technology Solutions does not experience seasonality; however, this segment is impacted by the timing of procurement activities largely undertaken by governments around the world and the timing of revenue recognition related to the progress of work on existing and new solution definition and implementation contracts.

The balance of our corporate activities and shared services functions do not experience seasonality. Expenses are generally consistent from quarter to quarter but can fluctuate due to the timing of project-related or acquisition activities.

5 Intangible Assets

(thousands of CAD)	Internal Use Software – Acquired	Internal Use Software – Internally Developed	Business Solutions – Acquired	Business Solutions – Internally Developed	Brand, Non-competes, Other	Contracts, Customer and Partner Relationships	Assets Under Development	Total
Cost								
Balance at January 1, 2024	\$ 31,364	\$ 80,309	\$ 2,047	\$ 7,111	\$ 2,222	\$ 374,455	\$ 4,743	\$ 502,251
Acquired assets	-	-	-	-	-	879	-	879
Additions	-	-	-	-	-	-	6,874	6,874
Disposals	(48)	(86)	-	(1,312)	-	-	-	(1,446)
Transfers	-	375	-	1,202	-	-	(1,577)	-
Foreign exchange adjustments	-	-	38	67	-	40	89	234
Balance at December 31, 2024	\$ 31,316	\$ 80,598	\$ 2,085	\$ 7,068	\$ 2,222	\$ 375,374	\$ 10,129	\$ 508,792
Additions	-	-	-	-	-	-	4,376	4,376
Transfers	-	-	-	603	-	-	(603)	-
Foreign exchange adjustments	-	-	160	275	-	180	845	1,460
Balance at June 30, 2025	\$ 31,316	\$ 80,598	\$ 2,245	\$ 7,946	\$ 2,222	\$ 375,554	\$ 14,747	\$ 514,628
Accumulated depreciation								
Balance at January 1, 2024	\$ 25,068	\$ 78,358	\$ 2,025	\$ 5,249	\$ 982	\$ 38,799	\$ -	\$ 150,481
Amortization	2,943	764	22	917	900	18,530	-	24,076
Disposals	(48)	(86)	-	(1,312)	-	-	-	(1,446)
Foreign exchange adjustments	-	-	38	38	-	12	-	88
Balance at December 31, 2024	\$ 27,963	\$ 79,036	\$ 2,085	\$ 4,892	\$ 1,882	\$ 57,341	\$ -	\$ 173,199
Amortization	384	405	-	601	136	9,270	-	10,796
Foreign exchange adjustments	-	-	160	203	-	70	-	433
Balance at June 30, 2025	\$ 28,347	\$ 79,441	\$ 2,245	\$ 5,696	\$ 2,018	\$ 66,681	\$ -	\$ 184,428
Carrying value								
At December 31, 2024	\$ 3,353	\$ 1,562	\$ -	\$ 2,176	\$ 340	\$ 318,033	\$ 10,129	\$ 335,593
At June 30, 2025	\$ 2,969	\$ 1,157	\$ -	\$ 2,250	\$ 204	\$ 308,873	\$ 14,747	\$ 330,200

As part of the Regulis S.A. (“Regulis”) asset acquisition completed in 2022, the Company agreed to pay €0.6 million of additional consideration contingent upon commencement of operations of the International Registry of Interests in Rolling Stock (“the Registry”) and up to €1.0 million in contingent consideration payable over a period of ten years based on a percentage of revenue generated by the Registry as set out in the share purchase agreement. In 2024, the Registry commenced operations and as a result, a payment of \$0.9 million (€0.6 million) was made and recognized as an acquired contract intangible asset.

6 Goodwill

The components of goodwill are as follows:

(thousands of CAD)	June 30, 2025	December 31, 2024
Balance, beginning of period	\$ 101,340	\$ 101,266
Additions	-	-
Foreign exchange adjustment	316	74
Balance, end of period	\$ 101,656	\$ 101,340

7 Tax Provision

The Company is subject to federal and provincial income taxes at an estimated combined statutory rate of 27.0 per cent (2024 — 27.0 per cent).

(thousands of CAD)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Current tax expense	\$ 3,444	\$ 5,037	\$ 6,811	\$ 7,324
Deferred tax recovery	(1,326)	(929)	(1,942)	(2,975)
Income tax expense	\$ 2,118	\$ 4,108	\$ 4,869	\$ 4,349

8 Share-Based Compensation Plans

The Company has established share-based compensation plans to provide directors and management of the Company with the opportunity to participate in the long-term success of ISC and to promote a greater alignment of interests between its directors, management and shareholders.

