Constellation Software Inc.

INTERIM FINANCIAL REPORT

Second Quarter Fiscal Year 2026

For the three and six month periods ended
June 30, 2026
(UNAUDITED)

CONSTELLATION SOFTWARE INC.

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

The following discussion and analysis should be read in conjunction with the Unaudited Condensed Consolidated Interim Financial Statements for the three and six month periods ended June 30, 2026, which we prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS). Certain information included herein is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "Forward-Looking Statements" and "Risks and Uncertainties".

Unless otherwise indicated, all dollar amounts are expressed in U.S. dollars. All references to "$" are to U.S. dollars and all references to "C$" are to Canadian dollars. Due to rounding, certain totals and subtotals may not foot and certain percentages may not reconcile.

Additional information about Constellation Software Inc. (the "Company", "Constellation" or "CSI"), including our most recently filed Annual Information Form ("AIF"), is available on SEDAR+ at www.sedarplus.ca.

Forward Looking Statements

Certain statements in this report may contain "forward looking" statements that involve risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company or industry to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Words such as "may", "will", "expect", "believe", "plan", "intend", "should", "anticipate" and other similar terminology are intended to identify forward looking statements. These statements reflect current assumptions and expectations regarding future events and operating performance as of the date of this MD&A August 11, 2026. Forward looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to vary significantly from the results discussed in the forward looking statements, including, but not limited to, the factors discussed under "Risks and Uncertainties". Although the forward looking statements contained in this MD&A are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward looking statements. These forward looking statements are made as of the date of this MD&A and the Company assumes no obligation, except as required by law, to update any forward looking statements to reflect new events or circumstances. This report should be viewed in conjunction with the Company's other publicly available filings, copies of which can be obtained electronically on SEDAR+ at www.sedarplus.ca.

Non-IFRS Measures

This MD&A includes certain measures which have not been prepared in accordance with IFRS such as Free cash flow available to shareholders.

Free cash flow available to shareholders "FCFA2S" refers to net cash flows from operating activities less interest paid on lease obligations, interest paid on debt, debt transaction costs, payments of lease obligations, the IRGA / TSS membership liability revaluation charge, and property and equipment purchased, and includes interest and dividends received, and the proceeds from sale of interest rate caps. The portion of this amount applicable to non-controlling interests is then deducted. We believe that FCFA2S is useful supplemental information as it provides an indication of the uncommitted cash flow that is available to shareholders if we do not make any acquisitions, or investments, and do not repay any debts. While we could use the FCFA2S to pay dividends or repurchase shares, our objective is to invest all of our FCFA2S in acquisitions which meet our hurdle rate.

FCFA2S is not a recognized measure under IFRS and may not be comparable to similar financial measures disclosed by other issuers. Accordingly, readers are cautioned that FCFA2S should not be construed as an alternative to net cash flows from operating activities. See “Results of Operations —Free cash flow available to shareholders” for a reconciliation of FCFA2S to net cash flows from operating activities.

Overview

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

Our revenue consists primarily of software license fees, maintenance and other recurring fees, professional service fees and hardware sales. Software license revenue is comprised of non-recurring license fees charged for the use of software products licensed under multiple-year or perpetual arrangements. Maintenance and other recurring revenue primarily consists of fees charged for customer support on software products post-delivery and also includes recurring fees derived from combined software/support contracts, transaction revenues, managed services associated with CSI software that has been sold to the customer, and hosted software-as-a-service products. Professional service revenue consists of fees charged for implementation services, custom programming, product training, certain managed services, and consulting. Hardware and other revenue includes the resale of third party hardware as part of customized solutions, as well as sales of hardware assembled internally and the reimbursement of travel costs. Our customers typically purchase a combination of software, maintenance, professional services and hardware, although the type, mix and quantity of each vary by customer and by product.

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

Results of Operations

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

Unaudited

	Three months ended June 30,		Period-Over-Period Change		Six months ended June 30,		Period-Over-Period Change	
	2026	2025	$	%	2026	2025	$	%
Revenue	**3,335**	**2,844**	**491**	**17%**	**6,516**	**5,498**	**1,018**	**19%**
Expenses	2,496	2,089	408	20%	4,916	4,089	827	20%
Amortization of intangible assets	348	286	61	21%	673	558	115	21%
Foreign exchange (gain) loss	(14)	118	(132)	NM	(58)	150	(208)	NM
IRGA / TSS membership liability revaluation charge	64	126	(62)	-49%	(13)	220	(233)	NM
Finance and other expense (income)	(45)	(28)	(17)	61%	(61)	(108)	48	-44%
Share in net (income) loss of equity investee	(11)	(0)	(11)	NM	(22)	(0)	(21)	NM
Bargain purchase gain	(11)	(5)	(6)	113%	(11)	(5)	(6)	112%
Impairment of intangible and other non-financial assets	9	9	(0)	-1%	16	11	5	44%
Finance costs	83	71	12	16%	164	142	22	15%
Income before income taxes	417	179	238	133%	910	441	469	106%
Income tax expense (recovery)								
Current income tax expense (recovery)	164	155	9	6%	335	292	44	15%
Deferred income tax expense (recovery)	(50)	(60)	10	-17%	(128)	(109)	(19)	18%
Income tax expense (recovery)	114	95	20	21%	207	183	24	13%
Net income (loss) attributable to:								
Common shareholders of CSI	274	56	218	386%	641	192	449	234%
Non-controlling interests	29	28	0	1%	62	66	(4)	-6%
Net income (loss)	**303**	**85**	**218**	**257%**	**703**	**258**	**445**	**172%**
Net cash flows from operating activities	**477**	**433**	**44**	**10%**	**1,374**	**1,260**	**115**	**9%**
Free cash flow available to shareholders	**345**	**220**	**125**	**57%**	**1,078**	**730**	**348**	**48%**
Weighted average number of shares outstanding								
Basic and diluted	21.2	21.2			21.2	21.2		
Net income (loss) per share								
Basic and diluted	$ 12.93	$ 2.66	$ 10.27	386%	$ 30.25	$ 9.07	$ 21.18	234%
Net cash flows from operating activities per share								
Basic and diluted	$ 22.53	$ 20.44	$ 2.09	10%	$ 64.86	$ 59.44	$ 5.42	9%
Free cash flow available to shareholders per share								
Basic and diluted	$ 16.28	$ 10.37	$ 5.91	57%	$ 50.88	$ 34.46	$ 16.42	48%
Cash dividends declared per share								
Basic and diluted	$ 1.00	$ 1.00	$ -	0%	$ 2.00	$ 2.00	$ -	0%

