

TOPICUS.COM INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")

The following discussion and analysis should be read in conjunction with the Unaudited Condensed Consolidated Interim Financial Statements for the three and nine month periods ended September 30, 2025, which we 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 "Risks and Uncertainties".

Unless otherwise indicated, all amounts are expressed in Euros. All references to "€" are to Euros. Due to rounding, certain totals and subtotals may not foot and certain percentages may not reconcile.

Additional information about Topicus.com Inc. (the "Company" or "Topicus") is available on SEDAR+ at www.sedarplus.ca.

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 the Company or 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, November 4, 2025. 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, including, but not limited to, the factors discussed under "Risks and Uncertainties". Although the forward looking statements contained in this MD&A are based upon what management of the Company believes are reasonable assumptions, the Company 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 the Company 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 the Company'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.

Free cash flow available to shareholders "FCFA2S" refers to net cash flows from operating activities less interest paid on lease obligations, interest paid on other facilities, credit facility transaction costs, repayments of lease obligations, and property and equipment purchased, and includes interest and dividends received, and the proceeds from sale of interest rate caps. The portion of this amount applicable to non-controlling interests is then deducted. 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 debts. 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 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 FCFA2S should not be construed as an alternative to net cash flows from operating activities. See “Results of Operations - Free cash flow available to shareholders” for a reconciliation of FCFA2S to net cash flows from operating activities.

Overview

We acquire, manage and build vertical market software (“VMS”) businesses, primarily located in Europe. Generally, these businesses provide mission critical software solutions that address the specific needs of our customers in particular vertical markets. Our focus on acquiring businesses with growth potential, managing them well and then building them, has allowed us to generate significant cash flows and revenue growth during the past several years.

Our revenue consists primarily of software license fees, maintenance and other recurring fees, professional service fees and hardware 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 primarily consists of fees charged for customer support on our software products post-delivery and also includes, to a lesser extent, recurring fees derived from software as a service, subscriptions, combined software/support contracts, transaction-related revenues, and hosted products. Maintenance and other recurring fee arrangements generally include rights to certain product updates “when and if available”. Professional service revenue consists of fees charged for implementation and integration services, customized programming, product training and consulting. Hardware sales include the resale of third party hardware that forms part of our customer solutions, as well as sales of customized hardware assembled internally. Our customers typically purchase a combination of software, maintenance, professional services and hardware, although the type, mix and quantity of each vary by customer and by product.

Expenses consist primarily of staff costs, the cost of hardware, third party licenses, maintenance and professional services to fulfill our customer arrangements, travel and occupancy costs, depreciation and other general operating expenses.

Results of Operations

(In millions of euros, except percentages and per share amounts)

	Three months ended September 30,				Period-Over- Period Change					Nine months ended September 30,				Period-Over-Period Change			
	2025	2024	€	%						2025	2024	€	%				
Revenue	387.9	312.2	75.7	24%						1,115.5	930.0	185.5	20%				
Expenses	285.0	224.3	60.6	27%						839.4	695.5	143.9	21%				
Amortization of intangible assets	43.4	34.3	9.2	27%						119.6	99.3	20.2	20%				
Impairment of intangible and other non-financial assets	0.0	-	0.0	NM						0.0	0.6	(0.6)	-99%				
Bargain purchase (gain)	-	-	-	NM						(0.2)	(0.3)	0.2	-52%				
Finance and other (income) expenses	(61.5)	(0.8)	(60.7)	NM						(76.0)	(1.7)	(74.4)	NM				
(Increase) decrease in the fair value of equity securities	-	-	-	NM						(32.8)	-	(32.8)	NM				
Revaluation of investment accounted for using the equity method to cost	221.7	-	221.7	NM						221.7	-	221.7	NM				
Finance costs	9.2	7.7	1.5	20%						21.9	19.9	2.0	10%				
Income (loss) before income taxes	(109.9)	46.8	(156.7)	NM						21.8	116.5	(94.8)	-81%				
Income tax expense (recovery)																	
Current income tax expense (recovery)	18.9	16.2	2.8	17%						56.4	44.7	11.7	26%				
Deferred income tax expense (recovery)	(7.9)	(7.4)	(0.5)	7%						(25.3)	(21.4)	(3.9)	18%				
Income tax expense (recovery)	11.0	8.8	2.3	26%						31.1	23.3	7.8	34%				
Net income (loss)	(120.9)	38.0	(159.0)	NM						(9.3)	93.3	(102.6)	NM				
Equity holders of Topicus	(78.2)	23.3	(101.5)	NM						(7.5)	58.4	(66.0)	NM				
Non-controlling interests	(42.7)	14.7	(57.4)	NM						(1.8)	34.8	(36.6)	NM				
Net cash flows from operating activities	48.4	31.7	16.7	53%						304.9	268.0	36.9	14%				
Free cash flow available to shareholders	22.3	10.4	11.9	114%						167.5	140.7	26.7	19%				
Weighted average shares outstanding																	
Basic	83.3	82.9								83.2	82.7						
Diluted	129.8	129.8								129.8	129.8						
Net income (loss) per share																	
Basic	€ (0.94)	€ 0.28	€ (1.22)	NM						€ (0.09)	€ 0.71	€ (0.80)	NM				
Diluted	€ (0.94)	€ 0.28	€ (1.22)	NM						€ (0.09)	€ 0.71	€ (0.80)	NM				
Net cash flows from operating activities per share																	
Basic	€ 0.58	€ 0.38	€ 0.20	52%						€ 3.67	€ 3.24	€ 0.42	13%				
Diluted	€ 0.37	€ 0.24	€ 0.13	53%						€ 2.35	€ 2.06	€ 0.28	14%				
Free cash flow available to shareholders per share																	
Basic	€ 0.27	€ 0.13	€ 0.14	114%						€ 2.01	€ 1.70	€ 0.31	18%				
Diluted	€ 0.27	€ 0.13	€ 0.14	114%						€ 2.01	€ 1.70	€ 0.31	18%				

NM - Not meaningful

Due to rounding, certain totals may not foot and certain percentages may not reconcile.

Diluted Free cash flow available to shareholders per share is calculated before deducting the amount attributable to non-controlling interests.