Share-based compensation expenses are recognized in wages and salaries on the condensed consolidated statements of comprehensive income:

(thousands of CAD)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Performance share units (“PSUs”)	\$ 355	\$ 119	\$ 396	\$ 397
Share appreciation rights (“SARs”)	2,738	(1,160)	2,207	2,208
Deferred share units (“DSUs”)	1,463	(76)	1,271	913
Restricted share units (“RSUs”)	54	20	79	20
Share-based compensation expense (recovery)	\$ 4,610	\$ (1,097)	\$ 3,953	\$ 3,538
Market price, beginning of period	\$ 24.74	\$ 27.69	\$ 26.19	\$ 22.18
Market price, end of period	\$ 32.01	\$ 25.82	\$ 32.01	\$ 25.82

Movement in share-based compensation plans is as follows:

(number of units)	PSUs	SARs	DSUs	RSUs	Stock options
Balance at January 1, 2024	71,960	740,789	169,015	-	1,005,198
Granted during the year	27,297	73,552	16,224	4,445	-
Credited as a result of cash dividends paid	2,588	-	5,757	115	-
Redeemed or exercised during the year ¹	(21,444)	(337,471)	(19,405)	-	(663,146)
Forfeited during the year	(2,677)	-	-	-	-
Balance at December 31, 2024	77,724	476,870	171,591	4,560	342,052
Granted during the period	30,200	95,575	14,780	7,624	-
Credited as a result of cash dividends paid	1,287	-	2,849	202	-
Redeemed or exercised during the period ²	(21,779)	(62,956)	-	-	(188,804)
Forfeited during the period	(11,297)	(21,835)	-	-	-
Balance at June 30, 2025	76,135	487,654	189,220	12,386	153,248

¹ During 2024, a portion of the 663,146 stock options exercised were settled net, which resulted in the aggregate issuance of 510,976 shares from treasury.

² During the current period, a portion of the 188,804 stock options exercised were settled net, which resulted in the aggregate issuance of 173,393 shares from treasury.

9 Debt

In 2023, the Company entered into an amended and restated credit agreement (the “Amended and Restated Credit Facility”) in connection with its secured credit facility (the “Credit Facility”) initially provided by its lenders on August 5, 2020, and maturing on September 17, 2026. The aggregate amount available under the Amended and Restated Credit Facility was increased from \$150.0 million to \$250.0 million and consists of ISC’s existing \$150.0 million revolving credit facility together with an additional \$100.0 million revolving credit facility. In addition, ISC maintains access to a \$100.0 million accordion option, providing the flexibility to upsize the aggregate revolving credit facility up to \$350.0 million.

The Credit Facility bears interest at a base rate of prime, Canadian Overnight Repo Rate Average (“CORRA”) loans, or letter of credit fee plus a margin varying between 0.20 per cent and 3.30 per cent per annum (2024 — 0.20 per cent and 3.30 per cent per annum) depending on the type of advance and the performance on certain covenants.

The Company is also required to pay a commitment fee quarterly in arrears on the unutilized portion of the Credit Facility, at a rate between 0.24 per cent and 0.60 per cent per annum (2024 — 0.24 per cent and 0.60 per cent per annum) depending on the performance on certain covenants.

During the six-month period ended June 30, 2025, the Company made total drawings of \$3.0 million and made voluntary prepayments totaling \$16.0 million against the Credit Facility, including \$15.0 million in the three-month period ended June 30, 2025. In the comparable six-month period last year, the Company made total drawings of nil and made voluntary prepayments totaling \$14.0 million, including \$10.0 million in the three-month period ended June 30, 2024.

The Company is amortizing transaction costs of \$0.8 million attributable to modifying the Credit Facility over the life of the facility, using an effective interest rate that is currently 5.18 per cent.

