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VIQ Solutions Accelerates its M&A Strategy and Announces Acquisition of Two US Insurance Documentation Solution Providers

Strategic acquisitions add recurring revenue and strengthens AI assisted transcription and secure document distribution solution.

TORONTO, Dec. 24, 2018 -- VIQ Solutions Inc. (“**VIQ**” or the “**Company**”) (TSX Venture Exchange: VQS), a global expert providing cyber-secure AI technology and services, announced today that it has acquired two leading providers of transcription services to the insurance, government and legal markets based in the USA. The acquired companies are Transcription Express Inc. of Gilbert, Arizona (“**Transcription Express**”), and HomeTech, Inc. (“**HomeTech**”) of Seattle, Washington.

Key highlights of the transactions include (all amounts in USD):

- Adds \$6.4 million in annualized recurring profitable revenue on an EBITDA of 20% based on the 12 month trailing revenue in October and will be immediately accretive to VIQ;
- Adds more than 55 active insurance clients in the USA, including more than a dozen Fortune 500 insurance customers covering 49 states;
- Extends VIQ’s footprint in a *MarketsandMarkets.com* estimated \$6 billion market for the voice to text transcription;
- Adds approximately 3.5 million minutes a year of secure multi-speaker video and audio content;
- Adds the production of well over 104,000 transcribed pages per month from captured voice; that volume combined with VIQ’s innovative aiAssist™ and transcription workflow services will translate to significant improvements in margin and generate savings for our combined customers.

As announced previously on November 9, 2018, VIQ has entered into non-binding letters of intent (“**LOIs**”) with certain USA based companies to acquire, subject to ongoing due diligence.

“We are pleased to welcome Transcription Express and HomeTech to VIQ Solutions,” said Sebastien Paré, President and CEO of VIQ. “The addition of these industry leaders and the volume of recordings they transcribe will significantly expand the addressable content of our AI services and generate new value for all our customers.”

“Transcription Express has spent more than two decades delivering fast, accurate, and secure digital transcription services,” states Darren Hurst, President of Transcription Express. “Leveraging VIQ’s leading secure technologies and AI services will deliver significant benefit to our customers and the business.”

Key markets served by VIQ’s Secure Capture Management, Transcription, Analytics and AI Services product family now include vertical offerings such as secure and compliant verbatim documentation in insurance, which includes secure content management, expert accreditation, and transcription services; law enforcement interview capture and transcription; court proceedings capture and management as well as government entities requiring secure evidence capture, management and analytics. VIQ intends to develop and acquire additional assets that expand its markets, solutions and AI services.

“The combination of VIQ’s international expertise, its innovative market-focused technologies and secure Cloud services create a solid foundation for our expanding client base and accelerate the adoption of our technology,” said Susan Sumner, Chief Operating Officer of VIQ. “Together we will realize substantial efficiency gains, delight our clients and aggressively grow our business.”

The transactions are valued at approximately USD\$7.0 million. Transcription Express and HomeTech are profitable companies and, excluding customary acquisition-related expenses, the transaction is expected to be immediately accretive to VIQ’s operating margin and earnings per share.

The purchase price paid for the Transcription Express acquisition was \$5.55 million, with \$2.78 million paid in cash on closing, \$1.67 million paid via a promissory note payable quarterly over 24 months, and \$1.1 million paid in equity of VIQ through the issuance of approximately 11 million shares to the former owners of Transcription Express. VIQ expects the acquisition of Transcription Express to generate annual revenue of approximately \$4.5 million, all of which is recurring.

The purchase price paid for the HomeTech acquisition was \$1.45 million, with \$250,000 paid in cash on closing and \$1.2 million paid via a promissory note which is payable in monthly installments from early 2019 until the note is repaid in full. VIQ expects the acquisition of HomeTech to generate annual revenue of approximately \$2.0 million.

VIQ funded the purchase price of these acquisitions through a combination of the funds raised from its convertible debenture private placement (the "**Private Placement**"), which was announced in a press release dated November 9, 2018, and a drawdown of approximately \$2.9 million in debt capital pursuant to a USD\$11.5M debt facility (the "**Debt Facility**") entered into on November 28, 2018 with Crown Capital Partner Funding LP ("**Crown**").

Further to its press release dated November 28, 2018, as of the date of such release, the Company had issued approximately \$4.1 million in convertible debentures pursuant to the Private Placement and had received commitments for an additional \$2.0 million. As of the date hereof, the Company has received an additional \$610,000 pursuant to such commitments.

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For more information about VIQ, please visit vigsolutions.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 2019 following the acquisitions.

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 acquisitions, and that such acquisitions may provide accretive 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 are 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. 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.