

Condensed Consolidated Interim Financial Statements
(Expressed in U.S. dollars)

OPTIVA INC.

As at and for the three and nine months ended September 30, 2025 and 2024
(Unaudited)

OPTIVA INC.

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

	September 30, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 6,582	\$ 10,217
Trade accounts and other receivables (note 3)	5,038	7,229
Unbilled revenue	9,484	9,292
Prepaid expenses	1,584	1,994
Income taxes receivable	411	346
Other assets	1,612	1,034
Total current assets	24,711	30,112
Restricted cash	1,512	843
Property and equipment	417	571
Deferred income taxes	438	475
Other Assets	3,436	2,712
Long-term unbilled revenue	641	384
Pension and other long-term employment benefit plans	3,738	2,773
Goodwill	32,271	32,271
Total assets	\$ 67,164	\$ 70,141
Liabilities and Shareholders' Equity (Deficit)		
Current liabilities:		
Trade payables	\$ 1,563	\$ 1,940
Accrued liabilities	17,245	14,229
Income taxes payable	1,902	3,367
Deferred revenue	3,922	2,688
Debentures (note 5)	108,575	102,701
Total current liabilities	133,207	124,925
Deferred revenue	340	64
Other liabilities	1,130	1,768
Deferred income taxes	101	126
Total liabilities	134,778	126,883
Shareholders' equity (deficit):		
Share capital	270,760	270,746
Contributed surplus	15,221	15,309
Deficit	(360,992)	(348,562)
Accumulated other comprehensive income (loss)	7,397	5,765
Total shareholders' equity (deficit)	(67,614)	(56,742)
Total liabilities and shareholders' equity (deficit)	\$ 67,164	\$ 70,141

Going concern (note 1(b))
Guarantees and contingent liabilities (note 10)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

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 September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Revenue (note 8):				
Support and subscription	\$ 6,346	\$ 7,858	\$ 20,261	\$ 22,620
Software licenses, services and other	3,761	4,118	11,690	12,453
	10,107	11,976	31,951	35,073
Cost of revenue	4,570	4,977	13,906	14,893
Gross profit	5,537	6,999	18,045	20,180
Operating expenses:				
Sales and marketing	1,771	2,078	5,843	7,342
General and administrative	4,159	1,487	7,685	7,130
Research and development	3,344	3,653	9,356	11,381
	9,274	7,218	22,884	25,853
Loss from operations	(3,737)	(219)	(4,839)	(5,673)
Foreign exchange gain (loss)	(39)	(43)	546	(291)
Finance income	293	135	449	460
Finance costs (note 5)	(2,941)	(2,872)	(8,838)	(8,546)
Loss before income taxes	(6,424)	(2,999)	(12,682)	(14,050)
Income taxes (recovery) (note 6):				
Current	(747)	369	(259)	1,048
Deferred	(1)	(14)	7	(111)
	(748)	355	(252)	937
Net loss	\$ (5,676)	\$ (3,354)	\$ (12,430)	\$ (14,987)
Other comprehensive income:				
Items that will not be reclassified to net income:				
Actuarial gain on pension and non-pension post-employment benefit plans, net of income tax expense of nil (note 9):	1,632	1,732	1,632	1,732
Total comprehensive loss	\$ (4,044)	\$ (1,622)	\$ (10,798)	\$ (13,255)
Net loss per common share (note 4(b)):				
Basic	\$ (0.91)	\$ (0.54)	\$ (2.00)	\$ (2.42)
Diluted	(0.91)	(0.54)	(2.00)	(2.42)
Weighted average number of common shares (thousands) (note 4(b)):				
Basic	6,235	6,213	6,220	6,202
Diluted	6,235	6,213	6,220	6,202

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

OPTIVA INC.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity (Deficit)
(Expressed in thousands of U.S. dollars)

Nine months ended September 30, 2025 and 2024
(Unaudited)