Details of the debt outstanding under the Credit Facility are as follows:

(thousands of CAD)	June 30, 2025	December 31, 2024
Non-current		
Revolving term facility – principal component – beginning of period	\$ 168,000	\$ 178,000
Funds drawn from revolving term facility	3,000	34,000
Principal repayments during the period	(16,000)	(44,000)
Revolving term facility – principal component – end of period	\$ 155,000	\$ 168,000
Unamortized costs	(315)	(447)
Total debt	\$ 154,685	\$ 167,553

Financing available under the Credit Facility commitment is as follows:

(thousands of CAD)	June 30, 2025	December 31, 2024
Financing available:		
Maximum available	\$ 250,000	\$ 250,000
Cash drawings – principal component	(155,000)	(168,000)
Letters of credit and other non-cash drawings	(644)	(1,793)
Total unused and available portion of the Credit Facility	\$ 94,356	\$ 80,207

The Amended and Restated Credit Facility contains financial covenants that require the Company to maintain a ratio of Consolidated Net Funded Debt to EBITDA, as defined in the agreement, of less than 4:1 and EBITDA, as defined in the agreement, to an interest expense ratio of greater than 3:1. The Company was in compliance with all covenants throughout the period.

The indebtedness under the Credit Facility is secured by a first ranking security interest over substantially all of the Company's assets (subject to the Government of Saskatchewan's security under a debenture), including security interests, pledges and guarantees granted by certain of its subsidiaries.

The amount of borrowing costs capitalized during 2025 and 2024 was nil.

10 Vendor Concession Liability

Details of the vendor concession liability are outlined below:

(thousands of CAD)	
Balance at January 1, 2024	\$ 128,536
Accretion	9,684
Payments	(30,500)
Balance at December 31, 2024	\$ 107,720
Accretion	4,349
Payments	(500)
Balance at June 30, 2025	\$ 111,569

The following table presents the contractual undiscounted cash flows for the vendor concession liability:

(thousands of CAD)	June 30, 2025	December 31, 2024
2025	\$ 30,000	\$ 30,500
2026	30,500	30,500
2027	30,500	30,500
2028	30,500	30,500
2029	500	500
Thereafter	12,000	12,000
Balance, end of period	\$ 134,000	\$ 134,500
Unearned interest	(22,431)	(26,780)
Balance, end of period	\$ 111,569	\$ 107,720

Reflected as:

Vendor concession liability – current portion	23,474	22,562
Vendor concession liability – non-current portion	88,095	85,158
Balance, end of period	\$ 111,569	\$ 107,720

11 Earnings Per Share

The calculation of earnings per share is based on net income after tax and the weighted average number of shares outstanding during the period. Details of the earnings per share are set out below:

(thousands of CAD, except number of shares and earnings per share)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income	\$ 5,890	\$ 10,319	\$ 13,376	\$ 10,742
Weighted average number of shares, basic	18,578,612	18,127,612	18,547,288	18,074,418
Potential dilutive shares resulting from stock options	59,490	161,488	57,514	156,559
Weighted average number of shares, diluted	18,638,102	18,289,100	18,604,802	18,230,977
Earnings per share (\$ per share)				
Total, basic	\$ 0.32	\$ 0.57	\$ 0.72	\$ 0.59
Total, diluted	\$ 0.32	\$ 0.56	\$ 0.72	\$ 0.59

12 Share Capital

The Company's authorized share capital consists of an unlimited number of Class A Shares, one Class B Golden Share (the "Golden Share") and an unlimited number of Preferred Shares, issuable in series. As at June 30, 2025, the Company has 18,689,010 Class A Shares issued and outstanding, one Golden Share issued and outstanding and no Preferred Shares issued or outstanding. Class A Shares are entitled to one vote per share. The Golden Share, held by Crown Investments Corporation of Saskatchewan on behalf of the Government of Saskatchewan, has certain voting rights and obligations including the location of the head office and the sale of certain of the assets of the Company. The Golden Share has no pre-emptive, redemption, purchase or conversion rights and is not eligible to receive dividends declared by the Company. The Preferred Shares can be issuable at any time and may include voting rights.

(thousands of CAD, except number of shares)	Class A		Class B	
	Number of Shares	Share Capital	Number of Shares	Share Capital
Balance at January 1, 2024	18,004,641	\$ 28,542	1	\$ -
Stock options exercised for treasury shares ¹	510,976	8,846	-	-
Balance at December 31, 2024	18,515,617	\$ 37,388	1	\$ -
Balance at January 1, 2025	18,515,617	\$ 37,388	1	\$ -
Stock options exercised for treasury shares ¹	173,393	3,346	-	-
Balance at June 30, 2025	18,689,010	\$ 40,734	1	\$ -

¹ See Note 8.

