



Optiva Inc. Reports Second Quarter 2025 Financial Results

All amounts are stated in United States dollars unless otherwise indicated

- Revenue of \$10.3 million
- Total Contract Value ("TCV")⁽¹⁾ bookings of \$26.6 million
- Gross margin of 49%
- Adjusted EBITDA⁽¹⁾ loss of \$1.6 million
- EPS loss of \$ 0.71
- \$12.9 million of cash

TORONTO, August 13, 2025 - Optiva Inc. ("Optiva" or "the Company") (TSX:OPT), a leader in powering the telecom industry with cloud-native billing, charging and revenue management software on private and public clouds, today released its second quarter financial results for the three-month period ended June 30, 2025.

Demonstrating continued bookings growth, during the second quarter, Optiva was selected by two new customers, a Tier 1 European mobile virtual network operator (MVNO) and a Tier 1 European telecom. This brings the total to 13 new customers in two years, a clear sign of confidence in the Company's roadmap and portfolio. Additionally, a key current customer has signed an extended multi-year BSS platform support agreement. Further, the Company was chosen as a finalist for the Most Innovative Telco AI/ML Product or Solution for the upcoming Leading Lights Awards by Light Reading.

Update Regarding Optiva's Matured Secured Notes and Strategic Transaction

As [announced on July 18, 2025](#), the company has entered into a 45-day support agreement with 85% of noteholders, allowing the Company to negotiate a transaction with a strategic third party. The negotiations have progressed, and while there can be no assurances that a successful transaction will be completed, it is expected that a binding agreement will be reached prior to the end of the 45-day forbearance period.

Optiva has continued to operate in the ordinary course, upholding its commitments to customers, employees and suppliers since the maturity of the Notes, and with approximately \$12 million cash on hand, it has the liquid resources to meet its working capital commitments for the foreseeable future.

"We are deeply grateful to our customers for their continued trust as we finalize our future ownership structure. This transition will lead to an even stronger, more dynamic Optiva, greatly benefiting them. I also extend my sincere gratitude to the entire Optiva team. Their world-class capabilities and powerful innovations are evident in our strong momentum, reflected in new customer wins and product adoption," said Robert Stabile, Chief Executive Officer of Optiva.

For more information about Optiva, please visit: <https://www.optiva.com/investors>

Business Highlights

- TCV of Q2 bookings totaled \$26.6 million. For the trailing twelve months, TCV of bookings totaled \$64.3 million.
- A Tier 1 European MVNO selected Optiva to modernize its business support systems (BSS). Optiva will deploy its AI-enabled, end-to-end stack, empowering the MVNO to achieve next-level agility, flexibility and scalability. Optiva BSS Platform and its AI-driven analytics tools will be deployed across multiple countries and markets. The modernization will further position the MVNO at the forefront of the industry, aligning with its broader digital transformation strategy to continue leading in the MVNx, mobile-first, experience-driven era.
- A Tier 1 European telecom chose Optiva to power its next-generation mobile virtual network enabler (MVNE) platform. With Optiva's modular, full end-to-end, AI-enabled BSS stack at its core, the operator will offer an enhanced and agile solution to MVNOs and other wholesale customers, including fixed wireless access (FWA) and fiber-to-the-home (FTTH) providers. Optiva BSS Platform will offer modularity and choice to the operator's customers, allowing them to select and customize capabilities tailored to their specific business needs, driving differentiation, innovation and new revenue.
- Digitel, a leading mobile network operator in Venezuela with more than 7.2 million subscribers and an Optiva customer since 2014, renewed its BSS platform support agreement for an additional three years.

- Optiva was named a finalist for Most Innovative Telco AI/ML Product or Solution for the Leading Lights 2025 Awards by Light Reading. The nomination recognizes how Optiva solutions apply AI and machine learning to support the changing needs of communications network operators.