NM - Not meaningful

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

Comparison of the three and six month periods ended June 30, 2026 and 2025

Revenue:

Total revenue for the quarter ended June 30, 2026 was $3,335 million, an increase of 17%, or $491 million, compared to $2,844 million for the comparable period in 2025. For the first six months of 2026 total revenues were $6,516 million, an increase of 19%, or $1,018 million, compared to $5,498 million for the comparable period in 2025. The increase for both the three and six month periods compared to the same periods in the prior year is primarily attributable to growth from acquisitions as the Company experienced organic growth of 3% and 4% respectively, 1% for both periods after adjusting for the impact of changes in the valuation of the US dollar against most major currencies in which the Company transacts business. For acquired companies, organic growth is calculated as the difference between actual revenues achieved by each company in the financial period following acquisition compared to the estimated revenues they achieved in the corresponding financial period preceding the date of acquisition by Constellation. Organic growth is not a standardized financial measure and might not be comparable to measures disclosed by other issuers.

The following table displays the breakdown of our revenue according to revenue type:

	Three months ended June 30,		Period-Over-Period Change		Q225 Proforma Adj. (Note 1)	Organic Growth
	2026	2025	$	%	$	%
	($ in millions, except percentages)					
Licenses	92	87	5	5%	8	-3%
Professional services	573	532	41	8%	61	-3%
Hardware and other	116	80	35	44%	28	7%
Maintenance and other recurring	2,554	2,144	410	19%	306	4%
	3,335	2,844	491	17%	403	3%

	Six months ended June 30,		Period-Over-Period Change		Q225 Proforma Adj. (Note 2)	Organic Growth
	2026	2025	$	%	$	%
	($ in millions, except percentages)					
Licenses	183	183	(0)	0%	12	-6%
Professional services	1,119	1,019	100	10%	118	-2%
Hardware and other	216	155	61	39%	55	3%
Maintenance and other recurring	4,998	4,141	857	21%	557	6%
	6,516	5,498	1,018	19%	742	4%

$M - Millions of dollars

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

Note 1: Estimated pre-acquisition revenues for the three months ended June 30, 2025 from companies acquired after March 31, 2025. (Obtained from unaudited vendor financial information.)

Note 2: Estimated pre-acquisition revenues for the six months ended June 30, 2025 from companies acquired after December 31, 2024. (Obtained from unaudited vendor financial information.)

For comparative purposes the table below shows the quarterly organic growth as compared to the same period in the prior year by revenue type since Q2 2024. Note that the estimated revenues achieved by acquired companies in the corresponding financial period preceding the date of acquisition by Constellation may be updated in the quarter following the quarter they were acquired resulting in slight variances to previously reported figures.

	Quarter Ended								
	Jun. 30 2024	Sep. 30 2024	Dec. 31 2024	Mar. 31 2025	Jun. 30 2025	Sep. 30 2025	Dec. 31 2025	Mar. 31 2026	Jun. 30 2026
Licenses	-23%	-20%	-19%	-9%	-7%	19%	-19%	-9%	-3%
Professional services	-2%	-6%	-4%	-6%	0%	-1%	-1%	0%	-3%
Hardware and other	-9%	-7%	4%	4%	2%	-4%	17%	-1%	7%
Maintenance and other recurring	5%	6%	5%	2%	7%	6%	9%	9%	4%
Revenue	**2%**	**2%**	**1%**	**0%**	**5%**	**5%**	**6%**	**6%**	**3%**

The following table shows the same information adjusting for the impact of foreign exchange movements.

	Quarter Ended								
	Jun. 30 2024	Sep. 30 2024	Dec. 31 2024	Mar. 31 2025	Jun. 30 2025	Sep. 30 2025	Dec. 31 2025	Mar. 31 2026	Jun. 30 2026
Licenses	-22%	-20%	-19%	-7%	-9%	17%	-22%	-13%	-5%
Professional services	-2%	-7%	-3%	-4%	-2%	-3%	-5%	-5%	-5%
Hardware and other	-8%	-8%	4%	6%	0%	-6%	12%	-7%	4%
Maintenance and other recurring	6%	6%	5%	4%	6%	4%	6%	4%	2%
Revenue	**3%**	**1%**	**2%**	**2%**	**4%**	**3%**	**2%**	**1%**	**1%**

The maintenance and other recurring revenue organic growth rate decline from Q1 2026 was largely due to Altera. See the "Acquisition of business segment from Allscripts Healthcare Solutions" section below for a table showing the organic growth with and without the impact of Altera.

