

Condensed consolidated interim financial statements
(In USD)

Lumine Group Inc.

For the three and six months ended June 30, 2025 and 2024
Unaudited

Lumine Group Inc.

Condensed Consolidated Interim Statements of Financial Position

(In thousands of USD. Due to rounding, numbers presented may not foot.)

Unaudited

	June 30, 2025	December 31, 2024
Assets		
Current assets:		
Cash	\$ 289,673	\$ 210,983
Accounts receivable, net	143,794	158,048
Unbilled revenue	51,891	35,982
Inventories	611	693
Other assets (note 5)	45,501	47,183
	531,470	452,889
Non-current assets:		
Property and equipment	7,547	7,457
Right of use assets	6,198	6,949
Deferred income taxes	11,071	9,536
Other assets (note 5)	12,970	12,467
Intangible assets and goodwill (note 6)	765,455	797,888
	803,241	834,297
Total assets	\$ 1,334,711	\$ 1,287,186
Liabilities and Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 98,130	\$ 107,861
Due to related parties, net (note 16)	4,433	2,972
Current portion of bank debt (note 7)	1,247	3,190
Deferred revenue	115,866	88,442
Provisions (note 8)	5	156
Acquisition holdback payables	5,416	17
Lease obligations	3,146	4,249
Income taxes payable	11,128	10,278
	239,371	217,165
Non-current liabilities:		
Deferred income taxes	99,210	107,044
Bank debt (note 7)	242,848	275,443
Lease obligations	4,404	3,621
Other liabilities (note 5)	5,597	5,191
	352,059	391,299
Total liabilities	591,430	608,464
Equity (note 10):		
Capital stock	490,669	490,669
Contributed surplus	185,142	185,142
Accumulated other comprehensive income (loss)	6,615	(13,612)
Retained earnings	60,855	16,523
	743,281	678,722
Subsequent events (note 17)		
Total liabilities and equity	\$ 1,334,711	\$ 1,287,186

See accompanying notes to the condensed consolidated interim financial statements.

Lumine Group Inc.

Condensed Consolidated Interim Statements of Income (Loss)

(In thousands of USD, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenue				
License	\$ 11,716	\$ 11,687	\$ 24,043	\$ 23,407
Professional services	36,167	28,909	67,444	53,842
Hardware and other	2,947	2,326	12,017	4,743
Maintenance and other recurring	133,125	119,903	259,143	221,932
	183,955	162,825	362,647	303,924
Expenses				
Staff	87,496	87,704	171,400	160,733
Hardware	1,742	1,418	6,401	2,938
Third party license, maintenance and professional services	10,597	11,867	21,800	20,406
Occupancy	972	975	1,968	1,871
Travel, telecommunications, supplies, software and equipment	8,935	12,751	17,917	19,508
Professional fees	3,683	5,655	7,523	8,487
Other, net	5,490	3,509	8,785	4,455
Depreciation	2,380	2,337	4,690	4,452
Amortization of intangible assets (note 6)	26,322	29,211	52,336	52,032
	147,617	155,427	292,820	274,882
Redeemable Preferred and Special Securities expense	-	-	-	317,362
Gain on bargain purchase (note 4)	(2,494)	-	(2,494)	-
Finance and other expenses (income) (note 11)	7,388	5,698	12,522	9,970
	4,894	5,698	10,028	327,332
Income (loss) before income taxes	31,444	1,700	59,799	(298,290)
Current income tax expense (recovery)	12,691	9,209	27,261	17,555
Deferred income tax expense (recovery)	(4,800)	(5,274)	(11,794)	(9,272)
Income tax expense	7,891	3,935	15,467	8,283
Net income (loss)	\$ 23,553	\$ (2,235)	\$ 44,332	\$ (306,573)
Weighted average shares outstanding (note 12):				
Basic	256,620,388	256,620,388	256,620,388	171,366,154
Diluted	256,620,388	256,620,388	256,620,388	254,978,572
Earnings (loss) per share (note 12):				
Basic and diluted	\$ 0.09	\$ (0.01)	\$ 0.17	\$ (1.79)

See accompanying notes to the condensed consolidated interim financial statements.

Lumine Group Inc.

Condensed Consolidated Interim Statements of Comprehensive Income (Loss)

(In thousands of USD. Due to rounding, numbers presented may not foot.)

Unaudited

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net income (loss)	\$ 23,553	\$ (2,235)	\$ 44,332	\$ (306,573)
Items that are or may be reclassified subsequently to net income (loss):				
Foreign currency translation differences from foreign operations and other	16,095	(975)	20,227	(4,600)
Other comprehensive income (loss) for the year, net of income tax	16,095	(975)	20,227	(4,600)
Total comprehensive income (loss) for the year	\$ 39,648	\$ (3,210)	\$ 64,559	\$ (311,173)

See accompanying notes to the condensed consolidated interim financial statements.