	Share capital									
	Number Outstanding (thousands) (note 4)	Amount		Standby Warrant	Contributed surplus	Deficit	Accumulated other comprehensive income (loss)		Total shareholders' equity (deficit)	
Balance, December 31, 2024	6,213	\$ 270,746	\$	–	\$ 15,309	\$ (348,562)	\$ 5,765	\$	(56,742)	
Net loss for the period	–	–		–	–	(12,430)	–		(12,430)	
Issue of share capital under Deferred Share Units	13	14		–	–	–	–		14	
Share-based compensation (note 4(c)(i)&(ii))	–	–		–	(88)	–	–		(88)	
Defined benefit plan actuarial gain (note 9)	–	–		–	–	–	1,632		1,632	
Balance, September 30, 2025	6,226	\$ 270,760	\$	–	\$ 15,221	\$ (360,992)	\$ 7,397	\$	(67,614)	
Balance, December 31, 2023	6,180	\$ 270,610	\$	–	\$ 15,117	\$ (328,885)	\$ 3,870	\$	(39,288)	
Net loss for the period	–	–		–	–	(14,987)	–		(14,987)	
Issue of share capital under Deferred Share Units	33	136		–	–	–	–		136	
Share-based compensation (note 4(c)(i)&(ii))	–	–		–	149	–	–		149	
Defined benefit plan actuarial gain (note 9)	–	–		–	–	–	1,732		1,732	
Balance, September 30, 2024	6,213	\$ 270,746	\$	–	\$ 15,266	\$ (343,872)	\$ 5,602	\$	(52,258)	

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

OPTIVA INC.

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

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Cash provided by (used in):				
Operating activities:				
Income (loss) for the period	\$ (5,676)	\$ (3,354)	\$ (12,430)	\$ (14,987)
Adjustments for:				
Depreciation of property and equipment	80	125	268	457
Finance income	(293)	(135)	(449)	(460)
Finance costs	2,941	2,872	8,838	8,546
Pension	(168)	(164)	1,186	(1,028)
Income tax expense (note 6)	(748)	355	(252)	937
Unrealized foreign exchange loss (gain)	(83)	(13)	(512)	(387)
Share-based compensation (note 4(c))	(234)	(501)	(504)	599
Change in non-cash operating working capital (note 7)	(451)	1,853	2,032	7,204
	(4,632)	1,038	(1,823)	881
Interest paid	–	(2)	(2)	(8)
Interest received	219	116	358	402
Income taxes (paid) received	(404)	(434)	(1,488)	1,220
	(4,817)	718	(2,955)	2,495
Financing activities:				
Interest paid on Debentures	–	(5,018)	–	(10,104)
	–	(5,018)	–	(10,104)
Investing activities:				
Purchase of property and equipment	(61)	–	(119)	(381)
Decrease (increase) in restricted cash	(75)	244	(669)	252
	(136)	244	(788)	(129)
Effect of foreign exchange rate changes on cash and cash equivalents	89	9	108	385
Increase (decrease) in cash and cash equivalents	(4,864)	(4,047)	(3,635)	(7,353)
Cash and cash equivalents, beginning of period	11,446	16,336	10,217	19,642
Cash and cash equivalents, end of period	\$ 6,582	\$ 12,289	\$ 6,582	\$ 12,289

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

OPTIVA INC.

Notes to Condensed Consolidated Interim Financial Statements (continued)
(Expressed in thousand of U.S. dollars)

Three and nine months ended September 30, 2025 and 2024
(Unaudited)

Reporting Entity

Optiva Inc. (the "Company" or "Optiva"), through its predecessors, commenced operations on March 29, 1999. The Company was incorporated under the Canada Business Corporations Act on November 1, 2006. The Company's registered head office is located at 100 King Street West, Suite 3400, Toronto, Ontario, Canada. The Company is publicly traded on the Toronto Stock Exchange under ticker symbol — TSX: OPT.

Optiva monetizes today's digital world for communications service providers. The Company's AI-enabled portfolio of monetization and subscriber management solutions includes real-time billing, charging, policy, and customer care modules and is available on premise, cloud-based, or as Software-as-a-Service ("SaaS"). With a central focus on driving customer success, Optiva's products power growth and innovation for operators globally. The Company's software products allow communication service providers to monetize various markets, including consumer, enterprise, wholesale, and the expanding SaaS and cloud ecosystems. Optiva's software supports the introduction of new revenue streams and innovative tariffs, payment solutions, data services, and advanced customer care and subscriber self-care functionality. Optiva is the parent of the wholly owned operating subsidiary, Optiva Canada Inc., and its various subsidiaries.

1. Basis of preparation and going concern:

(a) Statement of compliance:

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, using accounting policies consistent with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), and do not include all the information required for annual consolidated financial statements. These condensed consolidated interim financial statements for the three and nine months ended September 30, 2025 were authorized for issuance by the Board of Directors of the Company on November 6, 2025.

OPTIVA INC.