Expenses:

The following table displays the breakdown of our expenses:

	Three months ended June 30,		Period-Over-Period Change		Six months ended June 30,		Period-Over-Period Change	
	2026	2025	$	%	2026	2025	$	%
	($ in millions, except percentages)				($ in millions, except percentages)			
Expenses								
Staff	1,696	1,457	239	16%	3,383	2,869	514	18%
Hardware	66	43	24	56%	123	83	41	49%
Third party license, maintenance and professional services	331	268	63	24%	643	522	121	23%
Travel, Telecommunications, Supplies & Software and equipment	181	144	37	26%	340	275	65	24%
Professional fees	69	55	14	25%	133	102	31	30%
Other, net	97	73	25	34%	184	143	42	29%
Depreciation	56	50	6	12%	111	96	14	15%
	2,496	2,089	408	20%	4,916	4,089	827	20%

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

Overall expenses for the quarter ended June 30, 2026 increased 20%, or $408 million to $2,496 million, compared to $2,089 million during the same period in 2025. As a percentage of total revenue, expenses equalled 75% for the quarter ended June 30, 2026 and 73% for the same period in 2025. During the six months ended June 30, 2026, expenses increased 20%, or $827 million to $4,916 million, compared to $4,089 million during the same period in 2025. As a percentage of total revenue, expenses equalled 75% for the six months ended June 30, 2026 and 74% for the same period in 2025. For the three and six months ended June 30, 2026 the change in valuation of the US dollar against most major currencies in which the Company transacts business resulted in an approximate 2% and 3% increase in expenses respectively compared to the comparable periods of 2025.

Staff expense – Staff expenses increased 16% or $239 million for the quarter ended June 30, 2026 and 18% or $514 million for the six months ended June 30, 2026 over the same periods in 2025. Staff expense can be broken down into five key operating departments: Professional Services, Maintenance, Research and Development, Sales and Marketing, and General and Administrative. Included within staff expenses for each of the above five departments are personnel and related costs associated with providing the necessary services. The table below compares the period over period variances.

	Three months ended June 30, 2026	Three months ended June 30, 2025	Period-Over-Period Change $	Period-Over-Period Change %	Six months ended June 30, 2026	Six months ended June 30, 2025	Period-Over-Period Change $	Period-Over-Period Change %
	($ in millions, except percentages)				($ in millions, except percentages)			
Professional services	316	301	15	5%	627	594	34	6%
Maintenance	358	304	54	18%	703	597	106	18%
Research and development	464	405	59	15%	923	793	130	16%
Sales and marketing	212	172	40	23%	422	339	83	25%
General and administrative	346	276	71	26%	707	547	160	29%
	1,696	1,457	239	16%	3,383	2,869	514	18%

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

The increase in staff expenses for the three and six months ended June 30, 2026 was primarily due to the growth in the number of employees compared to the same periods in 2025 primarily due to acquisitions. Staff expenses in the first quarter of every year are typically higher as a percentage of revenue as compared to other quarters, largely attributable to increased payroll tax costs associated with our annual bonus payments that are made in the month of March.

Hardware expenses – Hardware expenses increased 56% or $24 million for the quarter ended June 30, 2026 and 49% or $41 million for the six months ended June 30, 2026 over the same periods in 2025 as compared with the 44% and 39% increases in hardware and other revenue for the three and six month periods ending June 30, 2026 respectively over the comparable periods in 2025. Hardware margins for the three and six months ended June 30, 2026 were both 43% as compared to 47% for the comparable periods in 2025.

Third party license, maintenance and professional services expenses – Third party license, maintenance and professional services expenses increased 24% or $63 million for the quarter ended June 30, 2026 and 23% or $121 million for the six months ended June 30, 2026 over the same periods in 2025. The increase is primarily due to third party license, maintenance and professional services expenses of acquired businesses.

Travel, Telecommunications, Supplies & Software and equipment expenses – Travel, Telecommunications, Supplies & Software and equipment expenses increased 26% or $37 million for the quarter ended June 30, 2026 and 24% or $65 million for the six months ended June 30, 2026 over the same periods in 2025. The increase in these expenses is primarily due to expenses incurred by acquired businesses.

Professional fees – Professional fees increased 25% or $14 million for the quarter ended June 30, 2026 and 30% or $31 million for the six months ended June 30, 2026 over the same periods in 2025. There are no individually material reasons contributing to this variance.

Other, net – Other expenses increased 34% or $25 million for the quarter ended June 30, 2026 and 29% or $42 million for the six months ended June 30, 2026 over the same periods in 2025. The following table provides a further breakdown of expenses within this category.

	Three months ended June 30,		Period-Over-Period Change		Six months ended June 30,		Period-Over-Period Change	
	2026	2025	$	%	2026	2025	$	%
	($ in millions, except percentages)				($ in millions, except percentages)			
Occupancy	17	17	0	2%	36	33	3	8%
Advertising and promotion	47	40	7	18%	94	77	17	22%
Recruitment and training	18	13	5	37%	29	23	6	28%
Bad debt expense	4	2	2	92%	7	3	4	146%
R&D tax credits	(18)	(14)	(4)	26%	(32)	(25)	(7)	29%
Contingent consideration	13	4	9	199%	17	11	5	46%
Other expense, net	16	11	6	52%	33	20	13	67%
	97	73	25	34%	184	143	42	29%

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

The contingent consideration expense amounts recorded for the three and six months ended June 30, 2025 related to an increase (decrease) in anticipated acquisition earnout payment accruals primarily as a result of increases (decreases) to revenue forecasts for the associated acquisitions. Revenue forecasts are updated on a quarterly basis and the related anticipated acquisition earnout payment accruals are updated accordingly.

There are no individually material reasons contributing to the remaining variances.

Depreciation – Depreciation of property and equipment increased 12% or $6 million for the quarter ended June 30, 2026 and 15% or $14 million for the six months ended June 30, 2026 over the same periods in 2025. The increases are primarily due to the depreciation expense associated with acquired businesses.

