

Dye & Durham Limited

Consolidated Financial Statements

(Expressed in thousands of Canadian dollars)

For the years ended June 30, 2025 and 2024

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **Dye & Durham Limited**

Opinion

We have audited the consolidated financial statements of Dye & Durham Limited and its subsidiaries [the "Group"], which comprise the consolidated statements of financial position as at June 30, 2025 and 2024, and July 1, 2023 and the consolidated statements of operations, consolidated statements of comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years ended June 30, 2025 and 2024, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2025 and 2024, and July 1, 2023 and its consolidated financial performance and its consolidated cash flows for the years ended June 30, 2025 and 2024 in accordance with International Financial Reporting Standards [IFRSs].

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Restated comparative information

We draw attention to Note 2 to the consolidated financial statements, which explains that certain comparative information as at June 30, 2024 and July 1, 2023 and for the year ended June 30, 2024 has been restated. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



Key audit matter

How our audit addressed the key audit matter

Valuation of intangible assets acquired in Affinity business combination

On August 14, 2024, the Group completed the acquisition of the net assets of the Affinity business as disclosed in note 6 Acquisitions. The total purchase price for this business combination was \$41.1 million. The purchase price allocation includes intangible assets, such as software technologies and customer lists of \$23.8 million as at the acquisition date.

The determination of the fair value of the intangible assets acquired required management to make significant judgements, estimates and key assumptions over the projected financial information including forecasted revenue growth rates, margin percentages, attrition rates, royalty rates, and discount rates, as well as to engage a third-party specialist.

Auditing the Affinity business combination was complex due to the subjective nature of estimating the fair value of the intangible assets acquired.

To test the Group's estimate of fair value of the intangible assets acquired, we performed the following procedures, among others:

- Read the purchase agreement to obtain an understanding of the key terms and conditions to identify the necessary accounting considerations and the identification of assets and liabilities acquired;
- Assessed the competence and objectivity of management's third-party specialist;
- Involved our valuation specialists to assess the valuation methodology applied in estimating the fair value of the intangible assets acquired, and the key assumptions utilized, including the discount rates and royalty rates, by referencing current industry and comparable company information as well as Group specific risks;
- Assessed the forecasted revenue growth rates, margin percentages, and attrition rates used in the estimation of fair value of the intangible assets acquired by comparing to historical performance, similar acquisitions made by the Group, market data, and industry trends; and
- Evaluated the adequacy of the note disclosure included in Note 6 of the accompanying consolidated financial statements in relation to this matter.

Key audit matter

How our audit addressed the key audit matter

Assessment of impairment of goodwill

As detailed in Note 11 Goodwill of the consolidated financial statements, the Group has \$1,100.2 million of goodwill as at June 30, 2025. For purposes of impairment testing at June 30, 2025, goodwill has been allocated to cash generating unit (“CGU”) groups. Recoverable amount estimates of each CGU group are determined using value in use. As detailed in Note 11 of the consolidated financial statements the Group recognized a goodwill impairment of \$4.2 million in the South Africa CGU for the year ended June 30, 2025.

Auditing the Group’s goodwill impairment tests was complex, given the degree of judgment and subjectivity in evaluating the Group’s estimates and assumptions in determining the recoverable amount of the CGU groups established using value in use. Significant assumptions included projected earnings, terminal growth rate estimates, and discount rates, which are affected by expectations about future performance as well as market and economic conditions.

To test the estimated recoverable amount of the CGU groups, we performed the following procedures, among others:

- Assessed financial performance and growth rates implicit in forecasts to actual and historical results;
- We involved our valuation specialists to assess the Group’s model, valuation methodology applied, and the various inputs utilized in determining the discount rate by referencing current industry, economic, and comparable Group information, as well as Group specific risk premiums;
- With the assistance of our valuation specialists, performed sensitivity analyses on growth rates implicit within the earnings forecasts and terminal growth rates to evaluate the impact on the recoverable amount;
- Involved our valuation specialists to assess the overall reasonableness of the recoverable amounts estimated by comparing and reconciling the Group’s estimated recoverable amounts against the Group’s market capitalization; and
- Evaluated the adequacy and completeness of the disclosure included in Note 11 of the consolidated financial statements based on the IFRS requirements.

Key audit matter

How our audit addressed the key audit matter

The presentation of revenue as gross or net based on the determination of whether the Company is acting as a principal or an agent

As detailed in note 3 Material accounting policies and note 4 Significant accounting judgments and estimates, the determination by the Group as to whether it acted as a principal in a transaction and recognized revenue on the gross amount billed to a customer, or as an agent and reported the sales transactions on a net basis, required significant judgment. In making its judgment, the Group considers all facts and circumstances with respect to its contract with the customer and the overall arrangement and applies the guidance under IFRS 15 to each distinct performance obligation on whether it acts as a principal or agent in determining whether the revenue should be recognized on a gross or net basis.

The determination of whether the Group acts as a principal or agent, required significant auditor attention given the judgement involved and varying terms in the contracts, including the determination of whether the Group controls the specified good or service before that good or service is transferred to the customer.

To assess whether the Group acted as a principal or agent and to evaluate the appropriateness of classifications made during the year, our audit procedures included, among others:

- Obtained and evaluated the Group's accounting policy memos and contract assessments;
- Evaluated management's conclusions by obtaining a larger sample of contracts across various regions and assessing management's conclusions of whether the Group was acting as an principal or agent in the contract;
- Tested a sample of expenses from third parties that contributed to providing a specified good or service to customers and assessed whether their classification was consistent with management's principal versus agent determination; and
- Selected and tested journal entries specific to the risks identified associated with the accounting for transactions as principal versus agent, including those that may involve management override.

Other information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Stephanie Lamont.

Toronto, Canada
January 30, 2026

Ernst + Young LLP

Chartered Professional Accountants
Licensed Public Accountants



Dye & Durham Limited
Consolidated Statements of Financial Position
(Expressed in thousands of Canadian dollars)

		June 30, 2025	June 30, 2024 ¹ (Restated)	July 1, 2023 ¹ (Restated)
	Note	\$	\$	\$
Assets				
Current assets:				
Cash and cash equivalents		43,098	80,316	36,265
Trade and other receivables	8,24	88,077	92,373	76,110
Prepaid expenses and other assets		11,865	13,417	10,560
Restricted investments	14(c)	185,000	—	—
		328,040	186,106	122,935
Assets held for sale		—	—	114,758
		328,040	186,106	237,693
Non-current assets:				
Prepayment option	12(b)	20,947	10,327	—
Restricted cash	14(c)	—	185,000	—
Other assets		3,776	1,413	2,292
Property and equipment, net		8,111	6,906	5,050
Right-of-use assets, net	9	13,872	16,984	11,522
Intangible assets, net	10	676,599	785,251	855,771
Goodwill	11	1,100,171	1,054,319	979,583
Total assets		2,151,516	2,246,306	2,091,911
Liabilities and equity				
Current liabilities:				
Accounts payable and accrued liabilities		78,833	84,542	101,879
Customer advances		24,888	24,811	20,554
Holdbacks and contingent consideration on acquisitions, current	6	36,218	53,489	16,574
Lease liabilities, current	9	5,153	5,437	4,671
Loans and borrowings, current	12	18,285	17,915	136
Convertible debentures	14	335,433	314,190	270,393
		498,810	500,384	414,207
Liabilities directly associated with assets held for sale		—	—	30,092
		498,810	500,384	444,299
Non-current liabilities:				
Holdbacks and contingent consideration on acquisitions	6	20,637	9,736	15,555
Lease liabilities	9	12,452	14,982	9,103
Loans and borrowings	12	1,233,158	1,204,180	1,063,914
Derivative liabilities	13	29,268	16,211	—
Deferred tax liabilities	21	99,641	120,577	142,617
Other liabilities		2,226	4,500	3,212
Total liabilities		1,896,192	1,870,570	1,678,700
Equity				
Capital stock	19,23	824,113	819,533	681,206
Contributed surplus		50,116	96,057	72,288
Accumulated other comprehensive (loss) income		(6,286)	(20,227)	2,657
Reserves of a disposal group held for sale	7	—	—	(3,078)
Deficit		(613,137)	(520,059)	(339,661)
Non-controlling interests		518	432	(201)
		255,324	375,736	413,211
Total liabilities and equity		2,151,516	2,246,306	2,091,911
Contingencies and commitments	26			
Subsequent events	27			

¹ Refer to Notes 2 and 5

The accompanying notes are an integral part of these Consolidated Financial Statements.

On behalf of the Board:

"Signed"
Director – Tracey E. Keates

"Signed"
Director - Edward Smith

Dye & Durham Limited
Consolidated Statements of Operations

(Expressed in thousands of Canadian dollars and thousands of shares, except per share amounts)

Year ended June 30,

		2025	2024¹
	Note	\$	(Restated) \$
Revenue		440,730	451,231
Expenses			
Direct costs		(37,175)	(35,983)
Technology and operations		(104,995)	(106,857)
General and administrative		(47,287)	(40,049)
Sales and marketing		(18,464)	(15,380)
Stock-based compensation recovery (expense)	19(c)	40,995	(27,016)
Finance costs, net	15	(132,802)	(208,198)
Amortization, depreciation and impairment	9,10,11	(177,610)	(168,812)
Loss on disposal	7	—	(13,139)
Acquisition, restructuring and other costs	17	(70,704)	(39,377)
Loss before income taxes		(107,312)	(203,580)
Income tax recovery	21	19,352	31,809
Net loss		(87,960)	(171,771)
Net income (loss) attributable to:			
Non-controlling interests		86	633
Shareholders		(88,046)	(172,404)
		(87,960)	(171,771)
Net loss per common share	18		
Basic		(1.31)	(2.89)
Diluted		(1.31)	(2.89)
Weighted average number of shares outstanding	18		
Basic		67,051	59,666
Diluted		67,051	59,666

¹ Refer to Note 2

The accompanying notes are an integral part of these Consolidated Financial Statements.

Dye & Durham Limited
Consolidated Statements of Comprehensive Loss
(Expressed in thousands of Canadian dollars)

Year ended June 30,

	2025	2024 ¹
Note	\$	(Restated) \$
Net loss	(87,960)	(171,771)
Other comprehensive income (loss)		
Item that may be subsequently reclassified to net income (loss):		
Exchange differences on translation of foreign operations	22,223	10,733
Net change in fair value of derivatives designated as cash flow hedge, net of income taxes of three months \$nil [2024 — \$761] and nine months of \$nil [2024 — (\$710)]	—	(1,970)
Reclass of derivatives' fair value designated as cash flow hedge to loss, net of income taxes of three months \$nil [2024 — \$710]	—	1,970
	22,223	10,733
Item that will not be reclassified to profit or loss in subsequent periods		
Net change in fair value of convertible debentures attributable to change in own credit risk, net of income taxes \$nil [2024 — (\$12,121)]	(8,282)	(33,617)
14	13,941	(22,884)
Other comprehensive income (loss)	(74,019)	(194,655)
Comprehensive loss	(74,019)	(194,655)
Comprehensive income (loss) attributable to:		
Non-controlling interests	86	633
Shareholders	(74,105)	(195,288)
	(74,019)	(194,655)

¹ Refer to Note 2

The accompanying notes are an integral part of these Consolidated Financial Statements.

Dye & Durham Limited
Consolidated Statements of Changes in Equity
(Expressed in thousands of Canadian dollars and thousands of shares)

	Note	Number of common shares #	Capital stock \$	Contributed surplus \$	Accumulated other comprehensive income(loss) ¹ \$	Reserves of a disposal group held for sale \$	Deficit ¹ \$	Non- controlling interests \$	Total \$
Balance, June 30, 2023 (Restated)		54,951	681,206	72,288	2,657	(3,078)	(339,661)	(201)	413,211
Prior period adjustments		—	—	—	—	—	(3,090)	—	(3,090)
Issuance of common shares, net of issuance costs	19,23	11,960	138,883	—	—	—	—	—	138,883
Dividends declared	19(d)	—	—	—	—	—	(1,255)	—	(1,255)
Dividends paid	19(d)	—	—	—	—	—	(3,538)	—	(3,538)
Stock options exercised	19(c)	110	802	(275)	—	—	—	—	527
Stock-based compensation		—	—	24,044	—	—	—	—	24,044
Shares bought back	19(b)	(108)	(1,358)	—	—	—	(111)	—	(1,469)
Assets and liabilities held for sale	7	—	—	—	—	3,078	—	—	3,078
Comprehensive income (loss) for the year		—	—	—	(22,884)	—	(172,404)	633	(194,655)
Balance, June 30, 2024 (Restated)		66,913	819,533	96,057	(20,227)	—	(520,059)	432	375,736
Balance, June 30, 2024 (Restated)		66,913	819,533	96,057	(20,227)	—	(520,059)	432	375,736
Dividends paid	19(d)	—	—	—	—	—	(5,032)	—	(5,032)
Stock options exercised	19(b)	251	4,580	(2,587)	—	—	—	—	1,993
Stock-based compensation recovery	19(c)	—	—	(43,354)	—	—	—	—	(43,354)
Comprehensive income (loss) for the year		—	—	—	13,941	—	(88,046)	86	(74,019)
Balance, June 30, 2025		67,164	824,113	50,116	(6,286)	—	(613,137)	518	255,324

¹ Refer to Note 2

The accompanying notes are an integral part of these Consolidated Financial Statements.

Dye & Durham Limited
Consolidated Statements of Cash Flows
(Expressed in thousands of Canadian dollars)

Year ended June 30,

	Note	2025 \$	2024 ¹ (Restated) \$
Cash flows from operating activities			
Net loss for the year		(87,960)	(171,771)
Items not affecting cash			
Amortization, depreciation and impairment	9,10,11	177,610	168,812
Loss on disposal	7	—	13,139
Stock-based compensation (recovery) expense	19(c)	(40,995)	27,016
Fair value adjustment on contingent consideration	6	16,249	10,863
Amendments to holdbacks	6	(3,993)	—
Income tax recovery	21	(19,352)	(31,809)
Finance costs, net	15	132,802	208,198
Taxes paid	21	(18,397)	(13,356)
Changes in non-cash working capital balances			
Trade and other receivables		10,900	(11,234)
Prepaid expenses and other assets		(2,235)	(1,400)
Accounts payable and accrued liabilities		(11,542)	(23,335)
Customer advances		(4,887)	3,949
Net cash provided by operating activities		148,200	179,072
Cash flows from financing activities			
Net proceeds from loans and borrowings	12	68,000	1,319,125
Proceeds from exercise of stock options	19(b)	1,993	527
Net proceeds from issuance of shares	19(b)	—	138,883
Payments for loans and borrowings	12	(44,315)	(1,214,089)
Interest paid		(122,383)	(115,424)
Dividends paid	19(d)	(5,032)	(4,792)
Settlement of interest rate swaps, net		—	(2,132)
Shares bought back under NCIB and SIB		—	(1,473)
Issuance of convertible debentures, net	14	—	11,234
Payments for convertible debentures bought back	14	—	(36,144)
Payments for lease obligations	9	(6,418)	(5,557)
Net cash provided by (used in) financing activities		(108,155)	90,158
Cash flows from investing activities			
Cash proceeds from investment divestiture	7	—	75,523
Acquisitions, net of cash acquired	6	(19,217)	(67,257)
Settlement of holdbacks and contingent consideration	6	(46,019)	(9,597)
Restricted investments	14(c)	(185,000)	—
Interest received		9,043	—
Additions to intangible assets	10	(16,274)	(33,381)
Purchases of property and equipment		(4,180)	(3,770)
Net cash used in investing activities		(261,647)	(38,482)
Change in cash and cash equivalents and restricted cash		(221,602)	230,748
Cash and cash equivalents and restricted cash, beginning of year		265,316	36,265
Effect of foreign exchange on cash and cash equivalents		(616)	(1,697)
Cash and cash equivalents, end of year		43,098	265,316
Restricted cash		—	185,000
Cash and cash equivalents		43,098	80,316
Cash and cash equivalents and restricted cash, end of year		43,098	265,316

¹ Refer to Note 2

The accompanying notes are an integral part of these Consolidated Financial Statements.

