

LUMINE GROUP INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management discussion and analysis ("MD&A") should be read in conjunction with the Unaudited Condensed Consolidated Interim Financial Statements for the three months ended March 31, 2026, which were prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and the Consolidated Financial Statements for the year ended December 31, 2025, which were prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS"). Certain information included herein is forward looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "Forward Looking Statements" and "Risk Factors".

Unless otherwise indicated, all dollar amounts are expressed in U.S. dollars and all references to "\$" are to U.S. dollars. Due to rounding, certain totals and subtotals may not foot.

Additional information about Lumine Group Inc. (the "Company" or "Lumine"), is available on SEDAR+ at www.sedarplus.ca. The Company is listed on TSX Venture Exchange under the ticker symbol, LMN.

Forward Looking Statements

Certain statements in this report may contain "forward looking" statements that involve risks, uncertainties and other factors that may cause the actual results, performance or achievements of Lumine or its industry to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Words such as "may", "will", "expect", "believe", "plan", "intend", "should", "anticipate" and other similar terminology are intended to identify forward looking statements. These statements reflect current assumptions and expectations regarding future events and operating performance as of the date of this MD&A, May 5, 2026. Forward looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether such results will be achieved. Several factors could cause actual results to vary significantly from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under "Risk Factors". Although the forward-looking statements contained in this MD&A are based upon what management of Lumine believes are reasonable assumptions, Lumine cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this MD&A and Lumine assumes no obligation, except as required by law, to update any forward-looking statements to reflect new events or circumstances. This report should be viewed in conjunction with Lumine's other publicly available filings, copies of which can be obtained electronically on SEDAR+ at www.sedarplus.ca.

Non-IFRS Measures

This MD&A includes certain measures which have not been prepared in accordance with IFRS such as free cash flow available to shareholders and operating income.

Free cash flow available to shareholders "FCFA2S" refers to net cash flows from operating activities less interest paid on lease obligations, interest paid on bank indebtedness, transaction costs on bank indebtedness, repayments of lease obligations, interest, dividends and other proceeds received, and property and equipment purchased net of proceeds from disposal. We believe that FCFA2S is useful supplemental information as it provides an indication of the uncommitted cash flow that is available to shareholders if we do not make any acquisitions, or investments, and do not repay any bank indebtedness. While we could use the FCFA2S to pay dividends or repurchase shares, our objective is to invest all of our FCFA2S in acquisitions which meet our hurdle rate.

FCFA2S and FCFA2S per share are not recognized measures or ratios under IFRS and may not be comparable to similar financial measures or ratios disclosed by other issuers. Accordingly, readers are cautioned that FCFA2S and FCFA2S per share should not be construed as an alternative to net cash flows from operating activities, including on a per-share basis. See "Results of Operations – Free cash flow available to shareholders" for a reconciliation of FCFA2S to net cash flows from operating activities.

Operating income refers to net income (loss) before income tax expense, amortization of intangible assets, gain on bargain purchase net of any reductions, and finance costs and other expenses (income). We believe that operating income is useful supplemental information as it provides an indication of the profitability of the Company related to its core operations. Operating income is not a recognized measure under IFRS and may not be comparable to similar financial measures disclosed by other issuers. Accordingly, readers are cautioned that operating income should not be construed as an alternative to net income (loss). See "Results of Operations - Operating Income" for a reconciliation of operating income to net income.

Overview

We acquire, strengthen and grow businesses in the Communications and Media industry. The Company is headquartered in Toronto, with businesses located worldwide. Generally, our businesses provide mission critical software solutions that address the specific needs of customers in particular segments of the Communications and Media industry. Our focus on acquiring businesses with growth potential, strengthening their core profitability, and then growing them, has allowed us to generate significant cash flow and revenue growth over the past several years. Our software solutions enable our customers to boost productivity and operate more cost effectively, innovate more rapidly to address dynamic market needs and opportunities, grow top-line sales, improve customer service, and reduce customer churn. Many of the businesses that we acquire have the potential to be leaders within their particular market niches whether that be geography, tier of customer, type of customer, or other differentiated customer demographic. We target the Communications and Media sector because of the attractive economics that it provides and our belief that our management teams have a deep understanding of those economics.

Our revenue consists primarily of software license fees, maintenance and other recurring fees, professional service fees and hardware and other sales. Software license revenue is comprised of license fees charged for the use of our software products generally licensed under multiple-year or perpetual arrangements. Maintenance and other recurring revenue consists of fees charged for customer support on our software products post-delivery and also includes, recurring fees derived from software as a service, subscriptions, term licenses, transaction-related revenues, managed services and hosted products. Professional service revenue consists of fees charged for implementation and integration services, customized programming, product training and consulting. Hardware and other sales include the resale of third-party hardware that forms part of our customer solutions.

