VIQ Solutions Announces Term Loan and Fourth Amendment to Credit Facility

MISSISSAUGA, Ontario--(BUSINESS WIRE)--November 4, 2024--VIQ Solutions Inc. (“**VIQ**”, “**VIQ Solutions**” or the “**Company**”) (TSX: VQS), a global provider of secure, AI-driven, digital voice and video capture technology and transcription services, today announces that it has entered into a US$1,500,000 term loan (the “**Term Loan**”) with Beedie Investments Ltd. (the “**Lender**”). An initial amount of US$500,000 has been advanced to the Company under the Term Loan as of the date hereof, while the remaining US$1,000,000 will be available to be drawn by the Company in tranches of US$500,000, subject to Lender approval. Any undrawn amounts under the Term Loan shall be subject to a standby fee of 1.5% per annum. The Term Loan will bear an interest rate of 14%, comprised of cash interest of 7% per annum and paid-in-kind interest charged at a rate of 7% per annum, compounded monthly and added to the outstanding principal amount of the Term Loan. The Term Loan has a maturity date of January 13, 2027. The Company intends to use the amounts advanced pursuant to the Term Loan for general corporate and working capital purposes.

In connection with entering into the Term Loan, the Company and the Lender entered into a fourth amendment agreement (the “**Fourth Amendment Agreement**”) in order to amend certain terms of the credit agreement dated January 13, 2023 between the Company and the Lender, as amended, (the “**Credit Agreement**”) governing the Company’s US$15,000,000 senior secured loan with the Lender (the “**Original Loan**”). Pursuant to the terms of the Fourth Amendment Agreement, and effective as of the date of the Fourth Amendment Agreement, the interest rate on the Original Loan was increased by 1.25% to 15.75%, comprised of cash interest of 9.5% per annum and paid-in-kind interest charged at a rate of 6.25% per annum, compounded monthly and added to the outstanding principal amount of the Original Loan. Additionally, the Fourth Amendment Agreement amended the prepayment fee under the Credit Agreement such that, among other things, a prepayment fee equal to the accrued and unpaid interest on the prepayment amount up to the date of prepayment plus the greater of: (i) 3% of the prepayment amount, and (ii) the accrued and unpaid interest on the prepayment amount from the date of prepayment to March 13, 2026, applies to any voluntary prepayment of the Original Loan occurring on or before March 13, 2026.

The Lender is a “related party” of the Company as such term is defined under applicable securities laws and, as a result, the entering into the Term Loan is considered a related party transaction (as defined under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”)). The Company has relied on certain exemptions from the requirement to obtain a formal valuation and minority shareholder approval, namely sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of the subject matter of, nor the fair market value of the consideration for the Term Loan exceeds 25% of the Company's market capitalization.

A copy of the Credit Agreement is available, and a copy of the Fourth Amendment Agreement will be available, under the Company’s profile on SEDAR+ at www.sedarplus.ca.

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

About VIQ Solutions

VIQ Solutions is a global provider of secure, AI-driven, digital voice and video capture technology and transcription services. VIQ offers a seamless, comprehensive solution suite that delivers intelligent automation, enhanced with human review, to drive transformation in the way content is captured, secured, and repurposed into actionable information. The cyber-secure, AI technology and services platform are implemented in the most rigid security environments including criminal justice, legal, insurance, government, corporate finance, media, and transcription service provider markets, enabling them to improve the quality and accessibility of evidence, to easily identify predictive insights and to achieve digital transformation faster and at a lower cost.

Forward-looking Statements

Certain statements included in this press release constitute forward-looking statements or forward-looking information (collectively, “forward-looking statements”) 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 (typically contain statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", "project" or similar words, including negatives thereof, suggesting future outcomes or that certain events or conditions “may” or “will” occur). These statements are only predictions. Forward-looking statements in this press release include but are not limited to statements with respect to the use of the amounts advanced to the Company under the Term Loan.

Forward-looking statements are based on several factors and assumptions which have been used to develop such statements, but which may prove to be incorrect. Although VIQ believes that the expectations reflected in such forward-looking statements 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.

Forward-looking statements are necessarily based on a number of opinions, assumptions and estimates that while considered reasonable by the Company as of the date of this press release, are subject to known and unknown risks, uncertainties, assumptions, and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, including but not limited to the factors described in greater detail in the “Risk Factors” section of the Company’s annual information form and in the Company’s other materials filed on SEDAR+ at www.sedarplus.ca.

These factors are not intended to represent a complete list of the factors that could affect the Company; however, these factors should be considered carefully. Such estimates and assumptions may prove to be incorrect or overstated. The forward-looking statements contained in this press release are made as of the date of this press release and the Company expressly disclaims any obligations to update or alter such statements, or the factors or assumptions underlying them, whether as a result of new information, future events or otherwise, except as required by law.

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