Lumine Group Inc.

Condensed Consolidated Interim Statement of Changes in Equity
(In thousands of USD. Due to rounding, numbers presented may not foot.)

Unaudited

Six months ended June 30, 2025

	Capital stock	Contributed surplus	Accumulated other comprehensive (loss) income	Retained earnings (deficit)	Total equity
Balance at January 1, 2025	\$ 490,669	\$ 185,142	\$ (13,612)	\$ 16,523	\$ 678,722
<i>Total comprehensive income (loss) for the period:</i>	-	-	-	44,332	44,332
Net income (loss)					
<i>Other comprehensive income (loss):</i>					
Foreign currency translation differences from foreign operations and other	-	-	20,227	-	20,227
Total other comprehensive income (loss) for the period	-	-	20,227	-	20,227
Total comprehensive income (loss) for the period	-	-	20,227	44,332	64,559
Balance at June 30, 2025	\$ 490,669	\$ 185,142	\$ 6,615	\$ 60,855	\$ 743,281

See accompanying notes to the condensed consolidated interim financial statements.

Lumine Group Inc.

Condensed Consolidated Interim Statement of Changes in Equity

(In thousands of USD. Due to rounding, numbers presented may not foot.)

Unaudited

Six months ended June 30, 2024

	Capital stock	Contributed surplus	Accumulated other comprehensive (loss) income	Retained earnings (deficit)	Total equity
Balance at January 1, 2024	\$ -	\$ (1,015,661)	\$ (6,296)	\$ (2,820,478)	\$ (3,842,435)
<i>Total comprehensive income (loss) for the period:</i>					
Net income (loss)	-	-	-	(306,573)	(306,573)
<i>Other comprehensive income (loss):</i>					
Foreign currency translation differences from foreign operations and other	-	-	(4,600)	-	(4,600)
Total other comprehensive income (loss) for the period	-	-	(4,600)	-	(4,600)
Total comprehensive income (loss) for the period	-	-	(4,600)	(306,573)	(311,173)
Mandatory Conversion of Special and Preferred Shares (Note 10)	403,301	1,200,803	-	3,095,910	4,700,014
Settlement of Preferred and Special Share Dividends in Subordinate Voting Shares (Note 10)	87,368	-	-	-	87,368
Balance at June 30, 2024	\$ 490,669	\$ 185,142	\$ (10,896)	\$ (31,141)	\$ 633,774

See accompanying notes to the condensed consolidated interim financial statements.

Lumine Group Inc.

Condensed Consolidated Interim Statements of Cash Flows

(In thousands of USD. Due to rounding, numbers presented may not foot.)

Unaudited				
	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Cash flows from (used in) operating activities:				
Net income (loss)	\$ 23,553	\$ (2,235)	\$ 44,332	\$ (306,573)
Adjustments for:				
Depreciation	2,380	2,337	4,690	4,452
Amortization of intangible assets	26,322	29,211	52,336	52,032
Contingent consideration adjustments (note 13)	587	915	475	958
Preferred and Special Securities expense (income)	-	-	-	317,362
Gain on bargain purchase (Note 4)	(2,494)	-	(2,494)	-
Finance and other expenses (income)	8,493	5,998	14,321	10,336
Income tax expense (recovery)	7,891	3,935	15,467	8,283
Change in non-cash operating assets and liabilities exclusive of effects of business combinations (note 15)	28,885	(26,734)	11,370	(34,859)
Income taxes (paid) received	(17,182)	(3,680)	(21,991)	(7,317)
Net cash flows from operating activities	78,434	9,747	118,506	44,674
Cash flows from (used in) financing activities:				
Interest paid on lease obligations	(97)	(130)	(202)	(284)
Interest paid on bank debt	(3,886)	(5,130)	(7,699)	(7,602)
Cash transferred from (to) Parent	(85)	118	14	(1,990)
Proceeds from issuance of bank debt (note 7)	-	50,500	-	140,500
Repayments of bank debt (note 7)	(36,076)	(244)	(36,319)	(488)
Transaction costs on bank debt (note 7)	(27)	(194)	(46)	(1,849)
Payments of lease obligations	(1,643)	(1,468)	(3,226)	(3,034)
Net cash flows from (used in) in financing activities	(41,815)	43,452	(47,478)	125,253
Cash flows from (used in) investing activities:				
Acquisition of businesses (note 4)	(6,807)	(144,325)	(6,807)	(144,325)
Post-acquisition settlement payments, net of receipts	2,513	-	1,576	(685)
Interest, dividends and other proceeds received	1,105	300	1,799	366
Proceeds from sale of property and equipment	71	-	71	-
Property and equipment purchased	(1,455)	(363)	(1,709)	(724)
Other investing activities	(80)	(271)	4,257	(265)
Net cash flows (used in) investing activities	(4,653)	(144,659)	(813)	(145,633)
Effect of foreign currency on cash and cash equivalents	5,610	(554)	8,475	(3,030)
Increase (decrease) in cash	37,577	(92,014)	78,690	21,264
Cash, beginning of period	252,096	259,787	210,983	146,509
Cash, end of period	\$ 289,673	\$ 167,773	\$ 289,673	\$ 167,773

See accompanying notes to the condensed consolidated interim financial statements.