Expenses consist primarily of staff costs, the cost of hardware, third-party licenses, maintenance and professional services used internally and for our customers, travel and occupancy costs, other general operating expenses, and legal and advisory fees.

Comparison of the three months ended March 31, 2026 and 2025

Results of Operations

The following table displays a summary of the results of operations of the Company for the three months ended March 31, 2026 and 2025.

(In millions of dollars or shares, except percentages and per share amounts)

Unaudited	Three months ended March 31,		Period-Over-Period Change	
	2026	2025	\$	%
Revenue	208.3	178.7	29.6	17%
Expenses	150.4	119.2	31.2	26%
Operating income ¹	57.9	59.5	(1.6)	-3%
Amortization of intangible assets	31.1	26.0	5.1	20%
Reduction of gain on bargain purchase	0.8	—	0.8	NM
Finance costs and other expenses	3.3	5.1	(1.8)	-35%
Income before income taxes	22.8	28.4	(5.6)	-20%
Income tax expense				
Current income tax expense	7.4	14.6	(7.2)	-49%
Deferred income tax recovery	(3.6)	(7.0)	3.4	-49%
Income tax expense	3.8	7.6	(3.8)	-50%
Net income	19.0	20.8	(1.8)	-9%
Net cash flows from operating activities²	19.8	40.1	(20.3)	-51%
Free cash flow available to shareholders^{1,2}	15.3	35.0	(19.7)	-56%
Weighted average shares outstanding				
Basic and diluted	256.6	256.6	0.02	0%
Net income per share				
Basic and diluted	0.07	0.08	(0.01)	(13)%
Net cash flows from operating activities per share²				
Basic and diluted	0.08	0.16	(0.08)	-50%
Free cash flow available to shareholders per share^{1,2}				
Basic and diluted	0.06	0.14	(0.08)	-57%

NM – Not meaningful

Due to rounding, certain totals may not foot.

¹ See “Non-IFRS Measures”.

² The comparative periods are adjusted to conform with the current presentation in the financial statements, which resulted in immaterial adjustments to net cash flows from operating activities and free cash flow available to shareholders.

Comparison of the three months ended March 31, 2026 and 2025

Revenue

Total revenue for the three months ended March 31, 2026 was \$208.3 million, an increase of 17%, or \$29.6 million, compared to \$178.7 million for the comparable period in 2025. The increase for the three months compared to the same period in the prior year is attributable to revenues from new acquisitions. The Company experienced organic growth of 0% for the three months ended March 31, 2026 or (2)% after adjusting for the impact of changes in the valuation of the US dollar against most major currencies in which the Company transacts business. For acquired companies, organic growth is calculated as the difference between actual revenues achieved by each business in the financial period following acquisition, compared to the estimated revenues they achieved in the corresponding financial period preceding the date of acquisition by the Company. Organic growth is not a standardized financial measure and might not be comparable to measures disclosed by other issuers.

The following table displays the breakdown of our revenue according to revenue type:

Unaudited	Three months ended March 31,		Period-Over-Period Change		Q1-25 Pro Forma Adj. (Note 1)	Organic Growth
	2026	2025	\$	%	\$	%
	(\$ in millions, except percentages)					
Licenses	11.4	12.3	(0.9)	-7%	0.5	-11%
Professional services	32.9	31.3	1.6	5%	3.2	-4%
Hardware and other	3.9	9.1	(5.2)	-57%	0.2	-59%
Maintenance and other recurring	160.2	126.0	34.2	27%	25.7	6%
	208.3	178.7	29.6	17%	29.6	0%

Due to rounding, certain totals may not foot.

Note 1: Estimated pre-acquisition revenues for the three months ended March 31, 2025 from companies acquired after December 31, 2024. (Obtained from unaudited vendor financial information.)

For comparative purposes the table below shows the quarterly organic growth as compared to the same period in the prior year by revenue type for the prior 8 quarters, as well as the trailing twelve months ended March 31, 2026 and 2025. Note that the estimated revenues achieved by acquired companies in the corresponding financial period preceding the date of acquisition by the Company may be updated in the quarter following the quarter they were acquired resulting in slight variances to previously reported figures.