Other Income and Expenses:

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

	Three months ended June 30,		Period-Over-Period Change		Six months ended June 30,		Period-Over-Period Change	
	2026	2025	$	%	2026	2025	$	%
	($ in millions, except percentages)				($ in millions, except percentages)			
Amortization of intangible assets	348	286	61	21%	673	558	115	21%
Foreign exchange (gain) loss	(14)	118	(132)	NM	(58)	150	(208)	NM
IRGA / TSS membership liability revaluation charge	64	126	(62)	-49%	(13)	220	(233)	NM
Finance and other expense (income)	(45)	(28)	(17)	61%	(61)	(108)	48	-44%
Share in net (income) loss of equity investee	(11)	(0)	(11)	NM	(22)	(0)	(21)	NM
Bargain purchase gain	(11)	(5)	(6)	113%	(11)	(5)	(6)	112%
Impairment of intangible and other non-financial assets	9	9	(0)	-1%	16	11	5	44%
Finance costs	83	71	12	16%	164	142	22	15%
Income tax expense (recovery)	114	95	20	21%	207	183	24	13%
	536	671	(135)	-20%	897	1,151	(254)	-22%

NM - Not meaningful

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

Amortization of intangible assets – Amortization of intangible assets increased 21% or $61 million for the quarter ended June 30, 2026 and 21% or $115 million for the six months ended June 30, 2026 over the same periods in 2025. The increase in amortization expense for the three and six months ended June 30, 2026 is primarily attributable to an increase in the carrying amount of our intangible asset balance over the twelve-month period ended June 30, 2026 as a result of acquisitions completed during this twelve-month period.

Foreign exchange – Most of our businesses are organized geographically so many of our expenses are incurred in the same currency as our revenues, which mitigates some of our exposure to currency fluctuations. For the three and six months ended June 30, 2026, we realized foreign exchange gains of $14 million and $58 million respectively compared to losses of $118 million and $150 million for the same periods in 2025. The following table provides a breakdown of these amounts.

	Three months ended June 30,		Period-Over-Period Change		Six months ended June 30,		Period-Over-Period Change	
	2026	2025	$	%	2026	2025	$	%
	($ in millions, except percentages)				($ in millions, except percentages)			
Unrealized foreign exchange (gain) loss related to:								
- revaluation of intercompany loans between entities with differing functional currencies (1)	(4)	3	(7)	NM	(17)	(1)	(15)	NM
- revaluation of the Company's unsecured subordinated floating rate debentures as a result of the appreciation (depreciation) of the Canadian dollar against the US dollar.	(8)	20	(28)	NM	(15)	21	(35)	NM
- revaluation of the liability associated with the IRGA (Euro denominated liability)	(10)	72	(82)	NM	(35)	101	(136)	NM
Remaining foreign exchange (gain) loss	8	23	(15)	-65%	7	29	(22)	-75%
	(14)	118	(132)	NM	(58)	150	(208)	NM

NM - Not meaningful

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

(1) Offsetting amounts recorded in other comprehensive income. Net impact to Total comprehensive income for each period is nil.

The remaining foreign exchange gains and losses per the table above are primarily related to the unrealized foreign exchange translation gains and losses of certain non-US dollar denominated working capital balances to US dollars as a result of the depreciation or appreciation of the US dollar.

IRGA / TSS membership liability revaluation charge – On December 23, 2014, in accordance with the terms of the purchase and sale agreement for the initial acquisition of TSS (as defined below) by CSI, and on the basis of the term sheets attached thereto, Constellation and the Joday Group, among others, entered into a Members Agreement (the "Members Agreement") pursuant to which the Joday Group acquired 33.29% of the voting interests in Constellation Software Netherlands Holding Coöperatief U.A. (which was renamed to Topicus.com Coöperatief U.A.), a subsidiary of Constellation and the indirect owner of 100% of TSS at the time of the acquisition. Total proceeds from this transaction was €39 million ($49 million).

On January 5, 2021, the Members Agreement was terminated in conjunction with the acquisition of Topicus.com B.V., the reorganization of Topicus Coop and the execution of the IRGA. The IRGA was established to create certain contractual obligations of the parties in respect of the governance of Topicus and Topicus Coop. As of June 30, 2026 the Joday Group's interest in Topicus Coop comprised 38,148,221 Topicus Coop Ordinary Units ("Topicus Coop Units") resulting in an interest of 29.38% in Topicus Coop. The IRGA provides for transfer restrictions in respect of the Topicus Coop Units. See "Liability of CSI under the terms of the IRGA" below for further details.

The valuation of the IRGA liability (previously the TSS membership liability) increased by approximately 6% or $64 million from Q1 2026, and decreased by approximately 1% or $13 million from Q4 2025. The decrease for the six month period is primarily the result of the decrease in the fair value of Topicus' investment in the equity securities of Sygnity S.A. ("Sygnity") and Asseco Poland S.A. ("Asseco") as determined by their respective share prices at the end of each reporting period, offset by an increase related to the organic growth in Topicus' trailing twelve month maintenance and other recurring revenue and net profits. The valuation of CSI's obligations under the IRGA is also impacted by the change in the net tangible assets of Topicus (as defined under the IRGA). The table below summarizes the changes.

€ in millions	**December 31, 2025**	**March 31, 2026**	**June 30, 2026**	**Change for the Quarter ending June 30, 2026**	**Change for the Six Months ending June 30, 2026**
Liability of CSI under the IRGA excluding equity security investments	643	684	731	47	87
Fair Value of Equity securities of Sygnity	103	78	89	11	(13)
Fair Value of Equity securities of Asseco	305	223	220	(3)	(85)
Liability of CSI under the IRGA	**1,051**	**985**	**1,040**	**55**	**(11)**
$ in millions					
Liability of CSI under the IRGA	**1,234**	**1,133**	**1,186**	**64**	**(13)**

The liability recorded on the balance sheet decreased by 4% or $47 million over the six month period ended June 30, 2026 from $1,234 million to $1,186 million as a result of the revaluation charge of $13 million and a $35 million foreign exchange gain. The IRGA / TSS membership liability is denominated in Euros and the Euro depreciated 3% versus the US dollar during the six months ended June 30, 2026.

Finance and other expense (income) – Finance and other income for the three and six months ended June 30, 2026 was $45 million and $61 million respectively compared to $28 million and $108 million for the same periods in 2025. The following table provides a further breakdown of expenses (income) within this category.