Dye & Durham Limited

Notes to consolidated financial statements

(Expressed in thousands of Canadian dollars and thousands of shares,
except per share amounts unless otherwise stated)

As at and for the fiscal years ended June 30, 2025 and 2024

1. Description of the business

Dye & Durham Limited (the “Company”) is a provider of cloud-based software and technology solutions designed to boost efficiency and increase productivity for legal and business professionals in Canada, Australia, South Africa, Ireland and the United Kingdom (“UK”). The Company provides critical information services and workflow, which clients use to manage their process, information and regulatory requirements.

The Company’s common shares are listed on the Toronto Stock Exchange under the symbol “DND”.

The Company was incorporated on June 26, 2020. The Company’s registered head office is 25 York Street, Suite 1100, Toronto, Ontario, Canada.

2. Basis of preparation

These Consolidated Financial Statements as at and for the years ended June 30, 2025 and 2024 (“Consolidated Financial Statements”) have been prepared by management in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The policies set out below have been consistently applied to all periods presented unless otherwise noted.

These Consolidated Financial Statements were approved and authorized for issuance by the Board of Directors of the Company on January 30, 2026.

Basis of measurement

These Consolidated Financial Statements have been prepared on a going concern basis which assumes that the Company will continue operations for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business as they become due.

Functional and presentation currency

These Consolidated Financial Statements are presented in Canadian dollars, which is the Company’s functional currency.

Basis of consolidation

These Consolidated Financial statements comprise the financial statements of the Company and its subsidiaries, which are the entities on which the Company has control. Subsidiaries are consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases. All intercompany balances and transactions are eliminated on consolidation.

Dye & Durham Limited

Notes to consolidated financial statements

(Expressed in thousands of Canadian dollars and thousands of shares,
except per share amounts unless otherwise stated)

As at and for the fiscal years ended June 30, 2025 and 2024

These Consolidated Financial Statements include the accounts of the Company and the following material subsidiaries as at June 30, 2025 and 2024:

Subsidiary	Country of incorporation	Ownership percentage June 30, 2025	Ownership percentage June 30, 2024
Dye & Durham Corporation	Canada	100%	100%
Dye & Durham (UK) Limited	United Kingdom	100%	100%
Dye & Durham Solutions Pty Limited	Australia	100%	100%
Dye & Durham Information Pty Ltd.	Australia	100%	100%

Restatement of prior period comparative information

During the preparation of the fiscal year ended June 30, 2025, Consolidated Financial Statements, the Company identified certain errors that resulted in the following adjustments to the fiscal year ended June 30, 2024 comparative period:

- (a) The misclassification of \$3.8 million in certain costs between revenue and direct costs due to the incorrect identification of the Company as a principal in certain arrangements rather than agent in accordance with IFRS 15, Revenue from Contracts with Customers ("IFRS 15") Appendix B, Principal versus Agent Considerations. As a result, revenue was incorrectly recorded on a gross basis rather than a net basis.
- (b) The overstatement of \$4.3 million in certain accounts receivables, overstatement of \$2.7 million in revenue and an understatement of \$10.1 million in customer advances due to the timing of revenue recognition where revenue was recorded in the incorrect period. The adjustments primarily related to a change in business practice where certain customer minimum contract commitments were not enforced, extending the Company's obligation to provide service beyond the initial contract term. This resulted in a portion of the revenue being deferred.
- (c) The overstatement of \$3.3 million in intangible assets related to certain costs that did not meet the capitalization criteria in connection with the development of software to be used internally or for providing services to customers.
- (d) The understatement of \$10.3 million in derivative assets and the related \$2.3 million change in fair value as the Company did not appropriately record the prepayment option associated with the Senior Secured 2029 Notes that was identified as a separable embedded derivative financial instrument (Note 12(b)).
- (e) Differences in the calculations of fair values of the Company's certain financial instruments. These related to a \$0.8 million difference in the risk-free rate that was used to estimate the credit spread on the convertible debentures and a \$3.5 million difference on the cross-currency interest rate swaps (Note 13 and Note 14).
- (f) Differences in the calculation of the deferred tax asset/liability related to non-capital losses, loss carrybacks, the application of income compared to capital income tax rates and the tax impact of the total adjustments. These differences resulted in a net increase of \$1.8 million in current tax recovery.

Dye & Durham Limited

Notes to consolidated financial statements

(Expressed in thousands of Canadian dollars and thousands of shares, except per share amounts unless otherwise stated)

As at and for the fiscal years ended June 30, 2025 and 2024

- (g) The reclassification of \$10.9 million in changes in fair value of contingent consideration and amendments to deferred consideration (“holdbacks”) from finance costs to acquisition, restructuring and other costs as these costs are related to the Company’s acquisitions.
- (h) Certain other reclassifications including reclassifications to conform to the financial presentation adopted for the current fiscal year.

Consolidated Statements of Financial Position	June 30, 2024 As previously reported \$	Adjustments \$	June 30, 2024 Restated \$
Current assets			
Trade and other receivables <i>(b)</i>	96,664	(4,291)	92,373
Non-current assets			
Prepayment option <i>(d)</i>	--	10,327	10,327
Intangible assets, net <i>(c)</i>	788,557	(3,306)	785,251
Current liabilities			
Customer advances <i>(b)</i>	14,743	10,068	24,811
Loans and borrowings, current <i>(h)</i>	21,965	(4,050)	17,915
Convertible debentures <i>(e), (h)</i>	309,336	4,854	314,190
Non-current liabilities			
Loans and borrowings <i>(d)</i>	1,196,152	8,028	1,204,180
Derivative liability <i>(e)</i>	19,711	(3,500)	16,211
Deferred tax liabilities <i>(f)</i>	119,310	1,267	120,577
Accumulated other comprehensive income (loss) <i>(e)</i>	(16,372)	(3,855)	(20,227)
Deficit	(509,877)	(10,182)	(520,059)

Dye & Durham Limited

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Consolidated Statements of Operations	June 30, 2024	Adjustments	June 30, 2024
	As previously reported		Restated
	\$	\$	\$
Revenue (a), (b)	457,697	(6,466)	451,231
Direct Costs (a)	(39,737)	3,754	(35,983)
Technology and operations (c)	(105,060)	(1,797)	(106,857)
Finance costs (d), (e), (g)	(227,915)	19,717	(208,198)
Acquisition, restructuring and other costs (g)	(28,514)	(10,863)	(39,377)
Loss before taxes	(207,925)	4,345	(203,580)
Income tax recovery (f)	33,577	(1,768)	31,809
Net loss for the year	(174,348)	2,577	(171,771)
Net loss per common share			
Basic	(2.93)	0.04	(2.89)
Diluted	(2.93)	0.04	(2.89)

Consolidated Statements of Comprehensive Loss	June 30, 2024	Adjustments	June 30, 2024
	As previously reported		Restated
	\$	\$	\$
Net loss for the year	(174,348)	2,577	(171,771)
Exchange differences on translation (e)	11,753	(1,020)	10,733
Change in fair value of convertible debentures (e)	(30,782)	(2,835)	(33,617)
Other comprehensive loss	(19,029)	(3,855)	(22,884)
Comprehensive loss	(193,377)	(1,278)	(194,655)

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Consolidated Statements of Cash Flows	June 30, 2024	Adjustments	June 30, 2024
	As previously reported		Restated
	\$	\$	\$
Cash flows from operating activities			
Net loss for the year	(174,348)	2,577	(171,771)
Fair value adjustment on contingent consideration receivable (g)	--	10,863	10,863
Income tax recovery (f)	(33,577)	1,768	(31,809)
Finance costs, net (d), (e), (g)	227,915	(19,717)	208,198
Trade and other receivables (b)	(13,897)	2,663	(11,234)
Customer advances (b)	3,899	50	3,949
Net cash provided by operating activities	180,869	(1,797)	179,072
Cash flows from investing activities			
Additions to intangible assets (c)	(35,178)	1,797	(33,381)
Net cash used in investing activities	(40,279)	1,797	(38,482)

In addition, certain errors above were also identified as at June 30, 2023 and therefore reflected in the Consolidated Statement of Financial Position presented as at July 1, 2023 (opening deficit has also been adjusted accordingly) as follows:

- (a) The overstatement of \$1.6 million in certain accounts receivables and an understatement of \$10.0 million in customer advances due to the timing of revenue recognition where revenue was recorded in the incorrect period. The adjustments primarily related to a change in business practice where certain customer minimum contract commitments were not enforced, extending the Company's obligation to provide service beyond the initial contract term. This resulted in a portion of the revenue being deferred.
- (b) The overstatement of \$1.5 million in intangible assets related to certain costs that did not meet the capitalization criteria in connection with the development of software to be used internally or for providing services to customers. The impact on accumulated amortization was nominal and therefore not restated.
- (c) The tax impact of the total adjustments of \$3.3 million on the deferred tax liability.
- (d) Certain other reclassifications including reclassifications to conform to the financial presentation adopted for the current fiscal year.

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Consolidated Statements of Financial Position	July 1, 2023	Adjustments	July 1, 2023
	As previously reported (See note 5)		Restated
	\$	\$	\$
Current assets			
Trade and other receivables (a)	77,738	(1,628)	76,110
Non-current assets			
Intangible assets, net (b)	857,280	(1,509)	855,771
Current liabilities			
Customer advances (a)	10,536	10,018	20,554
Loans and borrowings, current (d)	4,448	(4,312)	136
Convertible debentures (d)	266,081	4,312	270,393
Non-current liabilities			
Deferred tax liabilities (c)	145,926	(3,309)	142,617
Deficit	(329,992)	(9,669)	(339,661)

3. Material accounting policies

The material accounting policies adopted in the preparation of these Consolidated Financial Statements are set out below. The policies have been consistently applied to all the years presented.

Business combinations

The Company accounts for acquisitions of entities or assets that meet the definition of a business as a business combination. Business combinations are accounted for using the acquisition method. In applying the acquisition method, the Company separately measures at their acquisition date fair values the identifiable assets acquired, liabilities assumed, goodwill acquired and any non-controlling interest in the acquired entity. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any contingent consideration payable or deferred consideration is measured at fair value at the acquisition date.

Acquisition costs in connection with a business combination are expensed as incurred.

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Determination of whether a set of assets acquired and liabilities assumed constitute the acquisition of a business or asset may require the Company to make certain judgments as to whether or not the assets acquired and liabilities assumed include the inputs, processes and outputs necessary to constitute a business. The Company accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Company. In determining whether a particular set of activities and assets is a business, the Company assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. The Company has an option to apply a "concentration test" that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of similar identifiable assets.

Goodwill

Goodwill is measured as the excess of consideration over the fair value of the net identifiable assets acquired in a business combination. A gain is recorded through the Consolidated Statements of Operations and Consolidated Statements of Comprehensive Loss if the cost of the acquisition is less than the fair values of the identifiable net assets acquired. Goodwill acquired through a business combination is allocated to each cash-generating unit ("CGU") or group of CGUs that are expected to benefit from the related business combination. A group of CGUs represents the lowest level within the entity at which the goodwill is monitored for internal management purposes, which is not higher than an operating segment. Goodwill is not amortized and is tested for impairment annually in the fourth quarter or more frequently if certain indicators arise that indicate it is impaired. Goodwill is tested for impairment at the CGU group level by comparing the carrying amount to its recoverable amount, consistent with the methodology outlined in Note 11.

Foreign exchange

Transactions denominated in foreign currencies are translated into functional currencies using the exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate as at the date of the Consolidated Statements of Financial Position. Non-monetary items are translated using the historical rate on the date of the transaction. Foreign exchange gains and losses are included in the Consolidated Statements of Operations and the Consolidated Statements of Comprehensive Loss.

When the foreign operations' functional currency is different from presentation currency, the assets and liabilities from foreign operations are translated at the exchange rate as at the date of the Consolidated Statements of Financial Position and related revenues and expenses at the average exchange rate for the period. Differences resulting from the translation of foreign operations are recognized in other comprehensive income (loss).

The Company presents certain transactions in either Great British Pound (GBP), Australia Dollars (AUD), United States Dollars (USD) or South African Rand (ZAR) in these Consolidated Financial Statements

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Fair value measurement

The Company measures certain financial and non-financial assets and liabilities at fair value at each balance sheet date. In addition, fair value measurements are disclosed for certain financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and disclosure purposes is determined on such a basis, except for share-based payment transactions, and measurements that have some similarities to fair value but are not fair value, such as net realizable value or value in use.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Determination of fair value and the resulting hierarchy requires the use of observable market data whenever available. The classification of an asset or liability in the hierarchy is based upon the lowest level of input that is significant to the measurement of fair value.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits held, and other short-term liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash.

Restricted cash and investments

Cash is classified as restricted when it is subject to legal restrictions on withdrawal or usage. Investments are classified as restricted when they are subject to legal or contractual restrictions on sale, transfer, or use. Restricted cash and investments are classified as non-current when the restrictions prevent its use to settle a liability for at least 12 months after the reporting period.

Intangible assets

The Company's intangible assets relate to developed software technology or acquired identifiable intangible assets, such as software technology, brands and trademarks, licenses and customer lists. Intangible assets acquired separately are measured on initial recognition at cost.

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Research costs are expensed as incurred. Certain costs incurred in connection with the development of software to be used internally or for providing services to customers are capitalized once a project has progressed beyond a conceptual, preliminary stage to that of application development. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets when the following criteria are met:

- Technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- Intention to complete and its ability and intention to use or sell the asset;
- The asset will generate future economic benefits;
- The availability of resources to complete the asset; and
- The ability to measure reliably the expenditure during development.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with a finite life are amortized over their estimated useful lives. Intangible assets are amortized on a straight-line basis as follows:

Software technologies	Up to 12 years
Brands and trademarks	Up to 8 years
Licenses	Up to 8 years
Customer lists	Up to 12 years

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets not available for use are not amortized and are tested for impairment at least annually or more frequently when there is an indication that the asset has been impaired, either individually or at the CGU level. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statements of Operations and Consolidated Statements of Comprehensive Loss when the asset is derecognized.

Assets held for sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset /disposal group, excluding finance costs and income tax expense (recovery). The criteria for held for sale classification are regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

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Assets and liabilities classified as held for sale are presented separately as current items in the Consolidated Statements of Financial Position.

Impairment of non-financial assets

Property and equipment and finite-lived intangible assets are reviewed for impairment when events or circumstances indicate that the carrying amounts may not be recoverable. Intangible assets with indefinite useful lives or intangible assets not yet available for use are subject to an annual impairment test. Goodwill is not subject to amortization but is assessed for impairment on at least an annual basis and, additionally, whenever events and changes in circumstances suggest that the carrying amount may not be recoverable. The recoverable amount is estimated annually on April 1 of each year.