Unaudited	Jun. 30	Sep. 30	Dec. 31	Mar. 31	Jun. 30	Sep. 30	Dec. 31	Mar. 31	12 months ended	
	2024	2024	2024	2025	2025	2025	2025	2026	Mar. 31 2025	Mar. 31 2026
Licenses	-43%	-40%	-38%	-43%	-8%	28%	5%	-11%	-41%	4%
Professional services	-22%	-12%	-35%	-9%	18%	-7%	23%	-4%	-20%	6%
Hardware and other	-69%	-39%	-29%	115%	21%	-60%	-22%	-59%	-23%	-41%
Maintenance and other recurring	0%	1%	6%	-1%	8%	3%	0%	6%	2%	4%
Total Revenue	-12%	-8%	-9%	-5%	9%	1%	3%	0%	-9%	3%

The following table shows the same information adjusting for the impact of foreign exchange movements.

Unaudited									12 months ended	
	Jun. 30	Sep. 30	Dec. 31	Mar. 31	Jun. 30	Sep. 30	Dec. 31	Mar. 31	Mar. 31	Mar. 31
	2024	2024	2024	2025	2025	2025	2025	2026	2025	2026
Licenses	-43%	-40%	-38%	-43%	-10%	26%	0%	-13%	-41%	0%
Professional services	-22%	-13%	-35%	-8%	15%	-9%	19%	-8%	-20%	3%
Hardware and other	-69%	-39%	-31%	115%	17%	-60%	-22%	-59%	-23%	-42%
Maintenance and other recurring	0%	0%	6%	-1%	6%	2%	-2%	3%	1%	2%
Total Revenue	-12%	-9%	-9%	-4%	6%	-1%	1%	-2%	-9%	1%

The negative organic growth, adjusted for foreign exchange movements, during the three months ended March 31, 2026 is primarily related to the timing of project commencement and delivery in contrast with the same period in 2025.

Expenses

The following table displays the breakdown of our expenses:

Unaudited	Three months ended		Period-Over-Period	
	March 31,		Change	
	2026	2025	\$	%
(\$ in millions, except percentages)				
Staff	115.2	83.9	31.3	37%
Hardware	2.0	4.7	(2.7)	-57%
Third party license, maintenance and professional services	13.5	11.2	2.3	21%
Occupancy	0.9	1.0	(0.1)	-10%
Travel, telecommunications, supplies & software and equipment	10.1	9.0	1.1	12%
Professional fees	4.2	3.8	0.4	11%
Other, net	2.4	3.3	(0.9)	-27%
Depreciation	2.1	2.3	(0.2)	-9%
	150.4	119.2	31.2	26%

Due to rounding, certain totals may not foot.

Overall expenses for the three months ended March 31, 2026 increased 26%, or \$31.2 million to \$150.4 million, compared to \$119.2 million during the same period in 2025. As a percentage of total revenue, expenses were 72% for the three months ended March 31, 2026 compared to 67% for the same period in 2025. This increase in overall expenses as a percentage of total revenue is primarily driven by non-recurring costs incurred from acquisitions in the current and preceding year.

Staff expense – Staff expenses increased 37% or \$31.3 million for the three months ended March 31, 2026 over the same period in 2025. Staff expense can be broken down into five key operating departments: Professional Services, Maintenance, Research and Development, Sales and Marketing, and General and Administrative. Included within staff expenses for each of the above five departments are personnel and related costs. The table below compares the period over period variances.

Unaudited	Three months ended March 31,		Period-Over-Period Change	
	2026	2025	\$	%
	(\$ in millions, except percentages)			
Professional services	15.4	14.9	0.5	3 %
Maintenance	19.9	18.6	1.3	7 %
Research and development	32.9	23.9	9.0	38 %
Sales and marketing	17.0	11.3	5.7	50 %
General and administrative	29.9	15.3	14.6	95 %
	115.2	83.9	31.3	37 %

Due to rounding, certain totals may not foot.

The total increase in staff expenses for the three months ended March 31, 2026 was primarily due to new acquisitions made in the current and preceding year, resulting in growth in the number of employees compared to the same periods in 2025 and the inclusion of non-recurring costs arising from these acquisitions.

Hardware expenses – Hardware expenses, and corresponding hardware and other revenue both decreased 57% for the three months ended March 31, 2026, over the same period in 2025. Hardware margin for the three months ended March 31, 2026 and 2025 was 49%. Hardware sales typically consist of the resale of third-party hardware as part of the sale of customized solutions to our customers and margins are affected by the macroeconomic environment and vary period to period based on the nature, geographical location, and type of hardware required of solutions provided.