Comparison of the three and nine month periods ended September 30, 2025 and 2024

Revenue:

Total revenue for the quarter ended September 30, 2025 was €387.9 million, an increase of 24%, or €75.7 million, compared to €312.2 million for the comparable period in 2024. For the first nine months of 2025 total revenues were €1,115.5 million, an increase of 20%, or €185.5 million, compared to €930.0 million for the comparable period in 2024. The increase for both the three and nine month periods compared to the same periods in the prior year is primarily attributable to growth from acquisitions as the Company experienced organic growth of 3% and 4% respectively. For acquired companies, organic growth is calculated as the difference between actual revenues achieved by each company 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:

	Three months ended September 30,				Q324 Proforma Adj. (Note 1)	Organic Growth		Nine months ended September 30,				Q324 Proforma Adj. (Note 2)	Organic Growth
			Period-Over- Period Change							Period-Over- Period Change			
	<u>2025</u>	<u>2024</u>	€	%	€	%		<u>2025</u>	<u>2024</u>	€	%	€	%
	(€ in millions, except percentages)												
Licenses	8.9	8.7	0.2	3%	0.7	-5%		28.7	26.0	2.7	11%	1.7	4%
Professional services	94.5	76.3	18.2	24%	19.8	-2%		265.1	230.6	34.4	15%	39.3	-2%
Hardware and other	6.9	4.5	2.4	53%	2.9	-7%		22.7	15.1	7.6	50%	8.2	-3%
Maintenance and other recurring	277.6	222.8	54.8	25%	39.5	6%		799.1	658.3	140.8	21%	92.4	6%
	387.9	312.2	75.7	24%	62.9	3%		1,115.5	930.0	185.5	20%	141.5	4%

€M - Millions of euros

Due to rounding, certain totals may not foot and certain percentages may not reconcile.

Note 1: Estimated pre-acquisition revenues for the three months ended September 30, 2024 from companies acquired after June 30, 2024. (Obtained from unaudited vendor financial information.)

Note 2: Estimated pre-acquisition revenues for the nine months ended September 30, 2024 from companies acquired after December 31, 2023. (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 since Q3 2023. 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.

	Quarter Ended								
	Sep. 30 2023	Dec. 31 2023	Mar. 31 2024	Jun. 30 2024	Sep. 30 2024	Dec. 31 2024	Mar. 31 2025	Jun. 30 2025	Sep. 30 2025
Licenses	3%	-9%	14%	-11%	4%	15%	-2%	19%	-6%
Professional services	4%	2%	-4%	-1%	-2%	4%	-2%	-2%	-1%
Hardware and other	-24%	11%	-8%	-19%	-4%	-4%	-10%	10%	-7%
Maintenance and other recurring	11%	10%	8%	7%	7%	6%	6%	7%	6%
Revenue	8%	7%	5%	4%	4%	5%	4%	5%	3%

Expenses:

The following table displays the breakdown of our expenses:

	Three months ended September 30,				Period-Over-Period Change		Nine months ended September 30,				Period-Over-Period Change	
	<u>2025</u>	<u>2024</u>	€	%			<u>2025</u>	<u>2024</u>	€	%		
	(€ in millions, except percentages)						(€ in millions, except percentages)					
Expenses												
Staff	205.2	164.5	40.7	25%			609.1	515.1	94.0	18%		
Hardware	4.0	3.2	0.8	26%			12.8	11.4	1.4	12%		
Third party license, maintenance and professional services	34.7	23.7	11.0	46%			95.2	70.8	24.4	35%		
Occupancy	3.3	2.7	0.6	22%			9.1	8.1	1.1	13%		
Travel, telecommunications, supplies & software and equipment	15.5	11.8	3.7	31%			45.7	36.7	9.1	25%		
Professional fees	6.2	5.0	1.2	23%			20.9	15.3	5.6	37%		
Other, net	5.2	5.0	0.2	5%			16.3	13.4	2.9	22%		
Depreciation	10.9	8.4	2.5	29%			30.2	24.9	5.4	22%		
	285.0	224.3	60.6	27%			839.4	695.5	143.9	21%		

Due to rounding, certain totals may not foot and certain percentages may not reconcile.

Overall expenses for the quarter ended September 30, 2025 increased 27%, or €60.6 million to €285.0 million, compared to €224.3 million during the same period in 2024. As a percentage of total revenue, expenses equalled 73% for the quarter ended September 30, 2025 and 72% for the same period in 2024. During the nine months ended September 30, 2025, expenses increased 21%, or €143.9 million to €839.4 million, compared to €695.5 million during the same period in 2024. As a percentage of total revenue, expenses were 75% for the nine months ended September 30, 2025 and 75% for the same period in 2024.

Staff expense – Staff expenses increased 25% or €40.7 million for the quarter ended September 30, 2025 and 18% or €94.0 million for the nine months ended September 30, 2025 over the same periods in 2024. 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 associated with providing the necessary services. The table below compares the period over period variances.

	Three months ended September 30,				Period-Over-Period Change		Nine months ended September 30,				Period-Over-Period Change	
	2025		2024		€	%	2025		2024		€	%
	(€ in millions, except percentages)											
Professional services	49.3	40.8	8.5	21%	145.0	127.5	17.5	14%				
Maintenance	39.6	31.2	8.4	27%	119.9	99.1	20.8	21%				
Research and development	53.9	42.5	11.5	27%	158.9	133.6	25.4	19%				
Sales and marketing	18.5	15.1	3.4	22%	55.8	47.0	8.9	19%				
General and administrative	43.9	35.0	8.9	25%	129.5	108.0	21.5	20%				
	205.2	164.5	40.7	25%	609.1	515.1	94.0	18%				

Due to rounding, certain totals may not foot and certain percentages may not reconcile.

The increase in staff expenses for the three and nine months ended September 30, 2025 compared to the same periods in 2024 was primarily due to the growth in the number of employees as a result of acquisitions.

Hardware expenses – Hardware expenses increased 26% or €0.8 million for the quarter ended September 30, 2025 and increased 12% or €1.4 million for the nine months ended September 30, 2025 over the same periods

in 2024 as compared with the 53% and 50% increases in hardware and other revenue for the three and nine month periods ending September 30, 2025 respectively over the comparable periods in 2024. Hardware margins for the three and nine months ended September 30, 2025 were 41% and 43% respectively as compared to 29% and 24% for the comparable periods in 2024.