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Interest income on cash and cash equivalents	$ (11)	$ (12)	$ (23)	$ (23)
(Increase) decrease in the fair value of equity securities	(31)	(4)	(37)	(36)
(Increase) decrease in the fair value of derivatives	(1)	1	4	(5)
Finance and other income	(2)	(12)	(5)	(45)
Finance and other expense (income)	$ (45)	$ (28)	$ (61)	$ (108)

The increase in the fair value of equity securities for the three and six months ended June 30, 2025 included $35 million relating to the Company's investment in Asseco. On January 31, 2025, the Company purchased 8,300,029 shares in Asseco, representing approximately 9.99% of the issued shares in Asseco. The Asseco shares were acquired at a price of 85 PLN per share for total consideration of $174 million. At the time of initial recognition the Company made an irrevocable election to present subsequent changes in fair value in other comprehensive income ("FVOCI"). The Company designated the Asseco investment as equity securities at FVOCI because the investment in Asseco represents an investment that the Company intends to hold for the long term. At the time the Company purchased shares of Asseco, the trading price per Asseco share on the WSE was in excess of the purchase price of 85 PLN per share. The Company recorded a gain of $35 million in the statement of income (loss). On September 25, 2025, the Company received the last outstanding regulatory approval for the acquisition of 12,318,863 treasury shares representing 14.84% of Asseco's share capital and subsequent to this date, applied the equity method of accounting to the investment in Asseco.

The increase in the fair value of equity securities for the three and six months ended June 30, 2026 is primarily caused by the Company's investment in Sabre Corporation ("Sabre"). The Company is the beneficial owner of approximately 12.7% of Sabre's outstanding shares.

Finance and other income for the six months ended June 30, 2025 includes a $29 million settlement payment related to the fair value of the net tangible assets acquired as part of an acquisition that closed in 2024. There are no individually material reasons contributing to the remaining variances.

Share in net (income) loss of equity investee – The Company owns 19,207,886 shares in Asseco representing an ownership interest of approximately 23.14%. Asseco offers comprehensive, proprietary IT solutions for certain sectors of the economy and is listed on the Polish Warsaw Stock Exchange (the "WSE"). The Company applies the equity method of accounting to its investment in Asseco as a result of its ability to exercise significant influence over Asseco. Under the equity method of accounting, the investment is initially recognized at cost and is subsequently adjusted to reflect Topicus' share of profit or loss and other comprehensive income of Asseco. The Company has elected to use "lag reporting" in relation to its investment in Asseco. The Company will record its share of profit or loss and other comprehensive income on a "three-month lag" because the concurrent financial information is impracticable to obtain from Asseco. The share of net income recorded for the three and six months ended June 30, 2026 was $12 million and $23 million respectively, compared to nil for the same periods in 2025. The investment in Asseco has been classified as a non-current asset as at June 30, 2026 within "Investments in associates". A net loss of $1 million and $2 million relating to other investments in associates was recorded for the three and six months ended June 30, 2026 respectively, compared to nil for the same periods in 2025.

Bargain purchase gain – Bargain purchase gains totalling $11 million were recorded in both the three and six months ended June 30, 2026, compared to $5 million for the same periods in 2025, relating to acquisitions made in the respective periods. The gains resulted from the fact that the fair value of the separately identifiable assets and liabilities acquired exceeded the total consideration paid, principally due to the acquisition of certain assets that will benefit the Company that had limited value to the sellers.

Impairment of intangible and other non-financial assets – Impairment expenses of $9 million and $16 million were recorded in the three and six month periods ended June 30, 2026 compared to $9 million and $11 million for the same periods in 2025. The expenses relate to businesses that have been unable to achieve the goals established in their respective investment theses.

Finance costs – Finance costs for the quarter ended June 30, 2026 increased $12 million to $83 million, compared to $71 million for the same period in 2025. During the six months ended June 30, 2026, finance costs increased $22 million to $164 million, from $142 million for the same period in 2025. The following table provides a further breakdown of expenses within this category.

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Interest expense on debt and debentures	$ 65	$ 58	$ 129	$ 116
Interest expense on lease obligations	5	4	9	8
Amortization of debt related transaction costs	2	2	5	3
Amortization of debenture discount (premium)	(1)	(1)	(2)	(2)
Other finance costs	12	9	23	16
Finance costs	$ 83	$ 71	$ 164	$ 142

The increase in interest expense on debt and debentures is primarily a result of an increase in the average debt outstanding in 2026 as compared to 2025.

Income taxes – We operate globally and we calculate our tax provision in each of the jurisdictions in which we conduct business. Our effective tax rate on a consolidated basis is, therefore, affected by the realization and anticipated relative profitability of our operations in those various jurisdictions, as well as different tax rates that apply and our ability to utilize tax losses and other credits. For the quarter ended June 30, 2026, income tax expense increased $20 million to $114 million compared to $95 million for the same period in 2025. During the six months ended June 30, 2026, income tax expense increased $24 million to $207 million compared to $183 million for the same period in 2025. Current tax expense has historically approximated our cash tax rate however the quarterly expense can sometimes fall outside of the annual range due to out of period adjustments. Current tax expense reflects gross taxes before the application of R&D tax credits which are classified as part of "other, net" expenses in the statement of income (loss). The Company's consolidated effective tax rate in respect of continuing operations for the three and six months ended June 30, 2026 was 27% and 23% respectively (53% and 42% for the three and six months ended June 30, 2025 respectively).

Constellation is subject to tax audits in the countries in which the Company carries on business globally. These tax audits could result in additional tax expense in future periods relating to historical filings. Reviews by tax authorities generally focus on, but are not limited to, the validity of the Company's inter-company transactions, including financing and transfer pricing policies which generally involve subjective areas of taxation and a significant degree of judgment. If any of these tax authorities are successful with their challenges, the Company's income tax expense may be adversely affected and Constellation could also be subject to interest and penalty charges.