Third party license, maintenance and professional services expenses – Third party license, maintenance and professional services expenses increased 21% or \$2.3 million for the three months ended March 31, 2026 over the same period in 2025. The increase is primarily due to third party license, maintenance and professional services expenses from new acquisitions made in the current and preceding year.

Travel, telecommunications, supplies & software and equipment expenses – Travel, telecommunications, supplies & software and equipment expenses increased 12% or \$1.1 million for the three months ended March 31, 2026 over the same period in 2025. The increase in these expenses is primarily due to expenses incurred by acquired businesses in the current and preceding year.

Other, net – Other expenses decreased by 27% or \$0.9 million for the three months ended March 31, 2026 over the same period in 2025. The following table provides a further breakdown of expenses within this category.

Unaudited	Three months ended March 31,		Period-Over-Period Change	
	2026	2025	\$	%
	(\$ in millions, except percentages)			
Advertising and promotion	2.0	1.9	0.1	5%
Recruiting and training	0.5	0.5	—	—%
R&D tax credits	(2.5)	(1.0)	(1.5)	150%
Contingent consideration	(0.6)	(0.1)	(0.5)	500%
Other expense, net	3.0	2.0	1.0	50%
	2.4	3.3	(0.9)	-27%

NM – Not meaningful

Due to rounding, certain totals may not foot.

R&D tax credits increased by 150% or \$1.5 million for the three months ended March 31, 2026 over the same period in 2025. The increase is mainly due to revaluation of US SR&ED tax credits from current year acquisitions.

Contingent consideration expense decreased \$0.5 million for the three months ended March 31, 2026 over the same period in 2025. The decrease is related to a decrease in anticipated acquisition earnout payment accruals from the prior period primarily as a result of adjustments to revenue forecasts for the associated acquisitions. Revenue forecasts are updated on a quarterly basis and the related anticipated acquisition earnout payment accruals are updated accordingly.

Other expense, net increased 50% or \$1.0 million for the three months ended March 31, 2026 over the same period in 2025. This includes bad debt expense, bank fees, withholding taxes, subscription and membership fees, as well as management fees paid to Volaris Group Inc., a wholly-owned subsidiary of Constellation Software Inc. (collectively referred to as the "Parent"), which reimburses the Parent for services and resources they provided to the Company (see "Related Parties" below for a discussion of the nature of these charges). The increase in other expense is mainly driven by higher bank charges and transaction fees, bad debt expense, and subscription and membership fees, partly offset by lower withholding taxes.

There are no individually material reasons contributing to the remaining variances.

Operating Income

Operating income for the three months ended March 31, 2026 was \$57.9 million compared to \$59.4 million for the same period in 2025. Operating income is a non-IFRS Measure. See "Non-IFRS Measures".

The following table reconciles operating income to net income:

Unaudited	Three months ended March 31,		Period-Over-Period Change	
	2026	2025	\$	%
	(\$ in millions, except percentages)			
Net income	19.0	20.8	(1.8)	-9%
Adjusted for:				
Amortization of intangible assets	31.1	26.0	5.1	20%
Reduction of gain on bargain purchase	0.8	—	0.8	NM
Finance costs and other expenses	3.3	5.1	(1.8)	-35%
Income tax expense	3.8	7.6	(3.8)	-50%
Operating income¹	57.9	59.5	(1.6)	-3%

¹ See "Non-IFRS Measures".

Other Income and Expenses

The following table displays the breakdown of other income and expenses:

Unaudited	Three months ended March 31,		Period-Over-Period Change	
	2026	2025	\$	%
	(\$ in millions, except percentages)			
Amortization of intangible assets	31.1	26.0	5.1	20%
Foreign exchange (gain) loss	(1.5)	1.2	(2.7)	NM
Reduction of gain on bargain purchase	0.8	—	0.8	NM
Finance costs and other expense, excluding foreign exchange (gain) loss	4.8	3.9	0.9	23%
Income tax expense	3.8	7.6	(3.8)	-50%
	38.9	38.7	0.2	1%

NM – Not meaningful

Due to rounding, certain totals may not foot.

Amortization of intangible assets – Amortization of intangible assets increased 20% or \$5.1 million for the three months ended March 31, 2026 over the same period in 2025. The increase in amortization for the three months ended March 31, 2026 is primarily attributable to an increase in the carrying amount of our intangible asset balance as a result of acquisitions in the current and preceding year.