Second Quarter 2025 Financial Results Highlights:

Q2 Fiscal 2025 Highlights (\$ US Millions, except per share information) (Unaudited)	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
Revenue	10.3	11.4	21.8	23.1
Net Income (Loss)	(4.4)	(5.6)	(6.8)	(11.6)
Earnings (Loss) Per Share	(\$0.71)	(\$0.90)	(\$1.09)	(\$1.88)
Adjusted EBITDA ⁽¹⁾	(1.6)	(1.7)	(1.2)	(4.0)
Cash from (used in) operating activities	4.9	5.2	1.9	1.8
Total cash, including restricted cash	12.9	17.1	12.9	17.1

- Revenue for Q2'25 was \$10.3 million. On a year-over-year basis, the change by revenue type included a \$1.0 million decrease in support and subscription revenue, \$0.1 million decrease in software and services revenue and no change in third party software and hardware revenue. The decrease in support and subscription in the period mainly relates to the earlier than expected discontinuation of support by migrating customers.
- Gross margin for Q2'25 was 49% compared to 56% during the same period in 2024. The decrease in gross margin is primarily attributable to lower revenue from high margin support and subscription revenue and higher amount of customizations with lower margins ordered by customers that required fulfillment, compared to the previous period. We expect our gross margins may fluctuate as our cloud-native model and product capabilities are adopted by new and existing customers in the public or private cloud in future periods.
- Adjusted Earnings before interest, taxes, depreciation and amortization ("EBITDA")¹ for Q2 was a loss of \$1.6 million as compared to loss of \$1.7 million during the same period in 2024.
- Net loss for Q2 was \$4.4 million compared to a net loss of \$5.6 million during the same period in 2024. The net loss for the three months ended June 30, 2025, was lower mainly due to the lower operations expenses incurred during the period compared to last year. The company's lower operating expenses reflect ongoing

efforts to optimize resources in support of our product roadmap, customer service, expanding our customer base, and administrative needs.

- The Company ended the second quarter with a cash balance of \$12.9 million (including restricted cash.)

(1) EBITDA, Adjusted EBITDA, TCV and adjusted EPS are non-IFRS measures. These measures are defined in the "Non-IFRS Measures" section of this news release.

Non-IFRS Measures

"EBITDA" and "Adjusted EBITDA" are not financial measures calculated and presented in accordance with International Financial Reporting Standards (IFRS) and should not be considered in isolation or as a substitute to net income (loss), operating income or any other financial measures of performance calculated and presented in accordance with IFRS, or as an alternative to cash flow from operating activities as a measure of liquidity. The Company defines EBITDA as net income (loss) excluding amounts for depreciation and amortization, other income, finance costs, finance income, income tax expense (recovery), foreign exchange gain (loss) and share-based compensation. The Company defines "Adjusted EBITDA" as EBITDA (as defined above), excluding restructuring costs, one-time provision amounts and other one-time unusual items. The Company believes that Adjusted EBITDA is a metric that investors may find useful in understanding the Company's financial position. The following table provides a reconciliation of Net Income to EBITDA and Adjusted EBITDA (in thousands of U.S. dollars).

	Three months ended June 30,		Six months ended June 30,	
	2025	2025	2025	2024
Net loss for the period	\$ (4,415)	\$ (5,601)	\$ (6,754)	\$ (11,633)
Add back / (subtract):				
Depreciation of property and equipment	75	153	188	332
Finance income	(68)	(132)	(156)	(325)
Finance costs	2,991	2,845	5,897	5,674
Income tax expense	295	343	496	582
Foreign exchange loss (gain)	(500)	86	(584)	248
Share-based compensation	(21)	593	(270)	1,100
EBITDA and Adjusted EBITDA	\$ (1,643)	\$ (1,713)	\$ (1,183)	\$ (4,022)

TCV is the Total Contract Value of all bookings closed in the period.

About Optiva

Optiva Inc. is a leading provider of mission-critical, cloud-native, agentic AI-powered revenue management software for the telecommunications industry. Its products are delivered globally on the private and public cloud. The Company's solutions help service providers maximize digital, 5G, IoT and emerging market opportunities to achieve business success. Established in 1999, Optiva Inc. is listed on the Toronto Stock Exchange (TSX:OPT). For more information, visit www.optiva.com.