Dividends

The Company paid dividends to shareholders during the three months ended June 30, 2025, of \$4.3 million (2024 — \$4.2 million) and the six months ended June 30, 2025, of \$8.5 million (2024 — \$8.3 million) based on a dividend rate of \$0.23 per share.

13 Financial Instruments and Related Risk Management

The Company does not currently use any form of derivative financial instruments to manage its exposure to credit risk, interest rate risk, market risk or foreign currency exchange risk.

Fair value of financial instruments

The carrying values of cash, trade and other receivables, accounts payable and accrued liabilities excluding share-based accrued liabilities approximate fair value due to their immediate or relatively short-term maturity. The fair values of the vendor

concession liability and long-term debt are estimated by discounting the future contractual cash flows at the cost of borrowing to the Company.

Interest rate risk

Interest rate risk arises from the effect of changes in prevailing interest rates on the Company's financial instruments.

The Company is subject to interest rate risks on its debt (Note 9). The Company has borrowings under the Credit Facility, which is managed with prime loans, CORRA loans or letters of credit. Certain borrowings will bear interest at a base rate of prime plus applicable margin varying between 0.20 per cent and 2.00 per cent per annum while other borrowings will bear interest at CORRA rates between 1.50 per cent and 3.30 per cent per annum. The Company is managing its interest rate risk through its treasury function, the continued focus on debt repayment and keeping excess cash in higher interest short-term savings.

14 Revenue

The Company derives its revenue from the transfer of goods or services either at a point in time or over time. This is consistent with the revenue from third-party information disclosed for each reportable segment under IFRS 8 — *Operating Segments* (see Note 16). The following table presents our third-party revenue disaggregated by revenue type. Sales and usage tax are excluded from revenue.

Segment revenue

(thousands of CAD)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Registry Operations	\$ 35,417	\$ 34,391	\$ 64,881	\$ 60,659
Services	29,770	30,855	56,419	57,892
Technology Solutions	2,104	2,599	5,292	5,691
Corporate and other	21	3	25	6
Total revenue	\$ 67,312	\$ 67,848	\$ 126,617	\$ 124,248

The following table presents our revenue disaggregated by the timing of revenue recognition:

Timing of revenue recognition

(thousands of CAD)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
At a point in time				
Registry Operations revenue	\$ 30,586	\$ 29,891	\$ 55,558	\$ 51,658
Services revenue	29,150	30,194	55,128	56,677
Corporate and other revenue	21	3	25	6
	\$ 59,757	\$ 60,088	\$ 110,711	\$ 108,341
Over time				
Registry Operations revenue	4,831	4,500	9,323	9,001
Services revenue	620	661	1,291	1,215
Technology Solutions revenue	2,104	2,599	5,292	5,691
	\$ 7,555	\$ 7,760	\$ 15,906	\$ 15,907
Total revenue	\$ 67,312	\$ 67,848	\$ 126,617	\$ 124,248

15 Interest Expense

(thousands of CAD)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Interest expense on long-term debt	\$ 2,114	\$ 3,258	\$ 4,355	\$ 6,626
Vendor concession liability accretion	2,174	2,594	4,349	5,193
Interest on lease liabilities	186	125	378	259
Effective interest component of interest expense	66	65	132	130
Total interest expense	\$ 4,540	\$ 6,042	\$ 9,214	\$ 12,208

16 Segment Information

The Chief Executive Officer of the Company is the chief operating decision maker (“CODM”) and regularly reviews the operations and performance by segment. The CODM uses adjusted earnings before interest, taxes, depreciation and amortization (“adjusted EBITDA”) to measure and assess each segment's performance and make decisions about the allocation of resources to the operating segments, as adjusted EBITDA helps to provide a better understanding about the performance of the Company by removing the impact from share-based compensation, acquisition, integration and other costs. The CODM considers adjusted EBITDA to be a meaningful measure because it is not impacted by long-term investment and financing decisions, but rather focuses on the performance of our day-to-day operations.

ISC has three reportable segments: Registry Operations, Services and Technology Solutions, which are described in Note 1. The Registry Operations and Services segments operate substantially in Canada. The Technology Solutions segment operates both in Canada and in Ireland.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. We account for transactions between reportable segments in the same way we account for transactions with external parties; however, we eliminate them on consolidation.