Foreign exchange (gain) loss – Most of our businesses are organized geographically so many of our expenses are incurred in the same currency as our revenues, which mitigates some of our exposure to currency fluctuations. For the three months ended March 31, 2026, we recorded a foreign exchange gain of \$1.5 million compared to a loss of \$1.2 million for the same period in 2025. The year-over-year fluctuations in foreign exchange (gain) loss relate to movement in foreign currency exchange rates.

Reduction of gain on bargain purchase – Gain on bargain purchase decreased by \$0.8 million for the three months ended March 31, 2026 over the same period in 2025. The decrease is attributable to measurement period adjustments recognized in the current quarter in connection with the 2025 acquisition of the Vidispine brand and business assets from Arvato Systems, a subsidiary of Bertelsmann SE & Co. KGaA.

Finance costs and other expenses, excluding foreign exchange (gain) loss – Finance and other expense, excluding foreign exchange (gain) loss increased \$0.9 million or 23% for the three months ended March 31, 2026 over the same period in 2025. The increase is primarily driven by a non-operating expense recorded for a historical acquisition, partially offset by an increase in interest income earned from cash-on-hand balances.

Income taxes – We operate globally, and we calculate our tax provision in each of the jurisdictions in which we conduct business. Our effective tax rate on a combined basis is, therefore, affected by the realization and anticipated relative profitability of our operations in those various jurisdictions, as well as different tax rates that apply and our ability to utilize tax losses and other credits. For the three months ended March 31, 2026, income tax expense decreased \$3.8 million to \$3.8 million compared to \$7.6 million for the same period in 2025. Current tax expense has historically approximated our cash tax rate. The Company's combined effective tax rate in respect of continuing operations for the three month period ended March 31, 2026 was +16.5% (+26.7% for the three month period ended March 31, 2025). The change in effective tax rate was due to a non-recurring tax item related to an acquisition and changes in unrecognized tax losses in the current period.

Net Income per Share

Net income for the three months ended March 31, 2026 was \$19.0 million compared to net income of \$20.8 million for the same period in 2025. On a per share basis, this translated into net income per basic and diluted share of \$0.07 in the three months ended March 31, 2026 compared to net income per basic and diluted share of \$0.08 for the same period in 2025.

Net cash flows from operating activities ("CFO")

For the three months ended March 31, 2026, CFO decreased \$20.3 million to \$19.8 million compared to \$40.1 million for the same period in 2025 representing a decrease of 51%. The decrease is driven by a change in non-cash operating working capital of \$14.5 million, higher income taxes paid of \$4.4 million, and a lower operating income of \$1.5 million.

Free cash flow available to shareholders ("FCFA2S")

For the three months ended March 31, 2026, FCFA2S decreased \$19.7 million to \$15.3 million compared to \$35.0 million for the same period in 2025 representing a decrease of 56%. The decrease in the three months ended March 31, 2026 is driven by lower CFO compared to the same period in 2025, which is partially offset by higher interest received on bank deposits and lower interest paid on bank indebtedness. FCFA2S is a non-IFRS Measure. See "Non-IFRS Measures".

The following table reconciles FCFA2S to net cash flows from operating activities:

Unaudited	Three months ended		Period-Over-Period	
	March 31,		Change	
	2026	2025	\$	%
	(\$ in millions, except percentages)			
Net cash flows from operating activities:	19.8	40.1	(20.3)	-51%
Adjusted for:				
Interest paid on lease obligations	(0.1)	(0.1)	—	—%
Interest paid on bank indebtedness	(2.7)	(3.8)	1.1	-29%
Repayments of lease obligations	(1.7)	(1.6)	(0.1)	6%
Interest, dividends and other proceeds received	1.3	0.7	0.6	86%
Property and equipment purchased, net of proceeds from disposal	(1.2)	(0.3)	(0.9)	300%
Free cash flow available to shareholders	15.3	35.0	(19.7)	-56%

Quarterly Results

Unaudited	Quarter ended							
	Jun. 30	Sep. 30	Dec. 31	Mar. 31	Jun. 30	Sep. 30	Dec. 31	Mar. 31
	2024	2024	2024	2025	2025	2025	2025	2026
Revenue	162.8	177.3	187.1	178.7	184.0	186.7	216.3	208.3
Operating income ¹	36.6	60.7	68.7	59.5	62.7	65.1	88.4	57.9
Net (loss) income	(2.2)	18.3	29.4	20.8	23.6	24.8	49.6	19.0
CFO ²	9.7	19.1	53.3	40.1	78.4	46.5	71.4	19.8
FCFA2S ^{1,2}	2.8	10.7	44.8	35.0	72.4	42.5	67.1	15.3
Weighted average shares (in millions)								
Basic and diluted	256.6	256.6	256.6	256.6	256.6	256.6	256.6	256.6
Net (loss) income per share								
Basic and diluted	(0.01)	0.07	0.11	0.08	0.09	0.10	0.19	0.07
CFO per share ²								
Basic and diluted	0.04	0.07	0.21	0.16	0.31	0.18	0.28	0.08
FCFA2S per share ^{1,2}								
Basic and diluted	0.01	0.04	0.17	0.14	0.28	0.17	0.26	0.06

¹ See “Non-IFRS Measures”.