Caution Concerning Forward-Looking Statement

Certain statements in this document may constitute "forward-looking" statements that involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this document, such statements use such words as "may," "will," "expect," "continue," "believe," "plan," "intend," "would," "could," "should," "anticipate" and other similar terminology. Forward-looking statements in this document include statements regarding the Company's "qualified pipeline", the TCV of the qualified pipeline and the Company's expectations regarding future revenues.

We draw your attention to the "Risks and Uncertainties" section of the Company's management's discussion and analysis for the quarter ended June 30, 2025, and to note 1 of our consolidated financial statements which indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The Company had a working capital deficit (current assets less current liabilities) of \$101.9 million as at June 30, 2025 (December 31, 2024 – working capital deficit of \$94.8 million), reflecting inclusion of the 9.75% secured PIK toggle debentures due July 20, 2025 (the "Debentures") as a current liability. The Debentures in the amount of \$108.6 million as of June 30, 2025, had a scheduled maturity date of July 20, 2025. Based on the cash balance as of June 30, 2025 and the cash flows from operations to the Debentures scheduled maturity date, the Company had insufficient cash to meet its obligations upon maturity of the Debentures. The Company's board of directors has formed a special committee of independent directors that are actively engaged with strategic third parties, including key holders of the Secured Notes, for purposes of evaluating strategic alternatives, including a potential transaction, to optimize outcomes for the business, our people, and our customers. On July 18, the Company entered into a support agreement (the "Support Agreement") with the holders of approximately 85% of the outstanding principal amount of the Debentures. The Support Agreement provides the Company with a 45-day grace period (the "Grace Period") to allow the Special Committee to conclude negotiations with the Debenture holders and prospective merger counterparties regarding a potential transaction. During the Grace Period, Debenture holders who are parties to the Support Agreement have agreed to forbear from exercising any of their rights or remedies in connection with any payment default occurring on the scheduled maturity of the Debentures on July 20, 2025. This Grace Period may be extended at the election of the Debenture holders. The Company's ability to continue its

operations is dependent upon its ability to refinance the debentures or implement other financial alternatives, including other sources of financing through debt or equity, however there is no assurance that this will be successful. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

These statements are forward-looking as they are based on our current expectations, as at August 13, 2025, about our business and the markets we operate in and on various estimates and assumptions. Our actual results could materially differ from our expectations if known or unknown risks affect our business or if our estimates or assumptions turn out to be inaccurate. As a result, there is no assurance that any forward-looking statements will materialize. Risks that could cause our results to differ materially from our current expectations include the risk that the Company will not secure contracts with customers that are included in its qualified pipeline, the risk that existing customers may decrease their spend with the Company and other risks that are discussed in the Company's most recent Annual Information Form, available on SEDAR at www.sedar.com and Optiva's website at <https://www.optiva.com/investors/>. Other unknown or unpredictable factors or underlying assumptions subsequently proving to be incorrect could cause actual results to differ materially from those in the forward-looking statements. Optiva does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.

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OPTIVA INC.

Condensed Consolidated Interim Statements of Financial Position
(Expressed in thousands of U.S. dollars)
(Unaudited)

	June 30, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 11,446	\$ 10,217
Trade accounts and other receivables	5,111	7,229
Unbilled revenue	10,467	9,292
Prepaid expenses	1,809	1,994
Income taxes receivable	355	346
Other assets	1,189	1,034
Total current assets	30,377	30,112
Restricted cash	1,438	843
Computer equipment	431	571
Deferred income taxes	425	475
Other Assets	3,111	2,712
Long-term unbilled revenue	345	384
Pension and other long-term employment benefit plans	1,906	2,773
Goodwill	32,271	32,271
Total assets	\$ 70,304	\$ 70,141
Liabilities and Shareholders' Equity (Deficit)		
Current liabilities:		
Trade payables	\$ 1,805	\$ 1,940
Accrued liabilities	13,704	14,229
Income taxes payable	3,030	3,367
Deferred revenue	5,246	2,688
Debentures	108,492	102,701
Total current liabilities	132,277	124,925
Deferred revenue	136	64
Other liabilities	1,376	1,768
Deferred income taxes	85	126
Total liabilities	133,874	126,883
Shareholders' equity (deficit):		
Share capital	270,760	270,746
Contributed surplus	15,221	15,309
Deficit	(355,316)	(348,562)
Accumulated other comprehensive income (loss)	5,765	5,765
Total shareholders' equity (deficit)	(63,570)	(56,742)
Total liabilities and shareholders' equity (deficit)	\$ 70,304	\$ 70,141

