Lumine Group Inc. Announces Results for the Second Quarter Ended June 30, 2026

- Revenue increased 28% year-over-year to $235.1 million.
- Operating income grew 20% year-over-year to $75.3 million.
- Subsequent to quarter end, the Company completed two acquisitions for total consideration of $233.7 million.

August 4, 2026 - Lumine Group Inc. (“Lumine Group” or “the Company”) (TSXV:LMN) announces financial results for the second quarter ended June 30, 2026. All amounts referred to in this press release are in US dollars unless otherwise stated.

“Our second quarter results reflect our proven ability to execute according to our domain-optimized playbook. In the first full quarter of ownership of Synchronoss, Lumine Group’s revenue grew 28% while operating income was up 20%, reflecting strengthening activities that commenced immediately post close. Our core business continues to generate positive results, as reflected in our steady organic growth, and demonstrated strong margin profile,” said David Nyland, Lumine Group CEO. “We continue to deploy capital at high rates of return, closing two acquisitions on July 1, 2026 in Quortex and Imagine Communications. These two acquisitions deepen our presence in the media supply chain domain. This brings our total capital deployed to over $500M so far this year.”

Q2 2026 Headlines:

- Revenue increased 28% to $235.1 million compared to $184.0 million in Q2 2025 (organic growth was 1% after adjusting for foreign exchange impacts).
- The Company generated operating income of $75.3 million during the quarter, a 20% increase from $62.7 million in Q2 2025.
- The Company generated net income of $15.4 million during the quarter, a 35% decrease from net income of $23.6 million in Q2 2025.
- Cash flows from operations (“CFO”) was $68.5 million, compared to $78.4 million in Q2 2025, representing a decrease of $9.9 million or 13%.
- Free cash flow available to shareholders (“FCFA2S”) was $60.4 million compared to $72.4 million in Q2 2025, representing a decrease of $12.0 million or 17%.
- Subsequent to June 30, 2026, the Company completed acquisitions of Synamedia Vividtec Holdings (Guernsey) Limited and acquired select assets of the Synamedia Video Network business (collectively, "Quortex"), and Imagine Communications Holdings Inc. ("Imagine Communications") on July 1, 2026, for aggregate cash consideration of $211.3 million on closing plus total estimated deferred payments of $22.4 million, for total consideration of $233.7 million.

Total revenue for the three months ended June 30, 2026 was $235.1 million, an increase of 28%, or $51.1 million, compared to $184.0 million for the comparable period in 2025. For the six months ended June 30, 2026, total revenue was $443.4 million, an increase of 22%, or $80.8 million, compared to $362.6 million for the comparable period in 2025. The increase for the three and six months ended June 30, 2026 compared to the same periods in 2025 is primarily attributable to revenues from new acquisitions in the current and preceding years. The Company experienced organic growth of 1% for the three months ended June 30, 2026 or 1% 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.

Operating income for the three months ended June 30, 2026 was $75.3 million, an increase of 20%, or $12.6 million, compared to $62.7 million for the same period in 2025. Operating income for the six months ended June 30, 2026 was $133.2 million, an increase of 9%, or $11.0 million, compared to $122.2 million for the same period in 2025. The increase for the three and six month periods ended was attributable to improved profitability in our existing businesses, as well as contributions from recent acquisitions following strengthening activities. Operating income is not a standardized financial measure and might not be comparable to measures disclosed by other issuers. See “Non-IFRS Measures”.

Net income for the three months ended June 30, 2026 was $15.4 million, a decrease of 35%, or $8.2 million, compared to net income of $23.6 million for the same period in 2025. Net income for the six months ended June 30, 2026 was $34.4 million compared to net income of $44.3 million for the same period in 2025. The decrease in net income for the three and six months ended June 30, 2026 is primarily attributable to non-recurring costs incurred from acquisitions in the current year as well as higher amortization of intangible assets, financing costs, and tax expenses during the period.

For the three months ended June 30, 2026, CFO decreased $9.9 million to $68.5 million compared to $78.4 million for the same period in 2025 representing a decrease of 13%. The decrease for the three months is mainly driven by higher non-cash operating working capital of $20.3 million and higher income taxes paid of $1.3 million, partly offset by higher operating income of $12.6 million. For the six months ended June 30, 2026, CFO decreased $30.2 million to $88.3 million compared to $118.5 million for the same period in 2025 representing a decrease of 25%. The decrease for the six months is mainly driven by higher non-cash operating working capital of $34.8 million and higher income taxes paid of $5.6 million, partly offset by higher operating income of $11.0 million.

For the three months ended June 30, 2026, FCFA2S decreased $12.0 million to $60.4 million compared to $72.4 million for the same period in 2025 representing a decrease of 17%. For the six months ended June 30, 2026, FCFA2S decreased $31.6 million to $75.8 million compared to $107.4 million for the same period in 2025 representing a decrease of 29%. The decrease in the three and six months ended June 30, 2026 is driven by lower CFO and higher transaction costs incurred to secure bank indebtedness, compared to the same periods in 2025. FCFA2S is a non-IFRS Measure. See “Non-IFRS Measures”.