Third party license, maintenance and professional services expenses – Third party license, maintenance and professional services expenses increased 46% or €11.0 million for the quarter ended September 30, 2025 and increased 35% or €24.4 million for the nine months ended September 30, 2025 over the same periods in 2024. The increase is primarily due to third party license, maintenance and professional services expenses of acquired businesses.

Occupancy expenses – Occupancy expenses increased 22% or €0.6 million for the quarter ended September 30, 2025 and increased 13% or €1.1 million for the nine months ended September 30, 2025 over the same periods in 2024. The increase is primarily due to the occupancy expenses of acquired businesses.

Travel, telecommunications, supplies & software and equipment expenses – Travel, telecommunications, supplies & software and equipment expenses increased 31% or €3.7 million for the quarter ended September 30, 2025 and increased 25% or €9.1 million for the nine months ended September 30, 2025 over the same periods in 2024. The increase is primarily due to expenses relating to acquired businesses.

Professional fees – Professional fees increased 23% or €1.2 million for the quarter ended September 30, 2025 and 37% or €5.6 million for the nine months ended September 30, 2025 over the same periods in 2024. The increases are primarily due to acquisition and tax advisory fees.

Other, net – Other expenses increased 5% or €0.2 million for the quarter ended September 30, 2025 and increased 22% or €2.9 million for the nine months ended September 30, 2025 over the same periods in 2024. The following table provides a further breakdown of expenses within this category.

	Three months ended September 30,		Period-Over-Period Change	
	<u>2025</u>	<u>2024</u>	€	%
	(€ in millions, except percentages)			
Advertising and promotion	2.7	2.1	0.6	31%
Recruitment and training	3.3	2.4	0.9	38%
Bad debt expense	0.1	(0.1)	0.2	NM
R&D tax credits	(2.1)	(1.8)	(0.3)	18%
Contingent consideration	0.0	1.6	(1.6)	-98%
Other expense, net	1.2	0.8	0.5	58%
	5.2	5.0	0.2	5%

	Nine months ended September 30,		Period-Over-Period Change	
	<u>2025</u>	<u>2024</u>	€	%
	(€ in millions, except percentages)			
Advertising and promotion	9.0	7.4	1.5	21%
Recruitment and training	9.7	8.4	1.3	16%
Bad debt expense	0.3	(0.4)	0.6	NM
R&D tax credits	(6.4)	(6.4)	(0.0)	0%
Contingent consideration	0.6	2.0	(1.4)	-70%
Other expense, net	3.1	2.2	0.9	39%
	16.3	13.4	2.9	22%

NM - Not meaningful

Due to rounding, certain totals may not foot and certain percentages may not reconcile.

The contingent consideration expense amounts recorded for the periods above relate to an increase (decrease) in anticipated acquisition earnout payment accruals primarily as a result of increases (decreases) 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. There are no individually material reasons contributing to the remaining variances.

Depreciation – Depreciation of property and equipment increased 29% or €2.5 million for the quarter ended September 30, 2025 and 22% or €5.4 million for the nine months ended September 30, 2025 over the same periods in 2024. The increases are primarily due to the depreciation expense associated with acquired businesses.

Other Income and Expenses:

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

	Three months ended September 30, 2025				Period-Over-Period Change				Nine months ended September 30, 2025				Period-Over-Period Change			
	2025	2024	€	%					2025	2024	€	%				
	(€ in millions, except percentages)								(€ in millions, except percentages)							
Amortization of intangible assets	43.4	34.3	9.2	27%					119.6	99.3	20.2	20%				
Impairment of intangible and other non-financial assets	0.0	-	0.0	NM					0.0	0.6	(0.6)	-99%				
Bargain purchase (gain)	-	-	-	NM					(0.2)	(0.3)	0.2	-52%				
Finance and other (income) expenses	(61.5)	(0.8)	(60.7)	NM					(76.0)	(1.7)	(74.4)	NM				
(Increase) decrease in the fair value of equity securities	-	-	-	NM					(32.8)	-	(32.8)	NM				
Revaluation of investment accounted for using the equity method to cost	221.7	-	221.7	NM					221.7	-	221.7	NM				
Finance costs	9.2	7.7	1.5	20%					21.9	19.9	2.0	10%				
Income tax expense (recovery)	11.0	8.8	2.3	26%					31.1	23.3	7.8	34%				
	223.9	49.9	174.0	349%					285.4	141.2	144.2	102%				

NM - Not meaningful

Due to rounding, certain totals may not foot and certain percentages may not reconcile.

Amortization of intangible assets – Amortization of intangible assets increased 27% or €9.2 million for the quarter ended September 30, 2025 and 20% or €20.2 million for the nine months ended September 30, 2025 over the same periods in 2024. The increase in amortization expense for the three and nine months ended September 30, 2025 is primarily attributable to an increase in the carrying amount of our intangible asset balance over the twelve-month period ended September 30, 2025 as a result of acquisitions completed during this twelve-month period.

Impairment of intangible and other non-financial assets – An impairment expense of nil was recorded in the nine months ended September 30, 2025 compared to €0.6 million for the same period in 2024. The 2024 expense relates to a business that was unable to achieve the goals established in its investment thesis.

Bargain purchase gain – A bargain purchase gain totalling €0.2 million was recorded in the nine months ended September 30, 2025 compared to €0.3 million for the same period in 2024, relating to an acquisition made in the current period. The gain resulted from the fact that the fair value of the separately identifiable assets and liabilities acquired exceeded the total consideration paid, principally due to the acquisition of certain assets that will benefit the Company that had limited value to the sellers.

Finance and other (income) expense – Finance and other (income) expense for the three and nine months ended September 30, 2025 was income of €61.5 million and €76.0 million respectively, compared to income of €0.8 million and €1.7 million for the same periods in 2024. The following table provides a further breakdown of (income) expenses within this category.