Net Income and Earnings per Share:

Net income attributable to common shareholders of CSI for the quarter ended June 30, 2026 was $274 million compared to $56 million for the same period in 2025. On a per share basis this translated into net income per diluted share of $12.93 in the quarter ended June 30, 2026 compared to net income per diluted share of $2.66 for the same period in 2025. For the six months ended June 30, 2026, net income attributable to common shareholders of CSI was $641 million or $30.25 per diluted share compared to $192 million or $9.07 per diluted share for the same period in 2025. There was no change in the number of shares outstanding.

Net cash flows from operating activities ("CFO"):

For the quarter ended June 30, 2026, CFO increased $44 million to $477 million compared to $433 million for the same period in 2025 representing an increase of 10%. For the six months ended June 30, 2026, CFO increased $115 million to $1,374 million compared to $1,260 million for the same period in 2025 representing an increase of 9%.

Free cash flow available to shareholders ("FCFA2S"):

For the quarter ended June 30, 2026, FCFA2S increased $125 million to $345 million compared to $220 million for the same period in 2025 representing an increase of 57%. For the six months ended June 30, 2026, FCFA2S increased $348 million to $1,078 million compared to $730 million for the same period in 2025 representing an increase of 48%.

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

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	($ in millions)		($ in millions)	
Net cash flows from operating activities	477	433	1,374	1,260
Adjusted for:				
Interest paid on lease obligations	(5)	(4)	(9)	(8)
Interest paid on debt	(43)	(32)	(104)	(94)
Debt transaction costs	(4)	(4)	(5)	(4)
Payments of lease obligations	(38)	(33)	(76)	(63)
IRGA / TSS membership liability revaluation charge	(64)	(126)	13	(220)
Property and equipment purchased	(22)	(16)	(40)	(31)
Interest and dividends received	80	20	92	32
	383	239	1,246	871
Less amount attributable to Non-controlling interests	(38)	(19)	(168)	(140)
Free cash flow available to shareholders	345	220	1,078	730

Due to rounding, certain totals may not foot.

Quarterly Results

	Quarter Ended								
	Jun. 30 2024	Sep. 30 2024	Dec. 31 2024	Mar. 31 2025 Note 1	Jun. 30 2025	Sep. 30 2025	Dec. 31 2025	Mar. 31 2026	Jun. 30 2026
Revenue	2,468	2,541	2,703	2,654	2,844	2,948	3,177	3,181	3,335
Net income (loss) *	177	164	285	136	56	210	110	367	274
CFO	265	517	678	827	433	685	788	897	477
FCFA2S	182	362	482	510	220	529	423	733	345
Net income per share *									
Basic & diluted	8.35	7.74	13.44	6.41	2.66	9.89	5.19	17.32	12.93
CFO per share									
Basic & diluted	12.51	24.37	31.99	39.00	20.44	32.31	37.19	42.33	22.53
FCFA2S per share									
Basic & diluted	8.61	17.06	22.76	24.09	10.37	24.96	19.97	34.60	16.28

* Attributable to common shareholders of CSI

Note 1: The Company made an adjustment to the financial information for the three months ending March 31, 2025. This resulted in an increase in finance and other income of $35 million, an increase in current income tax expense of $2 million and an increase in net income of $34 for the three months ended March 31, 2025. The Company has recast the comparative interim period in its Q1 2026 filings. See Note 5 to the Company's Unaudited Condensed Consolidated Interim Financial Statements for the three and six months ended June 30, 2025 for additional information.

We experience seasonality in our operating results in that CFO and FCFA2S in the first quarter of every year is typically the highest and CFO and FCFA2S in the second quarter of every year is typically the lowest. The key driver impacting this seasonality is the timing of annual maintenance contract renewals. Our quarterly results may also fluctuate as a result of the various acquisitions which may be completed by the Company in any given quarter. We may experience variations in our net income on a quarterly basis depending upon the timing of certain expenses or gains, which may include changes in provisions, acquired contract liabilities, foreign exchange gains and losses, bargain purchase gains, and gains or losses on the sale of financial and other assets.

Spin-Outs

Topicus.com Inc.

Constellation (TSX:CSU) and Topicus (TSXV:TOI) announced on January 5, 2021 that Constellation, acting through its Total Specific Solutions ("TSS") operating group and its subsidiary TPCS Holding B.V., completed the purchase of 100% of the shares of Topicus.com B.V., a Netherlands-based diversified vertical market software provider, from IJssel B.V. and that in connection with the closing of the acquisition, TSS has been spun out of Constellation and now operates, together with Topicus.com B.V., as a separate public company, Topicus.com Inc. (collectively, the "Spin-Out Transactions").

In connection with the completion of the Spin-Out Transactions, on January 4, 2021, all of Constellation's common shareholders of record on December 28, 2020 received, by way of a dividend-in-kind, 1.859817814 subordinate voting shares of Topicus.com (the "Spin-Out Shares") for each common share of Constellation held.

Constellation's equity interest in TSS prior to the Spin-Out Transactions was 66.7%. Constellation's equity interest in Topicus after completion of the Spin-Out Transactions on a fully diluted basis was approximately 30.4%. Constellation's equity interest on a fully diluted basis as at June 30, 2026 is approximately 31.3%. In addition, Constellation as the holder of the Topicus Super Voting Share is entitled to that number of votes that equals 50.1% of the aggregate number of votes attached to all of the outstanding voting shares at such time. As a result of the Topicus Super Voting Share Constellation consolidated the financial results of Topicus with its financial results.

Lumine Group Inc.

On February 22 and 23, 2023 (as part of a series of transactions relating to the acquisition of WideOrbit Inc. ("WideOrbit")), the Company's subsidiary, Lumine Group Inc. ("Lumine"), completed a corporate reorganization. See "Preferred Share Investment in Lumine" on page 2.