Segment results

For the three months ended June 30, 2025

(thousands of CAD)	Registry Operations	Services	Technology Solutions	Corporate and Other	Inter-Segment Eliminations	Consolidated Total
Revenue from third parties	\$ 35,417	\$ 29,770	\$ 2,104	\$ 21	\$ -	\$ 67,312
Plus: inter-segment revenue	-	-	5,774	77	(5,851)	-
Total revenue	\$ 35,417	\$ 29,770	\$ 7,878	\$ 98	\$ (5,851)	\$ 67,312
Total expenses including net finance expense	(22,963)	(24,674)	(8,214)	(9,304)	5,851	(59,304)
Income (loss) before tax	12,454	5,096	(336)	(9,206)	-	8,008
Net finance expense	-	-	-	4,403	-	4,403
Depreciation and amortization	3,445	2,295	276	143	-	6,159
Share-based compensation expense	2,721	323	461	1,105	-	4,610
Acquisition, integration and other costs	4,403	-	-	1,929	(2,834)	3,498
Adjusted EBITDA	\$ 23,023	\$ 7,714	\$ 401	\$ (1,626)	\$ (2,834)	\$ 26,678

Additions to non-current assets, including acquisitions	\$ 275	\$ 251	\$ 2,052	\$ 13	\$ (7)	\$ 2,584
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For the three months ended June 30, 2024

(thousands of CAD)	Registry Operations	Services	Technology Solutions	Corporate and Other	Inter-Segment Eliminations	Consolidated Total
Revenue from third parties	\$ 34,391	\$ 30,855	\$ 2,599	\$ 3	\$ -	\$ 67,848
Plus: inter-segment revenue	-	-	4,846	39	(4,885)	-
Total revenue	\$ 34,391	\$ 30,855	\$ 7,445	\$ 42	\$ (4,885)	\$ 67,848
Total expenses including net finance expense	(16,807)	(26,459)	(7,382)	(7,658)	4,885	(53,421)
Income (loss) before tax	17,584	4,396	63	(7,616)	-	14,427
Net finance expense	-	-	-	5,790	-	5,790
Depreciation and amortization	3,382	2,870	274	275	-	6,801
Share-based compensation recovery	(647)	(76)	(109)	(265)	-	(1,097)
Acquisition, integration and other costs	2,777	-	-	89	(1,607)	1,259
Adjusted EBITDA	\$ 23,096	\$ 7,190	\$ 228	\$ (1,727)	\$ (1,607)	\$ 27,180

Additions to non-current assets, including acquisitions	\$ 334	\$ 276	\$ 1,999	\$ 250	\$ (149)	\$ 2,710
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For the six months ended June 30, 2025

(thousands of CAD)	Registry Operations	Services	Technology Solutions	Corporate and Other	Inter-Segment Eliminations	Consolidated Total
Revenue from third parties	\$ 64,881	\$ 56,419	\$ 5,292	\$ 25	\$ -	\$ 126,617
Plus: inter-segment revenue	112	-	11,153	155	(11,420)	-
Total revenue	\$ 64,993	\$ 56,419	\$ 16,445	\$ 180	\$ (11,420)	\$ 126,617
Total expenses including net finance expense	(41,781)	(46,517)	(15,844)	(15,650)	11,420	(108,372)
Income (loss) before tax	23,212	9,902	601	(15,470)	-	18,245
Net finance expense	-	-	-	8,936	-	8,936
Depreciation and amortization	6,888	4,601	543	295	-	12,327
Share-based compensation expense	2,333	277	395	948	-	3,953
Acquisition, integration and other costs	8,074	-	-	2,090	(5,164)	5,000
Adjusted EBITDA	\$ 40,507	\$ 14,780	\$ 1,539	\$ (3,201)	\$ (5,164)	\$ 48,461
Additions to non-current assets, including acquisitions	\$ 413	\$ 440	\$ 5,042	\$ 4,907	\$ (9)	\$ 10,793