(€ in millions)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Share in net (income) loss of equity investee	0.5	-	0.5	(0.2)
Foreign exchange loss (gain)	(0.4)	(0.4)	(1.6)	0.1
(Increase) decrease in the fair value of derivative	(60.7)	-	(64.6)	-
Other finance income	(0.9)	(0.4)	(10.3)	(1.5)
Finance costs and other expenses (income)	(61.5)	(0.8)	(76.0)	(1.7)

The increase in the fair value of derivative relates to the increase in the fair value of the derivative assets associated with the Company's binding agreement in respect of the acquisition of 12,318,863 treasury shares of Asseco Poland S.A. ("Asseco") at a price of PLN 85 per share, offset by the increase in the derivative liability associated with a binding agreement allowing certain parties to buy up to 1.7% (1,411,006 shares) of issued shares in Asseco from the Company at a purchase price of PLN 85 per share. See Note 15 to the Company's Unaudited Condensed Consolidated Interim Financial Statements for the three and nine months ended September 30, 2025 for additional information.

The increase in other finance income for the nine months ended September 30, 2025 primarily relates to a dividend received from Asseco in the amount of €7.7 million.

(Increase) decrease in the fair value of equity securities – The increase in the fair value of equity securities for the three and nine months ended September 30, 2025 was nil and €32.8 million respectively, compared to nil for the same periods in 2024.

The increase in the fair value of equity securities relates to the Company's investment in Asseco. On January 31, 2025, the Company purchased 8,300,029 shares in Asseco from Cyfrowy Polsat S.A., representing approximately 9.99% of the issued shares in Asseco. The Asseco shares were acquired at a price of 85 PLN per share for total consideration of €168.0 million. Asseco offers comprehensive, proprietary IT solutions for certain sectors of the economy and is listed on the Polish Warsaw Stock Exchange (the "WSE"). The Company has made an irrevocable election at the time of initial recognition to present subsequent changes in fair value in other comprehensive income ("FVOCI"). The Company designated the Asseco investment as equity securities at FVOCI because the investment in Asseco represents an investment that the Company intends to hold for the long term. At the time the Company purchased shares of Asseco, the trading price per Asseco share on the WSE was in excess of the purchase price of 85 PLN per share. The Company recorded a gain of €32.8 in the statement of income (loss). During the three and nine months ended September 30, 2025, the Company recorded a loss of €4.4 million and a gain of €190.6 million respectively based on the Asseco share price as at September 25, 2025 (see below) within other comprehensive income reduced by transaction costs of €1.7 million. The investment in Asseco has been classified as a non-current asset as at September 30, 2025 within "Investments accounted for using the equity method".

Revaluation of investment accounted for using the equity method to cost – On February 4, 2025, the Company entered into a binding agreement in respect of the acquisition of 12,318,863 treasury shares of Asseco. These shares represent 14.84% of Asseco's share capital. On September 25, 2025, the Company received the last outstanding regulatory approval for the acquisition of the treasury shares and subsequent to this date, applied the equity method of accounting to its existing 9.99% investment in Asseco. The Company elected to record the investment in Asseco at cost under the equity method of accounting which comprised of the initial investment of €168.0 million and transaction fees of €1.7 million for a total cost of €169.7 million. As a result, Topicus reversed previous fair value adjustments and recorded a loss in the condensed consolidated interim statement of income of €221.7 million for the three and nine months ended September 30, 2025.

Finance costs – Finance costs increased 20% or €1.5 million for the quarter ended September 30, 2025 and increased 10% or €2.0 million for the nine months ended September 30, 2025 over the same periods in 2024. The following table provides a further breakdown of expenses within this category.

(€ in millions)				
	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Interest expense on debt	7.0	5.9	16.7	16.0
Interest expense on lease obligations	0.8	0.5	2.2	1.5
Amortization of debt related transaction costs	0.4	0.7	0.9	1.2
Share in net (income) loss of equity investee	0.9	0.5	2.1	1.3
Finance costs and other expenses (income)	9.2	7.7	21.9	19.9

Income taxes – We operate throughout Europe and we calculate our tax provision in each of the jurisdictions in which we conduct business. Our effective tax rate on a consolidated 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 quarter ended September 30, 2025, income tax expense increased €2.3 million to €11.0 million compared to €8.8 million for the same period in 2024. During the nine months ended September 30, 2025, income tax expense increased €7.8 million to €31.1 million compared to €23.3 million for the same period in 2024. Current tax expense has historically approximated our cash tax expense however the quarterly expense can sometimes fall outside of the annual range due to adjustments to prior period provisions. Current tax expense reflects gross taxes before the application of R&D tax credits which are classified as part of “Other, net” expenses in the condensed consolidated statements of income. The Company’s consolidated effective tax rate in respect of continuing operations for the three and nine months ended September 30, 2025 was negative 10% and positive 143% respectively (19% and 20% for the three and nine months ended September 30, 2024 respectively). The effective tax rate for the quarter was partially impacted by the accounting treatment of the Company’s investment in Asseco. See Note 5 to the Company’s Unaudited Condensed Consolidated Interim Financial Statements for the three and nine months ended September 30, 2025, for additional information.

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 inter-company transactions, including financing and transfer pricing policies which generally involve subjective areas of taxation and a significant degree of judgement. 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.

Uncertainty over income tax treatments

The deductibility of the Company's employee bonus program is being challenged by the Dutch Tax Authorities for financial years 2016 and 2018 to date. The Company continues to believe in the merits of its tax filing position and, as such, has not recognized any provision in the consolidated financial statements. If the Company is ultimately unsuccessful, the additional tax expense including interest for the period from 2016 to September 30, 2025 would be up to approximately €7.8 million.

Pillar Two – Global minimum top-up tax

The Base Erosion and Profit Shifting (BEPS) 2.0 initiative is a significant reform of the international tax system led by the Inclusive Framework and the Organisation for Economic Co-operation and Development

(OECD). This initiative includes a substantial change for large multinational groups with the “Pillar Two” proposal of a global minimum tax of 15%. Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Company operates. The legislation is effective for the Company’s financial year beginning January 1, 2024. Based on the Company’s assessment of the Pillar Two legislation, the impact to the Company’s effective tax rate is not material. Effective tax rates in most of the jurisdictions in which the Company operates are above 15%. For Global Anti-Base Erosion (GloBE) computations, the Company made the Article 3.2.5 ‘realisation principle’ election; accordingly, fair-value gains recognised in accounting profit on certain derivative instruments are excluded from GloBE Income until realized. Based on current rules and guidance, management does not expect a material Pillar Two top-up tax impact for the current period.