The Company holds 1 super voting share of Lumine (the "Lumine Super Voting Share"). The Lumine Super Voting Share entitles CSI to that number of votes that equals 50.1% of the aggregate number of votes attached to all the outstanding Lumine Super Voting Shares, Lumine Subordinate Voting Shares and Lumine Special Shares. As a result, the Company controls Lumine and has consolidated Lumine's financial position and results of operations. As at June 30, 2026, the Company holds 157,553,539 Lumine Subordinate Voting Shares and now reflects an equity interest of 61.40% in Lumine and a non-controlling interest of 38.60%.

The tables below provide certain supplemental balance sheet, statement of income, and net operating cash flow information of Topicus and Lumine for the three and six months ended June 30, 2026. Neither Topicus or Lumine are considered a reportable operating segment of Constellation, however, management has chosen to provide certain supplemental financial information to provide greater clarity into the operating performance and cash flow from operations of Topicus and Lumine considering Constellation's equity ownership. The financial information includes the adjustments discussed in the "Finance and other expense (income)" section above.

Selected Balance Sheet Information
As at June 30, 2026

(Unaudited)	Constellation Software Inc. (excluding Topicus & Lumine)	Topicus	Lumine	Consolidated
Cash	2,096	369	422	2,886
Bank debt, loans, bonds and debentures	3,181	534	482	4,196

Statement of Income
(Excluding intercompany activity)

	For the three months ended June 30, 2026				For the six months ended June 30, 2026			
(Unaudited)	Constellation Software Inc. (excluding Topicus & Lumine)	Topicus	Lumine	Consolidated	Constellation Software Inc. (excluding Topicus & Lumine)	Topicus	Lumine	Consolidated
Revenue	**2,595**	**505**	**235**	**3,335**	**5,061**	**1,012**	**443**	**6,516**
Expenses	1,951	386	159	2,496	3,844	763	309	4,916
Amortization of intangible assets	257	54	37	348	500	106	68	673
Foreign exchange (gain) loss	(18)	(1)	5	(14)	(61)	(1)	3	(58)
IRGA / Membership liability revaluation charge	64	-	-	64	(13)	-	-	(13)
Finance and other income	(42)	(2)	(1)	(45)	(61)	2	(1)	(61)
Share in net (income) loss of equity investee	0	(12)	-	(11)	1	(22)	-	(22)
Bargain purchase gain	(11)	-	-	(11)	(12)	-	1	(11)
Impairment of intangible and other non-financial assets	9	0	-	9	16	0	-	16
Finance costs	65	11	7	83	129	22	12	164
Income (loss) before income taxes	321	68	28	417	717	142	52	910
Income tax expense (recovery)								
Current income tax expense (recovery)	118	26	20	164	258	50	27	335
Deferred income tax expense (recovery)	(31)	(11)	(8)	(50)	(92)	(24)	(11)	(128)
Income tax expense (recovery)	87	15	12	114	166	26	16	207
Net income (loss)	**234**	**53**	**16**	**303**	**551**	**116**	**36**	**703**
Net cash flows from operating activities	**424**	**(15)**	**68**	**477**	**973**	**313**	**88**	**1,374**

Foreign Exchange Adjusted Organic Revenue Growth
(Excluding intercompany activity)

	For the three months ended June 30, 2026				For the six months ended June 30, 2026			
	Constellation Software Inc. (excluding Topicus & Lumine)	Topicus	Lumine	Consolidated	Constellation Software Inc. (excluding Topicus & Lumine)	Topicus	Lumine	Consolidated
Licenses	-4%	-10%	-1%	-5%	-11%	3%	-7%	-9%
Professional services	-5%	-1%	-14%	-5%	-5%	-1%	-11%	-5%
Hardware and other	-3%	18%	176%	4%	-3%	16%	-2%	-1%
Maintenance and other recurring	2%	6%	1%	2%	3%	7%	2%	3%
Revenue	0%	4%	1%	1%	1%	5%	-1%	1%

Acquisition of business segment from Allscripts Healthcare Solutions

On May 2, 2022, Constellation, through its wholly-owned subsidiary, N. Harris Computer Corporation, completed the purchase from Allscripts Healthcare Solutions ("Allscripts") of Allscripts' Hospitals and Large Physician Practices business segment. This business segment now operates under the name Altera.

The tables below provide certain supplemental balance sheet, statement of income, and net operating cash flow information of Altera for the three and six months ended June 30, 2026. Altera is not considered a reportable operating segment of Constellation, however, management has chosen to provide certain supplemental financial information to provide greater clarity into the operating performance and cash flow from operations of Altera considering the size of the business and its impact on the results of Constellation. The financial information includes the adjustments discussed in the "Finance and other expense (income)" section above.

Selected Balance Sheet Information
As at June 30, 2026

(Unaudited)	Constellation Software Inc. (excluding Altera)	Altera	Consolidated
Cash	2,727	160	2,886
Bank debt, loans, bonds and debentures	4,008	188	4,196

Statement of Income
(Excluding intercompany activity)

	For the three months ended June 30, 2026			For the six months ended June 30, 2026		
(Unaudited)	Constellation Software Inc. (excluding Altera)	Altera	Consolidated	Constellation Software Inc. (excluding Altera)	Altera	Consolidated
Revenue	**3,182**	**153**	**3,335**	**6,215**	**301**	**6,516**
Expenses	2,383	114	2,496	4,684	232	4,916
Amortization of intangible assets	330	18	348	638	36	673
Foreign exchange (gain) loss	(17)	3	(14)	(61)	2	(58)
IRGA / Membership liability revaluation charge	64	-	64	(13)	-	(13)
Finance and other income	(45)	(1)	(45)	(58)	(2)	(61)
Share in net (income) loss of equity investee	(11)	-	(11)	(22)	-	(22)
Bargain purchase gain	(11)	-	(11)	(11)	-	(11)
Impairment of intangible and other non-financial assets	9	-	9	16	-	16
Finance costs	80	3	83	158	6	164
Income (loss) before income taxes	400	17	417	883	27	910
Income tax expense (recovery)						
Current income tax expense (recovery)	157	7	164	323	13	335
Deferred income tax expense (recovery)	(47)	(3)	(50)	(122)	(6)	(128)
Income tax expense (recovery)	110	4	114	201	7	207
Net income (loss)	**290**	**13**	**303**	**683**	**20**	**703**
Net cash flows from operating activities	**453**	**25**	**477**	**1,311**	**63**	**1,374**
Free cash flow available to shareholders	**324**	**21**	**345**	**1,023**	**55**	**1,078**

