



## Quisitive Announces Acquisition of Corporate Renaissance Group and Financing Transactions

*NOT FOR DISSEMINATION IN THE UNITED STATES OR THROUGH US NEWSWIRE SERVICES*

Toronto, Ontario – June 5, 2019 – Quisitive Technology Solutions, Inc. (“**Quisitive**” or the “**Company**”) (TSXV: QUIS), a premier Microsoft solutions provider, today announced it has agreed to a transaction effective June 1, 2019 to acquire all of the issued and outstanding shares (the “**Purchased Shares**”) of Corporate Renaissance Group Inc. (“**CRG**”), a leading provider of Microsoft technology, corporate consulting, and business software and systems based in Ottawa, Ontario (the “**Transaction**”). The details of the Transaction are set forth in a definitive share purchase agreement between the Company, a wholly-owned subsidiary of the Company, and the shareholders (the “**Vendors**”) of CRG, that was negotiated at arm's length. Completion of the Transaction is subject to the approval of the TSX Venture Exchange (“**TSXV**”).

Like Quisitive, CRG is an award-winning Microsoft partner, recently recognized as Canada’s capital region’s #1 partner for Microsoft Dynamics solutions. With over 4,500 customers worldwide, CRG has established themselves as experts in business management, financial management, management consulting and software development. CRG generated unaudited revenues of approximately C\$7.8 million, of which 30% is recurring revenue, and unaudited adjusted EBITDA of approximately C\$3 million or 38.5% EBITDA margin in calendar year 2018.

CRG brings a loyal customer base across both its core consulting business and SaaS offering, CRG emPerform, an enterprise-class employee performance management software solution which accounts for the 30% recurring revenues. For more than 30 years, CRG’s seasoned leadership team and host of talented employees have been delivering solutions in Microsoft Dynamics, Microsoft SharePoint, business intelligence, financial and costing principles and employee performance management.

“Teaming up with the CRG team is an important milestone in realizing Quisitive’s growth vision. CRG expands Quisitive’s geographic base throughout Canada, United States and the Caribbean and complements our Microsoft Azure and Microsoft Office 365 cloud services by adding CRG’s expertise in the implementation, customization and support of Microsoft Dynamics,” said Quisitive CEO Mike Reinhart. “CRG also introduces a change to our business model as they have annual recurring revenue which is more predictable revenue for our shareholders. This transaction will accelerate our collective opportunity to become the premier Microsoft solutions provider in North America for Microsoft business solutions and cloud innovations.”

The combination of Quisitive and CRG is expected to create the foundation for the Microsoft Partner of the Future. The collective team of business, financial, management and technology consultants create a unique value in the Microsoft partner market for enterprise organizations looking for a consulting firm that has a deep understanding of the appropriate business applications of Microsoft cloud technologies.

“We’re excited about joining forces with Qusitive,” said CRG president Dr. Vijay Jog. “Not only will this combination enable us to scale our Dynamics 365 enterprise performance business throughout North America, it also provides the foundation to expand our cloud service offerings by leveraging Qusitive’s Microsoft Azure and Microsoft Office 365 expertise.” In connection with the completion of the Transaction, and subject to TSXV approval, Dr. Jog will be appointed to the board of directors of Qusitive where his worldwide consulting experience in strategy and value creation is expected to have a significant impact on the Company's growth strategy roadmap.

The consideration for the Purchased Shares will consist of the following: (i) C\$5,650,000 in cash, payable to the Vendors (the “**Cash Payment**”); (ii) the issuance to the Vendors of an aggregate of 4,473,684 common shares in the capital of Qusitive (the “**Qusitive Shares**”) with an aggregate value of C\$850,000; (iii) the issuance to the Vendors of secured promissory notes with an aggregate face value of C\$6,500,000 (the “**Notes**”) accruing at a rate of interest of 10.0% per annum compounded on an annual basis and payable semi-annually, having a term of up to 36 months from the closing date of the Transaction (the “**Maturity Date**”); and (iv) 19,500,000 common share purchase warrants (the “**Warrants**”), with each Warrant entitling the holder to acquire one Qusitive Share at a price of C\$0.35 per Qusitive Share exercisable for a period of 30 days following the date that is 30 days prior to the Maturity Date. The Vendors may also be entitled to additional contingent consideration in the form of a performance earn-out if CRG achieves certain financial thresholds during the three (3) year period following the closing of the Transaction. The amount of the earn-out is a base maximum of C\$6,500,000, plus an additional incentive amount based on a percentage of the base maximum that is proportionate to the amount by which CRG exceeds the highest financial performance threshold. The earn-out is payable in cash, Qusitive Shares, or a combination thereof.

The funds representing the Cash Payment will be obtained pursuant to a term loan from a Canadian bank, with interest accruing based on a floating base rate of 2.6% plus 6.5% per annum, calculated and payable monthly, with the principal amount to be repaid in monthly installments and amortized over a seven (7) year period, and secured by: (i) a first ranking general security interest granted by CRG over all of its present and future personal property; and (ii) a second ranking pledge of the Purchased Shares. In connection with the Transaction, CRG will obtain an interest free C\$750,000 loan from Software Integrators International Inc. (an entity controlled by Dr. Jog) for general operating requirements.

