



CAPTURE • MANAGE • MINE

VIQ Solutions Reports Record 2019 Results in Revenue, EBITDA and Gross Margin

Enterprise Value Exceeds US\$56M - Up By 50% Over Previous Year

REVENUES		GROSS MARGINS		ADJUSTED EBITDA	
4Q'19	FY'19	4Q'19	FY'19	4Q'19	FY'19
\$6.1M	\$25.1M	39.3%	43.0%	(\$0.3M)	\$0.9M
+190% YOY	+119% YOY	+1960bps YOY	+1170bps YOY	NM	NM

KEY FULL YEAR 2019 BUSINESS HIGHLIGHTS

“Revenue exceeded \$25 million, a 119% increase over full year 2018 and gross margin increased to 43% compared to 31% in 2018. Our success in 2019 results from a laser focus on three growth categories driving improved margins and stronger financial performance - accretive acquisitions, organic growth from our 1,300 global clients and new prospects from our rapidly increasing sales pipeline.”

Sebastien Paré, CEO and President

- Record \$25.1M revenue increased 119% year-over-year;
- Recurring revenue increased to \$22.6M, 90% of total revenue;
- Serving 1,300 clients across insurance, law enforcement, courts and government agencies;
- 58% of revenue was generated in the United States, 36% in Australia and 6% in EMEA and Canada;
- Record gross profit of \$10.8M, representing 43.0% of revenue versus 31.3% in the prior year, increased 1,170 basis points year-over-year. The increase in gross margin reflect the impact of growth in higher quality recurring revenues for clients converted to VIQ’s NetScribe and aiAssist solutions. Gross margins are expected to continue increasing as AI integration accelerates;

- Record EBITDA of \$676K, and Adjusted EBITDA of \$871K;
- VIQ’s AI platform, NetScribe, began operating in the United States and Australia with an increasing number of clients in production;
- DTC eligible foreign depository for Common Shares in the United States were upgraded from the OTCQB to the QTCQX, the Best Market on OTC Markets;
- Stock market liquidity volume of 52M shares for the period January 1 to December 31, 2019, was up 27% over the same period in 2018. Q1 2020 volume run rate is on course for annual record volume tradable on more than seven North American exchanges;
- 2019 financial results reflect several onetime expenses related to M&A and large-scale customers' migrations and investment made in operations to prepare for 2020 and onward. Onetime expenses are noted in the financial statements.

FIVE NON-DILUTIVE, ACCRECTIVE ACQUISITIONS COMPLETED IN LAST 15 MONTHS



“We achieved robust growth across our business, expanding our global client base and increasing our AI footprint. Our experienced senior leadership team continues to drive change in an industry ripe for disruption. Our talented industry specific professionals are elevating their skills with their transition to professional editors as we migrate clients to NetScribe™, powered by aiAssist™. Cloud Computing and Artificial Intelligence (AI) augment their workflow and increase productivity, generating margin gains for VIQ. We expect gross margin to increase in 2020 as expanded volume is processed through aiAssist,” continued Mr. Paré.

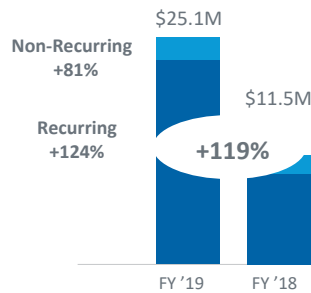
KEY FULL YEAR 2019 FINANCIALS

ENTERPRISE VALUE

US\$56M

At March 31, 2020
Up 50% YOY

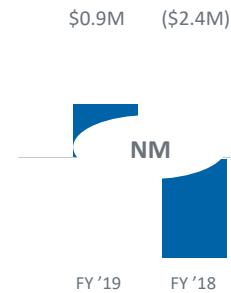
REVENUE MIX



GROSS MARGIN



ADJUSTED EBITDA



“We continue sustained progress in our strategic plan’s key elements of advancing through a digital media transformation using intelligent automation combined with human intelligence and streamlined operations, creating accurate documentation and better-informed decision making. Our primary objective is to be a digital transformational leader by driving efficiency internally and creating innovative solutions for our expanding client base. We are focused on delivering continued revenue growth, higher margins, improved EBITDA generation and increased market share,” added Mr. Paré.

“Our financial plan is focused on the ability of our proven leadership team to quickly and effectively implement our technology to scale across our international enterprise.”