Lumine Group Inc.

Notes to condensed consolidated interim financial statements

(In thousands of USD, except per share amounts or as otherwise indicated.)

(Due to rounding, numbers presented may not foot.)

Three and six months ended June 30, 2025 and 2024

Notes to the condensed consolidated interim financial statements

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(In thousands of USD, except per share amounts and as otherwise indicated.)

(Due to rounding, numbers presented may not foot.)

Three and six months ended June 30, 2025 and 2024

1. Reporting entity

Lumine Group Inc. (TSXV:LMN) is a company domiciled in Canada. The address of its registered office is 5060 Spectrum Way, Suite 100, Mississauga, Ontario, Canada. The condensed consolidated interim financial statements of the Company as at and for the three and six months ended June 30, 2025, comprise Lumine Group Inc. and its subsidiaries (together referred to as "Lumine" or "the Company"). The Company is a subsidiary of Trapeze Software ULC ("Trapeze"), a wholly-owned subsidiary of Constellation Software Inc. (TSX:CSU) ("CSI" or collectively referred to as the "Parent" – references to Parent refer to CSI and its subsidiaries). The Company is engaged principally in the development, installation and customization of software and in the provision of related professional services and support for customers globally.

2. Basis of presentation

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board ("IFRS"). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

These condensed consolidated interim financial statements were approved and authorized for issuance by the Board of Directors of the Company on August 1, 2025.

These condensed consolidated interim financial statements should be read in conjunction with the 2024 annual consolidated financial statements of Lumine Group Inc. (together referred to as the "Annual Consolidated Financial Statements").

(b) Basis of measurement

These condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain assets and liabilities initially recognized in connection with business combinations, certain financial instruments, and contingent consideration related to business acquisitions, which are measured at their estimated fair value.

(c) Comparative amounts

Certain comparative figures have been reclassified, to conform to the current period's presentation. These reclassifications had no effect on prior period net income, total assets or equity.

Adjustments arising from the finalization of purchase price allocations related to acquisitions may impact prior periods.

(d) Functional and presentation currency

The condensed consolidated interim financial statements are presented in U.S. dollars, which is the Company's presentation currency.

Lumine Group Inc.

Notes to condensed consolidated interim financial statements

(In thousands of USD, except per share amounts and as otherwise indicated.)

(Due to rounding, numbers presented may not foot.)

Three and six months ended June 30, 2025 and 2024

(e) Use of estimates and judgements

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses, consistent with those disclosed in the Annual Consolidated Financial Statements and described in these condensed consolidated interim financial statements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. The actual amount or values may vary in certain instances from the assumptions and estimates made. Changes will be recorded, with corresponding effect in profit or loss, when, and if, better information is obtained.

3. Material accounting policies

Unless otherwise noted in the condensed consolidated interim financial statements, the material accounting policies used in preparing these condensed consolidated interim financial statements are unchanged from those disclosed in the Annual Consolidated Financial Statements. These material accounting policies have been applied consistently to all periods presented in these condensed consolidated interim financial statements.

The material accounting policies have been applied consistently by the Company 's subsidiaries.

4. Business acquisitions

(a) Acquisition from Arvato Systems operating as Vidispine

On April 1, 2025, the Company acquired the Vidispine brand and business assets ("Vidispine") from Arvato Systems, a subsidiary of Bertelsmann SE & Co. KGaA. for an aggregate cash consideration of \$6,807 on closing plus cash holdbacks and contingent consideration with a combined estimated acquisition date fair value of \$5,827 for total consideration of \$12,634.

The acquired businesses operate in the communications and media market, similar to the Company's existing businesses. The acquisition has been accounted for using the acquisition method with the results of operations included in the condensed consolidated interim statements of income for the three and six months ended June 30, 2025 from the date of the acquisition.

The Company recorded a \$2,494 preliminary bargain purchase gain related to this acquisition, due to the higher fair value of acquired net assets relative to the purchase price. The gain has been recorded in the condensed consolidated interim statement of income for the three and six months ended June 30, 2025 in accordance with IFRS.

The gross contractual amount of acquired receivables was \$6,379. No allowance was recognized as part of the acquisition accounting as management assessed the collectability of these receivables to be fully recoverable.