### **Conference Call**

Members of Qusitive’s executive management team will host a conference call to discuss the Corporation’s Fiscal 2019 first quarter financial results and provide details on the CRG acquisition at 8:30am ET on Thursday, June 6, 2019.

To access the conference call by phone, please dial the following numbers:

Canada/United States: 1-800-319-4610

Toronto Toll: 1-416-915-3239

**Private Placement**

The Company also announces a non-brokered private placement with members of the management team of CRG consisting of the sale of up to 750,000 Quisitive Shares at a price of C\$0.20 per Quisitive Share for gross proceeds of up to C\$150,000 (the “**Private Placement**”). The Company intends to use the proceeds from the Private Placement for general corporate purposes. Completion of the Private Placement is subject to the approval of the TSXV.

**About Quisitive**

Quisitive is a premier Microsoft solutions provider that helps customers navigate the ever-changing technology climate that their business relies upon. With a legacy of innovation and deep technical expertise, Quisitive is empowering the enterprise to harness the Microsoft cloud and emerging technologies such as blockchain, artificial intelligence, machine learning, and the Internet of Things (IoT) like never before through customized solutions and first-party cloud-based products. Founded in 2016 by Mike Reinhart, Quisitive is uniquely comprised of former Microsoft leaders and technologists who share a deep understanding of market needs and the appropriate application of Microsoft cloud technology. The company’s expertise and focus are on helping industries such as financial services, manufacturing, oil and gas, and retail, drive innovation through the use of Microsoft cloud-based technologies. Quisitive serves clients across North America with offices in Dallas, TX, Denver, CO and Toronto, ON. For more information, visit <http://www.Quisitive.com> and follow @BeQuisitive.

**About CRG**

Since 1989, CRG has been delivering expert guidance and leading solutions to help improve business management and performance, consisting of a group of business, financial and technology experts helping leaders transform organizations by improving enterprise performance. With over 4,500 customers worldwide, CRG has established itself with expertise in business management, financial management, consulting and software development. Working with its technology partners such as Microsoft, BOARD, Adaptive Insights, Tableau and Atlassian, CRG delivers solutions in Enterprise Resource Planning (ERP), Customer Relationship Management (CRM), Office 365 (O365), Corporate Performance Management (CPM), Employee Performance Management (EPM) and Business Intelligence (BI). These solutions and more cover the full business spectrum, consistent with the Level 7 Framework. To learn more about CRG, visit [www.crgroup.com](http://www.crgroup.com).

**For additional information**

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**Financial Measures**

*There are measures included in this news release that do not have a standardized meaning under generally accepted accounting principles (GAAP) and therefore may not be comparable to similarly titled measures and metrics presented by other publicly traded companies. The company includes these measures because it believes certain investors use these measures and metrics as a means of assessing financial performance. EBITDA (earnings before interest, taxes, depreciation and amortization is calculated as net earnings before finance costs (net of finance income), income tax expense, and depreciation and amortization of intangibles) is a non-GAAP financial measure that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies.*

**Cautionary Note Regarding Forward-Looking Information and Statements**

*This news release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Generally, any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information or statements. The forward-looking information or statements in this news release may relate, among other things, to: the completion of the Transaction; the anticipated benefits of the Transaction to Quisitive and its shareholders; the future growth potential of the Company on a post-Transaction basis; the intention to scale operations and make technology investments; the accretive nature of the Transaction, including expected synergies thereof; future financial performance; completion of the Private Placement; and receipt of all regulatory approvals.*

*These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: the expected results from the completion of the Transaction; business integration risks; fluctuations in general macroeconomic conditions; fluctuations in securities markets; the Company's limited operating history; future capital needs and uncertainty of additional financing; the competitive nature of the technology industry; unproven markets for the Company's product offerings; lack of regulation and customer protection; the need for the Company to manage its planned growth and expansion; the effects of product development and need for continued technology change; protection of proprietary rights; network security risks; the ability of the Company to maintain properly working systems; foreign currency trading risks; use and storage of personal information and compliance with privacy laws; use of the Company's services for improper or illegal purposes; global economic and financial market conditions; uninsurable risks; changes in project parameters as plans continue to be evaluated; and those factors described under the heading "Risks Factors" in the Company's most recent management discussion & analysis dated April 30, 2019 available on SEDAR. Although the forward-looking statements contained in this news release are based upon what management of the company believes, or believed at the time, to be reasonable assumptions, the company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements and information. There can be no assurance that forward-looking information, or the material factors or assumptions used to develop such forward-looking information, will prove to be accurate. The company does not undertake any obligations to release publicly any revisions for updating any voluntary forward-looking statements, except as required by applicable securities law.*

**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 news release.**