Non-IFRS Measures

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). The Company believes that operating income is useful supplemental information as it provides an indication of the profitability of Lumine Group 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).

The following table reconciles operating income to net income:

Unaudited	Three months ended June 30,		Six months ended June 30,	
	2026	**2025**	**2026**	**2025**
	($ in millions)		($ in millions)	
Net income	15.4	23.6	34.4	44.3
Adjusted for:				
Amortization of intangible assets	36.6	26.3	67.6	52.3
Reduction (increase) of gain on bargain purchase	0.0	(2.5)	0.8	(2.5)
Finance costs and other expenses	10.9	7.4	14.2	12.5
Income tax expense	12.4	7.9	16.2	15.5
Operating income	75.3	62.7	133.2	122.2

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. The Company believes that FCFA2S is useful supplemental information as it provides an indication of the uncommitted cash flow that is available to shareholders if Lumine Group does not make any acquisitions, or investments, and does not repay any bank indebtedness. While the Company could use the FCFA2S to pay dividends or repurchase shares, the Company’s objective is to invest all of its FCFA2S in acquisitions which meet the Company’s 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.

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

Unaudited	Three months ended June 30,		Six months ended June 30,	
	2026	**2025**	**2026**	**2025**
	($ in millions)		($ in millions)	
Net cash flows from operating activities:	68.5	78.4	88.3	118.5
Adjusted for:				
Interest paid on lease obligations	(0.2)	(0.1)	(0.4)	(0.2)
Interest paid on bank indebtedness	(4.2)	(3.9)	(6.9)	(7.7)
Transaction costs on bank indebtedness	(1.9)	0.0	(1.9)	0.0
Repayments of lease obligations	(2.0)	(1.6)	(3.7)	(3.2)
Interest, dividends and other proceeds received	1.0	1.1	2.3	1.8
Property and equipment purchased, net of proceeds from disposal	(0.8)	(1.5)	(1.9)	(1.7)
Free cash flow available to shareholders	60.4	72.4	75.8	107.4

This press release should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2026, and management's discussion and analysis ("MD&A") for the three and six months ended June 30, 2026, which can be found on SEDAR+ at www.sedarplus.ca. Additional information about Lumine Group is also available on SEDAR+ and on Lumine Group's website www.luminegroup.com.

Forward Looking Statements

Certain statements herein may be "forward looking" statements that involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Lumine Group or the industry to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. 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 or not such results will be achieved. A number of factors could cause actual results to vary significantly from the results discussed in the forward looking statements. These forward looking statements reflect current assumptions and expectations regarding future events and operating performance and are made as of the date hereof and Lumine Group assumes no obligation, except as required by law, to update any forward looking statements to reflect new events or circumstances.

About Lumine Group Inc.

Lumine Group acquires, strengthens, and grows, businesses in the communications and media industry. Learn more at www.luminegroup.com.

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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, 2026		December 31, 2025
Assets				
Current assets:				
Cash	$	421,651	$	352,441
Accounts receivable, net		179,107		163,174
Unbilled revenue		53,790		47,547
Inventories		516		557
Other assets		65,852		51,808
		720,916		615,527
Non-current assets:				
Property and equipment		8,798		8,325
Right of use assets		7,291		5,779
Deferred income taxes		16,618		15,503
Other assets		15,861		13,752
Intangible assets and goodwill		969,985		727,694
		1,018,553		771,053
Total assets	$	1,739,469	$	1,386,580
Liabilities and Equity				
Current liabilities:				
Accounts payable and accrued liabilities	$	119,382	$	123,835
Due to related parties, net		420		860
Current portion of bank indebtedness		5,500		1,992
Deferred revenue		121,971		94,776
Provisions		1,235		—
Acquisition holdback payables		3,686		5,914
Lease obligations		9,525		3,149
Income taxes payable		8,606		9,044
		270,325		239,570
Non-current liabilities:				
Deferred income taxes		125,950		108,565
Bank indebtedness		476,197		207,956
Lease obligations		8,438		3,631
Other liabilities		10,557		7,716
		621,142		327,868
Total liabilities		891,467		567,438
Equity:				
Capital stock		490,669		490,669
Contributed surplus		185,142		185,142
Accumulated other comprehensive (loss) income		2,456		8,042
Retained earnings		169,735		135,289
		848,002		819,142
Total liabilities and equity	$	1,739,469	$	1,386,580

Lumine Group Inc.