For purposes of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash inflows. The recoverable amount is the higher of an asset's, or CGUs' fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGUs). An impairment loss is measured as the amount by which the asset's, or CGUs', carrying amount exceeds its recoverable amount. Impairment losses are recognized in the Consolidated Statements of Operations and Consolidated Statements of Comprehensive Loss.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount is reported in the Consolidated Statements of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Appropriate classification of financial assets and financial liabilities is determined at the time of initial recognition or when reclassified in the Consolidated Statements of Financial Position using one of the following measurement categories:

- Amortized cost;
- Fair value through other comprehensive income ("FVTOCI"); or
- Fair value through profit or loss ("FVTPL").

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Financial assets

Financial assets are classified, at initial recognition, and subsequently measured at amortized cost, FVTOCI or FVTPL. The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

Financial assets are subsequently measured at amortized cost if both the following conditions are met and they are not designated as FVTPL:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost using the effective interest method and are subject to impairment. Gains and losses are recognized in the Consolidated Statements of Operations when the asset is derecognized, modified or impaired.

The Company measures its financial assets such as cash and cash equivalents, restricted cash, restricted investments and trade and other receivables at amortized cost.

Impairment of financial assets

As the Company's financial assets are substantially made up of trade receivables, which are measured at amortized cost, the Company has elected to apply the simplified approach for measuring the loss allowance at an amount equal to lifetime expected credit losses ("ECLs"). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The Company measures ECLs by considering the risk of default over the contract period and incorporates forward-looking information into its measurement. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at FVTPL. Financial liabilities are classified as FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as FVTPL.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis at a group level; or
- It forms part of a contract containing one or more embedded derivatives, and IFRS 9, *Financial Instruments* ("IFRS 9") permits the entire combined contract to be designated as FVTPL.

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For financial liabilities that are designated as FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income (loss), unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income (loss) would create or enlarge an accounting mismatch in the Consolidated Statements of Operations and Consolidated Statements of Comprehensive Loss. The remaining amount of change in the fair value of liability is recognized in the Consolidated Statements of Operations. The gain or loss recognized in the Consolidated Statements of Operations incorporates any interest paid on the financial liability and is included in finance costs, net.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as FVTPL are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities of the Company subsequently measured at amortized cost are accounts payable and accrued liabilities, and loans and borrowings. Interest paid from these financial liabilities is included in finance costs, net, using the effective interest rate method.

Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities, other than financial assets and financial liabilities classified as FVTPL, are added to or deducted from the fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are recognized immediately in the Consolidated Statements of Operations.

Financial liabilities are classified as current liabilities if they are payable within 12 months of the reporting date unless the Company has a right to defer (whether or not conditional) settlement of the liability that exists for at least 12 months after the reporting period.

Convertible debentures

The Company determined that the conversion option within the convertible debentures did not meet the IFRS definition of equity due to the Company's ability to settle the convertible debentures in cash if the holders elect to exercise the conversion option. As a result, the convertible debentures were designated as FVTPL at initial recognition. Changes in the fair value of convertible debentures are recognized through income in the period in which they occur except in cases where they result from changes in the Company's own credit risk, in which case the fair value changes are recorded in other comprehensive income (loss).

Derivative financial instruments and hedging

Derivative instruments embedded in financial or non-financial contracts are assets and liabilities that are accounted for as separate derivatives if their risks and characteristics are not closely related to their host contracts, and the contracts are not measured at fair value.

Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument.

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The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of hedged items.

The Company does not currently designate any derivatives as hedging instruments. The Company had designated certain qualifying derivatives as cash flow hedges in the prior fiscal year. These are hedges of highly probable forecasted transactions. The effective portion of changes in the fair value of derivatives that are designated as cash flow hedges is recognized in other comprehensive income (loss). The gain or loss relating to the ineffective portion is recognized immediately in the Consolidated Statements of Operations. In addition:

- Amounts accumulated in other comprehensive income (loss) are reclassified to the Consolidated Statements of Operations in the period in which the hedged item will affect loss (for instance, when the forecast transactions that are hedged take place);
- When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss in other comprehensive income (loss) remains in other comprehensive income (loss) and is recognized when the forecast transaction is ultimately recognized in the Consolidated Statements of Operations); and
- When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in other comprehensive income (loss) is immediately recognized in the Consolidated Statements of Operations.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to nil.

The Company has elected to apply the practical expedient to account for each lease component and any non-lease components as a single lease component. The Company has also elected to apply the practical expedient not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Consolidated Statements of Operations and Consolidated Statements of Comprehensive Loss, net of any reimbursement.

Share-based compensation

The Company grants equity-settled stock options, cash settled share appreciation rights ("SARs"), restricted stock units ("RSUs"), deferred stock units ("DSUs") and time-based performance-based stock units ("PSUs") to certain employees and officers of the Company. Stock options and SARs generally vest annually over four years in a tiered manner and expire after five years. During the fiscal year, the Company granted options to some employees which vest monthly over four years. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. Fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model or the Monte Carlo model as appropriate. Fair value of DSUs is measured at the date of grant using the Black-Scholes option pricing model. The number of stock options and SARs that actually vest could differ from the estimated number of awards expected to vest and any differences between the actual and estimated forfeitures are recognized prospectively as they occur. Stock-based compensation expense is recognized over the tranche's vesting period on a straight-line basis based on the number of awards expected to vest, with a corresponding credit to contributed surplus for stock options and a corresponding credit to accounts payable and accrued liabilities and other non-current liabilities for SARs and DSUs. The consideration received on the exercise of stock options is credited to capital stock at the time of exercise. During the fiscal year, the Company granted PSUs to certain executives. Fair value of PSUs is measured at the date of grant using the Monte Carlo model. The time over which PSUs actually vest could differ from the estimated time of awards expected to vest. PSUs are based on 6 tranches

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and the first tranche is vested at the end of first year following the grant, which is just based on time passage while the remaining tranches are dependent on market performance.

Revenue from contracts with customers

The Company's main source of revenue is transaction fees earned through charging customers for the use of the Company's portals and provision of related services to the customers. In addition, the Company also generates revenue from software subscriptions and licenses for its legacy on-premises products and support services.

Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. The Company enters into contracts that can include the delivery of various combinations of services, which are generally capable of being distinct within the context of the contract and accounted for as separate performance obligations. A product or service is distinct if the customer can benefit from it on its own or together with other readily available resources and the promise to transfer the good or service is separately identifiable from other promises in the contractual arrangement with the customer. Non-distinct goods and services are combined with other goods or services until they are distinct as a bundle and therefore form a single performance obligation. The accounting for a contract with a customer that contains multiple performance obligations requires an allocation of the transaction price to each distinct performance obligation based on the determination of the stand-alone selling price. The stand-alone selling price for each distinct performance obligation in a customer contract is an estimate of the price that would be charged for the specific good or service if it was sold separately in similar circumstances and to similar customers. This estimate determines the amount of revenue recognized for each performance obligation in a customer contract.

For revenue streams that involve another party that contributes to providing a specified good or service to a customer, the Company follows the guidance provided in IFRS 15 Appendix B for determining whether the revenue should be recognized based on the gross amount billed to a customer or the net amount retained. The Company is the principal in the arrangement and recognizes revenue at the gross amount billed to a customer when it controls the specified good or service before that good or service is transferred to the customer. To determine if the Company controls the specified good or service before that good or service is transferred to the customer, the Company considers indicators including whether the Company is primarily responsible for fulfilling the promise to provide the specified good or service, whether the Company has inventory risk before the specified good or service has been transferred to a customer or after transfer of control to the customer, and whether the Company has discretion in establishing the price for the specified good or service. If the Company does not control the specified good or service, the Company is an agent in the arrangement with the customer and recognizes revenue at the net amount retained. This determination is a matter of significant judgment that depends on the facts and circumstances of each arrangement.

The Company's contracts with customers may include multiple products and services such as software licenses, hosted software-as-a-service, maintenance, and professional services. The Company evaluates these arrangements to determine the appropriate unit of accounting (performance obligation) for revenue recognition purposes based on whether the product or service is distinct from some or all of the other products or services in the arrangement. A product or service is distinct if the customer can benefit from it on its own or together with other readily available resources and the Company's promise to transfer the good or service is separately identifiable from other promises in the contractual arrangement with the customer. Non-distinct products and services are combined with other goods or services until they are distinct as a bundle and therefore form a single performance obligation. Each transaction undertaken for transaction fee arrangements is distinct for the Company and is accounted for as a separate

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performance obligation. Under software subscription and license revenue arrangements, subscription to access and use the Company's cloud-based solution is accounted for as a single performance obligation and the sale of term licenses and support services are capable of being distinct and are accounted for as separate performance obligations.

The total consideration for the arrangement is allocated to the separate performance obligations based on their stand-alone selling price, and the revenue is recognized for each performance obligation when the requirements for revenue recognition have been met. The Company determined that there are no directly observable estimates of the stand-alone selling price available for the term license and the support services, and the Company used the residual approach to allocate total transaction price. Under the residual approach, the stand-alone selling price for the term licenses is estimated to be the total transaction price less the estimated stand-alone selling price for the support services. Stand-alone selling price for the support services is determined based on the cost-plus reasonable margin basis.

The Company generally receives payment from its customers on or prior to the invoice due date. In all other cases, payment terms and conditions vary by contract type, although terms generally include a requirement for payment within 30 days of the invoice date. Sales taxes collected from customers and remitted to government authorities are excluded from revenue.

Transaction fees revenue

The Company contracts with its customers for access and use of its cloud-based platforms and perform incremental transactions on the platforms which are distinct performance obligations. For these incremental transactions, the Company has concluded that revenue should be recognized at the point in time when control of the service is transferred to the Company's customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. As such, these transaction fees are recognized upon completion of each respective transaction and control has transferred to the customer. Transaction fees are recognized net of discounts, sales taxes and direct government-levied fees.

Customer advances represent amounts paid by customers on an ongoing basis prior to services being rendered. These deposits are non-interest bearing and repayable to customers upon demand.

Software subscription and license revenue

The majority of software subscription and license revenue are online cloud-based solutions, as well as the Company's legacy on-premises solution, which is downloaded by the customer and installed on the customer's server. The Company's legacy on-premises solution is sold as a term license with support services. Term licenses provide the customer with the right to use software for a specified period in exchange for a fee, which may be paid at contract inception or paid in installments over the period of the contract. Term licenses are generally only sold to existing term license customers on renewal.

The Company recognizes revenue for its software subscriptions for the cloud-based solutions ratably over the contract term. The Company's performance obligation is to provide continuous access to the hosted software platform over the contractual term. This is considered a 'stand-ready obligation', as the customer benefits from access to the service evenly throughout the period, regardless of actual usage.

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For certain platforms, the Company recognizes revenue for its software subscriptions for the cloud-based solutions ratably over the term of the individual transactions. The Company's performance obligation is to provide the customer with an option to obtain incremental services and process transactions when-and-as they are initiated. The customer benefits from access to the service once the transaction has been opened and the customer has initiated activity related to the matter. The benefit between the first transaction activity date and the transaction close date occurs evenly regardless of actual usage, which is separate from incremental transactions noted above.

Term license revenue is recognized at the time that both the right to use the software has commenced and the software has been made available to the customer, which is at the time of signing the renewal contract.

Support services revenue

Support services related to the term license arrangements consist primarily of technical support and the provision of unspecified upgrades and updates made on a when-and-if-available basis. The amount of the contract price associated with support services revenue is deferred and recognized as revenue over the contract term.

Costs to obtain a contract with a customer

The Company recognizes an asset for the incremental costs of obtaining a contract with a customer if the Company expects the costs to be recoverable. The Company has determined that certain sales incentive programs meet the requirements to be capitalized. These capitalized costs are amortized consistent with the pattern of transfer to the customer for the goods and services to which the asset relates, including specifically identifiable contract renewals. The period of benefit is determined to be generally between one to three years, taking into consideration customer contracts, technology, renewal behaviors and other factors. Amortization of the asset is included in direct costs in the Consolidated Statements of Operations. Applying the practical expedient, the Company recognizes the incremental costs of obtaining contracts as an expense when incurred if the amortization period of the assets that it otherwise would have recognized is one year or less.

Income taxes

Income tax expense (recovery) comprises current and deferred taxes. Income tax is recognized in the Consolidated Statements of Operations and Consolidated Statements of Comprehensive Loss except to the extent that it is recognized directly in equity.

Current tax expense is the expected tax payable on taxable income for the fiscal year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

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Deferred tax is provided for based on temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted as at the Consolidated Statements of Financial Position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it will not be recognized.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset and when the deferred tax balances relate to the same taxation authority.

Earnings (loss) per share

Basic earnings (loss) per share is calculated using the weighted average number of shares outstanding during the fiscal year.

The Company computes the dilutive effect of options, warrants, convertible notes and similar instruments whereby the dilutive effect on earnings (loss) per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period.

4. Significant accounting judgments and estimates

The preparation of the Company's Consolidated Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. The Company bases its estimates on historical experience as well as on various other assumptions that are believed to be reasonable under the circumstances at the time. Under different assumptions or conditions, the actual results would differ, potentially materially, from those previously estimated. Many of the conditions impacting these assumptions and estimates are beyond the Company's control. Revisions to the accounting estimates are recognized in the period in which the estimates are revised and will be recorded with a corresponding impact on net income.

Significant assumptions about the future and other sources of estimation uncertainty that management has made relate to, but are not limited to, the following:

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Revenue recognition

At contract inception, the Company is required to assess the services promised in a contract with a customer and identify a service that is distinct or a series of distinct services that are substantially the same and have pattern of transfer to the customer. Judgment is required to assess which of the identified services represent separate performance obligations as well as how to allocate the transaction price among the separate performance obligations. Judgment is required when allocating the transaction price to individual performance obligations within a contract, in concluding whether components are separately identifiable, the Company considers the transaction from the customer's perspective. Among other factors, the Company assesses whether the service is sold separately by the Company in the normal course of business or whether the customer could purchase the service separately.

The determination by the Company as to whether it acts as a principal in a transaction and recognized revenue on the gross amount billed to a customer, or as an agent and reports the sales transactions on a net basis, required significant judgment. In making its judgment, the Company considers all facts and circumstances with respect to its contract with the customer and applies the guidance under IFRS 15 to each distinct performance obligation on whether it acts as a principal or agent in determining the revenue should be recognized on a gross or net basis.

Business combinations

In a business combination, substantially all identifiable assets, liabilities and contingent liabilities acquired are recorded at the date of acquisition at their respective fair values. One of the most significant areas of judgment and estimation relates to the determination of the fair value of these assets and liabilities, including the fair value of contingent consideration and deferred compensation, if applicable. In the event any intangible assets are identified, depending on the type of intangible asset and the complexity of determining its fair value, the Company determines the fair value using appropriate valuation techniques, which are generally based on a forecast of the total expected future net cash flows. These valuations are linked closely to the assumptions made by management regarding the future performance of the assets concerned and the discount rate applied. The estimate of fair value of customer relationships includes the estimated revenue growth and attrition of acquired customer relationships. In determining the fair value of customer relationships, the Company estimates revenue growth including price adjustments based on a market participant model.

Long-lived asset valuations

The Company performs asset impairment assessments for goodwill, indefinite life intangible assets and intangible assets under development on an annual basis, or on a more frequent basis when circumstances indicate impairment may have occurred. Other long-lived assets and definite life intangibles are also tested for impairment when circumstances indicate that there may be impairment. Management judgment is involved in determining if there are circumstances indicating that testing for impairment is required, and in identifying CGUs for the purpose of impairment testing.