Notes to Condensed Consolidated Interim Financial Statements (continued)
(Expressed in thousand of U.S. dollars)

Three and nine months ended September 30, 2025 and 2024
(Unaudited)

1. Basis of preparation and going concern (continued):

(b) Going concern:

These consolidated financial statements have been prepared using the going concern basis of preparation which assumes that the Company will realize its assets and settle its obligations in the normal course of business.

For the nine months ended September 30, 2025, the Company had a net loss of \$12,430 (nine months ended September 30, 2024 – net loss of \$14,987). The Company also had a working capital deficit (current assets less current liabilities) of \$108,496 as at September 30, 2025 (December 31, 2024 – working capital deficit of \$94,813), reflecting inclusion of the 9.75% secured PIK toggle debentures (the “Debentures”) as a current liability (note 5). The Debentures in the amount of \$108,575 as of September 30, 2025, had a scheduled maturity date of July 20, 2025.

The Company had insufficient cash to meet its obligations upon maturity of the Debentures on July 20, 2025. The Company's board of directors formed a special committee of independent directors (the “Special Committee”) that actively engaged with strategic third parties, including key holders of the Debentures, for purposes of evaluating strategic alternatives, including a potential transaction, to optimize outcomes for the business, our people, and our customers.

On July 18, 2025, the Company entered into a support agreement (the “Support Agreement”) with the holders of approximately 85% of the outstanding principal amount of the Debentures (“Debentureholders”). The Support Agreement provided the Company with a 45-day grace period to allow the Special Committee to conclude negotiations with the Debentureholders and prospective merger counterparties regarding a potential transaction. During the grace period, Debentureholders who are party to the Support Agreement, agreed to forbear from exercising any of their rights or remedies in connection with any payment default occurring from the scheduled maturity of the Debentures on July 20, 2025.

On September 3, 2025, the Company entered into an amended Support Agreement with the holders of approximately 85% of the outstanding principal amount of the Debentures, providing for an extension of the grace period to allow the Special Committee to conclude negotiations with the Debentureholders and prospective merger counterparties regarding a potential transaction. The initial 45-day grace period, which was set to expire on September 3, 2025, was extended to September 30, 2025.

OPTIVA INC.

Notes to Condensed Consolidated Interim Financial Statements (continued)
(Expressed in thousand of U.S. dollars)

Three and nine months ended September 30, 2025 and 2024
(Unaudited)

1. Basis of preparation and going concern (continued):

On September 26, 2025, the Company announced that it entered into an arrangement agreement ("Arrangement Agreement") with Qvantel, a global leader in digital BSS, pursuant to which Qvantel will acquire all of the issued and outstanding common shares of Optiva and the US\$108.6 million principal amount of Debentures plus accrued interest will be cancelled in exchange for a combination of cash consideration, new notes of Qvantel, shares of Qvantel and warrants to purchase additional shares of Qvantel (the "Transaction"). The Transaction will be completed pursuant to a plan of arrangement under the Canada Business Corporations Act.

In connection with the Transaction, (a) certain significant shareholders and each of directors and executive officers of Optiva, holding in the aggregate approximately 67.0% of the issued and outstanding common shares of Optiva, have entered into voting support agreements with Qvantel, pursuant to which they have agreed to, among other things, vote all of their shares in favour of the Transaction, and (b) certain holders of Debentures, holding in the aggregate 83.5% of the issued and outstanding Debentures, have entered into voting support agreements with Optiva and Qvantel, pursuant to which they have agreed to, among other things, (i) vote all of their Debentures in favour of the Transaction, and (ii) forbear from exercising rights and remedies under the Debentures and not to accelerate or enforce repayment of any of the Debentures.

Subject to the satisfaction of all conditions to closing set out in the Arrangement Agreement, it is anticipated that the Transaction will be completed in December 2025. Upon closing of the Transaction, it is expected that Optiva's Shares will be delisted from the Toronto Stock Exchange and that Optiva will cease to be a reporting issuer under applicable Canadian securities laws.

The Company's ability to continue its operations is dependent upon its ability to implement the Transaction or refinance the Debentures or implement other financial alternatives including other sources of financing through debt or equity, however there is no assurance that the conditions to the Transaction will be satisfied or waived or that the Transaction will be completed on the terms contemplated or at all, or that other financial alternatives will be available. 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 condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and settle its obligations in the normal course of business. These financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate, and these adjustments could be material.

OPTIVA INC.