² The comparative periods are adjusted to conform with the current presentation in the financial statements, which resulted in immaterial adjustments to net cash flows from operating activities and free cash flow available to shareholders.

In millions of dollars, except per share amounts.

We do not generally experience significant seasonality in our operating results from quarter to quarter. However, our quarterly results may fluctuate as a result of the various acquisitions which may be completed by the Company in any given quarter. We may experience variations in our net income on a quarterly basis depending upon the timing of certain expenses or gains, which may include changes in provisions, acquired contract liabilities, and gains or losses on the sale of financial and other assets.

Liquidity

Unaudited			Period-Over-Period Change	
	As at March 31, 2026	As at December 31, 2025	\$	%
Cash	248.2	352.4	(104.2)	-30%
Other current assets	310.9	263.1	47.8	18%
Non-current assets	1,057.7	771.7	286.0	37%
Total assets	1,616.9	1,387.3	229.6	17%
Current liabilities	471.9	240.3	231.6	96%
Non-current liabilities	315.0	327.9	(12.9)	-4%
Total equity	830.0	819.1	10.9	1%
Total liabilities and equity	1,616.9	1,387.3	229.6	17%

Cash decreased by \$104.2 million to \$248.2 million at March 31, 2026 from December 31, 2025. The decrease in cash was predominantly driven by \$19.8 million in net cash flows generated from operating activities (declining from \$40.2 million for the same period in 2025) and cash used in the acquisition of businesses for \$311.5 million, net of cash obtained with acquired businesses of \$34.3 million. This decrease was partially offset by net cash flows from financing activities of \$155.4 million related to a draw down on the Lumine Facility (as defined below) in the current quarter.

Total assets increased \$229.6 million from \$1,387.3 million at December 31, 2025 to \$1,616.9 million at March 31, 2026. The increase is primarily due to an increase of \$279.1 million to intangible assets in connection with the Company's acquisition of Synchronoss Technologies, Inc. in the current quarter and an increase in accounts receivable by \$37.5 million. This increase in total assets was partially offset by a \$104.2 million decrease in cash as explained above.

Current liabilities increased \$231.6 million, from \$240.3 million at December 31, 2025 to \$471.9 million at March 31, 2026. The increase is primarily due to an increase in the current portion of bank indebtedness of \$209.1 million and an increase in deferred revenue by \$27.0 million. These increases were partially offset by the decrease in accounts payable and accrued liabilities by \$10.0 million.

Non-current liabilities decreased \$12.9 million, from \$327.9 million at December 31, 2025 to \$315.0 million at March 31, 2026. The decrease is primarily due to the reclassification of bank indebtedness to current for \$49.0 million. This decrease is partially offset by increases to deferred income tax liabilities for \$25.3 million and an increase to lease obligations for \$6.8 million, both of which are primarily attributable to the aforementioned Synchronoss Technologies, Inc. acquisition.

Bank indebtedness increased by \$160.1 million to \$370.1 million at March 31, 2026 compared to \$210.0 million at December 31, 2025 due to a drawn down on the Lumine Facility (as defined below) amounting to \$160.0 million (see "Capital Resources and Commitments" below). Due to related parties, net (see "Related Parties" below) increased by \$0.1 million to \$1.0 million compared to \$0.9 million at December 31, 2025.

Net Changes in Cash Flows

Unaudited	Three months ended		Period-Over-Period	
	March 31,		Change	
	2026	2025	\$	%
	(\$ in millions, except percentages)			
Net cash from operating activities	19.8	40.1	(20.3)	(51)%
Net cash from (used in) financing activities	155.4	(5.7)	161.1	NM
Cash used in the acquisition of businesses	(311.5)	(0.9)	(310.6)	NM
Cash obtained with acquired businesses	34.3	—	34.3	NM
Net cash from other investing activities	0.2	4.8	(4.6)	(96)%
Net cash (used in) from investing activities	(276.9)	3.8	(280.7)	NM
Effect of foreign currency	(2.5)	2.9	(5.4)	NM
Net (decrease) increase in cash and cash equivalents	(104.2)	41.1	(145.3)	NM

The net cash flows from operating activities were \$19.8 million for the three months ended March 31, 2026, which is driven by \$57.9 million in operating income, partly reduced by \$31.9 million in changes to working capital.