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The testing for impairment of goodwill compares the recoverable amount of the CGU or group of CGUs to the carrying amount. The recoverable amount is defined as the higher of: (i) value in use; or (ii) fair value less cost to sell. The recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the asset is assessed as part of the CGU or group of CGUs to which it belongs. The determination of the recoverable amount involves significant assumptions, including those with respect to future cash inflows and outflows, discount rates, terminal growth rates, royalty rates with respect to indefinite life intangible assets, and asset lives. These assumptions could affect the Company's future results if the current estimates of future performance and fair values change. These determinations will affect the amount of amortization expense on definite life assets recognized in future periods. The key assumptions used to determine the recoverable amount for the different CGUs or group of CGUs are disclosed and further explained in Note 11.

Income taxes

The determination of income tax expense (recovery) and deferred tax involves judgments and estimates as to the future taxable earnings, expected timing of reversals of deferred tax assets and liabilities, and interpretations of laws in the countries in which the Company operates. The Company is subject to assessments by tax authorities who may interpret the tax laws differently. Changes in these estimates may materially affect the final amount of deferred taxes or the timing of tax payments.

Allowance for doubtful receivables

The Company has elected to apply the simplified approach for measuring the loss allowance at an amount equal to ECLs for trade receivables and unbilled revenue. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The Company measures ECLs by considering the Company's historical observed default rates and credit loss experience, adjusted with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customers' actual default in the future.

Fair value of share-based compensation

The Company measures the cost of equity-settled and cash-settled transactions with employees by reference to the fair value of the equity instruments at the date on which they are granted. Estimating fair value for share-based compensation transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility, dividend yield and forfeiture rates and making assumptions about them. The assumptions and models used for estimating fair value for share-based compensation transactions are disclosed in Note 19(c).

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Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the Consolidated Statements of Financial Position cannot be derived from active markets, the fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible. Where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include consideration of inputs such as liquidity risk, credit risk and volatility. Volatility has been determined by calculating the degree of variation of trading prices over time of peers in the market. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Derivatives, convertible debentures and an embedded prepayment option are the major instruments which require significant assumptions and judgements. See Note 22 for description of the valuation techniques for these instruments.

5. Changes in accounting policies

New accounting pronouncements or policies adopted

The Company adopted the following new standards and amendments to standards during the fiscal year ended June 30, 2025:

- *Non-current Liabilities with Covenants (Amendments to IAS 1, Presentation of Financial Statements ("IAS 1"))*

The narrow scope of these amendments affects only the presentation of liabilities in the Consolidated statement of financial position and not the amount or timing of its recognition. The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the right to defer settlement by at least 12 months. The adoption of IAS 1 amendments resulted in the reclassification of all outstanding convertible debentures to current. This classification to current is mainly because the convertible debentures can be converted at the option of the holders, and the Company cannot defer settlement beyond twelve months in such an event. With the adoption of the IAS 1 amendments, the Company has restated prior years retrospectively. Prior to these IAS 1 amendments, the outstanding convertible debentures were presented as non-current.

- *Supplier Finance Arrangements (Amendments to IAS 7, Statement of Cash Flows and IFRS 7, Financial Instruments: Disclosures ("IFRS 7"))*

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including the terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period, and the type and effect of non-cash changes in the carrying amounts of those arrangements. The adoption of these amendments resulted in no impact on the Company's Consolidated Financial Statements.

Standards, amendments and interpretations issued as at June 30, 2025 but not yet effective

The following new and amended standards and interpretations will become effective in future fiscal years. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective and are not expected to have a significant impact on these Consolidated Financial Statements.

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The Company is in the process of assessing any potential impacts of the following, which will become effective in fiscal year 2026 or after:

- *Lack of Exchangeability (Amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates (“IAS 21”))*

On August 15 2023, the IASB issued *Lack of Exchangeability (Amendments to IAS 21)*. IAS 21 sets out the requirements for determining the exchange rate to be used for recording a foreign currency transaction into the functional currency and translating a foreign operation into a different currency. If a currency lacks exchangeability, it can be difficult to determine an appropriate exchange rate to use. While relatively uncommon, a lack of exchangeability might arise when a government imposes foreign exchange controls that prohibit the exchange of a currency or that limit the volume of foreign currency transactions. Under the amendments, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. The amendments will be effective for the fiscal year beginning July 1, 2025.

- *Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments*

In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments* which amended IFRS 9 and IFRS 7. These amendments clarify how to assess the contractual cash flow characteristics of financial assets that include contingent features, and the treatment of non-recourse assets and contractually linked instruments. The amendments also introduce an accounting policy choice to derecognize certain financial instruments settled using an electronic payment system before the settlement date, if certain conditions are met. The amendments will be effective for the fiscal year beginning July 1, 2026.

- *Presentation and Disclosures in Financial Statements (IFRS 18, Presentation and Disclosure in Financial Statements (“IFRS 18”))*

On April 9, 2024, the IASB issued IFRS 18 to improve reporting of financial performance. IFRS 18 replaces IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged and introduces significant changes to the structure of a company’s income statement, and requirements for the disclosure of management’s own performance measures. The amendments will be effective for the fiscal year July 1, 2027, with the requirement of retrospective restatement.

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6. Acquisitions

During the fiscal years ended June 30, 2025 and 2024 the Company entered into various transactions that were accounted for as business combinations using the acquisition method of accounting. The following summarizes the consideration paid and the estimated fair value of the assets acquired and liabilities assumed during the fiscal year ended June 30, 2025:

	Nebula (a)	Affinity (b)	Total
	\$	\$	\$
Cash	7,325	12,080	19,405
Holdbacks	6,968	29,025	35,993
Total consideration	14,293	41,105	55,398
Cash and cash equivalents	188	—	188
Trade and other receivables	38	290	328
Prepaid expenses and other assets	68	37	105
Intangible assets	4,686	23,839	28,525
Accounts payable and accrued liabilities	(329)	(1,532)	(1,861)
Customer advances	(322)	—	(322)
Deferred tax liability	(129)	(5,748)	(5,877)
Net assets acquired	4,200	16,886	21,086
Goodwill	10,093	24,219	34,312

- (a) On August 6, 2024, a subsidiary of the Company purchased all the outstanding shares of Nebula Tech Pty Limited (“Nebula”), a cloud-based, all-in-one practice management solution designed for legal and conveyancing firms in Australia. The Company’s acquisition of Nebula provides an opportunity to establish a highly scalable cloud-based practice management software service in Australia with an opportunity to roll out the software to the Company’s other key geographies (excluding Canada) under the Unity brand.

Total consideration of \$14.3 million (AUD \$15.7 million) included a combination of cash on hand of \$7.3 million (AUD \$8.1 million) and holdbacks of \$7.7 million (AUD \$8.5 million) due 12 months after the close date that was recorded at fair value of \$7.0 million (AUD \$7.7 million) on the acquisition date. Goodwill in the amount of \$10.1 million (AUD \$11.1 million) that represents primarily expected synergies and assembled workforce was calculated as the excess of the consideration transferred over the net assets acquired and has been allocated to the Australia segment. The total amount of goodwill is not deductible for tax purposes. Transaction expenses of \$0.1 million, consisting primarily of professional fees, are recorded in acquisition, restructuring and other costs on the Consolidated Statements of Operations (Note 17).

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The Company engaged a third party to provide valuations of the holdbacks and acquired intangible assets, which is comprised primarily of brand and licenses of \$0.2 million (AUD \$0.2 million), technology of \$4.0 million (AUD \$4.5 million), and customer lists of \$0.5 million (AUD \$0.5 million) that will be amortized over its respective useful life (Note 10). The valuation was primarily based on the income approach, including the multi-period excess earnings method for the technology. The useful lives of the intangible asset were determined based on management's estimates and the independent valuation report.

As at June 30, 2025, there were no material changes in the net assets acquired and the Company accreted the holdbacks by \$0.7 million (AUD \$0.7 million) recorded in acquisition, restructuring and other costs on the Consolidated Statements of Operations (Note 17). The Company has finalized the purchase price allocation.

Subsequent to year-end, on August 8, 2025 the Company paid the \$7.8 million (AUD \$8.5 million) holdback.

- (b) On August 14, 2024, a subsidiary of the Company purchased selected assets of RELX Trading Australia Pty Ltd ("Affinity") a legal practice management solution for mid-tier legal practices located in Australia. The Company's acquisition of Affinity aligned with the Company's existing product offerings and complemented the strategic vision of growing the business through the Company's offering of practice management software services across Australia.

Total purchase consideration of \$41.1 million (AUD \$44.3 million) included a combination of cash on hand of \$12.1 million (AUD \$13.0 million), holdbacks of \$37.0 million (AUD \$40.0 million) and contingent consideration of up to \$4.6 million (AUD \$5.0 million) based on thresholds related to the maintenance of customer revenue throughout a period of 18 months after the close date. The Company determined that it did not expect to meet the minimum thresholds as at the acquisition date and recorded no contingent consideration. Holdbacks were recorded at fair value of \$29.0 million (AUD \$31.3 million) on the acquisition date and are payable in three tranches payable between 12 and 30 months after the close date. Goodwill in the amount of \$24.2 million (AUD \$26.1 million) that represents primarily expected synergies and assembled workforce was calculated as the excess of the consideration transferred over the net assets acquired and has been allocated to the Australia segment. The total amount of goodwill is not deductible for tax purposes. Transaction expenses of \$1.2 million, consisting primarily of professional fees, are recorded in acquisition, restructuring and other costs in the Consolidated Statements of Operations (Note 17).

The Company engaged a third party to provide valuations of the holdbacks, contingent consideration and acquired intangible assets, which is comprised primarily of technology of \$4.4 million (AUD \$4.8 million), and customer lists of \$19.4 million (AUD \$21.0 million) that will be amortized over their respective useful lives (Note 10). The valuation was primarily based on the income approach, including the relief-from-royalty method for the technology, and the multi-period excess earnings method for customer relationships. The useful lives of the intangible assets were determined based on management's estimates and the independent valuation report.

As at June 30, 2025, there was no material change in the net assets acquired since the acquisition date and the Company accreted the holdbacks by \$2.4 million (AUD \$2.7 million) recorded in acquisition, restructuring and other costs in the Consolidated Statements of Operations (Note 17). As at June 30, 2025, the Company continued to record no contingent consideration as part of its ongoing assessments of potential earn outs payable. The Company has finalized the purchase price allocation.

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Subsequent to year-end, on August 14, 2025 the Company paid the \$10.7 million (AUD \$12.0 million) first tranche holdback according to the deferred consideration schedule.

Both Nebula and Affinity were acquired for the purposes of strengthening the Company's Unity Global platform and global growth strategy and expanding the Company's footprint in the Australian market. Affinity's gross revenue and net profit since the acquisition date were \$8.8 million (AUD \$9.8 million) and \$6.1 million (AUD \$6.7 million), respectively. The post-acquisition amounts of revenue and earnings attributable to Nebula are not considered material to the Consolidated Financial Statements and has been fully integrated and included in the Consolidated Statements of Operations within the Company. The pro-forma revenue and earnings for the period July 1, 2024 to the date of acquisition was not considered material to the overall results of the Consolidated Financial Statements for both Affinity and Nebula. As a result, supplemental pro-forma financial information related to the acquisition are not included herein.

The following summarizes the considerations paid and the estimated fair value of the assets acquired and liabilities assumed during the fiscal year ended June 30, 2024:

	Quill (a)	PSG (b)	Credas (c)	Total
	\$	\$	\$	\$
Cash	42,970	4,482	20,656	68,108
Holdbacks	8,504	6,393	5,430	20,327
Contingent consideration	—	3,604	2,268	5,872
Total consideration	51,474	14,479	28,354	94,307

	Quill (a)	PSG (b)	Credas (c)	Total
	\$	\$	\$	\$
Cash and cash equivalents	702	—	149	851
Trade and other receivables	2,188	—	1,169	3,357
Prepaid expenses and other assets	144	—	289	433
Property and equipment	151	—	69	220
Intangible assets	23,418	9,610	15,457	48,485
Accounts payable and accrued liabilities	(3,968)	—	(2,287)	(6,255)
Loans and borrowings, non-current	—	—	(46)	(46)
Deferred tax liability	(5,887)	(2,403)	(3,864)	(12,154)
Net assets acquired	16,748	7,207	10,936	34,891
Goodwill	34,726	7,272	17,418	59,416

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- (a) On July 7, 2023, a subsidiary of the Company purchased all the issued and outstanding common shares of Jurito Limited (“Quill”), a provider of cloud-based legal practice management solutions for law firms in the UK to strengthen its position in the UK legal tech market. Total consideration of \$51.5 million (GBP £30.3 million) included a combination of cash on hand of \$43.0 million (GBP £25.3 million) and holdbacks of \$8.5 million (GBP £5 million) due 12 months after the close date that was recorded at fair value of \$8.5 million (GBP £5 million) on the acquisition date. An additional deferred payment of \$0.5 million (GBP £0.3 million) is payable to a designated seller eighteen months after closing, subject to continued employment and leaver provisions. Goodwill in the amount of \$34.7 million (GBP £20.4 million) representing primarily expected synergies and assembled workforce was calculated as the excess of the consideration transferred over the net assets acquired and has been allocated to the UK & Ireland segment. Transaction expenses of \$0.1 million, consisting primarily of professional fees, are recorded in acquisition related expenses within acquisition, restructuring and other costs in the Consolidated Statements of Operations (Note 17).

The Company engaged a third party to provide valuations of the acquired intangible assets, which comprised primarily trade name \$0.4 million (GBP £0.2 million), software technologies and licenses \$3.5 million (GBP £2.1 million), and customer relationships \$19.6 million (GBP £11.5 million) that will be amortized over their respective useful lives (Note 10). The valuation was primarily based on the income approach, including the relief-from-royalty method for the trade names and technology, and the multi-period excess earnings method for customer relationships. The useful lives of the intangible assets were determined based on management’s estimates and the independent valuation report. The Company has finalized the purchase price allocation.

On June 9, 2024, the Company paid the holdback in the amount of \$8.9 million (GBP £5.0 million). The additional deferred payment was paid on January 7, 2025.

- (b) On September 22, 2023, a subsidiary of the Company acquired certain assets and liabilities of PSG Financial Services (“PSG”), a provider of conveyancing searches and reports for the real estate industry in the United Kingdom to leverage synergies from its historical strategic acquisition of Property Information Exchange. Total consideration of \$14.5 million (GBP £8.7 million) included cash on hand of \$4.5 million (GBP £2.7 million), a holdback of \$6.9 million (GBP £4.2 million) and contingent consideration of \$4.3 million (GBP £2.6 million). Contingent consideration is determined based on maintenance of customer revenue throughout a 24-month period and recorded at fair valued of \$3.6 million (GBP £2.2 million) on the acquisition date. Holdbacks were recorded at fair value of \$6.4 million (GBP £3.9 million) on the acquisition date and are due 12 months after the close date. Goodwill in the amount of \$7.3 million (GBP £4.4 million) that represents primarily expected synergies and assembled workforce was calculated as the excess of the consideration transferred over the net assets acquired and has been allocated to the UK & Ireland segment. Transaction expenses of \$0.2 million, consisting primarily of professional fees, are recorded in acquisition related expenses within acquisition costs within acquisition, restructuring and other costs in the Consolidated statement operations (Note 17).

The Company engaged a third party to provide valuations of the holdbacks, contingent consideration and acquired intangible assets, which comprised primarily of trade names of \$0.3 million (GBP £0.2 million), and customer relationships of \$9.3 million (GBP £5.6 million) that will be amortized over their respective useful lives (Note 10). The valuation was primarily based on the income approach, including the relief-from-royalty method for the technology, and the multi-period excess earnings method for customer relationships. The useful lives of the intangible assets were determined based on management’s estimates and the independent valuation report.