Notes to Condensed Consolidated Interim Financial Statements (continued)
(Expressed in thousand of U.S. dollars)

Three and nine months ended September 30, 2025 and 2024
(Unaudited)

1. Basis of preparation and going concern (continued):

(c) Judgments and estimates:

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses, consistent with those disclosed in the 2024 annual consolidated financial statements and described in these condensed consolidated interim financial statements.

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

2. Material accounting policies:

(a) Basis of measurement and presentation:

The notes presented in these condensed consolidated interim financial statements include, in general, only significant changes and transactions occurring since the Company's last year end and are not fully inclusive of all disclosures required by IFRS for annual financial statements. These condensed consolidated interim financial statements should be read in conjunction with the 2024 annual financial statements, including the notes thereto.

(b) Basis of consolidation:

The condensed consolidated interim financial statements include the financial statements of the Company, Optiva Inc. and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated upon consolidation.

(c) Functional currency:

The condensed consolidated interim financial statements are presented in thousands of U.S. dollars, which is the Company's functional currency, unless otherwise noted and per unit amounts.

OPTIVA INC.

Notes to Condensed Consolidated Interim Financial Statements (continued)
(Expressed in thousand of U.S. dollars)

Three and nine months ended September 30, 2025 and 2024
(Unaudited)

2. Material accounting policies (continued):

Transactions in currencies other than the functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities not denominated in the functional currency are translated at the period-end exchange rates. Foreign exchange gains and losses are recognized in the condensed consolidated interim statements of comprehensive income (loss).

3. Trade accounts and other receivables:

	September 30, 2025	December 31, 2024
Trade receivables, net of allowance for doubtful accounts	\$ 4,263	\$ 6,308
Other receivables (a)	775	921
	\$ 5,038	\$ 7,229

(a) At September 30, 2025 and December 31, 2024, the other receivables balance mainly includes amounts relating to indirect taxes receivable.

4. Share Capital:

(a) Authorized:

Unlimited Preferred Shares, issuable in series
Unlimited Common Shares

OPTIVA INC.

Notes to Condensed Consolidated Interim Financial Statements (continued)
(Expressed in thousand of U.S. dollars)

Three and nine months ended September 30, 2025 and 2024
(Unaudited)

4. Share Capital (continued):

(b) Loss per share:

A reconciliation of the number of common shares used for purposes of calculating basic and diluted loss per common share for the three and nine months ended September 30, 2025 and 2024, is as follows (in thousands):

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Basic weighted average number of common shares outstanding	6,235	6,213	6,220	6,202
Effect of dilutive securities	–	–	–	–
Diluted weighted average number of common shares outstanding	6,235	6,213	6,220	6,202

The total number of stock options that were excluded from the calculation for the three and nine months ended September 30, 2025 was 100,000 (three and nine months ended September 30, 2024 – 130,000), as their inclusion would be anti-dilutive.

(c) Shared-based compensation:

The net share-based compensation expense relating to the Company's stock options, deferred share unit plan and share unit plan during the three and nine months ended September 30, 2025 was a recovery of \$234 and a recovery of \$504, respectively (three and nine months ended September 30, 2024 was a recovery of \$501 and an expense of \$599, respectively).

OPTIVA INC.

Notes to Condensed Consolidated Interim Financial Statements (continued)
(Expressed in thousand of U.S. dollars)

Three and nine months ended September 30, 2025 and 2024
(Unaudited)

4. Share Capital (continued):

(i) Stock options:

The table below is a summary of the stock option plans for the nine months ended September 30, 2025:

	CAD options	
	Number of stock options	Weighted average exercise price per share (CAD)
Outstanding, December 31, 2024	130,000	\$ 30.44
Granted	—	—
Forfeited	(30,000)	23.74
Outstanding, September 30, 2025	100,000	\$ 32.45

The share-based compensation expense relating to the vesting of granted stock options during the three and nine months ended September 30, 2025 was an expense of nil and recovery of \$88, respectively (three and nine months ended September 30, 2024 - expense of \$49 and \$149, respectively).

(ii) Share unit plan:

There were nil RSUs granted during the three and nine months ended September 30, 2025 (nine months ended September 30, 2024 – nil). The fair value of RSUs granted were established based on the fair value of the underlying stock on the grant date. The share-based compensation expense relating to the Company's share unit plan during the three and nine months ended September 30, 2025 was nil (three and nine months ended September 30, 2024 – was nil respectively).

OPTIVA INC.