Condensed Consolidated Interim Statements of Income

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

	Three months ended June 30,		Six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Revenue				
License	$ 14,518	$ 11,716	$ 25,891	$ 24,043
Professional services	33,637	36,167	66,551	67,444
Hardware and other	8,414	2,947	12,267	12,017
Maintenance and other recurring	178,490	133,125	338,697	259,143
	235,059	183,955	443,406	362,647
Expenses				
Staff	115,394	87,496	230,548	171,400
Hardware	5,348	1,742	7,342	6,401
Third party license, maintenance and professional services	14,960	10,597	28,442	21,800
Occupancy	922	972	1,868	1,968
Travel, telecommunications, supplies, software and equipment	10,790	8,935	20,924	17,917
Professional fees	6,334	3,683	10,534	7,523
Other, net	3,796	5,490	6,159	8,785
Depreciation	2,261	2,380	4,400	4,690
Amortization of intangible assets	36,559	26,322	67,643	52,336
	196,364	147,617	377,860	292,820
Reduction (increase) of gain on bargain purchase	—	(2,494)	804	(2,494)
Finance costs and other expenses	10,847	7,388	14,136	12,522
	10,847	4,894	14,940	10,028
Income before income taxes	27,848	31,444	50,606	59,799
Current income tax expense	20,112	12,691	27,489	27,261
Deferred income tax recovery	(7,703)	(4,800)	(11,329)	(11,794)
Income tax expense	12,409	7,891	16,160	15,467
Net income	$ 15,439	$ 23,553	$ 34,446	$ 44,332
Weighted average shares outstanding:				
Basic and diluted	256,620,389	256,620,389	256,620,389	256,620,389
Earnings per share:				
Basic and diluted	$ 0.06	$ 0.09	$ 0.13	$ 0.17

Lumine Group Inc.

Condensed Consolidated Interim Statements of Comprehensive Income

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

	Three months ended June 30,		Six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Net income	$ 15,439	$ 23,553	$ 34,446	$ 44,332
Items that are or may be reclassified subsequently to net income:				
Foreign currency translation differences from foreign operations and other	2,607	16,095	(5,586)	20,227
Other comprehensive income (loss) for the period, net of income tax	2,607	16,095	(5,586)	20,227
Total comprehensive income for the period	$ 18,046	$ 39,648	$ 28,860	$ 64,559

Lumine Group Inc.

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

Six months ended June 30, 2026	**Capital stock**	**Contributed surplus**	**Accumulated other comprehensive income**	**Retained earnings**	**Total equity**
Balance at January 1, 2026	$ 490,669	$ 185,142	$ 8,042	$ 135,289	$ 819,142
Total comprehensive income for the period:					
Net income	—	—	—	34,446	34,446
Other comprehensive loss:					
Foreign currency translation differences from foreign operations and other	—	—	(5,586)	—	(5,586)
Total other comprehensive loss for the period	—	—	(5,586)	—	(5,586)
Total comprehensive (loss) income for the period	—	—	(5,586)	34,446	28,860
Balance at June 30, 2026	$ 490,669	$ 185,142	$ 2,456	$ 169,735	$ 848,002

Lumine Group Inc.

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

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

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,	
	2026	**2025**	**2026**	**2025**
Cash flows from operating activities:				
Net income	$ 15,439	$ 23,553	$ 34,446	$ 44,332
Adjustments for:				
Depreciation	2,261	2,380	4,400	4,690
Amortization of intangible assets	36,559	26,322	67,643	52,336
Contingent consideration adjustments	—	587	(554)	475
Reduction (increase) of gain on bargain purchase	—	(2,494)	804	(2,494)
Finance costs and other expenses	11,801	8,493	16,410	14,321
Income tax expense	12,409	7,891	16,160	15,467
Change in non-cash operating assets and liabilities exclusive of effects of business combinations	8,492	28,800	(23,436)	11,384
Income taxes paid	(18,462)	(17,182)	(27,615)	(21,991)
Net cash flows from operating activities	68,499	78,350	88,258	118,520
Cash flows from (used in) financing activities:				
Interest paid on lease obligations	(213)	(97)	(356)	(202)
Interest paid on bank indebtedness	(4,175)	(3,886)	(6,907)	(7,699)
Proceeds from issuance of bank indebtedness	220,000	—	380,000	—
Repayments of bank indebtedness	(106,844)	(36,076)	(106,844)	(36,319)
Transaction costs on bank indebtedness	(1,902)	(27)	(1,921)	(46)
Payments of lease obligations	(2,038)	(1,644)	(3,733)	(3,226)
Net cash flows from (used in) financing activities	104,828	(41,730)	260,239	(47,492)
Cash flows from (used in) investing activities:				
Acquisition of businesses	—	(6,807)	(309,284)	(6,807)
Cash obtained with acquired businesses	—	—	34,325	—
Post-acquisition settlement payments, net of receipts	—	2,513	(2,185)	1,576
Interest, dividends and other proceeds received	954	1,105	2,274	1,799
Property and equipment purchased, net of proceeds received	(686)	(1,384)	(1,842)	(1,638)
Decrease in restricted cash, and other investing activities	(21)	(80)	24	4,257
Net cash flows from (used in) investing activities	247	(4,653)	(276,688)	(813)
Effect of foreign currency on cash	(115)	5,610	(2,599)	8,475
Increase in cash	173,459	37,577	69,210	78,690
Cash, beginning of period	248,192	252,096	352,441	210,983
Cash, end of period	$ 421,651	$ 289,673	$ 421,651	$ 289,673