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As at June 30, 2024, the Company reduced the contingent consideration by \$5.0 million (GBP £2.9 million) as part of its ongoing assessment of potential earnouts payable. The Company has finalized the purchase price allocation.

During the fiscal year ended June 30, 2025, the Company paid the outstanding contingent consideration of \$4.8 million (GBP £2.8 million) recorded in acquisition. As at June 30, 2025, the Company paid the quarterly holdback of total \$3.9 million (GBP £2.1 million) (As at June 30, 2024 – \$2.9 million (GBP £1.7 million)) in accordance with the payment schedule starting from September 29, 2023 to September 30, 2025.

- (c) On August 26, 2023, a subsidiary of the Company purchased all the issued and outstanding common shares of Credas Technologies Ltd. ("Credas"), an anti-money laundering software provider located in the United Kingdom to strengthen its position in the UK and support its global growth strategy. Total consideration of \$28.4 million (GBP £16.9 million) included a combination of cash on hand of \$20.7 million (GBP £12.3 million), holdbacks of \$5.4 million (GBP £3.2 million) and contingent consideration of \$2.3 million (GBP £1.4 million). The contingent consideration is determined based on the achievement of recurring revenue targets for the 12 months ending September 30, 2025 and recorded at fair value of \$2.3 million (GBP £1.4 million) as at the closing date. Holdbacks were recorded at a fair value of \$5.4 million (GBP £3.2 million) on the acquisition date and are due 12 months after the closing date. Goodwill in the amount of \$17.4 million (GBP £10.4 million) that represents primarily expected synergies and assembled workforce was calculated as the excess of the consideration transferred over the net assets acquired and has been allocated to the UK & Ireland segment. Transaction expenses of \$0.1 million, consisting primarily of professional fees, are recorded in acquisition related expenses within acquisition costs within acquisition, restructuring and other costs in the Consolidated statements of operations (Note 17).

The Company engaged a third party to provide valuations of the holdbacks, contingent consideration and acquired intangible assets that comprised primarily of trade names of \$1.3 million (GBP £0.8 million), software technology of \$3.0 million (GBP £1.8 million), and customer relationships of \$11.1 million (GBP £6.6 million) that will be amortized over their respective useful lives (Note 10). The valuations were primarily based on the income approach, including the relief-from-royalty method for the trade names and technology, and the multi-period excess earnings method for customer relationships. The useful lives of the intangible assets were determined based on management's estimates and the independent valuation report.

As at June 30, 2024, the Company finalized the purchase price allocation.

On October 21, 2024, the Company paid the \$4.5 million (GBP £2.5 million) holdback. As at June 30, 2025 the Company increased the fair value of the contingent consideration by \$6.8 million (GBP £3.7 million) (June 30, 2024 - increase of \$nil) recorded in acquisition, restructuring and other costs in the Consolidated Statements of Operations as part of the Company's ongoing assessments of potential earn outs payable (Note 17).

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Subsequent to year end, on October 7, 2025, the Company entered into a definitive agreement to sell Credas. The sale closed on January 6, 2026. Under the terms of the agreement, the Company received gross cash proceeds of approximately \$146.3 million (GBP £77.8 million). As at June 30, 2025 the Company determined that it did not meet the criteria of a disposal group and the classification of assets held for sale.

For the fiscal year ended June 30, 2024, Quill's gross revenue and net profit since the acquisition date were \$16.7 million (GBP £9.8 million) and \$5.0 million (GBP £2.9 million), respectively and Credas' gross revenue and net profit since the acquisition date were \$7.2 million (GBP £4.2 million) and (\$0.4) million (GBP (£0.6) million), respectively. The post-acquisition amounts of revenue and earnings attributable PSG are not considered material to the Consolidated Financial Statements and has been fully integrated and included in the Consolidated Statements of Operations within the Company. The pro-forma from period July 1, 2023 to the dates of acquisition were not considered material to the overall results of the Consolidated Financial Statements for Quill, PSG and Credas. As a result, supplemental pro-forma financial information related to these acquisitions are not included herein.

Total holdbacks and contingent consideration are summarized as follows and calculated using an income-based approach primarily discounted cash flows:

	Holdbacks	Contingent consideration	Total
	\$	\$	\$
Balance, June 30, 2023	22,688	9,441	32,129
Acquisition of subsidiaries	20,327	5,872	26,199
Change in fair value	—	10,863	10,863
Interest accretion	1,635	—	1,635
Payments during the year	(9,597)	—	(9,597)
Other	314	67	381
Effects of foreign exchange	1,112	503	1,615
Balance, June 30, 2024	36,479	26,746	63,225
New acquisitions	35,993	—	35,993
Change in fair value	—	16,249	16,249
Amendments to holdbacks	(3,993)	—	(3,993)
Interest accretion	6,273	—	6,273
Payments during the period	(32,395)	(29,283)	(61,678)
Effects of foreign exchange	(990)	1,776	786
Balance, June 30, 2025	41,367	15,488	56,855
Current	20,730	15,488	36,218
Non-current	20,637	—	20,637

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7. Disposition of assets held for sale

On August 3, 2023, the Company completed the sale of TM Group (UK) Limited for total consideration of \$146.5 million (GBP £85.0 million) consisting of the receipt of cash of \$75.6 million (GBP £43.9 million) and potential additional earnout payments up to \$70.9 million (GBP £41.2 million) between 2023 and 2026. The assets had previously been determined as a disposal group classified as assets held for sale. The Company recorded a loss of approximately \$0.2 million related to the derecognition of the assets and a contingent consideration receivable of \$13.0 million (GBP £7.5 million) representing the fair value of the additional earn out payments on closing of the sale. The fair value of the contingent consideration receivable was determined using a Monte Carlo simulation, taking into consideration the most recent earn-out results as at the closing date and the weighted average of the possible outcomes within the parameters of the model. As at June 30, 2024, the Company determined that the fair value of the contingent consideration receivable was \$nil and therefore recorded a fair value loss of \$13.0 million (GBP £7.5 million) in profit or loss. As at June 30, 2025, the fair value of the contingent consideration receivable remains at \$nil. Both the change in the fair value of the contingent consideration receivable and the loss on disposal is recorded in loss on disposal in the Consolidated Statements of Operations.

8. Trade accounts receivable, net

The Company's trade accounts receivable, net are as follows at June 30:

	2025	2024 (Restated - Note 2)
	\$	\$
Trade accounts receivable	93,776	95,328
Other receivable	156	501
Less: Provision for credit losses	(5,855)	(3,456)
	88,077	92,373

Included in trade accounts receivable are unbilled receivables in the amount of \$24.9 million as at June 30, 2025 (2024 – \$31.3 million). No single customer accounted for more than 10% of the accounts receivable balance as at June 30, 2025 and 2024. There are no trade accounts receivable that are past due but not impaired.

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The change in the Company's provision for credit losses is as follows:

	\$
Balance, June 30, 2023	
Current period provision for expected losses	2,575
Write-offs charged against the provision	282
Foreign exchange movements	(1,224)
Balance, June 30, 2024	3,456
Current period provision for expected losses	4,047
Write-offs charged against the provision	35
Foreign exchange movements	(1,683)
Balance, June 30, 2025	5,855

9. Leases

The Company has lease arrangements for buildings and equipment used as part of its operations, which vary in length and structure and are typically between 3-6 years and may include renewal options.

Right-of-use assets

The Company's right-of-use assets for leases are as follows:

	\$
Balance, June 30, 2023	11,522
Additions	11,360
Acquired through acquisitions	905
Depreciation expense	(5,391)
Termination of agreements	(3,024)
Effects of foreign exchange	1,612
Balance, June 30, 2024	16,984
Additions	3,837
Depreciation expense	(5,228)
Impairment	(1,777)
Lease modification	718
Lease termination	(1,204)
Effects of foreign exchange	542
Balance, June 30, 2025	13,872

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Lease liabilities

The Company's outstanding lease liabilities are as follows:

	\$
Balance, June 30, 2023	13,774
Additions	9,931
Acquired through acquisitions	889
Interest accretion	1,715
Lease repayments	(5,557)
Effects of foreign exchange	(333)
Balance, June 30, 2024	20,419
Additions	2,540
Interest accretion	2,002
Lease repayments	(6,418)
Lease modification	523
Lease termination	(947)
Effects of foreign exchange	(514)
Balance, June 30, 2025	17,605
Current	5,153
Non-current	12,452

Total interest accretion recognized in finance costs, net in the Consolidated Statements of Operations for the fiscal year ended June 30, 2025 was \$2.0 million (2024 – \$1.7 million). In addition, the Company impaired right-of-use assets of \$1.4 million related to the South Africa CGU (2024- \$nil) (Note 11).

10. Intangible assets

The changes to intangible assets are as follows:

	Software technologies	Brand and trademarks	Licenses	Customer lists	Total
	\$	\$	\$	\$	\$
Cost					
Balance, June 30, 2023 <i>(Restated – Note 2)</i>	283,709	46,512	22,009	815,654	1,167,884
Additions	33,381	—	—	—	33,381
Acquired through acquisitions	6,511	2,049	—	39,925	48,485
Effects of foreign exchange	2,054	604	—	6,216	8,874
Balance, June 30, 2024 <i>(Restated – Note 2)</i>	325,655	49,165	22,009	861,795	1,258,624
Additions	16,842	—	—	—	16,842
Acquired through acquisitions	8,493	182	—	19,850	28,525
Effects of foreign exchange	5,154	1,127	—	11,255	17,536
Balance, June 30, 2025	356,144	50,474	22,009	892,900	1,321,527

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As at and for the fiscal years ended June 30, 2025 and 2024

	Software technologies	Brand and trademarks	Licenses	Customer lists	Total
	\$	\$	\$	\$	\$
Accumulated amortization and impairment loss					
Balance, June 30, 2023	107,546	15,256	11,332	177,979	312,113
Amortization	57,017	8,249	2,232	83,953	151,451
Impairment loss	6,621	—	—	—	6,621
Effects of foreign exchange	913	211	—	2,064	3,188
Balance, June 30, 2024	172,097	23,716	13,564	263,996	473,373
Amortization	53,037	7,969	2,232	84,332	147,570
Impairment loss	12,019	272	—	5,673	17,964
Effects of foreign exchange	1,571	770	—	3,680	6,021
Balance, June 30, 2025	238,724	32,727	15,796	357,681	644,928
Carrying value					
Balance, June 30, 2024 (<i>Restated – Note 2</i>)	153,558	25,449	8,445	597,799	785,251
Balance, June 30, 2025	117,420	17,747	6,213	535,219	676,599

The Company conducts its annual impairment analysis for its intangible assets not available for use. During the fiscal year, the Company recognized an impairment charge of \$12.0 million (2024 – \$6.6 million) relating to certain internally developed software technology projects that either would no longer continue as a result of strategic decisions or its current values exceed its recoverable values. In addition, the Company impaired intangible of \$7.5 million related to the South Africa CGU (2024- \$nil) (Note 11). As at June 30, 2025, the balance of intangibles not available for use was \$7.7 million (As at June 30, 2024 – \$41.6 million (*Restated – Note 2*)).

11. Goodwill

The changes to goodwill are as follows:

	\$
Balance, June 30, 2023	979,583
Additions due to new acquisitions	59,416
Effects of foreign exchange	15,320
Balance, June 30, 2024	1,054,319
Additions due to new acquisitions (Note 6)	34,312
Effects of foreign exchange	15,726
Balance, June 30, 2025, prior to reallocation	1,104,357
Impairment	(4,186)
Balance, June 30, 2025, net	1,100,171

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Goodwill is tested annually for impairment on April 1, or more frequently when there is an indication that goodwill may be impaired. The testing is performed at CGU group level and historically, goodwill was tested for impairment at the entity-level which represented the lowest level within the Company at which goodwill was monitored for internal management purposes. During the final quarter of the fiscal year ended June 30, 2025, the Company began reporting its financial results under a new segment structure that includes four operating and reportable segments (Note 25). As a result the Company has reallocated goodwill using a relative value approach to new CGU groups representing the new lowest level within the Company at which goodwill is monitored for internal management purposes: (i) Canada (non-financial services business or non-FS), (ii) Canada region (financial services business or FS), (iii) United Kingdom & Ireland (“UK&I”) region, (iv) Australia region and (v) South Africa region. The Company completed an impairment review prior to the reallocation of goodwill on April 1 using a market capitalization approach, and concluded that the carrying value was lower than the recoverable amount.

As at June 30, 2025, following the goodwill reallocation, the Company completed an updated impairment test of goodwill and concluded that the goodwill balance reallocated to the South Africa region CGU was fully impaired.

	Canada (non-FS)	Canada (FS)	UK & Ireland	Australia	South Africa	Total
	\$	\$	\$	\$	\$	\$
Reallocation of goodwill	444,404	383,765	170,734	101,268	4,186	1,104,357
Impairment losses	—	—	—	—	(4,186)	(4,186)
Balance, June 30, 2025 (net)	444,404	383,765	170,734	101,268	—	1,100,171

Impairment testing of goodwill and key assumptions

The recoverable amount of each CGU is the greater of its value in use and its fair value less cost to sell. The Company applied a value-in-use model to determine the recoverable amount and estimated five-year cash flow projections are discounted to their present value using an appropriate discount rate.

Determining the recoverable amount involves significant judgment. The estimation process utilizes an internally developed model, which incorporates key assumptions such as projected earnings, discount rates and terminal growth rate.

- Discount rates – Discount rates represent the current market assessment of the risks specific to the group of CGUs. The discount rate calculation is based on the specific circumstances of the CGU group and is derived from its weighted average cost of capital (“WACC”). The WACC reflects the expected return on investment by the Company’s investors.
- Terminal growth rates – Growth rates are based on the Company’s long-term strategic plans and industry outlook. The Company has applied a 3% growth rate to determine the terminal value of each CGU group.
- Projected earnings before interest, taxes, depreciation and amortization (“EBITDA”) – Projections around EBITDA are most impacted by management’s estimates regarding future revenue growth considering internal and external available information. The cash flow forecasts consider past experience of actual operating results in conjunction with anticipated future growth opportunities. Management also estimates expected costs to be incurred considering historical results, planned operations and external information such as market expectations around inflation.

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Canada region (non-financial services business) CGU

The Company concluded that the recoverable amount of the Canada region (non-financial services business) CGU exceeded the carrying value as at June 30, 2025. As a result, no impairment was recognized. The forecasted cash flows were discounted using an after-tax rate of 10.9%. Reasonable possible changes in key assumptions and estimates would not cause the recoverable amount of CGU to fall below the carrying value.

Canada region (financial services business) CGU

The Company concluded that the recoverable amount of the Canada region (financial services business) CGU exceeded the carrying value as at June 30, 2025. As a result, no impairment was recognized. The forecasted cash flows were discounted using an after-tax rate of 10.7%. Reasonable possible changes in key assumptions and estimates would not cause the recoverable amount of CGU to fall below the carrying value.

UK & Ireland region CGU

The Company concluded that the recoverable amount of the UK & Ireland region CGU exceeded the carrying value as at June 30, 2025. As a result, no impairment was recognized. The forecasted cash flows were discounted using an after-tax rate of 13.8%. Reasonable possible changes in key assumptions and estimates would not cause the recoverable amount of CGU to fall below the carrying value.