Due to the complexity and timing of the acquisition, the Company is in the process of determining and finalizing the estimated fair value of the net tangible assets acquired. The amounts determined on a provisional basis generally relate to the valuation of intangible assets, net asset assessments and measurement of the assumed liabilities, including acquired contract liabilities, and related tax matters. The

Lumine Group Inc.

Notes to condensed consolidated interim financial statements

(In thousands of USD, except per share amounts and as otherwise indicated.)

(Due to rounding, numbers presented may not foot.)

Three and six months ended June 30, 2025 and 2024

provisional purchase price allocations may differ from the final purchase price allocations, and these differences may be material. Revisions to the allocations will occur as additional information about the fair value of assets and liabilities becomes available. The accounting will be finalized by the second quarter of 2026.

The provisional acquisition accounting applied in connection with the business acquisition is as follows:

Accounts receivable	6,379
Unbilled revenue	3,303
Technology assets	4,043
Customer assets	5,178
	<hr/>
	\$ 18,903
Current liabilities	\$ 867
Deferred revenue	1,492
Deferred income tax liabilities	1,162
Other non-current liabilities	254
	<hr/>
	\$ 3,775
Bargain purchase gain	(2,494)
	<hr/>
Total Consideration	\$ 12,634

The acquisition of Vidispine contributed revenue of \$4,391 and net income of \$2,356 during the three and six months ended June 30, 2025.

The Company incurred transaction costs of \$250 related to the acquisition of Vidispine recognized in Other, net expense in the condensed consolidated interim statement of income. If the acquisitions of Vidispine occurred on January 1, 2025, the Company estimates that pro-forma consolidated revenue and pro-forma consolidated net income would have been \$367,627 and \$44,295 for the six months ended June 30, 2025 compared to the actual amounts reported in the condensed consolidated interim statement of income. In determining these amounts, the Company has assumed that the fair values of the net assets acquired that were estimated and accounted for on the dates of acquisition would have been the same as if the acquisitions had occurred on January 1, 2025. The net income from acquisitions includes the associated amortization of acquired intangible assets recognized as if the acquisitions had occurred on January 1, 2025.

(b) Prior year acquisitions

The following measurement period adjustments on the prior year acquisitions of Axyom Core (“Axyom”) and Motive Software Solutions Inc. (“Motive”) have been reflected on the consolidated statement of financial position as of December 31, 2024. Negative balances in the table below represent reduction in assets and liabilities, while positive balances represent an increase in assets and liabilities. There were no material impacts to the statement of income.

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(Due to rounding, numbers presented may not foot.)

Three and six months ended June 30, 2025 and 2024

Accounts receivable	\$	(438)
Other current assets		(18)
Property and equipment		(99)
Deferred income tax assets		122
Customer assets		21
	\$	(412)
Current liabilities	\$	(48)
Deferred revenue		(1,091)
	\$	(1,139)
Goodwill		(747)
Total Change in Consideration	\$	(20)

During the three months ended March 31, 2025, the purchase price allocations for the acquisition of Axyom and Motive were finalized. The purchase price for the Motive acquisition was reduced by \$20 following the finalization of the acquisition holdback receivable. The total acquisition holdback receivable amounted to \$2,513 as of March 31, 2025.

5. Other assets and liabilities

(a) Other assets

	June 30, 2025	December 31, 2024
Prepaid expenses and other current assets	\$ 22,760	\$ 18,926
Sales tax receivable	5,399	4,291
Investment tax credits recoverable	6,696	5,294
Restricted cash	599	4,903
Acquisition holdback receivables	-	2,513
Income tax and other receivables	10,047	11,256
Total other current assets	\$ 45,501	\$ 47,183
Investment tax credits recoverable	\$ 1,926	\$ 1,703
Costs to obtain a contract	2,622	2,729
Unbilled revenue	2,158	2,905
Restricted cash	699	653
Non-current trade and other receivables and other assets	5,565	4,477
Total other non-current assets	\$ 12,970	\$ 12,467

Lumine Group Inc.

Notes to condensed consolidated interim financial statements

(In thousands of USD, except per share amounts and as otherwise indicated.)

(Due to rounding, numbers presented may not foot.)