Net Income (Loss) per Share:

Net loss for the quarter ended September 30, 2025 was €120.9 million compared to net income of €38.0 million for the same period in 2024. On a per share basis, this translated into net loss per basic and diluted share of €0.94 in the quarter ended September 30, 2025 compared to net income per basic and diluted share of €0.28 for the same period in 2024. The net loss for the period is primarily the result of a €221.7 expense associated with electing to record the Q1 2025 investment in Asseco at cost as a result of the application of the equity method of accounting. This expense offsets gains recorded through net income and other comprehensive income during Q1 2025, Q2 2025 and Q3 2025. During the period, the Company also recorded income of €60.7 associated with mark to market adjustments on derivatives related to the Company’s binding agreement to acquire a further interest in Asseco. For the nine months ended September 30, 2025 net loss was €9.3 million compared to net income of €93.3 million for the same period in 2024. On a per share basis, this translated into net loss per basic and diluted share of €0.09 in the nine months ended September 30, 2025 compared to net income per basic and diluted share of €0.71 for the same period in 2024.

Net cash flows from operating activities (“CFO”):

For the quarter ended September 30, 2025, CFO increased €16.7 million to €48.4 million compared to €31.7 million for the same period in 2024 representing an increase of 53%. Many of the businesses invoice customers for annual software maintenance fees in Q1 each year resulting in a disproportionate amount of cash being received in the first quarter as compared to the remaining three quarters. For the nine months ended September 30, 2025, CFO increased €36.9 million to €304.9 million compared to €268.0 million for the same period in 2024 representing an increase of 14%.

Free cash flow available to shareholders (“FCFA2S”):

For the quarter ended September 30, 2025, FCFA2S increased €11.9 million to €22.3 million compared to €10.4 million for the same period in 2024 representing an increase of 114%. For the nine months ended September 30, 2025, FCFA2S increased €26.7 million to €167.5 million compared to €140.7 million for the same period in 2024 representing an increase of 19%. The following table reconciles FCFA2S to net cash flows from operating activities:

	Three months ended September 30,		Nine months ended September 30,	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	(€ in millions)		(€ in millions)	
Net cash flows from operating activities	48.4	31.7	304.9	268.0
Adjusted for:				
Interest paid on lease obligations	(0.8)	(0.5)	(2.2)	(1.5)
Interest paid on other facilities	(2.9)	(5.6)	(11.9)	(15.4)
Credit facility transaction costs	(0.2)	(0.7)	(3.5)	(1.0)
Payments of lease obligations	(7.8)	(6.1)	(21.8)	(18.1)
Property and equipment purchased	(1.7)	(2.0)	(8.3)	(6.4)
Interest and dividends received	(0.4)	-	8.2	-
	<u>34.7</u>	<u>16.9</u>	<u>265.4</u>	<u>225.7</u>
Less amount attributable to non-controlling interests	(12.4)	(6.5)	(98.0)	(85.0)
Free cash flow available to shareholders	22.3	10.4	167.5	140.7

Due to rounding, certain totals may not foot.

Quarterly Results

	Quarter Ended								
	Sep. 30	Dec. 31	Mar. 31	Jun. 30	Sep. 30	Dec. 31	Mar. 31	Jun. 30	Sep. 30
	<u>2023</u>	<u>2023</u>	<u>2024</u>	<u>2024</u>	<u>2024</u>	<u>2024</u>	<u>2025</u>	<u>2025</u>	<u>2025</u>
	(Note 1)								
Revenue	278.8	309.7	306.6	311.2	312.2	364.9	355.6	372.0	387.9
Net income	28.3	42.5	28.3	26.9	38.0	56.2	70.1	41.5	(120.9)
CFO	25.5	62.4	227.5	8.8	31.7	79.6	271.4	(14.9)	48.4
FCFA2S	6.5	28.9	133.5	(3.8)	10.4	36.6	161.7	(16.7)	22.3
Net income per share									
Basic	€ 0.22	€ 0.31	€ 0.22	€ 0.21	€ 0.28	€ 0.40	€ 0.54	€ 0.31	€ (0.94)
Diluted	€ 0.22	€ 0.31	€ 0.22	€ 0.21	€ 0.28	€ 0.40	€ 0.54	€ 0.31	€ (0.94)
CFO per share									
Basic	€ 0.31	€ 0.76	€ 2.77	€ 0.11	€ 0.38	€ 0.96	€ 3.27	€ (0.18)	€ 0.58
Diluted	€ 0.20	€ 0.48	€ 1.75	€ 0.07	€ 0.24	€ 0.61	€ 2.09	€ (0.18)	€ 0.37
FCFA2S per share									
Basic	€ 0.08	€ 0.35	€ 1.62	€ (0.05)	€ 0.13	€ 0.44	€ 1.95	€ (0.20)	€ 0.27
Diluted	€ 0.08	€ 0.35	€ 1.62	€ (0.05)	€ 0.13	€ 0.44	€ 1.95	€ (0.20)	€ 0.27
In millions of euros, except per share amounts									
Weighted average shares (in millions)									
Basic	81.9	81.9	82.2	82.9	82.9	83.1	83.1	83.1	83.3
Diluted	129.8	129.8	129.8	129.8	129.8	129.8	129.8	129.8	129.8

Note 1: The Company made an adjustment to the financial information for the three months ending March 31, 2025. This resulted in an increase in finance and other income of €32.8 million, an increase in current income tax expense of €1.4 million and an increase in net income of €31.4 for the three months ended March 31, 2025. The Company will recast the comparative interim period in its future filings in 2026. See Note 5 to the Company's Unaudited Condensed Consolidated Interim Financial Statements for the three and six months ended June 30, 2025 for additional information.