Australia region CGU

The Company concluded that the recoverable amount of the Australia region CGU exceeded the carrying value as at June 30, 2025. As a result, no impairment was recognized. The forecasted cash flows were discounted using an after-tax rate of 15.2%. Reasonable possible changes in key assumptions and estimates would not cause the recoverable amount of CGU to fall below the carrying value.

South Africa CGU

The Company concluded that the carrying value of the South Africa region CGU exceeded the recoverable amount as at June 30, 2025. The forecast for South Africa has revenue relatively stable while costs due to macroeconomic challenges, including inflationary pressures are higher, resulting in a decline in margins and lower projected cash flows. When combined with a higher discount rate of 20.6% to reflect increased country-specific risk, this reduced the present value of expected future cash flows. As a result, the goodwill balance of \$4.1 million reallocated to the South Africa region CGU was fully impaired. In addition, the Company wrote off \$7.5 million in intangible assets and \$1.4 million in right-of-use assets as part of the impairment assessment (Notes 9 and 10).

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12. Loans and borrowings

Loans and borrowings comprise the following as at June 30:

	2025	2024
	\$	(Restated - Note 2) \$
Current		
Senior Secured 2029 Notes (a)	13,178	13,952
Term Loan B (a)	4,784	3,963
New Revolving Facility (a)	323	—
	18,285	17,915
Non-current		
Senior Secured 2029 Notes (a)	751,282	749,729
Term Loan B (a)	434,308	454,285
New Revolving Facility (a)	47,500	—
Other	68	166
	1,233,158	1,204,180
	1,251,443	1,222,095

(a) FY2024 Credit Facility and Senior Secured 2029 Notes

On April 11, 2024, the Company settled its then outstanding Ares credit facility of \$1.1 billion (the “Ares Credit Facility”) and undertook a refinancing transaction, which resulted in (i) the issuance of \$754.8 million (US\$555.0 million) aggregate principal amount of senior secured notes due 2029 (the “Senior Secured 2029 Notes” pursuant to a senior note indenture (the “Senior Notes Indenture”)), (ii) a \$476.0 million (US\$350.0 million) aggregate principal amount of senior secured term loan B facility (“Term Loan B”), and (iii) a \$105.0 million revolving credit facility (“New Revolving Facility”, and together with Term Loan B, the “FY2024 Credit Facility” pursuant to the terms of the senior credit agreement (“Senior Credit Agreement”)) (collectively, the “Refinancing Transaction”). The aggregate amount committed pursuant to the Refinancing Transaction is \$1.3 billion. The unamortized portion of loan fees on the Ares Credit Facility of \$15.3 million was recognized as finance costs, net in the Consolidated Statements of Operations and Consolidated Statements of Comprehensive Loss for the fiscal year ended June 30, 2024.

On closing of the Refinancing Transaction, the Company received total gross proceeds of \$1.2 billion from the Senior Secured 2029 Notes and Term Loan B, and incurred financing fees of \$39.4 million. The Term Loan B bears a variable interest rate equal to (i) the term Secured Overnight Financing Rate (“Term SOFR”) Rate plus (ii) the Term SOFR adjustment plus (iii) applicable percentage. Principal repayments of \$1.2 million (US\$0.9 million) are due on a quarterly basis on the Term Loan B beginning from December 31, 2024. The Senior Secured 2029 Notes bears a fixed interest rate equal to 8.625%. The New Revolving Facility bears a fixed interest rate equal to 9.66%. The Senior Secured 2029 Notes, the New Revolving Facility and Term Loan B have a maturity date of April 15, 2029, April 11, 2029, and April 11, 2031, respectively.

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To the extent the Senior Secured 2029 Notes have not been paid in full, extended, refinanced or replaced before their maturity, the Term Loan B and the New Revolving Facility will each have an accelerated maturity of 91 days prior to the maturity date of the Senior Secured 2029 Notes.

The FY2024 Credit Facility and the Senior Secured 2029 Notes are classified as a financial liability at amortized cost and accounted for using the effective interest rate method.

During the fiscal year ended June 30, 2025, the Company made a partial repayment of \$23.8 million on the Term Loan B and paid interest totaling \$64.3 million, \$1.3 million and \$39.4 million (2024 – Nil, Nil, \$9.4 million) on the Senior Secured 2029 Notes, the New Revolving Facility and Term Loan B, respectively for the fiscal year ended June 30, 2025.

Subsequent to June 30, 2025, the Company made voluntary repayments of \$17.5 million and borrowed an additional \$31.5 million on its New Revolving Facility. In addition, in accordance with the terms of the Senior Credit Agreement, on January 16, 2026, the Company repaid \$30.0 million on its New Revolving Facility, reducing the utilization to below 35% and on January 26, 2026, the Company repaid US\$27.3 million on the Term Loan B.

The change in the FY2024 Credit Facility and the Senior Secured 2029 Notes is as follows:

	FY2024 Credit Facility			Total
	Senior Secured 2029 Notes	Term Loan B	New Revolving Facility	
	\$	\$	\$	\$
Balance, June 30, 2024 <i>(Restated – Note 2)</i>	763,680	458,248	—	1,221,928
Add (less)				
Proceeds during the year	—	—	68,000	68,000
Payment during the year	—	(23,815)	(20,500)	(44,315)
Interest and accretion expense	66,663	42,536	1,636	110,835
Interest paid	(64,285)	(39,420)	(1,313)	(105,018)
Amortization of prepayment option	(1,759)	—	—	(1,759)
Other	(228)	2,589	—	2,361
Effects of foreign exchange	389	(1,046)	—	(657)
Balance, June 30, 2025	764,460	439,092	47,823	1,251,375
Current	13,178	4,784	323	18,285
Non-current	751,282	434,308	47,500	1,233,090

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(b) Embedded prepayment option

The Senior Secured 2029 Notes contain optional prepayment features that allow the Company to prepay the Senior Secured 2029 Notes prior to maturity at a premium that is accounted for as embedded derivative financial instrument recorded as a prepayment option in the Consolidated Statements of Financial Position with the corresponding changes in fair value recorded in finance costs, net in the Consolidated Statements of Operations.

The change in the embedded prepayment option is as follows:

	\$
Balance, June 30, 2023 (Restated- Note 2)	—
Prepayment option	8,027
Change in fair value through profit & loss (Note 15)	2,300
Balance, June 30, 2024 (Restated- Note 2)	10,327
Change in fair value through profit & loss (Note 15)	9,487
Effects of foreign exchange	1,133
Balance, June 30, 2025	20,947

(c) Debt covenants

The FY2024 Credit Facility and Senior Secured 2029 Notes are secured by a first ranking security over all present and after-acquired properties in the form of a general security agreement under the Senior Credit Agreement. As at June 30, 2025, the Company was in compliance with its covenants. The Company may need written consent from the required revolving lenders in case the consolidated first lien net leverage ratio exceeds 5.8x and the total outstanding revolving loan on that date surpasses 35% of total revolving commitments. As at June 30, 2025, the consolidated first lien net leverage ratio is approximately 4.3x.

Subsequent to year end, the Company failed to file the Consolidated Financial Statements and the Condensed consolidated interim financial statements for the three months ended September 30, 2025 and 2024 ("Q1 2026 Financial Statements") on SEDAR+ or with the lenders on the timeline required under securities regulations in Canada and as required under the Senior Credit Agreement and the Senior Notes Indenture (Note 27).

13. Derivative liabilities

The Company has entered into a variety of cross-currency swaps classified as derivative financial instruments. The fair value of these derivative instruments is recorded as derivative liabilities in the Consolidated Statements of Financial Position with the corresponding changes in fair value recorded in finance costs, net in the Consolidated Statements of Operations.

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The change to derivative liabilities is as follows:

	\$
Balance, June 30, 2023	—
Change in fair value of interest rate swap (a)	2,785
Settlement of interest rate swap (a)	(2,785)
Change in fair value of cross-currency swaps (b)	16,211
Balance, June 30, 2024 (Restated – Note 2)	16,211
Change in fair value of cross-currency swaps, net (b)	13,057
Balance, June 30, 2025	29,268

- (a) During the fiscal year ended June 30, 2024, the Company entered into an interest rate swap with a lender, which exchanged its floating interest rate obligation on a notional \$250.0 million of the Initial Term Loan under the Ares Credit Facility for a fixed interest rate payment of 4.39% per annum on the notional amount. The interest rate swap has a three-year and nine-month term ending September 30, 2027. The Company designated the interest rate swap as a cash flow hedge upon meeting the hedging relationship criteria between the hedging instruments and the hedged item. There is an economic relationship as the critical terms of interest rate swap and the forecasted cash transactions match (i.e. payment dates, notional amounts, etc.). On March 31, 2024, the Company discontinued the hedge accounting since the future forecasted cash flows being hedged were no longer expected to occur as a result of the Company's debt refinancing. Accordingly, the deferred loss recorded in accumulated other comprehensive loss of \$2.8 million was reclassified to finance costs, net in the Consolidated Statements of Operations and a realized gain of \$0.7 million recorded in finance costs, net in the Consolidated Statements of Operations for cash interest received on the swap. The liability was cash-settled.
- (b) During the fiscal year ended June 30, 2024, in conjunction with the refinancing of the Ares Credit Facility, the Company entered into several cross-currency swaps with different lenders to partially hedge the foreign currency and interest rate risk associated with the new US dollar denominated FY2024 Credit Facility. During October 2024, the Company unwound \$20.2 million (USD \$15.0 million) of the notional amount of swaps following a voluntary prepayment in the previous quarter for the same amount. During fiscal year 2025, the Company also made additional mandatory prepayments of \$3.6 million (USD \$2.6 million) towards the FY2024 Credit Facility. The cross-currency swaps fix the US dollar denominated interest payments to Canadian dollars, as well as fix the interest rate on a portion of the notional amount. Details of the swaps are summarized below.

At June 30, 2025, the change in fair value of \$13.1 million during the current year was recorded as finance costs, net in the Consolidated Statements of Operations, net of costs incurred to unwind \$20.2 million (USD \$15.0 million) of the notional amount of swaps.

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Below is a summary of the Company's cross-currency swaps at June 30, 2025:

Hedged instrument	Principal/ Notional amount (USD\$)	Maturity date	Rate	Hedged rate	Equivalent (\$)	Exchange rate	Maturity
Term Loan B	332,375	2031	SOFR + 4.25%	3M CORRA + 4.784%	204,420	1.3731	2026–2028
				7.824%	44,285	1.3812	
				8.782%	104,943	1.3629	
				6.406%	105,560	1.4181	
2029 Senior Secured Note	555,000	2029	8.625%	8.330%	196,353	1.3731	2026–2028
				8.020%	151,932	1.3812	
				8.450%	125,387	1.3629	
				8.365%	288,351	1.3731	
Total	887,375				1,221,231		

14. Convertible debentures

The change to convertible debentures is as follows:

	\$
Balance, June 30, 2023	270,393
New Convertible Debentures issuance (b)	96,255
Original Convertible Debentures bought back (a)	(36,120)
Original Convertible Debentures swap (a)	(84,280)
Change in fair value through profit & loss (a) & (b)	22,466
Change in fair value through other comprehensive income (loss) (a) & (b)	45,738
Change in accrued interest	(262)
Balance, June 30, 2024 (Restated – Note 2)	314,190
Change in fair value through profit & loss (a) & (b)	12,961
Change in fair value through other comprehensive income (loss) (a) & (b)	8,282
Balance, June 30, 2025	335,433
Original Convertible Debentures	183,626
New Convertible Debentures	151,807
	335,433

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As at and for the fiscal years ended June 30, 2025 and 2024

(a) Original convertible debentures

In February 2021, the Company issued 345,000 convertible senior unsecured debentures (“Original Convertible Debentures”) for total cash proceeds of \$345.0 million with a maturity date of March 1, 2026. The Original Convertible Debentures bear an interest rate of 3.75% payable semi-annually and are convertible into common shares of the Company at an exercise price of \$73.23 per share.

In January 2024, the Company executed its substantial issuer bid to purchase up to \$160.0 million in aggregate principal amount of the Original Convertible Debentures. As a result of the substantial issuer bid, the Company retired \$48.0 million in principal amount of the Original Convertible Debentures for total cash consideration of \$36.1 million. The Company realized a loss of \$0.3 million upon the retirement of the Original Convertible Debentures, which was recorded in finance costs, net in the Consolidated Statements of Operations and derecognized the Original Convertible Debentures from the Consolidated Statements of Financial Position.

The Company also engaged in a substantial issuer bid to repurchase for cancellation the remaining \$185.0 million aggregate principal amount of Original Convertible Debentures, which expired on June 21, 2024, with no repurchases being made thereunder.

The Company paid semi-annual interest on the Original Convertible Debentures totaling \$6.9 million (2024 – \$9.9 million) for the fiscal year ended June 30, 2025. The notional value of outstanding Original Convertible Debentures as at June 30, 2025 is \$185.0 million.

(b) New convertible debentures

In November 2023, the Company issued 20,425 convertible senior unsecured debentures (“New Convertible Debentures” and together with the Original Convertible Debentures, the “convertible debentures”) for total cash proceeds of \$12.3 million with a maturity date of November 1, 2028. The New Convertible Debentures bear an interest rate of 6.5% payable semi-annually and are convertible into common shares of the Company at an exercise price of \$40.00 per share.

As part of the January 2024 substantial issuer bid transaction, the Company issued \$140.0 million in principal amount of New Convertible Debentures, in consideration of \$112.0 million in principal amount of the Original Convertible Debentures. Accordingly, the Company recognized a loss of \$0.5 million, which was recorded in finance costs, net in the Consolidated Statements of Operations. The Company has treated the transaction as an extinguishment of the Original Convertible Debentures and the recognition of the New Convertible Debentures. After giving effect of the transaction, the Company has \$183.6 million of the Original Convertible Debentures and \$151.8 million of New Convertible Debentures as at June 30, 2025.

The Company paid semi-annual interest on the New Convertible Debentures totaling \$10.4 million (2024 – \$5.1 million) for the fiscal year ended June 30, 2025. The notional value of outstanding New Convertible Debentures as at June 30, 2025, is \$160.4 million.

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The Company determined that the conversion option within the convertible debentures did not meet the IFRS definition of equity due to the Company's ability to settle the convertible debentures in cash if the holders elect to exercise the conversion option, as a result, the convertible debentures were designated as FVTPL at initial recognition. Changes in the fair value of convertible debentures is recognized through income in the period in which they occur except in cases where they result from changes in the Company's own credit risk, in which case the fair value changes are recorded in other comprehensive income (loss).

(c) Restricted cash and investments

On April 11, 2024, pursuant to the Refinancing Transaction the Company was required to maintain \$185.0 million in cash to be held in an escrow account to the earlier of (i) the repurchase by the Company of all the outstanding Original Convertible Debentures, or (ii) the maturity date of the Original Convertible Debentures. As the Company did not have a right to redeem the convertible debentures within the next twelve months, the \$185.0 million was classified as non-current restricted cash as at June 30, 2024.

On July 10, 2024, the Company signed a control agreement that finalized the terms of the security interests held in the escrow account that resulted in the movement of the restricted cash into a third-party investment account managed by the Company. The restricted cash was reclassified into restricted investments as the cash was no longer readily available to the Company. During the fiscal year ended June 30, 2025, the Company invested \$160.0 million at interest rates ranging from 3.20% to 3.96% in Guaranteed Investment Certificates maturing in 2026. As at June 30, 2025, the restricted investments comprised of approximately \$20.9 million in cash and \$164.1 million in investments. Any interest earned beyond the \$185.0 million is readily available to the Company and therefore considered interest income. The restricted investments were classified as current as the convertible debentures and the restricted investments mature in 12 months or less.