Three and six months ended June 30, 2025 and 2024

(b) Other liabilities

	June 30, 2025	December 31, 2024
Contingent consideration (note 13(b))	\$ 567	\$ 170
Deferred revenue	2,942	3,031
Provisions (note 8)	1,823	1,990
Other non-current liabilities	265	-
Total other non-current liabilities	\$ 5,597	\$ 5,191

6. Intangible assets and goodwill

	Technology Assets	Customer Assets	Goodwill	Total
Cost				
Balance at January 1, 2024	\$ 366,394	\$ 518,665	\$ 66,921	\$ 951,980
Acquisitions through business combinations (note 4)	61,863	71,110	14,356	147,329
Effect of movements in foreign exchange and other	(4,810)	(4,114)	(384)	(9,308)
Balance at December 31, 2024	\$ 423,447	\$ 585,661	\$ 80,893	\$ 1,090,001
Balance at January 1, 2025	\$ 423,447	\$ 585,661	\$ 80,893	\$ 1,090,001
Acquisitions through business combinations (note 4)	4,043	5,178	-	9,221
Effect of movements in foreign exchange and other	13,905	10,108	349	24,362
Balance at June 30, 2025	\$ 441,395	\$ 600,947	\$ 81,242	\$ 1,123,584
Accumulated amortization and impairment losses				
Balance at January 1, 2024	\$ 124,274	\$ 63,913	\$ -	\$ 188,187
Amortization for the period	62,652	45,406	-	108,058
Effect of movements in foreign exchange and other	(2,786)	(1,346)	-	(4,132)
Balance at December 31, 2024	\$ 184,140	\$ 107,973	\$ -	\$ 292,113
Balance at January 1, 2025	\$ 184,140	\$ 107,973	\$ -	\$ 292,113
Amortization for the period	29,421	22,915	-	52,336
Effect of movements in foreign exchange and other	9,462	4,218	-	13,680
Balance at June 30, 2025	\$ 223,023	\$ 135,106	\$ -	\$ 358,129
Carrying amounts:				
At January 1, 2024	\$ 242,120	\$ 454,752	\$ 66,921	\$ 763,793
At December 31, 2024	\$ 239,307	\$ 477,688	\$ 80,893	\$ 797,888
At January 1, 2025	\$ 239,307	\$ 477,688	\$ 80,893	\$ 797,888
At June 30, 2025	\$ 218,372	\$ 465,841	\$ 81,242	\$ 765,455

Lumine Group Inc.

Notes to condensed consolidated interim financial statements

(In thousands of USD, except per share amounts and as otherwise indicated.)

(Due to rounding, numbers presented may not foot.)

Three and six months ended June 30, 2025 and 2024

7. Bank debt

(a) WideOrbit Loan

On March 2, 2023, WideOrbit Inc. ("WideOrbit"), a wholly owned subsidiary, entered into a revolving financing facility with a syndicate of Canadian and US financial institutions amounting to \$185,000, to provide long-term financing in connection with the acquisition of WideOrbit (the "WO Loan"), of which \$175,000 was drawn and incurred transaction costs of \$1,771. As of June 30, 2025, there were no additional borrowings made and a balance of \$108,000 remains outstanding (December 31, 2024 – \$108,000).

Covenants associated with this facility are monitored and reported based on the financial position and financial performance of WideOrbit. The covenants include a leverage ratio and a fixed charge coverage ratio. The WO Loan has a maturity date of March 2, 2028. The Company does not guarantee this indebtedness, nor are there any cross-guarantees between other subsidiaries. The credit facility is collateralized by substantially all of the assets of WideOrbit.

(b) Telarix Loans

On October 31, 2022, Telarix Inc., a wholly owned subsidiary, closed term loan funding with a Canadian chartered bank, amounting to \$39,000, of which entire amount was drawn, to provide long-term financing in connection with an acquired business and incurred transaction cost of \$450. The financing also came with a revolving credit facility of \$2,500 (collectively, the "Telarix Loans"). The term loan, originally scheduled to mature in October 2026, was repaid in full on May 2, 2025, for \$35,588 including accrued interest of \$12. There was also a normal course repayment for \$731 for the six months ended June 30, 2025 (June 30, 2024 – \$488). As of June 30, 2025, the Telarix Loans have been terminated with no outstanding balance.

(c) WizTivi Loan

On November 24, 2023, Lumine Group France SAS ("Lumine France"), a wholly owned subsidiary, closed a term loan facility with HSBC Continental Europe amounting to €10,000 (\$10,914) to provide long-term financing in connection with its wholly owned subsidiary, WizTivi SAS (the "WizTivi Loan"), of which the full amount was drawn and incurred transaction costs of \$164 in 2023. For the six months ended June 30, 2025, there were no repayments made on the WizTivi Loan (June 30, 2024 – \$nil). As of June 30, 2025, a balance of \$9,393 remains outstanding (December 31, 2024 – \$8,309).

Covenants associated with this facility are monitored and reported based on the financial position and financial performance of WizTivi. The covenants include a leverage ratio and WizTivi cash position. The WizTivi Loan has a maturity date of November 24, 2028. The Company does not guarantee this indebtedness, nor are there any cross-guarantees between other subsidiaries. The credit facility is collateralized by substantially all of the assets of Lumine France and WizTivi.

