



NEWS RELEASE

Exchange Income Corporation Completes Acquisition of Spartan Mat, LLC and Spartan Composites, LLC

WINNIPEG, Manitoba – November 13, 2024 – Exchange Income Corporation (TSX: EIF) (“EIC” or the “Corporation”), a diversified, acquisition-oriented company focused on opportunities in the Aerospace & Aviation and Manufacturing segments, announced today it has successfully closed its acquisition of Spartan Mat, LLC (“Spartan Mat”) and its subsidiary Spartan Composites, LLC (“Spartan Composites” and, together with Spartan Mat, “Spartan”). The acquisition was first announced on November 7, 2024 and EIC has obtained all necessary approvals to close the acquisition on November 13, 2024.

EIC paid a purchase price of US\$120 million, subject to customary post-closing adjustments, of which US\$18 million was paid through the issuance of common shares of EIC. The balance, US\$102 million, was financed through the Corporation’s credit facility.

Spartan Composites, operating out of Rockledge, Florida, is the creator and manufacturer of the SYSTEM7™ and the newly launched SYSTEM7-XT™ industrial composite access mat (collectively “SYSTEM7”), one of three industrial composite access mats manufactured in the US. The SYSTEM7 is an 8’ x 14’ interconnectable composite mat that is fully recyclable at the end of its useful life, offering customers a sustainable alternative to traditional wood mats. At less than half the weight of a traditional wood mat, it also significantly reduces transportation costs and further reduces the carbon footprint. In addition to the SYSTEM7, Spartan Composites is the owner and manufacturer of the FODS Trackout Control System (“FODS Trackout”), an innovative reuseable construction entrance that is used as an alternative to traditional rock and gravel construction entrances. Spartan Mat also operates as a broker of access mats, offering wood and composite matting alternatives across the US market.

The acquisition of Spartan is highly strategic in expanding EIC’s Environmental Access Solutions business line into the United States matting market and is accretive to our key per share metrics based on its historical performance.

About Exchange Income Corporation

Exchange Income Corporation is a diversified acquisition-oriented company, focused in two segments: Aerospace & Aviation and Manufacturing. The Corporation uses a disciplined acquisition strategy to identify already profitable, well-established companies that have strong management teams, generate steady cash flow, operate in niche markets and have opportunities for organic growth. For more information on the Corporation, please visit www.ExchangeIncomeCorp.ca.

Additional information relating to the Corporation, including all public filings, is available on SEDAR+ (www.sedarplus.ca).

About Spartan

Spartan is the manufacturer and marketer of the SYSTEM7™ and SYSTEM7-XT™ industrial composite access mat and the proprietary FODS Trackout Control System, as well as a broker of wood and composite mats across the United States. The SYSTEM7™ serves the access matting market, offering customers a more sustainable alternative to traditional wood mats. The FODS Trackout serves the construction market, offering contractors a more effective solution than traditional stone and gravel entrances. The SYSTEM7™, SYSTEM7-XT™ and the FODS Trackout are manufactured in Spartan’s Florida facility.



Caution concerning forward-looking statements

The statements contained in this news release that are forward-looking are based on current expectations and are subject to a number of uncertainties and risks, and actual results may differ materially. These uncertainties and risks include, but are not limited to, external risks, operational risks, financial risks and human capital risks. External risks include, but are not limited to, risks associated with economic and geopolitical conditions, competition, availability of government funding for Indigenous health care, access to capital, market trends and innovation, risks associated with uninsured losses, climate risks, acts of terrorism, armed conflict, labour or social unrest, risks of a pandemic, the level and timing of defence spending, government-funded defence and security program risks and risks associated with environmental, social and governance. Operational risks include, but are not limited to, significant contracts and customers, operational performance and growth, laws, regulations and standards, acquisitions, concentration and diversification, access to parts and relationships with key suppliers, casualty losses, environmental liability, dependence on information systems and technology, international operations, fluctuations in sales prices and purchase prices of aviation related assets, warranties and performance guarantees, global offset and intellectual property risks. Financial risks include, but are not limited to, availability of future financing, income tax matters, commodity risk, risks related to foreign exchange, interest rates, credit facility and the trust indentures, dividends, unpredictability and volatility of securities pricing, dilution and other credit risk. Human capital risks include, but are not limited to, reliance on key personnel, risks related to employees and labour relations and conflicts of interest.

Except as required by Canadian Securities Law, Exchange Income Corporation does not undertake to update any forward-looking statements; such statements speak only as of the date made. Further information about these and other risks and uncertainties can be found in the disclosure documents filed by Exchange Income Corporation with the securities regulatory authorities, available at www.sedarplus.ca.

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