The Company earned approximately \$7.3 million of interest on the restricted investments during the fiscal year ended June 30, 2025 that was recorded as interest income in finance costs, net in the Consolidated Statements of Operations.

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As at and for the fiscal years ended June 30, 2025 and 2024

15. Finance costs, net

The Company's finance costs, net comprise of the following during the fiscal year ended June 30:

		2025	2024
	Note	\$	(Restated – Note 2) \$
Interest and accretion costs		125,971	158,202
Change in fair value of convertible debentures	14	12,961	22,466
Change in fair value of derivative liabilities	13	13,057	16,211
Unrealized foreign exchange gain on USD denominated debt	12	(657)	—
Interest income		(9,043)	(4,612)
Change in fair value of prepayment option	12	(9,487)	(2,300)
Loss on settlement of loans and borrowings	12	—	15,280
Other		—	2,951
		132,802	208,198

16. Employee compensation

The Company's employee compensation comprises of the following during the fiscal year ended June 30:

	2025	2024
	\$	\$
Technology and operations	75,646	75,102
General and administrative	22,346	18,428
Sales and marketing	11,530	8,783
Acquisition, restructuring and other costs	26,231	11,278
	135,753	113,591

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As at and for the fiscal years ended June 30, 2025 and 2024

17. Acquisition, restructuring and other costs

The Company's acquisition, restructuring and other costs comprise of the following during fiscal year ended June 30:

	2025	2024
	\$	<i>(Restated – Note 2)</i>
	\$	\$
Acquisition related expenses	3,548	9,988
Change in fair value of contingent consideration	16,249	10,863
Amendment to holdbacks during the year	(3,993)	—
Integration, divestiture, listing and other expenses	36,158	13,805
Restructuring	18,742	4,721
	70,704	39,377

Integration, divestiture, listing and other expenses mainly relate to professional fees and integration costs. Restructuring expenses mainly represent employee exit costs and severance due to synergies created through acquisitions and organizational changes as well separation costs to the former Chief Executive Officer ("CEO") (Note 20).

The change in the restructuring provision is as follows:

	\$
Balance as a June 30, 2023	540
Utilization (payments)	(540)
Net additions during the year	1,966
Balance, June 30, 2024	1,966
Utilization (payments)	(14,843)
Net additions during the year	18,285
Balance, June 30, 2025	5,408

18. Earnings (loss) per share

The following table reflects the loss and share data used in the basic and diluted earnings (loss) per share ("EPS") calculations:

	2025	2024
	\$	<i>(Restated – Note 2)</i>
	\$	\$
Net loss attributable to the shareholders of the Company (basic)	(88,046)	(172,404)
Net loss attributable to the shareholders of the Company (diluted)	(88,046)	(172,404)

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As at and for the fiscal years ended June 30, 2025 and 2024

	2025	2024 <i>(Restated – Note 2)</i>
	\$	\$
Weighted average number of shares adjusted for basic and diluted EPS	67,051	59,666
Basic and diluted EPS	(1.31)	(2.89)

During the fiscal year ended June 30, 2025, 8,649 options, 185,000 Original Convertible Debentures and 160,425 New Convertible Debentures (2024 – 20,336, 185,000 and 160,425 respectively) were excluded from the diluted weighted average number of shares calculation as their effect would have been anti-dilutive. During the fiscal year ended June 30, 2025 and 2024 there were no effects of dilution from stock options.

19. Capital stock

(a) Authorized

The authorized share capital of the Company consists of an unlimited number of common shares.

(b) Issued and outstanding

	Common shares	
	#	\$
Balance, June 30, 2023	54,951	681,206
Stock options exercised (i)	110	802
Common shares cancelled under NCIB (ii)	(108)	(1,358)
Issuance of common shares, net of issuance costs (iii)	11,960	138,883
Balance, June 30, 2024	66,913	819,533
Stock options exercised (iv)	251	4,580
Balance, June 30, 2025	67,164	824,113

- (i) During the fiscal year ended June 30, 2024, 110 stock options were exercised for cash proceeds of \$0.5 million and the related grant date fair value of the stock options of \$0.3 million was reclassified from contributed surplus to capital stock.
- (ii) During the fiscal year ended June 30, 2024, the Company purchased and cancelled 108 common shares for total consideration of \$1.5 million as part of a normal course issuer bid. The Company recorded a revaluation loss of \$4 thousand in finance costs, net in the Consolidated Statements of Operations by unfavorably settling its liability under the normal course issuer bid at a higher average share price. The deficit of \$0.1 million paid over the carrying value of the share issuance was charged to deficit.
- (iii) During the fiscal year ended June 30, 2024, the Company issued 11,960 new common shares through a bought deal offering for total gross consideration of \$144.7 million. The share issuance costs were \$5.8 million, resulting in net cash proceeds of \$138.9 million.

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As at and for the fiscal years ended June 30, 2025 and 2024

- (iv) During the fiscal year ended June 30, 2025, 251 stock options were exercised for cash proceeds of \$2.0 million and the related grant date fair value of the stock options of \$2.6 million was reclassified from contributed surplus to capital stock.

(c) Stock options & RSUs & DSUs

During the fiscal year ended June 30, 2025, the Company granted 151 RSUs (2024 – 266) and 3,075 service-based stock options (2024 – 1,479) and 152 DSUs (2024 – 64) to employees. Service-based stock options typically vest over a four-year period in equal tranches annually with certain options vesting. RSUs vest over a period between six months to three years. Joinder DSUs vest immediately and Retainer DSUs vest over a three-year period and settle in cash.

In 2021, 600 stock options granted to the board of directors of the Company were not ratified by the shareholders of the Company, resulting in these stock options being accounted for as share SARs. SARs will be settled in cash, which resulted in reclassification from equity-settled stock options to cash-settled SARs, with \$0.6 million being reclassified from contributed surplus to SARs liability account. As at June 30, 2025, the outstanding SARs options balance are 200 (2024 – 400). These SARs vest over a three-year period in equal tranches annually.

As at June 30, 2025, the fair value of the RSUs, DSUs and SARs liability was \$2.8 million (2024 – \$5.1 million) presented as accounts payable and accrued liabilities and other non-current liabilities in the amount of \$2.5 million and \$0.3 million (2024 – \$4.5 million and \$0.7 million), respectively, in the Consolidated Statements of Financial Position. The fair value of the RSUs was calculated using the share price as at the reporting date. The fair value of SARs and DSUs was calculated using the Black-Scholes option pricing model using expected life of six months to three and a half years.

During his tenure as CEO of the Company, the former CEO was granted an aggregate of 9,188 options. Pursuant to a separation agreement dated November 25, 2024 (the "Separation Agreement"), the Company agreed to permit the 4,392 options that had vested as of the date of the Separation Agreement to remain exercisable in accordance with their terms until their applicable expiry dates. The 4,796 options that had not vested as of the Separation Agreement were immediately cancelled. During the fiscal year ended June 30, 2025, the Company recognized a recovery of \$51.1 million as a result of the forfeiture of stock options belonging to the former CEO that was net against stock-based compensation expense. Subsequent to year end, pursuant to a written request from the former CEO, the board of directors accepted the forfeiture and cancellation of the remaining 4,392 options, effective January 23, 2026 with exercise prices of \$21.31 and \$39.38 (Note 20).

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The changes in the number of stock options during the fiscal years ended June 30 were as follows:

	2025		2024	
	Number of options #	Weighted average exercise price \$	Number of options #	Weighted average exercise price \$
Stock options, July 1	14,963	31.55	13,851	32.81
Granted	3,378	11.35	1,745	13.58
Exercised – Options	(341)	6.76	(309)	1.69
Exercised – RSUs, DSUs	(163)	16.50	—	—
Forfeited	(7,092)	35.14	(324)	16.89
Stock options, June 30	10,745	24.10	14,963	31.55
Exercisable options, June 30	7,566	29.46	5,363	25.66

A summary of the Company's outstanding stocks comprises of the following as at June 30:

	2025		2024	
	Number outstanding #	Weighted average remaining contractual life (years)	Number outstanding #	Weighted average remaining contractual life in years (years)
Exercise price range				
Less than \$19.99	4,129	4.48	2,225	3.31
\$20.00–\$29.99	3,398	0.42	3,857	1.58
\$30.00–\$39.99	2,349	1.29	7,302	2.26
\$40.00–\$51.00	868	0.71	1,579	1.90
Stock options, June 30	10,744	2.20	14,963	2.20

The weighted average share price for the exercised stock options during the year was \$10.10 per share (2024 – \$12.91 per share).

The fair value of the options granted was calculated using the Black-Scholes option pricing model on the grant date.

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The key assumptions used in the valuation of these grants were as follows:

	2025	2024
Exercise price	\$8.84–\$21.62	\$13.29–\$40.84
Expected dividend yield	0.18%–0.78%	0.18%–0.77%
Risk free interest rate	0.00%–3.46%	0.00%–4.87%
Expected option life	5 years	5 years
Expected volatility	55.2%–60.88%	42.2%–71.85%
Estimated average forfeiture rate	17%	41%

The expected volatility reflects the assumption that historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

(d) Dividends

The Company paid \$5.0 million of dividends to shareholders during the fiscal year ended June 30, 2025 (2024 – \$4.8 million) based on a quarterly dividend of \$0.01875 per share.

20. Related party transactions

The Company defines key management personnel as being the Board of Directors, the CEO and the executive leadership team. The remuneration of key management personnel comprises of the following during the fiscal years ended June 30:

	2025	2024
	\$	\$
Salaries and benefits	17,232	8,425
CEO separation costs	10,800	—
Stock-based compensation	12,657	22,059
CEO stock-based compensation recovery	(51,137)	—
	(10,448)	30,484

CEO stock-based compensation recovery relates to forfeited stock options belonging to the Company's former CEO. Subsequent to June 30, 2025, pursuant to a written request from the Company's former CEO, the remaining stock options that remained exercisable held by the former CEO were forfeited effective January 23, 2026 (Note 19).

During the fiscal year ended June 30, 2025, key management personnel of the Company exercised 3,760 stock options (2024 – 187,680) for an amount of \$0.1 million (2024 – \$1.9 million).

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21. Income taxes

The following table reconciles the expected income tax recovery (expense) at the Canadian statutory income tax rates to the amounts recognized in the Consolidated Statements of Operations and Consolidated Statements of Comprehensive Loss for the fiscal years ended June 30:

	2025	2024
	\$	<i>(Restated – Note 2)</i> \$
Loss before income taxes	(107,312)	(203,580)
Statutory income tax rates	26.50%	26.50%
Expected income tax recovery	28,438	53,949
Non-deductible items	4,469	(15,383)
Deferred tax remeasurement	(19,111)	(5,055)
Adjustment in respect of prior years	5,479	(1,699)
Other	77	(3)
Income tax recovery	19,352	31,809
Current tax (expense) recovery	(9,133)	2,845
Deferred tax recovery	28,485	28,964
Income tax recovery	19,352	31,809

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax values. Deferred tax assets (liabilities) comprises of the following as at June 30:

	2025	2024
	\$	<i>(Restated – Note 2)</i> \$
Non-capital loss carry forwards	36,806	41,113
Finance costs	876	4,811
Convertible debenture	—	21
Capital assets	(9,025)	(8,137)
Intangible assets	(135,955)	(159,470)
Trade payables	1,422	1,282
Other	6,235	(197)
Net deferred tax liabilities	(99,641)	(120,577)

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The Company has non-capital loss carry forwards of approximately \$158.3 million (2024 – \$148.1 million), which may be carried forward to apply against future year income tax for income tax purposes, subject to the final determination by taxation authorities, which expire between the years 2029 and 2040.

The Company is subject to Canada's Excessive Interest and Financing Expenses Limitation ("EIFEL") rules, which apply to taxation years beginning on or after October 1, 2023. Under the EIFEL provisions, net interest and financing expenses, defined as interest and financing expenses less interest and financing revenues, are restricted to a percentage of adjusted taxable income, a tax-EBITDA measure, where the carry forward period is indefinite.

During the fiscal year ended June 30, 2025, the Company had \$57 million of restricted interest. Deferred taxes are not recognized for this item since the Company is not expected to realize the benefit of the carried forward interest restriction in the near future.

22. Fair value measurement

The fair values of cash and cash equivalents, trade and other receivables, accounts payable and accrued liabilities and customer advances approximate their carrying values due to the immediate or short-term maturity of these financial instruments. The fair value of the restricted investments approximates their carrying value as they consist of either cash or Guaranteed Investment Certificates that mature in less than 12 months. The fair value of holdbacks approximates their carrying value as these are due within 20 months. The fair value of Term Loan B and the New Revolving Facility approximates its carrying value due to the variable component of interest rate.

The fair value of the Senior Secured 2029 Notes differs from their carrying value due to the current interest rate environment. Observable trades indicate a Level 2 fair value for the Senior Secured 2029 Notes of approximately \$104 thousand to \$105 thousand for every \$100-dollar notional amount.

Derivative liabilities

The Company has entered into a series of cross-currency swaps to partially mitigate the interest rate and foreign exchange risk of its loans and borrowings. Derivatives are initially recognized at fair value on the date the contract is entered into and are subsequently remeasured at fair value, adjusted for the applicable credit risk, at each reporting date.

- Derivatives traded in active markets are measured at fair value based on quoted market prices (Level 1 inputs).
- Derivatives that are not traded in active markets are measured at fair value using valuation techniques, primarily discounted cash flow models with inputs based on observable market data (Level 2 inputs). Where observable inputs are not available, fair values are determined using valuation techniques that incorporate significant unobservable inputs (Level 3 inputs), which require management judgment.

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Derivative liabilities are classified as Level 2 financial instruments.

Convertible debentures

In July 2024, the Company changed the valuation technique to measure the fair values of the convertible debentures from a combination of the discounted cash flow model and the Black-Scholes model to an amortizing convertible bond calculator produced by FINCAD (acquired by Numerix). This model is based on 'partial differential equations' solved using finite differences methods to value financial instruments by solving the differential equation that the financial instrument satisfies. The inputs to this model include multiple assumptions related to observable and unobservable markets to determine the convertible debentures' fair values. There is no material change in the fair value of the convertible debentures due to change in the valuation technique.

Convertible debentures are classified as Level 3 financial instruments.

Contingent consideration receivable

The fair value of the contingent consideration receivable is determined using a Monte Carlo simulation, taking into consideration the most recent earn-out results as at the closing date and the weighted average of the possible outcomes within the parameters of the model.

The contingent receivable is classified as a Level 3 financial instrument.

Embedded prepayment option

Derivative instruments embedded in financial or non-financial contracts are assets and liabilities that are accounted for as separate derivatives if their risks and characteristics are not closely related to their host contracts, and the contracts are not measured at fair value. The Company's 8.625% Senior Secured 2029 Notes contain prepayment options that are accounted for as embedded derivative financial instruments. The fair value is determined using binomial tree/lattice approach based on the Hull-White single factor interest rate term structure model valuation technique. Inputs from observable markets are used where possible, applying a degree of judgment to ultimately arrive at a fair value for the embedded derivatives.

The embedded prepayment option is classified as a Level 3 financial instrument.

Transfers

The convertible debentures transferred from Level 2 to Level 3 during the fiscal year ended June, 30 2024, with the entirety of the balance of aggregate principal of \$345.4 million being transferred following the January 2024 substantial issuer bid. There were no transfers into or out of Level 2 or Level 3 during the fiscal year ended June 30, 2025.