(d) Lumine Facility

On March 20, 2024, the Company entered into a revolving credit financing facility ("Lumine Facility") with a syndicate of Canadian and US financial institutions, amounting to \$310,000 to support future acquisitions and incurred transaction costs of \$2,256. On June 17, 2025, the Lumine Facility was amended to increase the total facility size to \$360,000. For the six months ended June 30, 2025, no additional borrowings were drawn on the facility (June 30, 2024 – borrowings of \$31,000), and no repayment was made (June 30, 2024 – \$nil). As of June 30, 2025, a balance of \$129,000 (December 31, 2024 – \$129,000) remains outstanding.

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(In thousands of USD, except per share amounts and as otherwise indicated.)

(Due to rounding, numbers presented may not foot.)

Three and six months ended June 30, 2025 and 2024

Covenants associated with this facility are monitored and reported based on the financial position and financial performance of the Company's business units. The covenants include a leverage ratio and an interest coverage ratio. The Lumine Facility has a maturity date of March 21, 2027. The credit facility is collateralized by substantially all of the assets of certain direct and indirect subsidiaries of the Company subject to the ringfence arrangement.

	Maturity	Principal Amount	Interest Rate	June 30, 2025	December 31, 2024
Telarix Loan – Term loan	Terminated	39,000	SOFR+1.85%	-	36,319
Telarix Loan – Revolving facility	Terminated	2,500	Prime+0.50%	-	-
WO Loan	2028	185,000	SOFR+1.75%	108,000	108,000
Wiztivi Loan	2028	€10,000	EURIBOR+2.5%	9,393	8,309
Lumine Facility	2027	360,000	SOFR+1.25%	129,000	129,000
				246,393	281,628
Deferred transaction costs				(2,298)	(2,995)
Less current portion, net of related transaction costs				\$ (1,247)	\$ (3,190)
Total long-term debt				\$ 242,848	\$ 275,443

As of June 30, 2025, the Company and its subsidiaries are in compliance with their respective debt covenants.

The annual minimum repayment requirements for the bank debts are as follows:

2025	2,348
2026	2,349
2027	131,348
2028	110,348
	\$ 246,393

8. Provisions

At January 1, 2025	\$ 2,146
Reversal	-
Provisions recorded during the period	19
Provisions used during the period	(354)
Effect of movements in foreign exchange and other	17
At June 30, 2025	\$ 1,828
Provisions classified as current liabilities	\$ 5
Provisions classified as other non-current liabilities	\$ 1,823

The provisions balance is comprised of various individual provisions for severance costs, statutory severance benefits in certain jurisdictions, royalties, and other estimated liabilities of the Company of uncertain timing or amount.

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9. Income taxes

Income tax expense is recognized based on management's best estimate of the actual income tax rate for the interim period applied to the pre-tax income of the interim period for each entity in the consolidated group. As a result of foreign exchange fluctuations, acquisitions, and ongoing changes due to intercompany transactions amongst entities operating in different jurisdictions, the Company has determined that a reasonable estimate of a weighted average annual tax rate cannot be determined on a consolidated basis. The Company's consolidated effective tax rate in respect of continuing operations for the three and six months ended June 30, 2025 was 25.11% and 25.87% (231.61% and -2.78% for the three and six months ended June 30, 2024). The change in effective tax rate was mainly impacted by the redeemable preferred and special securities expense in 2024, which are not deductible for tax purposes and not applicable in the current period.

The Company is subject to tax audits in the countries in which the Company does business globally. These tax audits could result in additional tax expense in future periods relating to historical filings. Reviews by tax authorities generally focus on, but are not limited to, the validity of the Company's intercompany transactions, including financing and transfer pricing policies which generally involve subjective areas of taxation and a significant degree of judgment. If any of these tax authorities are successful with their challenges, the Company's income tax expense may be adversely affected and the Company could also be subject to interest and penalty charges.

10. Capital and other components of equity

(a) Capital stock

	Subordinate Voting & Super Voting Shares	
	Number	Amount
At January 1, 2024	63,990,664	\$ -
Mandatory Conversion of Preferred and Special Shares	189,114,307	403,301
Settlement of Preferred and Special Share Dividends	3,515,418	87,368
At December 31, 2024	256,620,389	\$ 490,669

	Subordinate Voting & Super Voting Shares	
	Number	Amount
At January 1, 2025	256,620,389	\$ 490,669
At June 30, 2025	256,620,389	\$ 490,669

The Company's authorized share capital consists of an unlimited number of Subordinate Voting Shares, an unlimited number of Special Shares, an unlimited number of Preferred Shares and 1 Super Voting Share. As at June 30, 2025, there are 256,620,388 Subordinate Voting Shares and 1 Super Voting Share outstanding. The Super Voting Share is held by Parent and is convertible into a Subordinate Voting Share on a one-for-one basis.