The net cash flows from financing activities for the three months ended March 31, 2026 was \$155.4 million, which is mainly attributable to proceeds from issuance of bank indebtedness amounting to \$160.0 million, partially offset by interest paid on bank indebtedness of \$2.7 million and repayments towards lease obligations amounting to \$1.7 million.

The net cash flows used in investing activities for the three months ended March 31, 2026 was \$276.9 million. This was primary due to \$311.5 million paid for acquisition of businesses which was partially offset by \$34.3 million in cash obtained from acquired businesses.

We believe we have sufficient cash and available credit capacity to continue to operate for the foreseeable future. Additional funding may be utilized depending upon the size and timing of potential future acquisitions.

Related Parties

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 indirect controlling shareholder, Constellation Software Inc. Transactions are transfers of resources, services or obligations, regardless of whether anything has been charged.

The Company pays management fees to the Parent (included within "Other, net" expenses) and reimburses the Parent for certain expenses paid on behalf of the Company. During the three months ended March 31, 2026, the Company expensed management fees of \$0.7 million (March 31, 2025 – \$0.7 million). At March 31, 2026, the Company had outstanding amounts due to related parties of \$1.0 million (December 31, 2025 – \$0.9 million) 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.

Capital Resources and Commitments

Bank Indebtedness

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 \$185.0 million, to provide long-term financing in connection with the acquisition of WideOrbit (the "WO Loan"), of which \$175.0 million was drawn and the Company incurred transaction costs of \$1.8 million.

As of March 31, 2026, a balance of \$100.0 million remains outstanding (December 31, 2025 – \$100.0 million). For the three months ended March 31, 2026 and March 31, 2025, no repayments were made on the revolving facility. For the three months ended March 31, 2026 and March 31, 2025, no additional borrowings were drawn on the revolving facility.

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.

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 €10.0 million (\$10.9 million) 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 the Company incurred transaction costs of \$0.2 million in 2023.

As of March 31, 2026, a balance of \$6.9 million remains outstanding (December 31, 2025 – \$7.0 million). For the three months ended March 31, 2026 and March 31, 2025, no repayments were made on the WizTivi Loan. For the three months ended March 31, 2026 and March 31, 2025, no additional borrowings were drawn on the WizTivi Loan.

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.

Lumine Facility

On March 20, 2024, the Company entered into a revolving credit financing facility (the "Lumine Facility") with a syndicate of Canadian and US financial institutions, amounting to \$310.0 million to support future acquisitions and incurred transaction costs of \$2.4 million. On June 17, 2025, the Lumine Facility was amended to increase the total facility size to \$360.0 million.

As of March 31, 2026, a balance of \$210.0 million (December 31, 2025 – \$50.0 million) remains outstanding. For the three months ended March 31, 2026, \$160.0 million was drawn from the Lumine Facility (March 31, 2025 – nil). For the three months ended March 31, 2026 and March 31, 2025, no repayments were made on the Lumine Facility.

Covenants associated with the Lumine 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 outstanding balance as of March 31, 2026 has been presented within current liabilities in the statement of financial position due to a maturity date of March 21, 2027. Effective April 24, 2026, the Lumine Facility's maturity date was extended to June 30, 2029 (see "Subsequent Events" below). The Lumine Facility is collateralized by substantially all of the assets of certain direct and indirect subsidiaries of the Company subject to the ringfence arrangement.

Motive Loan

On December 19, 2025, Motive Software Solutions Inc. ("Motive"), a wholly owned subsidiary, entered into a revolving credit facility agreement (the "Motive Loan") with a Canadian chartered bank amounting to \$55.0 million, to provide long-term financing in connection with the acquisition of Motive, of which the total available facility was drawn down, and the Company incurred transaction costs of \$0.2 million. As of March 31, 2026, a balance of \$55.0 million remains outstanding (December 31, 2025 – \$55.0 million).

Covenants associated with the Motive Loan are monitored and reported based on the financial position and financial performance of Motive. The covenants include a leverage ratio and an interest coverage ratio. No minimum repayments are required and the outstanding principal balance is due on the maturity date of December 19, 2030. The Motive Loan is collateralized by substantially all of the assets of Motive.