Many of the businesses invoice customers for annual software maintenance fees in Q1 each year resulting in a disproportionate amount of cash being received in the first quarter as compared to the remaining three quarters, otherwise we do not generally experience significant seasonality in our operating results from quarter to quarter. Our quarterly results may however 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

	September 30, 2025	December 31, 2024	Variance
Cash	276.1	206.2	69.9
Topicus Revolving Credit Facility and current portion of term loans	403.6	225.7	177.9
Term and other loans	338.8	49.3	289.5
Debt	742.4	275.0	467.4
Cash less Debt	(466.4)	(68.9)	(397.5)

The net capital used in investing activities plus dividends paid exceeded cash flows from operations during the nine months ended September 30, 2025. Cash increased by €69.9 million to €276.1 million at September 30, 2025 compared to €206.2 million at December 31, 2024 and debt increased by €467.4 million to €742.4 million at September 30, 2025 compared to €275.0 million at December 31, 2024.

Total assets increased €891.1 million, from €1,535.9 million at December 31, 2024 to €2,426.9 million at September 30, 2025. The increase is primarily due to the €69.9 million increase in cash, €246.3 million increase in restricted cash, €101.7 million increase in derivatives, €193.0 million increase in investments accounted for using the equity method, and €221.6 million increase in intangible assets. The increases in restricted cash, derivatives, and investments accounted for using the equity method resulted from the Company's investments in Asseco. In anticipation of the acquisition of the 14.84% of Asseco's share capital which closed on October 1, 2025, the Company's expected cash consideration for these shares in the amount of €246.2 million was subject to restriction as of September 30, 2025 and as a result, the balance was classified as "Restricted Cash" as of September 30, 2025.

Current liabilities increased €333.2 million, from €700.2 million at December 31, 2024 to €1,033.4 million at September 30, 2025. The increase is primarily due to the €177.9 increase in the revolving credit facility, the €56.6 increase in accounts payable and accrued liabilities, and the €72.7 million increase in deferred revenue.

Net Changes in Cash Flows

(€ in millions)

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Net cash provided by operating activities	304.9	268.0
Net cash from (used in) financing activities	430.4	(132.2)
Cash used in the acquisition of businesses	(279.2)	(81.0)
Cash obtained with acquired businesses	31.1	14.4
Net cash from (used in) other investing activities	(415.0)	(13.9)
Net cash from (used in) investing activities	(663.1)	(80.4)
Effect of foreign currency	(2.3)	0.2
Net increase (decrease) in cash and cash equivalents	69.9	55.5

The net cash flows from operating activities were €304.9 million for the nine months ended September 30, 2025. The €304.9 million provided by operating activities resulted from net loss of €9.3 million plus €315.6 million of adjustments to net income (primarily amortization of intangible assets, depreciation, finance and other income, revaluation of investments accounted for using the equity method to cost, and income tax expense) and €41.6 million generated from non-cash operating working capital offset by €1.7 million in transaction costs associated with equity securities and €41.3 million in taxes paid.

The net cash flows from financing activities for the nine months ended September 30, 2025 were €430.4 million, which is mainly a result of the €473.1 million net increase in bank and other indebtedness offset by interest and lease obligation payments of €35.9 million.

The net cash flows used in investing activities for the nine months ended September 30, 2025 were €663.1 million. The cash used in investing activities was primarily due to the €168.0 million investment in Asseco equity securities, acquisitions for an aggregate of €279.2 million (including payments for holdbacks relating to prior acquisitions) plus a €246.2 million increase in restricted cash relating to an investment in Asseco equity securities that was completed on October 1, 2025, offset by €31.1 million of acquired cash.

We believe we have sufficient cash and available credit capacity to continue to operate for the foreseeable future. Generally, our VMS businesses operate with negative working capital as a result of the collection of maintenance payments and other revenues in advance of the performance of the related services. As such, management anticipates that it can continue to grow the business organically without any additional funding. If we continue to acquire VMS businesses we may need additional external funding depending upon the size and timing of the potential 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 our controlling shareholder, Constellation Software Inc. ("CSI"). Transactions are transfers of resources, services or obligations, regardless of whether anything has been charged.

Transactions with CSI

The Company pays management fees to CSI (included within “Other, net” expenses) and reimburses CSI for certain expenses paid on behalf of the Company. Furthermore, CSI reimburses the Company for certain salary expenses incurred by the Company on behalf of CSI. The net payments made by the Company to CSI for management fees and reimbursements of expenses during the three and nine months ended September 30, 2025 was €1.0 million and €11.0 million respectively (€0.9 million and €8.9 million respectively for the three and nine months ended September 30, 2024). The Company expensed management fees of €0.7 million and €2.2 million for the three and nine months ended September 30, 2025 respectively (€0.6 million and €1.9 million respectively for the three and nine months ended September 30, 2024).

The ending payable balance to CSI (included within “Accounts payable and accrued liabilities”) as at September 30, 2025 was €1.0 million (December 31, 2024 – €1.1 million).

Transactions with other entities under the control of CSI

The Company also provides professional services to other entities under the control of CSI. The total amount of revenue recognized during the three and nine months ended September 30, 2025 (included within “Professional services revenue”) relating to such arrangements was €2.6 million and €7.4 million respectively (€2.2 million and €5.9 million respectively for the three and nine months ended September 30, 2024). The ending receivable balance (included within “Accounts receivable”) as at September 30, 2025 relating to these arrangements was €1.1 million (December 31, 2024 – €1.2 million).

During the period, CSI provided insurance related services to the Company. The total insurance expense recognized for the nine months ended September 30, 2025 was €0.018 million (included within “Professional Fees”) (nil for the three and nine months ended September 30, 2024) and the associated prepaid expense balance at September 30, 2025 was €0.2 million (included within “Other Assets”) (December 31, 2024 – €0.1 million).

Transactions with Vela Software Group and CSI in conjunction with the acquisition of GeoSoftware and Geoactive

During the three and nine months ended September 30, 2025, two of the Company’s business units, GeoSoftware and Geoactive, reimbursed the Vela Software Group (“Vela”) and CSI for certain expenses primarily related to salaries and benefits incurred by Vela and CSI on behalf of GeoSoftware and Geoactive. The total expenses reimbursed for the three and nine months ended September 30, 2025 was €0.5 million and €1.6 million respectively (€0.5 million and €1.8 million respectively for the three and nine months ended September 30, 2024). The amount payable as at September 30, 2025 relating to these amounts was €0.7 million (included within “Accounts payable and accrued liabilities”) (December 31, 2024 – €0.4 million). During the nine months ended September 30, 2025, the Company earned revenue from Vela in the amount of €0.1 million and the receivable as of September 30, 2025 was €0.1 million.