Notes to Condensed Consolidated Interim Financial Statements (continued)
(Expressed in thousand of U.S. dollars)

Three and nine months ended September 30, 2025 and 2024
(Unaudited)

4. Share Capital (continued):

(iii) Deferred share unit plan:

The table below is a summary of the deferred share units ("DSU") for the nine months ended September 30, 2025:

DSU	
Outstanding, December 31, 2024	263,058
Granted	133,315
Exercised	(32,954)
Outstanding, September 30, 2025	363,419

During the three and nine months ended September 30, 2025, the Company recorded a compensation recovery of \$234 and a recovery of \$416, respectively (three and nine months ended September 30, 2024 – cost recovery of \$550 and an expense of \$450, respectively). During the nine months ended September 30, 2025, there were 13,051 shares issued under the deferred share unit plan as a result of exercise of DSU's on resignation of a former director.

5. Debentures:

On July 20, 2020, the Company closed a \$90,000 financing (the "Debenture Financing") of 9.75% secured PIK toggle debentures due July 2025 (the "Debentures"). The Debentures are guaranteed by certain of the Company's subsidiaries and constitute senior secured obligations of the Company. The net proceeds from the Debenture Financing were used towards the redemption of all the Series A Preferred shares and accrued dividends. The Debenture Financing was completed on a private placement basis pursuant to certain prospectus exemptions.

On September 29, 2023, the Company issued an additional \$13,500 financing of 9.75% secured PIK toggle debentures due July 2025. The Debenture Financing was completed on a private placement basis pursuant to certain prospectus exemptions. Optiva is using the net proceeds from the financing for general working capital purposes.

On January 20, 2025, the Company decided to make a PIK Election with respect to the interest obligation and as a result issued additional Debentures to the existing holders in the amount of \$5,075, instead of paying cash.

OPTIVA INC.

Notes to Condensed Consolidated Interim Financial Statements (continued)
(Expressed in thousand of U.S. dollars)

Three and nine months ended September 30, 2025 and 2024
(Unaudited)

5. Debentures (continued):

	September 30, 2025	December 31, 2024
Debenture financing, bearing interest at 9.75%, per annum, payable semi-annually, maturing July 20, 2025	\$ 108,575	\$ 103,500
Less unamortized deferred financing costs	—	(799)
Long-term portion of loans and borrowings	\$ 108,575	\$ 102,701

As at September 30, 2025, \$108,575 (December 31, 2024 - \$103,500) is outstanding and interest computed on a 365-day (or 366-day, as applicable) basis, payable semi-annually on July 20 and January 20 of each year commencing on January 20, 2021. The Company has incurred a total of \$4,709 of transaction costs to date and has recorded these costs as deferred financing costs that are being amortized over the expected five-year term of the Debentures. During the three and nine months ended September 30, 2025, \$83 and \$799, respectively, of deferred financing fees was amortized (three and nine months ended September 30, 2024 - \$344 and \$998, respectively).

For the three and nine months ended September 30, 2025, interest expense of \$2,648 and \$7,870, respectively (three and nine months ended September 30, 2024 - \$2,528 and \$7,548, respectively) was incurred in connection with the Debenture Financing has been recognized in the condensed consolidated interim statements of comprehensive income (loss).

Please refer to the Going Concern note in Note 1(b) above.

6. Income tax expense:

The Company's current income tax expense for the three and nine months ended September 30, 2025 mainly includes recovery of \$888 and \$781 (three and nine months ended September 30, 2024 - \$126 and \$336) of corporate tax recovery incurred by foreign subsidiaries generating taxable profits and \$141 and \$522 (three and nine months ended September 30, 2024 - \$243 and \$712) of foreign withholding taxes. The Company's deferred tax recovery of \$1 and expense of \$7 for the three and nine months ended September 30, 2025 (three and nine months ended September 30, 2024 – tax recovery of \$14 and \$111) consists primarily of changes in temporary differences recognized during the current period.

