



## **For Immediate Release**

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## **Quorum Announces Acquisition of Oasis Auto Complete Systems Limited**

Calgary, AB, January 2, 2019 – Quorum Information Technologies Inc. (TSX Venture: QIS) ("Quorum" or the "Corporation") announced today that it has completed the arm's-length acquisition (the "Transaction") of Oasis Auto Complete Systems Limited ("Oasis") pursuant to a share purchase agreement dated January 2, 2019 (the "Agreement") between Quorum and Oasis.

Headquartered in London, Ontario, Canada, with automotive dealership customers across Ontario, Oasis develops, implements and supports its Auto Complete Dealership Management System ("DMS") and Advantage Showroom system for both franchised (or OEM) and independent automotive dealerships.

The key strategic reasons for this transaction include:

- The Transaction expands the new combined Corporation's scale and footprint in the automotive dealership software space. Oasis has 66 dealership rooftops and \$1.0 million in annual SaaS revenue. That increases Quorum's combined dealership rooftop count to over 920 rooftops including Oasis, DealerMine, XSellerator DMS and Autovance. When including Oasis and DealerMine, Quorum's combined Q3 FY2018 total revenues would have been \$6.9 million, with \$5.0 million or 72% of total revenue as SaaS revenue.
- The Oasis team has deep industry experience and contacts, and will be joining Quorum.
- The Oasis Advantage Showroom sales product will be the basis of a new system targeted at the Independent dealership market. The Independent market in Canada is larger than the Franchised (OEM) dealer market at over 7,800 rooftops (according to IBISWorld).
- Quorum expects some economies of scale in the areas of industry events/memberships, government financing/programs, general and administrative expenses and OEM relationships/programs across the combined entity.

Maury Marks, Quorum's President and CEO stated, "We are thrilled to welcome Oasis and its team to the Quorum family. Oasis, under Scott Savage's and Keith Gubler's (co-owners of Oasis) leadership, has a proven track record of developing software for the North American retail automotive market. Scott, Keith and the Oasis team will remain in place to manage the business from London, Ontario. We are delighted with the strong Oasis brand in the automotive retail market in Ontario and the company's reputation among their dealership customers."

Scott Savage commented, "On behalf of the team at Oasis we are very excited to join Quorum and the resulting opportunities for our staff and our customers. The combined companies will be able to accelerate the growth of our newer Advantage product line, as well."

For Oasis franchised dealership clients, the companies plan to build a seamless conversion process that will include being able to use the Advantage Showroom system in conjunction with the fixed operations and accounting capability in Quorum's DMS, XSELLERATOR. Each franchised dealership using the Oasis DMS should speak with their Oasis representative for more details.

Under the terms of the Agreement, the Corporation will acquire all of the issued and outstanding shares of Oasis for consideration comprised of a combination of \$485,000 in cash and \$100,000 in Quorum shares (156,250 shares valued at \$0.64 per share based on a 30-day volume weighted average price) and a \$600,000, two year additional compensation earn out provision.

### **About Quorum**

Quorum is a North American company focused on developing, marketing, implementing and supporting its portfolio of software and services for automotive dealerships that includes:

- XSELLERATOR, a Dealership Management System (DMS) that automates, integrates and streamlines key processes across departments in a dealership, and emphasises revenue generation and customer satisfaction.
- DealerMine, a sales and service Customer Relationship Management system and Business Development Center services that drives revenue into the critical sales and service departments in a dealership.
- Autovance, a sales desking system that increases sales department gross margins and improves customer satisfaction for dealerships.

Quorum Information Technologies Inc. is traded on the Toronto Venture Exchange (TSX-V) under the symbol. For additional information please go to [www.QuorumDMS.com](http://www.QuorumDMS.com).

## **Forward-Looking Information**

*This news release contains forward-looking information. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes statements with respect to the anticipated timing of closing of the Transaction, the Corporation's plans to integrate DealerMine with the operations of Quorum and management's expectations of the effect of the Transaction on Quorum's operations, financial performance and strategic position in certain market segments. Material assumptions and factors that could cause actual results to differ materially from such forward-looking information include market and industry conditions affecting Quorum's operations, the successful integration of DealerMine's products, employees and customers with Quorum, and the successful execution of Quorum's strategic initiatives involving DealerMine.*

*Although the Corporation believes that the material assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur. The Corporation disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law."*

*Neither the TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) has reviewed this release and neither accepts responsibility for the adequacy or accuracy of this release.*

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