For the six months ended June 30, 2024

(thousands of CAD)	Registry Operations	Services	Technology Solutions	Corporate and Other	Inter-Segment Eliminations	Consolidated Total
Revenue from third parties	\$ 60,659	\$ 57,892	\$ 5,691	\$ 6	\$ -	\$ 124,248
Plus: inter-segment revenue	-	-	8,856	78	(8,934)	-
Total revenue	\$ 60,659	\$ 57,892	\$ 14,547	\$ 84	\$ (8,934)	\$ 124,248
Total expenses including net finance expense	(36,066)	(50,778)	(14,298)	(16,949)	8,934	(109,157)
Income (loss) before tax	24,593	7,114	249	(16,865)	-	15,091
Net finance expense	-	-	-	11,707	-	11,707
Depreciation and amortization	6,763	5,725	554	533	-	13,575
Share-based compensation expense	2,088	248	354	848	-	3,538
Acquisition, integration and other costs	4,825	-	-	466	(2,582)	2,709
Adjusted EBITDA	\$ 38,269	\$ 13,087	\$ 1,157	\$ (3,311)	\$ (2,582)	\$ 46,620
Additions to non-current assets, including acquisitions	\$ 399	\$ 613	\$ 2,978	\$ 1,389	\$ (245)	\$ 5,134

Inter-segment revenues are charged among segments at arm's-length rates, based on rates charged to third parties. Total consolidated revenue is attributed to customers within Ireland and Canada. For the three months ended June 30, 2025, revenue within Ireland was \$1.9 million (2024 — \$2.0 million) and the remainder was in Canada. For the six months ended June 30, 2025, revenue within Ireland was \$4.3 million (2024 — \$4.6 million) and the remainder was in Canada. No single customer represented more than 10.0 per cent of total consolidated revenue.

Assets and liabilities

As at June 30, 2025

(thousands of CAD)	Registry Operations	Services	Technology Solutions	Corporate and Other	Inter-Segment Eliminations	Consolidated Total
Assets						
Total assets, excluding intangibles, goodwill and cash	\$ 22,588	\$ 19,679	\$ 9,438	\$ 19,217	\$ -	\$ 70,922
Intangibles	287,386	28,477	14,337	-	-	330,200
Goodwill	21,098	71,537	9,021	-	-	101,656
Cash	-	-	-	21,344	-	21,344
Total assets	\$ 331,072	\$ 119,693	\$ 32,796	\$ 40,561	\$ -	\$ 524,122
Liabilities	\$ 128,588	\$ 13,756	\$ 11,837	\$ 180,447	\$ -	\$ 334,628

As at December 31, 2024

(thousands of CAD)	Registry Operations	Services	Technology Solutions	Corporate and Other	Inter-Segment Eliminations	Consolidated Total
Assets						
Total assets, excluding intangibles, goodwill and cash	\$ 21,762	\$ 18,534	\$ 10,418	\$ 11,381	\$ -	\$ 62,095
Intangibles	291,441	32,181	10,058	1,913	-	335,593
Goodwill	21,098	71,537	8,705	-	-	101,340
Cash	-	-	-	20,994	-	20,994
Total assets	\$ 334,301	\$ 122,252	\$ 29,181	\$ 34,288	\$ -	\$ 520,022
Liabilities	\$ 126,200	\$ 14,779	\$ 11,520	\$ 187,246	\$ -	\$ 339,745

Non-current assets are held in Canada, Ireland and Luxembourg. At June 30, 2025, the value of non-current assets, excluding deferred tax assets, held in Ireland and Luxembourg was collectively \$22.2 million (December 31, 2024 — \$17.7 million), while the remainder was held in Canada.

17 Net Change in Non-Cash Working Capital

The net change during the period comprised the following:

(thousands of CAD)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Trade and other receivables	\$ 1,512	\$ (2,684)	\$ (1,579)	\$ (4,366)
Prepaid expenses and deposits	(613)	(21)	(1,687)	(778)
Contract assets	576	(496)	1,565	(1,642)
Accounts payable and accrued liabilities	5,365	1,713	(220)	5,560
Contract liabilities	347	(125)	973	(413)
Other liabilities	833	12	753	(35)
Income taxes	(430)	3,796	(3,909)	3,290
Net change in non-cash working capital	\$ 7,590	\$ 2,195	\$ (4,104)	\$ 1,616

Income taxes paid, net of refunds received, for the three months ended June 30, 2025, totalled \$3.9 million (2024 — \$1.2 million) and for the six months ended June 30, 2025, totalled \$10.7 million (2024 — \$4.0 million).

18 Subsequent Events

On July 30, 2025, the Board declared a quarterly cash dividend of \$0.23 per Class A Share, payable on or before October 15, 2025, to shareholders of record as of September 30, 2025.