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Summary of Level 3 key inputs:

	Convertible debentures	Contingent consideration receivable	Embedded prepayment option
Risk-free rate	2 – 3%	2 – 5%	USD SOFR Curve
Discount rate	6 – 10%	14 – 19%	3.01% + USD SOFR
Stock price volatility	60%	—	—
Asset volatility	—	35 – 40%	—

A change in unobservable inputs, namely the discount rate, by 1%, will result in the following changes in fair value:

	Convertible debentures	Contingent receivable	Embedded prepayment option
	\$	\$	\$
1% change in discount rates	4,960	—	3,628

Contingent consideration payable

The fair value of contingent consideration payable depends on the acquired businesses meeting certain performance obligations, such as the successful completion of integration activities as well as meeting certain sales targets over a fixed measurement period. The contingent consideration payable is classified as a Level 3 financial instrument. See Notes 12, 13 and 14 for additional details on the embedded prepayment option, derivative liabilities and convertible debentures.

23. Capital management

The Company's capital management objectives are to maintain financial flexibility in order to pursue its strategy of organic and acquisition growth and to provide returns to its shareholders. The Company defines capital as the aggregate of its capital stock, loans and borrowings and convertible debentures.

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The Company's sources of capital comprise of the following during the fiscal years ended June 30:

	2025	2024
	\$	(Restated – Note 2) \$
Capital stock	824,113	819,533
Loans and borrowings	1,251,443	1,222,095
Convertible debentures	335,433	314,190
	2,410,989	2,355,818

The Company manages its capital structure in accordance with changes in economic conditions. In order to maintain or adjust its capital structure, the Company may elect to issue or repay financial liabilities, issue shares, repurchase shares, pay dividends or undertake any other activities as deemed appropriate under specific circumstances. The Company is not subject to any externally imposed capital requirements.

24. Financial instruments and risk management

Credit risk

Credit risk is risk of financial loss to the Company if any counterparty to a financial asset fails to meet its contractual obligations and arises principally from deposits with banks and outstanding receivables. The Company has assessed the credit risk on its cash and cash equivalents and restricted investments as low as its funds are held in highly rated Canadian, UK, Irish and Australian financial institutions. Due to the Company's diversified customer base, there is no particular concentration of credit risk related to the Company's receivables. Trade and other receivables are monitored on an ongoing basis to ensure timely collection of amounts. There are no receivables from individual customers for 10% or more of revenues or receivables.

As at June 30, 2025, 74% (2024 – 73%) of the Company's trade receivables are current, 10% (2024 – 12%) are between 31 to 90 days past due and 16% (2024 – 15%) are over 90 days past due. As at June 30, 2025, the Company has \$67.3 million (2024 – \$65.4 million (Restated- Note 2)) of receivables outstanding and recognized a \$5.9 million (2024 – \$3.5 million (Restated- Note 2)) allowance for ECLs in connection with its trade receivables.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on a portion of its Term Loan B facility for which the interest rate may be adjusted with future fluctuations in various reference rates such as SOFR, Canadian Overnight Repo Rate Average ("CORRA"), Euro Interbank Offered Rate ("EURIBOR"), the prime rate etc. Based on the amount owing as at June 30, 2025, after giving effect to the Company's cross-currency interest rate swaps, a 1% change in the CORRA rate, with all other variables held constant, would change finance costs, net and income before taxes by \$2.0 million on the variable rate debt.

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Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expenses are denominated in a foreign currency) and the Company's net investments in foreign subsidiaries. If deemed necessary, the Company may, from time to time, enter into foreign currency derivative contracts to reduce its exposure to foreign currency risk.

In April 2024, the Company entered into several cross-currency swaps with different lenders to hedge the foreign currency associated with the new US dollar denominated FY2024 Credit Facility. As a result, the Company's exposure to fluctuations in US dollar exchange rates is not significant.

As at June 30, 2025, the Company had a net financial liability position denominated in British pounds of \$18.8 million (GBP £10.0 million) (2024 – \$45.1 million (GBP £26.1 million)). As at June 30, 2025, the Company had a net financial liability denominated in Australian dollars of \$37.3 million (AUD \$41.9 million) (2024 – net asset position of \$5.9 million (AUD \$6.5 million)).

As at June 30, 2025, the Company had a net financial asset position denominated in South African rand of \$3.2 million (ZAR \$41.1 million) (2024 – net financial liability position of \$5.4 million (ZAR \$71.8 million)). A 10% change in the exchange rates of significant currencies to which the Company has exposure as at June 30, 2025, would change other comprehensive income before taxes by \$5.2 million (2024 – \$4.5 million).

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities.

The Company intends to rely on positive cash flows from operations, cash available under existing credit facilities and agreements and obtaining additional financing to achieve its future objectives. However, there can be no assurance that actual cash flows from operations will be as forecasted or that such equity and/or debt financing will be available on a timely basis under terms acceptable to the Company.

A summary of the maturity profile of financial liabilities based on contractual undiscounted payments and undiscounted cash flows is as follows:

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	Year 1	Year 2	Year 3	Year 4	Year 5 and over	Total
	\$	\$	\$	\$	\$	\$
As at June 30, 2025						
Accounts payable and accrued liabilities	78,833	—	—	—	—	78,833
Holdbacks and contingent consideration on acquisitions	34,050	25,200	—	—	—	59,250
Customer advances	24,888	—	—	—	—	24,888
Lease liabilities	3,264	6,195	4,536	3,886	4,069	21,950
Loans and borrowings, including derivative liability	102,171	102,858	102,759	847,954	557,503	1,713,245
Convertible debentures	202,365	10,428	10,428	165,639	—	388,860
	445,571	144,681	117,723	1,017,479	561,572	2,287,026
As at June 30, 2024 (Restated- Note 2)						
Accounts payable and accrued liabilities	84,542	—	—	—	—	84,542
Holdbacks and contingent consideration on acquisitions	79,977	7,418	—	—	—	87,395
Customer advances	24,811	—	—	—	—	24,811
Lease liabilities	6,309	5,867	4,857	3,492	4,490	25,015
Loans and borrowings, including derivative liability	111,090	111,881	103,757	97,405	1,445,462	1,869,595
Convertible debentures	17,365	202,365	10,428	10,428	165,639	406,225
	324,094	327,531	119,042	111,325	1,615,591	2,497,583

25. Segmented information

The Company's CEO has been identified as the Chief Operating Decision Maker ("CODM"). The CODM is responsible for obtaining, reviewing, making decisions and assessing the performance of the Company based on its operating segments.

During the final quarter of the fiscal year ended June 30, 2025, the Company began reporting its financial results under a new segment structure that includes four operating and reportable segments designed to better reflect the Company's operating structure. Historically, information provided to the CODM comprised of a single segment. In connection with the segment reporting change, previously reported amounts have been recast to conform to the current segment presentation.

The Company's CODM uses segment reporting for the four geographic regions, being Canada, UK and Ireland, Australia and South Africa. This reporting comprises revenue, less direct costs, technology and operating expenses, general and administrative expenses, and sales and market expenses. The CODM may also consider industry trends and other externally available financial information when evaluating the performance of the Company.

The following tables summarize operating results regularly provided to the CODM by reportable segment including revenues, material items of income and expense, other material non-cash items and details on property and equipment, right of use assets and intangible assets.

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As at and for the fiscal years ended June 30, 2025 and 2024

	Canada	UK & Ireland	Australia	South Africa	Total
	\$	\$	\$	\$	\$
June 30, 2025					
Revenue	252,114	109,207	69,704	9,705	440,730
Direct costs	(16,858)	(17,465)	(2,833)	(19)	(37,175)
Technology and operations	(42,029)	(36,219)	(23,073)	(3,674)	(104,995)
General and administrative	(29,147)	(10,400)	(6,870)	(870)	(47,287)
Sales and marketing	(9,001)	(5,088)	(3,271)	(1,104)	(18,464)
Segment income	155,079	40,035	33,657	4,038	232,809
Shared charges and corporate costs ¹	17,806	(9,706)	(6,429)	(1,671)	—
Segment income after allocated costs	172,885	30,329	27,228	2,367	232,809
June 30, 2024					
Revenue	266,442	109,582	64,152	11,055	451,231
Direct costs	(13,609)	(20,273)	(2,092)	(9)	(35,983)
Technology and operations	(45,295)	(37,814)	(18,297)	(5,451)	(106,857)
General and administrative	(25,859)	(9,748)	(4,159)	(283)	(40,049)
Sales and marketing	(9,117)	(3,730)	(2,535)	2	(15,380)
Segment income	172,562	38,017	37,069	5,314	252,962
Shared charges and corporate costs ¹	28,704	(17,331)	(9,541)	(1,832)	—
Segment income after allocated costs	201,266	20,686	27,528	3,482	252,962

¹The method used for the allocation of corporate costs to segments is based on the level of consumption when determinable and measurable, otherwise the allocation is based on a proportion of a relevant driver, such as segment revenue.

Reconciliation of segment income to segment pre-tax (loss) income

	Canada	UK & Ireland	Australia	South Africa	Total
	\$	\$	\$	\$	\$
June 30, 2025					
Segment income after allocated costs	172,885	30,329	27,228	2,367	232,809
Finance costs, net	(118,903)	(11,924)	(2,887)	912	(132,802)
Stock-based compensation recovery	40,995	—	—	—	40,995
Amortization, depreciation and impairment	(109,700)	(36,540)	(14,776)	(16,594)	(177,610)
Acquisition, restructuring and other costs	(42,404)	(22,643)	(5,920)	263	(70,704)
(Loss) income before taxes	(57,127)	(40,778)	3,645	(13,052)	(107,312)

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	Canada	UK & Ireland	Australia	South Africa	Total
	\$	\$	\$	\$	\$
June 30, 2024					
Segment income	201,266	20,686	27,528	3,482	252,962
Finance costs, net	(183,627)	(22,665)	(701)	(1,205)	(208,198)
Stock-based compensation recovery (expense)	(27,000)	(16)	—	—	(27,016)
Amortization, depreciation and impairment	(84,065)	(69,632)	(14,952)	(163)	(168,812)
Loss on disposal	(24,431)	11,292	—	—	(13,139)
Acquisition, restructuring and other costs	(28,214)	(10,516)	(621)	(26)	(39,377)
(Loss) income before taxes	(146,071)	(70,851)	11,254	2,088	(203,580)

Property and equipment, right-of-use assets and intangible assets by geographic region are as follows:

	Canada	UK & Ireland	Australia	South Africa	Total
	\$	\$	\$	\$	\$
June 30, 2025					
Property and equipment, net	2,295	4,181	1,390	245	8,111
Right-of-use assets, net	2,172	7,458	3,309	933	13,872
Intangible assets, net ²	450,250	148,219	73,191	4,939	676,599
Total	454,717	159,858	77,890	6,117	698,582
June 30, 2024					
Property and equipment, net	3,145	1,799	1,605	357	6,906
Right-of-use assets, net	4,079	8,841	3,844	220	16,984
Intangible assets, net ²	548,167	166,342	58,655	12,087	785,251
Total	555,391	176,982	64,104	12,664	809,141

²Excluding goodwill, see Note 11

26. Contingencies and commitments

In the ordinary course of business, from time to time, the Company is involved in various claims related to operations, rights, commercial, employment or other claims. Although such matters cannot be predicted with certainty, management does not consider the Company's exposure to these claims to be material to these Consolidated Financial Statements.

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The Company is also committed to additional IT-related spending as part of the ordinary course of operations and towards ongoing strategic objectives. A summary of material IT spending to which the Company is committed is as follows:

	Year 1	Year 2	Year 3	Year 4	Year 5 and over	Total
	\$	\$	\$	\$	\$	\$
As at June 30, 2025						
IT committed spend	10,000	9,237	6,035	5,760	16,205	47,237

27. Other subsequent events

Subsequent to year end, on September 29, 2025, the Company failed to file these audited Consolidated Financial Statements on SEDAR+ or with the lenders on the timeline required under securities regulations in Canada and as required under the Senior Credit Agreement and the Senior Notes Indenture. Prior to this date, on September 26, 2025, the Company obtained a waiver under the Senior Credit Agreement for a filing extension to file these Consolidated Financial Statements and the accompanying audited opinion therein ("Audited Consolidated Financial Statements") to December 1, 2025 to avoid triggering a 'technical default' and a 30-day cure period (the "Initial Waiver").

On September 30, 2025, the Ontario Securities Commission ("OSC") issued a temporary management cease trade order ("MCTO") in connection with the delayed filing of these Audited Consolidated Financial Statements and other financial disclosure required (collectively the "Required Filings") in accordance with National Instrument 51-102, *Continuous Disclosure Requirements* which prohibited the Company's CEO and Chief Financial Officer from trading in and acquisitions of, whether directly or indirectly, securities of the Company until two full business days following receipt by the OSC of the Required Filings. At the application of the Company, the OSC granted an extension of the MCTO until December 13, 2025 to complete and file the Required Filings (the "MCTO deadline"). The MCTO did not trigger any defaults under the Senior Credit Agreement or any other debt document.

On October 28, 2025, the Company received a notice from the administrative agent under the Senior Secured 2029 Notes of a 'technical default' for its failure to file the audited Consolidated Financial Statements. Under the Senior Notes Indenture, an 'event of default' does not occur until February 26, 2026. However, because the Company did not file these audited Consolidated Financial Statements by December 27, 2025, the interest rate on the Senior Secured 2029 Notes increased by 25 basis points until the time at which the Company has filed the audited Consolidated Financial Statements with the lender. Currently, the Company has elected not to seek a waiver under the Senior Note Indenture.

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On November 14, 2025, the Company failed to file the Q1 2026 Financial statements on SEDAR+ or with the lenders in the timeline required under securities regulations in Canada and as required under the Senior Credit Agreement. The Initial Waiver obtained by the Company did not include a filing extension for the Q1 2026 Financial Statements, therefore the non-filing triggered a 'technical default' and a 30-day cure period that would have expired on December 18, 2025. If the Q1 2026 Financial Statements were not filed by December 18, 2025 or if the Company did not obtain a waiver, the Company would have been in an 'event of default' under the Senior Credit Agreement.

On December 1, 2025, the Initial Waiver expired resulting in a 'technical default' on the Consolidated Financial Statements when the Company failed to file the Consolidated Financial Statements with the lenders. The non-filing triggered a second 30-day cure period. If the Consolidated Financial Statements are not filed by January 2, 2026 or if the Company does not obtain a further waiver, this would have also resulted in an 'event of default' under the Senior Credit Agreement.

On December 15, 2025, as the Company was not able to file the Required Filings by the MCTO Deadline, the OSC ordered that the MCTO be revoked and concurrently issued a failure-to-file cease trade order ("FFCTO") pursuant to National Policy 11-207 – *Failure to File Cease Trade Orders and Revocations in Multiple Jurisdictions*. The FFCTO prohibits the trading by any person of all securities of the Company in each jurisdiction in Canada, with certain exceptions in foreign markets, for so long as the FFCTO remains in effect. The FFCTO will remain in effect until the Required Filings are filed. The FFCTO does not trigger any default under the Senior Credit Agreement or any other debt arrangements (Note 12 and 13).

On December 17, 2025, the Company received another waiver and amendments from its lenders under the Senior Credit Agreement for a filing extension to file both these audited Consolidated Financial Statements and the Q1 2026 Financial statements to February 17, 2026 to avoid triggering an 'event of default' ("Subsequent Waiver").