During 2023, Vela, an operating group that is owned and controlled by CSI, provided a loan to the Company in the amount of US\$2.0 million (€1.8 million). The loan is non-interest bearing, may be repaid by the Company at any time and matures in 2029. The Company is required to make annual principal payments in the amount of US\$0.3 million. The long-term portion of the loan is included within “Other Liabilities” and the short-term portion of the loan is included within “Accounts Payable and Accrued Liabilities”.

Non-controlling interests

The Company's non-controlling interest at September 30, 2025 is associated with Topicus Coop, an entity domiciled in the Netherlands and certain subsidiaries of Topicus Coop. Topicus Coop's common equity consists of Topicus Coop Ordinary Units. As at September 30, 2025 there were 129,841,818 Topicus Coop Ordinary Units outstanding, which were held by Topicus Coop's unitholders as follows:

- Topicus: 83,338,873 Topicus Coop Ordinary Units, representing 64.18% equity ownership.
- CSI: 188,953 Topicus Coop Ordinary Units, representing 0.15% equity ownership.
- Joday Group: 38,148,221 Topicus Coop Ordinary Units, representing 29.38% equity ownership.
- Ijssel Group: 8,165,771 Topicus Coop Ordinary Units, representing 6.29% equity ownership.

All of the Topicus Coop Ordinary Units held by CSI, the Joday Group and the Ijssel Group (collectively the "Topicus Coop Exchangeable Units") are exchangeable, directly or indirectly, for subordinate voting shares of the Company. The Topicus Coop Exchangeable Units comprise non-controlling interests in Topicus Coop.

Topicus Coop also has certain subsidiaries that are not owned 100% by Topicus Coop and have a non-controlling interest. In 2021, the Company acquired a 60% interest in GeoSoftware, the remaining 40% is owned by Vela. GeoSoftware is domiciled primarily in Europe and North America. On May 16, 2022, the Company also acquired a controlling interest of 72.68% in Sygnity S.A., a company based in Poland. The remaining 27.32% represents non-controlling interest. On July 1, 2022, the Company acquired a controlling interest of 60% in Geoactive, the remaining 40% is owned by Vela. Geoactive is domiciled in Scotland.

Summarized balance sheet and financial information relating to the non-controlling interest is included in Note 19 to the Company's Unaudited Condensed Consolidated Interim Financial Statements for the three and nine month periods ended September 30, 2025.

Topicus Coop Debt Facilities

Schuldschein Loan

On June 30, 2025, Topicus Coop obtained a €200.0 million senior unsecured Schuldschein loan (the "Loan"). The Loan bears interest at a rate calculated at EURIBOR plus interest rate spreads based on tenure. €79.5 million of the Loan is due on June 30, 2028, €105.5 million of the Loan is due on June 30, 2030 and €15 million of the Loan is due on June 30, 2032. The Loan is guaranteed by certain subsidiaries of the Company on the same basis as such subsidiaries have guaranteed the Topicus Revolving Credit Facilities. The Loan contains standard events of default which, if not remedied within a cure period, would trigger the repayment of any outstanding balance. Transaction costs associated with the Loan have been included as part of the carrying amount of the liability and are being amortized through profit or loss using the effective interest rate method. The carrying value of the Loan amounts to €199.4 and has been classified as a long-term liability in the consolidated statement of financial position. As at September 30, 2025, the carrying amount of costs relating to the Loan totaled €0.6 million.

Revolving Credit Facility

On May 13, 2025, Topicus Coop amended the existing revolving credit facility (the "Topicus Revolving Credit Facility") with a number of European financial institutions. Under the amended credit facility, the Company will be able to borrow up to €700.0 million under a multicurrency revolving loan facility. The Topicus Revolving Credit Facility matures on October 28, 2029. The Topicus Revolving Credit Facility bears interest at a rate calculated at EURIBOR plus interest rate spreads based on a leverage table. The Topicus Revolving Credit Facility is guaranteed by the Company and some of its material subsidiaries, except for the entities securing amounts outstanding under the "Term and Other Loans within subsidiaries of Topicus Coop" defined below. The Topicus Revolving Credit Facility contains standard events of default which, if not remedied within a cure period, would

trigger the repayment of any outstanding balance. As of September 30, 2025, EUR €392.0 million (December 31, 2024 – €220.0 million) had been drawn from this credit facility. Transaction costs associated with the Topicus Revolving Credit Facility have been included as part of the carrying amount of the liability and are being amortized through profit or loss using the effective interest rate method. The carrying value of the debt amounts to €389.7 million (December 31, 2024 – €217.5 million) and has been classified as a current liability in the consolidated statement of financial position. As at September 30, 2025, the carrying amount of costs relating to this Topicus Revolving Credit Facility totaled €2.3 million (December 31, 2024 – €2.5 million).

Term and Other Loans within subsidiaries of Topicus Coop

Certain of the Company’s subsidiaries have entered into term and other debt facilities (“Term and Other Loans”) with various financial institutions. Topicus does not guarantee the debt of these subsidiaries, nor are there any cross-guarantees between subsidiaries. The credit facilities are collateralized by substantially all of the assets of the borrowing entity and its subsidiaries. The credit facilities typically bear interest at a rate calculated using an interest rate index plus a margin. The financing arrangements for each subsidiary typically contain certain restrictive covenants, which may include limitations or prohibitions on additional indebtedness, payment of cash dividends, redemption of capital, capital spending, making of acquisitions and sales of assets. In addition, certain financial covenants must be met by those subsidiaries that have outstanding debt.