OPTIVA INC.

Condensed Consolidated Interim Statements of Comprehensive Income (Loss)
(Expressed in thousands U.S. dollars, except per share and share amounts)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenue:				
Support and subscription	\$ 6,415	\$ 7,432	\$ 13,915	\$ 14,762
Software licenses, services and other	3,837	3,961	7,929	8,335
	10,252	11,393	21,844	23,097
Cost of revenue	5,209	5,028	9,336	9,916
Gross profit	5,043	6,365	12,508	13,181
Operating expenses:				
Sales and marketing	2,148	2,508	4,072	5,264
General and administrative	1,851	2,626	3,526	5,643
Research and development	2,741	3,690	6,012	7,728
	6,740	8,824	13,610	18,635
Loss from operations	(1,697)	(2,459)	(1,102)	(5,454)
Foreign exchange gain (loss)	500	(86)	585	(248)
Finance income	68	132	156	325
Finance costs	(2,991)	(2,845)	(5,897)	(5,674)
Loss before income taxes	(4,120)	(5,258)	(6,258)	(11,051)
Income taxes (recovery):				
Current	262	385	488	679
Deferred	33	(42)	8	(97)
	295	343	496	582
Total net loss and Comprehensive loss	\$ (4,415)	\$ (5,601)	\$ (6,754)	\$ (11,633)
Loss per common share:				
Basic	\$ (0.71)	\$ (0.90)	\$ (1.09)	\$ (1.88)
Diluted	(0.71)	(0.90)	(1.09)	(1.88)
Weighted average number of common shares (thousands):				
Basic	6,222	6,212	6,218	6,196
Diluted	6,222	6,212	6,218	6,196

OPTIVA INC.

Condensed Consolidated Interim Statements of Cash Flows
(Expressed in thousands of U.S. dollars)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Cash provided by (used in):				
Operating activities:				
Loss for the period	\$ (4,415)	\$ (5,601)	\$ (6,754)	\$ (11,633)
Adjustments for:				
Depreciation of computer equipment	75	153	188	332
Finance income	(68)	(132)	(156)	(325)
Finance costs	2,991	2,845	5,897	5,674
Pension	1,801	(777)	1,354	(864)
Income tax expense	295	343	496	582
Unrealized foreign exchange gain	(264)	(60)	(429)	(374)
Share-based compensation	(21)	593	(270)	1,100
Change in non-cash operating working capital	3,457	5,651	2,483	5,351
	3,851	3,015	2,809	(157)
Interest paid	(2)	(6)	(2)	(6)
Interest received	51	114	139	286
Income taxes received (paid)	1,031	2,090	(1,084)	1,654
	4,931	5,213	1,862	1,777
Financing activities:				
Payment of interest on debentures	—	—	—	(5,086)
	—	—	—	(5,086)
Investing activities:				
Purchase of computer equipment	(58)	(181)	(58)	(381)
Decrease (increase) in restricted cash	38	(1)	(594)	8
	(20)	(182)	(652)	(373)
Effect of foreign exchange rate changes on cash and cash equivalents	(12)	62	19	376
Increase (decrease) in cash and cash equivalents	4,899	5,093	1,229	(3,306)
Cash and cash equivalents, beginning of period	6,547	11,243	10,217	19,642
Cash and cash equivalents, end of period	\$ 11,446	\$ 16,336	\$ 11,446	\$ 16,336