Alexie Edwards
Chief Financial Officer

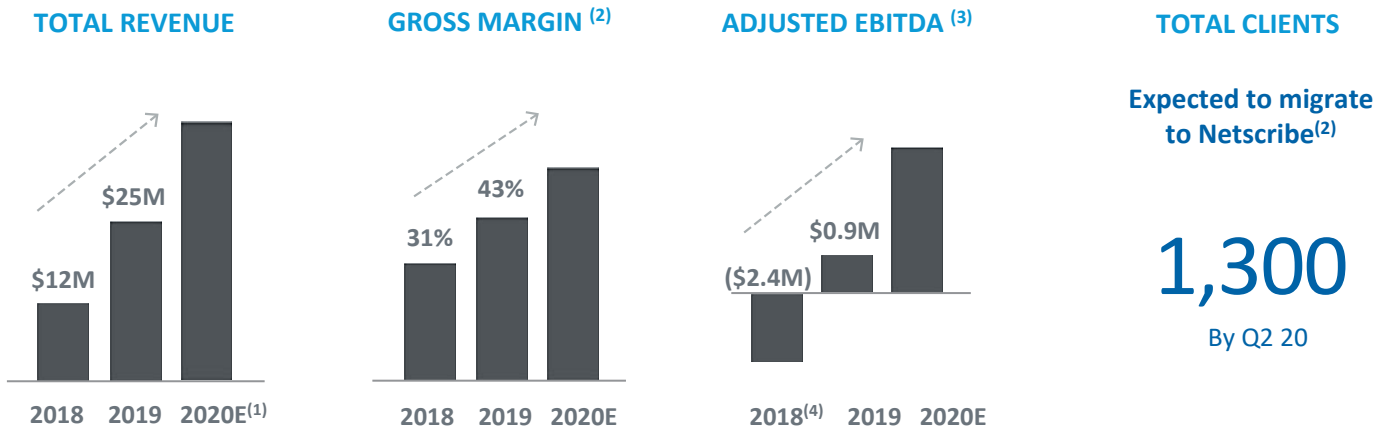
Key strategies remain on track:

- Improve revenue quality by transitioning toward recurring SaaS accounts;
- Grow VIQ’s client and talent base through organic growth and strategic acquisitions;
- Cross sell a range of purpose-built software products and services to increase wallet share with our existing client base;
- Implementing country specific technology stacks enabling the migration of clients in the United States, Australia, EMEA and Canada to complete a revolutionary end to end workflow switch into a highly secured cloud computing infrastructure.

Key financial strategies consist of:

- Migrating VIQ toward higher quality and higher margin recurring revenue;
- Supporting an operational and acquisition strategy with low cost liquidity;
- Expanding gross margin through VIQ’s unique cybersecurity, AI and cloud workflow solutions that are applied to substantial volumes of voice and video data.

OUTLOOK - FISCAL YEAR 2020*



GENERATING SHAREHOLDER VALUE Enterprise Value Increase of 50% YOY



"We plan to continue driving organic growth, pursuing accretive acquisitions, and integrating these acquisitions into our proprietary digital platform to achieve our \$100 million enterprise value goal at this time next year. We also continue to prepare for a potential up-listing to the TSX and a US National Exchange within the next year or two. Market conditions and Company performance will drive the timing of our decision," concluded Mr. Paré.

*Full Year 2020 goals are currently being assessed in light of COVID-19.

- (1) 2020 revenue goals are comprised of an estimated 85-90% in core recurring technology and services revenue from existing clients and 10% to 15% in organic growth. During the first quarter of 2020, the Company anticipates revenue between \$7.0 - \$7.5 million. This includes some revenue contribution related to the acquisition of Wordz (closed Feb. 27th) and ASC (closed Feb. 4th). The full impact of these acquisitions, along with the recently announced organic wins, are expected to be reflected beginning in Q2.
- (2) Approximately 30% of transcription volume is on our new NetScribe aiAssist platform. We expect all 1,300 customers, excluding two recent acquisitions, will migrate to NetScribe by the end of June 2020 resulting in gross margins increasing to an expected range of 50% and 55% of revenue for the year.
- (3) Adjusted EBITDA is expected to range between 10% and 15% of revenue.
- (4) Pro forma Adjusted EBITDA was \$0.8M. Pro forma financials reflect the impact of the Net Transcripts, Transcription Express and HomeTech acquisitions as though they were completed on January 1, 2018.

2019 full year results
conference call at
17:00 ET April 16th, 2020

Dial In
1-833-231-8256
#3142997

The Company has been consolidating operations into its core production facility in Phoenix, Arizona. It will consolidate six of its eight offices in the United States that were inherited with recently completed acquisitions. Phoenix remains the Company's global operating location.

Optimization of the Company's Capitalization Table –2020 Events Update

During the first quarter of 2020, VIQ issued 6.4 million shares related to the accelerated exercise of the Conversion Option in respect of Notes having an aggregate principal amount of approximately \$6.4 million. The Company will recognize a one-time non-cash aggregate total Interest expense of approximately \$4.1 million during the first quarter 2020 related to this transaction.

In the first quarter 2020, VIQ announced completion of two accretive acquisitions. On February 4th 2020, we acquired one of the most respected and leading Digital Media Content and Transcription providers in the United States, ASC Services LLC of Washington, D.C. ("ASC"). The second acquisition announced on February 27th 2020 is a leading US transcription provider, wordZXpressed, Inc. ("WordZ") of Atlanta, Georgia. ASC and WordZ are VIQ's fourth and fifth accretive acquisitions in 15 months.