The term and other loans comprise the following:

(€ in millions)	September 30, December 31,	
	2025	2024
Principal outstanding (and equal to fair value)	156.1	58.1
Deduct: Carrying value of transaction costs included in debt balance	(2.7)	(0.6)
Carrying value	153.4	57.5
Current portion	13.9	8.2
Non-current portion	139.4	49.3

The annual minimum repayment requirements for the Term Loans are as follows:

(€ in millions)

Year	Amount
2025	3.5
2026	13.3
2027	7.4
2028	6.3
2029	29.7
2030	0.5
2031	-
2032	95.4
	156.1

Other Commitments

Commitments include 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 €31.1 million at September 30, 2025. As mentioned in the “(Increase) decrease in the fair value of equity securities” section above, on January 31, 2025, the Company purchased 8,300,029 shares in Asseco representing approximately 9.99% of the issued shares in Asseco. The Company has made an irrevocable election at the time of initial recognition to present subsequent changes in FVOCI. During the three and nine months ended September 30, 2025, the Company recorded a loss of €6.1 million and a gain of €188.9 million within other comprehensive income reduced by transaction costs of €1.7 million. As mentioned in the “Finance and other (income) expense” section above, the Company has entered into a binding agreement in respect of the acquisition of 12,318,863 treasury shares of Asseco, which is a derivative under IFRS Accounting Standards. The fair value of this derivative asset recorded in our statement of financial position was €101.7 million at September 30, 2025. As also mentioned in the “Finance and other (income) expenses” section above, the Company entered into a binding agreement allowing certain parties to buy up to 1.7% (1,411,006 shares) of issued shares in Asseco from the Company, which is also a derivative under IFRS Accounting Standards. The fair value of this derivative liability recorded in our statement of financial position was €37.1 million at September 30, 2025. Aside from the aforementioned, we do not have any other business arrangements, derivative financial instruments, or any equity interests in non-consolidated entities that would have a significant effect on our assets and liabilities as at September 30, 2025.

As noted in the “Revaluation of investment accounted for using the equity method to cost” section above, on September 25, 2025, the Company received the last outstanding regulatory approval for the acquisition of the 12,318,863 treasury shares of Asseco and subsequent to this date, applied the equity method of accounting to its existing 9.99% investment in Asseco. The Company elected to record the investment in Asseco at cost under the equity method of accounting which comprised of the initial investment of €168.0 million and transaction fees of €1.7 million for a total cost of €169.7 million. As a result, Topicus reversed previous fair value adjustments and recorded a loss in the condensed consolidated interim statement of income of €221.7 million for the three and nine months ended September 30, 2025. The investment in Asseco has been classified as a non-current asset as at September 30, 2025 within “Investments accounted for using the equity method”.

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.

Proposed Transactions

We seek potential acquisition targets on an ongoing basis and may complete several acquisitions in any given fiscal year.

Members’ Equity of Topicus Coop and Share Capital of Topicus

As at November 4, 2025, there were 129,841,818 ordinary units of Topicus Coop outstanding.

As at November 4, 2025, there were 83,338,873 subordinate voting shares and 1 super voting share of Topicus outstanding.

The super voting share is convertible into a subordinate voting share on a one-for- one basis. In addition, certain ordinary units of Topicus Coop are, directly or indirectly, exchangeable for subordinate voting shares of Topicus on a one-for-one basis. As a result, an additional 46,502,946 subordinate voting shares of Topicus would

be issuable upon the exercise of these conversion/exchange rights. On a fully-diluted basis, there would be 129,841,819 subordinate voting shares issued and outstanding.

For more information on the capital structure of Topicus, including additional details regarding the terms and conditions relevant to the subordinate voting shares and the super voting share of Topicus and the ordinary units of Topicus Coop, see Topicus' final long form prospectus dated December 18, 2020, which is available on SEDAR+ at www.sedarplus.ca.

Risks and Uncertainties

The Company's business is subject to a number of risk factors which are described in the final prospectus of Topicus dated December 18, 2020. In addition, a new risk factor related to artificial intelligence is outlined below. Additional risks and uncertainties not presently known to us or that we currently consider immaterial also may impair our business and operations and cause the price of the common shares to decline. If any of the noted risks actually occur, our business may be harmed and the financial condition and results of operations may suffer significantly. In that event, the trading price of the common shares could decline, and shareholders may lose all or part of their investment.

Many of our businesses use or plan to use artificial intelligence in their operations; challenges with incorporating and managing its use may result in competitive harm or adversely affect the results of our businesses.

Many of our businesses are in the process of incorporating artificial intelligence ("AI") solutions into their software, services, and operations. We expect that AI will generally continue to become more important to our company and to our customers over time. Our competitors may incorporate AI into their products, operations or services more quickly or successfully than us, develop superior products and services through the use of AI, or more effectively develop or acquire access to AI software, services or tools, which could negatively impact our businesses' ability to compete effectively. AI may also reduce barriers to entry in the industries in which we operate, resulting in increased competition and price pressure. Further, given the rapid pace of change and highly competitive environment in connection with AI, there is an increased level of risk that the AI solutions that we develop or adopt will not be effective or commercially viable.

While we aim to develop and use AI responsibly and attempt to identify and mitigate ethical and legal issues presented by its use, AI technologies are complex and rapidly evolving. The use of AI in our businesses may generate risks with respect to harmful content, accuracy, perceived or actual bias, discrimination, human rights claims, allegations of lack of transparency, intellectual property infringement or misappropriation, breach of contract, data privacy, cyber security and misuse of personal or protected information, among others. The use of AI within our software products and our operations also bring the possibility of new or enhanced governmental or regulatory scrutiny, legal liabilities, or ethical concerns that could adversely affect our operations, reputation, or financial results. The rapidly evolving patchwork of existing and proposed laws and regulatory frameworks – and general regulatory uncertainty – further expose us to challenges, uncertainties and additional costs in relation to legal and regulatory compliance.

Subsequent events

On February 4, 2025, the Company entered into a binding agreement in respect of the acquisition of 12,318,863 treasury shares of Asseco representing 14.84% of Asseco's share capital, to be purchased at a price of PLN 85 per share. The acquisition of the treasury shares closed on October 1, 2025. On October 1, 2025, the restriction was released on the cash consideration and the total purchase price for the treasury shares was EUR €246.2 million. On February 3, 2025, Topicus announced the signing of a shareholders' agreement which was entered into with the Adam Góral Family Foundation governing their cooperation as shareholders in Asseco. The shareholders' agreement became effective as result of the acquisition of the treasury shares.

Subsequent to September 30, 2025 the Company completed or has open commitments to acquire a number of businesses for aggregate cash consideration of €29.9 million on closing plus total estimated deferred payments of €15.1 million for total consideration of €45.0 million. The business acquisitions operate in the transit, asset management, social media, financial services, aviation, enterprise resource planning, and local government verticals and are all software companies similar to the existing business of the Company.