Holders of Subordinate Voting Shares, the Super Voting Share, and Special Shares are entitled to attend and vote at meetings of the Company's shareholders except meetings at which only holders of a particular class are entitled to vote. Holders of Subordinate Voting Shares and Special Shares are entitled to one vote

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per share, and the holder of the Super Voting Share is entitled to that number of votes that equals 50.1% of the aggregate number of votes attached to all of the outstanding Super Voting Shares, Subordinate Voting Shares and Special Shares at such time. Other than in respect of voting rights, the Subordinate Voting Shares and the Super Voting Share have the same rights, are equal in all respects and are treated as if they were one class of shares. As of June 30, 2025, there are no Special Shares outstanding due to Mandatory Conversion of Preferred and Special Shares to Subordinate Voting Shares.

(b) Accumulated other comprehensive income (loss)

Accumulated other comprehensive income (loss) is comprised of the following separate components of equity:

Cumulative translation account

The cumulative translation account comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as foreign exchange gains and losses arising from monetary items that form part of the net investment in the foreign operation.

(c) Dividends

During the three and six months ended June 30, 2025 and June 30, 2024, the Company did not declare any dividends on the Subordinate Voting Shares.

11. Finance costs and other expenses (income)

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Interest expense on contingent consideration	\$ 2	\$ 26	\$ 5	\$ 69
Interest expense on bank debt	4,191	4,973	8,806	7,927
Interest expense on lease obligations	97	130	202	284
Foreign exchange loss (gain)	4,433	600	5,624	2,011
Other expenses (income)	(1,335)	(31)	(2,115)	(321)
Finance and other expenses	\$ 7,388	\$ 5,698	\$ 12,522	\$ 9,970

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12. Earnings per share

Basic and diluted earnings per share

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Numerator:				
Net income (loss)	\$ 23,553	\$ (2,235)	\$ 44,332	\$ (306,573)
Add: Expense associated with the redeemable preferred securities	-	-	-	298,714
Net income (loss) to be used for diluted earnings per share	\$ 23,553	\$ (2,235)	\$ 44,332	\$ (7,860)
Denominator:				
Basic weighted average shares outstanding	256,620,388	256,620,388	256,620,388	171,366,154
Add: Effect of dilutive shares	-	-	-	83,612,418
Diluted weighted average shares outstanding	256,620,388	256,620,388	256,620,388	254,978,572
Basic and diluted earnings per share:	\$ 0.09	\$ (0.01)	\$ 0.17	\$ (1.79)

There were no dilutive shares for the three and six months ended June 30, 2025. The impact of diluted weighted average shares outstanding determined above is anti-dilutive due to the net loss for the three and six months ended June 30, 2024.

13. Financial instruments

(a) Fair values versus carrying amounts

The carrying values of cash, accounts receivable, accounts payable and accrued liabilities (excluding contingent consideration), income taxes payable, and acquisition holdbacks approximate their fair values due to the short-term nature of these instruments. The carrying value of bank debt approximates its fair values as it is subject to market interest rates.

(b) Fair value hierarchy

The table below analyzes financial instruments carried at fair value, by valuation method.

- level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- level 2 inputs are inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- level 3 inputs are inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

In the table below, the Company has segregated all financial assets and liabilities that are measured at fair value into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date.

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Financial assets and financial liabilities measured at fair value as at June 30, 2025 and December 31, 2024 in the financial statements are summarized below. The Company has no additional financial liabilities measured at fair value initially other than those recognized in connection with business combinations.

	June 30, 2025				December 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Liabilities:								
Contingent								
Consideration	-	-	1,069	1,069	-	-	1,529	1,529
	\$ -	\$ -	\$ 1,069	\$ 1,069	\$ -	\$ -	\$ 1,529	\$ 1,529

There were no transfers of fair value measurements between level 1, 2 and level 3 of the fair value hierarchy in the three and six ended June 30, 2025 and 2024.

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy.

Contingent Consideration

Balance at January 1, 2024	\$	3,161
Settlements through cash payments		(980)
Charges (recoveries) through profit or loss		(713)
Interest on contingent consideration liabilities		94
Foreign exchange and other movements		(33)
Balance at December 31, 2024	\$	1,529
Contingent consideration classified as current liabilities		1,359
Contingent consideration classified as other non-current liabilities		170

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Balance at January 1, 2025	\$	1,529
Settlements through cash payments		(937)
Charges (recoveries) through profit or loss		475
Interest on contingent consideration liabilities		5
Foreign exchange and other movements		(3)
Balance at June 30, 2025	\$	1,069
Contingent consideration classified as current liabilities		502
Contingent consideration classified as other non-current liabilities		567

Estimates of the fair value of contingent consideration are performed by the Company on a quarterly basis. Key unobservable inputs include revenue growth rates and the discount rates applied (8%) for the six months ended June 30, 2025 (December 31, 2024 – 8%). The estimated fair value increases as the annual growth rate increases and as the discount rate decreases and vice versa.