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Notes to Condensed Consolidated Interim Financial Statements (continued)
(Expressed in thousand of U.S. dollars)

Three and nine months ended September 30, 2025 and 2024
(Unaudited)

7. Change in non-cash operating working capital:

The change in non-cash working capital for the three and nine months ended September 30, 2025 is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Trade accounts and other receivables	\$ 149	\$ 616	\$ 2,284	\$ 1,649
Unbilled revenue	688	1,424	(448)	3,620
Prepaid expenses	225	395	410	619
Other assets	(748)	(809)	(1,302)	(1,715)
Trade payables	(243)	(231)	(375)	(485)
Accrued liabilities and other liabilities	632	(215)	(263)	2,319
Income taxes receivable/payable	(34)	79	216	138
Deferred revenue	(1,120)	594	1,510	1,059
	\$ (451)	\$ 1,853	\$ 2,032	\$ 7,204

8. Segment Reporting:

The Company has determined that it operates in a single reportable operating segment, the telecommunications software market. The single reportable operating segment derives its revenue from the sale of software products and related services and hardware.

Revenue is attributed to geographic locations, based on the location of the external customer. The Company's revenue by geographic area for the three and nine months ended September 30 is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Europe, Middle East and Africa	\$ 5,563	\$ 6,201	\$ 16,250	\$ 17,324
North America, Latin America and Caribbean	3,270	4,232	11,631	12,669
Asia and Pacific Rim	1,274	1,543	4,070	5,080
	\$ 10,107	\$ 11,976	\$ 31,951	\$ 35,073

OPTIVA INC.

Notes to Condensed Consolidated Interim Financial Statements (continued)
(Expressed in thousand of U.S. dollars)

Three and nine months ended September 30, 2025 and 2024
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8. Segment Reporting (continued):

The Company's revenue by type for the three and nine months ended September 30 is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Revenue by type:				
Support and subscription	\$ 6,346	\$ 7,858	\$ 20,261	\$ 22,620
Software and services	3,485	3,968	11,100	11,917
Third-party software and hardware	276	150	590	536
	\$ 10,107	\$ 11,976	\$ 31,951	\$ 35,073

9. Pension and other long-term employment benefit plans:

The Company's subsidiaries in Germany have certain pension and post-employment benefit plans, including a cash balance plan that provides benefits on retirement, disability and death, as well as other post-employment benefit schemes. The plan assets are held in a separate Contractual Trust Arrangement with Deutsche Pensions Treuhand GmbH. The German pension plans operate under the legal framework of the German Company Pension Law and under the German Labour Law.

Pension fund assets are invested primarily in fixed income and equity securities. The Company's pension funds do not invest directly in the Company's shares, but may invest indirectly, as a result of the inclusion of the Company's shares in certain market investment funds. These plan assets are maintained in segregated accounts by a custodian that is independent from the fund managers. The Company believes that the counterparty credit risk is low.

During the quarter ended September 30, 2025, the German pension plans were remeasured under the projected unit credit method. The resulting remeasurement resulted in a gain to other comprehensive income of \$1,632 (2024 – gain of \$1,732). The determination of the value of the liabilities for defined benefit plans is based upon statistical and actuarial valuations. In particular, the present value of the defined benefit obligation is driven by financial variables (such as the discount rates) and demographic variables (such as mortality).

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Notes to Condensed Consolidated Interim Financial Statements (continued)
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(Unaudited)

9. Pension and other long-term employment benefit plans (continued):

The actuarial assumptions may differ significantly from the actual circumstances and could lead to different cash flows. The following are the principal actuarial assumptions:

	2025	2024
	Germany	Germany
Discount rate	3.90%	3.40%
Future salary increases	0.00%	0.00%
Future pension increases	0.00%	0.00%

Assumptions regarding future mortality are based on published statistics and mortality tables, in Germany, the Heubeck RT 2018G mortality tables were used. The calculation of the pension liabilities at September 30, 2025 and 2024 in Germany is based on a discount rate determined using the Mercer Yield Curve approach for an average duration of 10 years.

10. Guarantees and contingent liabilities:

From time to time, the Company has provided routine indemnifications to its customers against liability if the Company's products infringe on a third party's intellectual property rights. The maximum exposure from these indemnifications cannot be reasonably estimated. In some cases, the Company has recourse against other parties to mitigate its risk of loss from these guarantees.

In the normal course of operations, the Company is subject to claims from time to time, relating to labour, customers and other matters. The Company vigorously defends itself against such claims and reviews the probability of outcome that may result in an outflow of its cash or other resources as at each consolidated statement of financial position date. Where an outflow of resources is considered probable, a provision is recognized in the condensed consolidated interim statements of financial position as the best estimate of the probable costs that the Company will incur associated with the claim. Although it is not always possible to estimate the extent of potential costs, if any, management believes that the ultimate resolution of such contingencies will not have a material adverse impact on the results of operations, financial position or liquidity of the Company.