Generating Shareholder Value - Enterprise Value Exceeded \$56 million on March 31, 2020

Despite the equity markets massive correction in the past month due to COVID-19, VIQ's total enterprise value of \$56.4 million USD increased approximately 50% at the end of March 2020, versus one year ago. VIQ's enterprise value at March 31st 2020 was comprised of the Company's market capitalization at March 31 2020 of \$43.8 million, and net debt of \$14.7 million. This compares favorably to an enterprise value at March 31, 2019 of approximately \$37 million comprised of a market capitalization of \$25 million and net debt of \$12 million.

“We plan to continue driving organic growth, pursuing accretive acquisitions, and integrating these acquisitions into our proprietary digital platform to achieve our \$100 million enterprise value goal at this time next year. We also continue to prepare for a potential up-listing to the TSX and a US National Exchange within the next year or two. Market conditions and company performance will drive the timing of our decision,” concluded Mr. Paré.

Outlook FY 2020

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- Approximately 30% of transcription volume is on our new NetScribe aiAssist platform. We expect all 1,300 customers, excluding two recent acquisitions, will migrate to NetScribe by the end of June 2020 resulting in gross margins increasing to an expected range of 50% and 55% of revenue for the year;
- Adjusted EBITDA is expected to range between 10% and 15% of revenue;
- Current backlog of booked orders but not delivered yet is approximately \$3 million, primarily consisting of long-term SaaS technology and services contracts awarded to VIQ, is expected to generate incremental recurring revenue and will be fully realized throughout 2021;
- VIQ maintains an active M&A pipeline, which may result in additional acquisitions completed in 2020 and 2021.

Novel Coronavirus (“COVID-19”)

VIQ Solutions has taken what it believes to be the appropriate measures to ensure continuity of its business during the COVID-19 health crisis:

- VIQ remains on highly solid footing with diversified revenue sources across multiple markets and regions. Load balancing enables the Company to mitigate any market declines from some markets with significant surges in others;
- While some markets and regions are more directly impacted, others such as Conferencing, Media and Law Enforcement are experiencing significant demand surge;
- More than 95% of VIQ global workforce is working remotely with high productivity levels, up from our VIQ steady state level of approximately 80%;
- Migration from office to online work and ever-increasing demand for high-quality turnaround time on documentation is now more essential than ever to enable crucial business continuity during COVID-19 for our clients;
- VIQ is seeing an uptick in three of its five major markets, though it is too early to speak to longer term impacts;
- The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company.

The Consolidated Financial Statements and Management’s Discussion and Analysis for the quarter will be posted on the Company’s website at

<https://viqsolutions.com/investors> and on the SEDAR website at www.sedar.com.

The financial information included in this news release is qualified in its entirety and should be read together with the consolidated financial statements for the year ended December 31, 2019, including the notes thereto.

Conference Call Details

VIQ will hold a conference call to discuss its 2019 results on Thursday, April 16 at 17:00 ET. The call will consist of a brief update by VIQ President and CEO, Sebastien Paré, and Alexie Edwards, VIQ's CFO, followed by a question and answer period. Investors may listen to the call by dialing 1-833-231-8256 (U.S. toll-free) or 1-647-788-4945 (international) to be connected to the call by an operator using conference ID number 3142997.

Participants should dial in at least 10 minutes prior to the start of the call.

A replay of the call will be available on VIQ's website at <https://viqsolutions.com/investors> or by dialing 1-855-859-2056 with passcode number 3142997 beginning at 20:00 ET for thirty days.

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For more information about VIQ, please visit viqsolutions.com.

About VIQ Solutions Inc.

VIQ Solutions is a global expert in video capture software and audio recording with voice-to-text capabilities. VIQ provides a cyber-secure AI technology and service platform to law enforcement, immigration, medical, legal, insurance, courts, and transcription service providers, enabling them to unlock the value of their enterprise digital media and streamline their document-creation workflow, using artificial intelligence tools for measurable business gains.

Forward-looking Statements

Certain statements included in this news release constitute forward-looking statements or forward-looking information under applicable securities legislation. Such forward-looking statements or information are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes. Forward-looking statements or information typically contain statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", "project" or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking statements or information in this news release include, but are not limited to, management's targets for the Company's growth in 2020, as well as the size, scope, and timing of the implementation of projects, getting to an enterprise value of close to \$100 million next year, and preparing for a potential up-listing to the TSX and a US National Exchange within the next year or two.

Forward-looking statements or information is based on several factors and assumptions which have been used to develop such statements and information, but which may prove to be incorrect. Although VIQ believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because VIQ can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this news release, assumptions have been made regarding, among other things, the Company's recent initiatives, and that sales and prospects may provide incremental value for shareholders. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions that have been used.

Forward-looking statements or information is based on current expectations, estimates and projections that involve several risks and uncertainties which could cause actual results to differ materially from those anticipated by VIQ and described in the forward-looking statements or information including COVID-19 pandemic. These risks and uncertainties may cause actual

results to differ materially from the forward-looking statements or information. Readers are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties.

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