The obligations for contingent consideration for acquisitions during the three and six months ended June 30, 2025 and December 31, 2024 have been recorded at their estimated fair value at each reporting date. Aggregate contingent consideration of \$1,069 (December 31, 2024 – \$1,529) has been included in accounts payable and accrued liabilities and other liabilities in the condensed consolidated interim statements of financial position at its estimated fair value. Changes made to the estimated fair value of contingent consideration have been included in other, net in the condensed consolidated interim statements of income resulting in an expense of \$587 and \$475 for the three and six months ended June 30, 2025, respectively (June 30, 2024 – an expense of \$915 and \$958, respectively).

14. Contingencies

In the normal course of operations, the Company is subject to litigation and claims from time to time. The Company may also be subject to lawsuits, investigations and other claims, including environmental, labour, income and sales tax, product, customer disputes and other matters. The Company believes that adequate provisions have been recorded in the accounts where required. Although it is not always possible to estimate the extent of potential costs, if any, the Company believes that the ultimate resolution of such contingencies will not have a material adverse impact on the results of operations, financial position or liquidity of the Company.

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15. Changes in non-cash operating working capital

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Decrease (increase) in current accounts receivable, net	31,001	(24,935)	24,809	(21,824)
Decrease (increase) in current unbilled revenue, net	(6,065)	2,373	(11,359)	(811)
Decrease (increase) in other current assets	8,395	(2,452)	(3,287)	(587)
Decrease (increase) in inventories	(94)	49	82	(3)
Decrease (increase) in other non-current assets	378	411	798	1,541
Increase (decrease) in other non-current liabilities	(175)	(842)	(289)	(2,307)
Increase (decrease) in current accounts payable and accrued liabilities, excluding holdbacks from acquisitions	(11,464)	2,435	(22,055)	(10,675)
Increase (decrease) in due to related parties (note 16)	754	-	1,447	-
Increase (decrease) in current deferred revenue	6,167	(3,791)	21,379	(231)
Increase (decrease) in current provisions	(12)	18	(155)	38
Change in non-cash operating working capital	28,885	(26,734)	11,370	(34,859)

16. Related party transactions

Transactions with related parties are assumed when a relationship exists between the Company and a natural person or entity that is affiliated with the Company. This includes, amongst others, the relationship between the Company and its subsidiaries, significant shareholders, directors, key management personnel, certain companies affiliated with key management personnel, and companies that are under common control of the Company's controlling shareholder, CSI. Transactions are transfers of resources, services or obligations, regardless of whether any amount has been charged.

Transactions with CSI

The Company pays management fees to CSI (included within "Other net" expenses), reimburses CSI for certain expenses paid on behalf of the Company, and borrows funds from CSI from time to time to fund acquisitions. During the three and six months ended June 30, 2025, the Company expensed management fees of \$754 and \$1,447, respectively (June 30, 2024 – \$722 and \$1,241, respectively). At June 30, 2025, the Company had outstanding amounts due to related parties of \$4,433 (December 31, 2024 – \$2,972) which reflects the amount owing to the Parent for management fees and the reimbursement of expenses paid on its behalf, net of the cash sent to the Parent during the quarter and no debt from CSI related to borrowed funds.

17. Subsequent Event

(a) Acquisition of Datafusion Systems

On July 3, 2025, the Company acquired 100% outstanding shares of Datafusion Systems brand and business assets ("Datafusion") for an aggregate cash consideration of up to \$20,882, of which \$13,719 was paid in cash on closing. The acquired businesses operate in the communications and media market, similar to the Company's existing businesses.

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As of the date of issuance of these financial statements, the Company had not yet completed the initial accounting for the acquisition, including the fair value assessment of the assets acquired and liabilities assumed, due to the proximity of the date of acquisition to the date of issuance of these financial statements.

(b) U.S. OBBBA Tax Bill

On July 4, 2025, the "One Big Beautiful Bill Act" was signed into law. The legislation includes a provision that repeals the requirement under Section 174 of the Internal Revenue Code to capitalize and amortize domestic research and experimental expenditures. As this law was enacted subsequent to June 30, 2025, its effects are not reflected in these condensed consolidated financial statements. The Company is currently evaluating the impact of this legislative change but expects it will result in a significant reduction to current income tax expense for the third quarter of 2025. An offsetting amount will be booked to deferred income tax expense so there is no impact on net tax expense or the effective tax rate. The full impact of the new law will be recorded in the quarter ending September 30, 2025.

(c) Partial Repayment of Lumine Facility

On July 24, 2025, the Company made a partial repayment of \$60,000 towards Lumine Facility. The repayment was funded through available cash on hand.