

ICESoft Technologies Canada Corp. Announces Q2 2019 Financial & Operating Results

August 23, 2019 / by news release

CALGARY, ALBERTA, August 23, 2019 – ICESoft Technologies Canada Corp. (the “Company” or “ICESoft”) is pleased to announce its consolidated financial and operating results for the three and six months ended June 30, 2019 and June 30, 2018. ICESoft’s unaudited condensed consolidated financial statements and related management’s discussion and analysis for the three and six months ended June 30, 2019 and June 30, 2018 are available on SEDAR. All figures referred to in this news release are denominated in Canadian dollars, unless otherwise noted.

SECOND QUARTER 2019 HIGHLIGHTS

- Net revenue for Q2 2019 totaled \$363,851, a 4.2% increase over the same period in 2018 and 3.6% higher than Q1 2019.
- ICESoft generated sales of \$249,494 in Q2 2019 and \$753,614 for the first half of 2019, and recorded cash-based net operating income¹ losses of \$260,635 and \$257,960 for the second quarter and first half of 2019, respectively, largely due to the expansion of marketing resources to grow Voyent Alert! product sales.
- During Q2 2019, ICESoft won an additional five Voyent Alert! contracts covering eight new municipalities and an incremental 180,000 persons, representing significant future recurring revenue streams.
- As at June 30, 2019, Voyent Alert! is providing coverage to 47 communities with a combined addressable population of approximately 400,000 persons, which represents an 85% increase from the same period last year.

“Our key Voyent Alert! metrics are continuing to double every three to four months, representing very positive growth trends,” stated Brian McKinney, President and CEO. “Larger municipal centers are now migrating to the solution, driven by Voyent Alert!’s significant differentiation to conventional alerting services. Over 50% of our new lead generation is now coming from referrals, resulting in a decreased cost of sales for the business.”

About ICESoft Technologies Canada Corp.

ICESoft Technologies Canada Corp. is a software-as-a-service (“SaaS”) company. ICESoft’s current software, which is available as freeware with a pay to use version, is used by some 150,000 developers, 20,000 companies, and some 400 paying customers. ICESoft’s newest product Voyent Alert! is an affordable Community Alerting Service specifically designed to meet the needs of small to medium sized municipalities, regional governments and campuses. The flexible platform serves the dual purpose of

¹ See “Non-IFRS Measures”.

alerting and advising residents during a critical incident as well as providing targeted day-to-day communication services.

For more information, please contact:

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Forward-Looking Information Advisory

Certain information in this press release is forward-looking within the meaning of certain securities laws, and is subject to important risks, uncertainties and assumptions. This forward-looking information includes, among other things, information with respect to the Corporate Changes, Private Placement and shares for debt transactions, assumptions about future economic conditions and courses of action, and the Company's beliefs, plans, expectations, anticipations, estimates and intentions. The words "may", "could", "should", "would", "suspect", "outlook", "believe", "anticipate", "estimate", "expect", "intend", "plan", "target" and similar words and expressions are used to identify forward-looking information. The forward-looking information in this material change report describes the Company's expectations as of the date of this news release and accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Company may elect to, it does not undertake to update this information at any particular time.

Non-IFRS Measures

This press release provides certain financial measures that do not have a standardized meaning prescribed by IFRS. These non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Cash-based net operating income is not a recognized measure under IFRS. Management believes that in addition to net income (loss), cash-based net operating income is a useful supplemental measure that accurately reflects the quarterly performance of the Company's business. Investors are cautioned, however, that this measure should not be construed as an alternative to net income (loss) determined in accordance with IFRS as an indication of ICEsoft's performance. ICEsoft's method of calculating these measures may differ from other companies and accordingly, they may not be comparable to measures used by other companies. Cash-based net operating income is defined as total sales less the cash-based cost of goods sold and cash-based operating costs.