As of March 31, 2026, the Company and its subsidiaries are in compliance with their respective bank indebtedness covenants. Amounts in the below tables are presented in thousands.

	Maturity	Principal Amount	Interest Rate	March 31, 2026	December 31, 2025
WO Loan	2028	185,000	SOFR+1.75%	100,000	100,000
Wiztivi Loan	2028	€10,000	EURIBOR+2.5%	6,902	7,044
Lumine Facility	2027	360,000	SOFR+1.25%	210,000	50,000
Motive Loan	2030	55,000	SOFR+1.00%	55,000	55,000
				371,902	212,044
Deferred transaction costs				(1,788)	(2,096)
Less current portion, net of related transaction costs				\$ (211,100)	\$ (1,992)
Total long-term bank indebtedness				\$ 159,014	\$ 207,956

The annual minimum repayment requirements are as follows:

2026	2,301
2027	212,300
2028	102,301
2029	—
2030	55,000
	\$ 371,902

Other Commitments

Commitments include operating leases for office equipment and facilities, letters of credit and performance bonds issued on our behalf by financial institutions in connection with facility leases and contracts with public sector customers. Also, occasionally we structure some of our acquisitions with contingent consideration based on the future performance of the acquired business. The fair value of contingent consideration recorded in our statement of financial position was \$2.2 million at March 31, 2026 (December 31, 2025 – \$2.8 million).

Foreign Currency Exposure

The Company operates internationally, giving rise to exposure to market risks from changes in foreign exchange rates which impact sales and purchases that are denominated in a currency other than the respective functional currencies of certain of its subsidiaries. Foreign currency risk arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured. Most of the Company's business units are organized geographically so that many of its expenses are incurred in the same currency as its revenues thus mitigating some of its exposure to currency fluctuations. As such, the Company does not expect its exposure with respect to foreign currencies to be material.

The following table provides an approximate breakdown of our revenue and expenses by currency, expressed as a percentage of total revenue and operating expenses, as applicable, for the three months ended March 31, 2026:

Currencies	Three Months Ended March 31, 2026	
	% of Revenue	% of Expenses
AUD	1%	1%
CAD	4%	3%
EUR	12%	15%
GBP	11%	8%
INR	—%	4%
JPY	—%	1%
MYR	—%	1%
SEK	3%	2%
USD	69%	64%
ZAR	—%	1%
Total	100%	100%

Off-Balance Sheet Arrangements

As a general practice, we have not entered into off-balance sheet financing arrangements. Except for short term leases, leases of low value assets, and letters of credit, all of our liabilities and commitments are reflected as part of our statement of financial position.

Internal Controls over Financial Reporting ("ICFRs")

Management has reviewed ICFRs enforced during the period ended March 31, 2026, and notes no changes to ICFRs from the prior year.

Subsequent Events

Amendments to the Lumine Facility

On April 24, 2026, the Company entered into an amendment of the Lumine Facility whereby the maturity date was extended to June 30, 2029. There were no changes in the existing covenant requirements.

Synchronoss Term Loan and Facility

On May 1, 2026, Synchronoss entered into a financing agreement for a term loan in the amount of \$110.0 million and a revolving credit facility (the "revolver") amounting to \$10.0 million (together the "Synchronoss Loans") with a syndicate of Canadian and US financial institutions, to provide long-term financing in connection with the acquisition of Synchronoss. As of the issuance date of these condensed consolidated interim financial statements, no amounts under the revolver were drawn down.

Covenants associated with the Synchronoss Loans are monitored and reported based on the financial position and financial performance of Synchronoss. The covenants include a leverage ratio and a fixed charge coverage ratio. The term loan has a quarterly repayment requirement of 1.25% of the original principal amount (equating to 5% per year), with the remaining outstanding balance due on the maturity date of May 1, 2030. The revolver is repayable in full on the maturity date. The Synchronoss Loans are collateralized by substantially all of the assets of Synchronoss.

Share Capital

As at May 5, 2026, there were 256,620,388 Subordinate Voting Shares and 1 Super Voting Share outstanding. The Super Voting Share is convertible into a Subordinate Voting Share on a one-for-one basis.

For more information on the capital structure of Lumine, including additional details regarding the terms and conditions relevant to the Subordinate Voting Shares and the Super Voting Share (and the previously issued Preferred Shares and Special Shares) of Lumine, see Lumine's final long form prospectus dated February 6, 2023, which is available on SEDAR+ at www.sedarplus.ca.

Risk Factors

The Company's business is subject to a number of risk factors which are described in the annual MD&A for the year ended December 31, 2025.