Foreign Exchange Adjusted Organic Revenue Growth
(Excluding intercompany activity)

	For the three months ended June 30, 2026			For the six months ended June 30, 2026		
	Constellation Software Inc. (excluding Altera)	Altera	Consolidated	Constellation Software Inc. (excluding Altera)	Altera	Consolidated
Licenses	-3%	-31%	-5%	-9%	1%	-9%
Professional services	-2%	-27%	-5%	-2%	-27%	-5%
Hardware and other	6%	-99%	4%	0%	-99%	-1%
Maintenance and other recurring	4%	-19%	2%	4%	-13%	3%
Revenue	2%	-22%	1%	2%	-18%	1%

For comparative purposes the table below shows the impact of Altera on the quarterly maintenance and recurring organic growth as compared to the same period in the prior year since Q2 2024.

	Quarter Ended								
	Jun. 30 2024	Sep. 30 2024	Dec. 31 2024	Mar. 31 2025	Jun. 30 2025	Sep. 30 2025	Dec. 31 2025	Mar. 31 2026	Jun. 30 2026
Maintenance and other recurring									
CSI excluding Altera	6%	6%	6%	5%	6%	5%	6%	4%	4%
Altera	7%	1%	-5%	-9%	1%	-10%	5%	-6%	-19%
Consolidated	6%	6%	5%	4%	6%	4%	6%	4%	2%

Altera signed two new contracts in Q2 25 that required revenue recognition of $9 million upfront with no similar amount recorded in Q2 26. In addition, revenue of $8 million relating to a contract amendment was recorded in Q2 25 with no similar amount recorded in Q2 26.

Liquidity

	June 30, 2026	December 31, 2025	Variance
Cash	**2,886**	**3,089**	**(202)**
Debt with recourse to Constellation Software Inc.	1,472	1,489	(17)
Debt without recourse to Constellation Software Inc.	2,724	2,642	81
Debt	**4,196**	**4,131**	**65**
Cash less Debt	**(1,309)**	**(1,043)**	**(267)**

The net capital deployed on acquisitions plus dividends exceeded cash flows from operations during the six months ended June 30, 2026. Cash decreased by $202 million to $2,886 million at June 30, 2026 compared to $3,089 million at December 31, 2025 and debt increased by $65 million to $4,196 million at June 30, 2026 compared to $4,131 million at December 31, 2025.

Total assets increased $1,444 million, from $16,171 million at December 31, 2025 to $17,615 million at June 30, 2026. The increase is primarily due to the $148 million increase in accounts receivable, the $123 million increase in other assets, and the $1,130 million increase in intangible assets. At June 30, 2026 Topicus, Lumine and other subsidiaries with non-recourse debt facilities hold approximately $1,307 million of cash. As explained in the "Capital Resources and Commitments" section below, there are limitations on the ability of these subsidiaries to distribute funds to Constellation.

Current liabilities increased $485 million, from $6,073 million at December 31, 2025 to $6,559 million at June 30, 2026. The increase is primarily due to an increase in deferred revenue of $435 million mainly due to acquisitions made since December 31, 2025 and the timing of maintenance and other billings versus performance and delivery under those customer arrangements, the $94 million increase in acquisition holdback payables, and the $67 million increase in debt without recourse to Constellation Software Inc., offset by decreases in accounts payable and accrued liabilities of $52 million and the liability of CSI under the IRGA of $97 million.

Net Changes in Cash Flows

($ in millions)	**Six months ended June 30, 2026**	**Six months ended June 30, 2025**
Net cash provided by operating activities	1,374	1,260
Net cash from (used in) financing activities	(137)	(48)
Cash used in the acquisition of businesses	(1,592)	(604)
Cash obtained with acquired businesses	156	56
Net cash from (used in) other investing activities	7	(169)
Net cash from (used in) investing activities	(1,429)	(717)
Effect of foreign currency	(11)	101
Net increase (decrease) in cash and cash equivalents	**(202)**	**596**

The net cash flows from operating activities were $1,374 million for the six months ended June 30, 2026. The $1,374 million provided by operating activities resulted from net income of $703 million plus $1,015 million of adjustments to net income (primarily amortization of intangible assets, depreciation, IRGA/TSS Membership liability revaluation charge, finance and other income, finance costs, and income tax expense), offset by $325 million in taxes paid and $18 million of cash used in non-cash working capital.

The net cash flows used in financing activities for the six months ended June 30, 2026 were $137 million, which is mainly a result of interest payments of $113 million, lease obligation payments of $76 million, and dividends paid to common shareholders of $42 million, offset by a net increase in debt facilities of $107 million.

The net cash flows used in investing activities for the six months ended June 30, 2026 were $1,429 million. The cash used in investing activities was primarily due to acquisitions for an aggregate of $1,592 million (including payments for holdbacks relating to prior acquisitions) offset by $156 million of acquired cash.

We believe we have sufficient cash and available credit capacity to continue to operate for the foreseeable future. Generally our VMS businesses operate with negative working capital as a result of the collection of maintenance payments and other revenues in advance of the performance of the related services. As such, management anticipates that it can continue to grow the business organically without any additional funding. If we continue to acquire VMS businesses we may need additional external funding depending upon the size and timing of the potential acquisitions (see "Subsequent Events" below).

Capital Resources and Commitments

Debt with recourse to CSI comprises the following ($ in millions):

	CSI Facility	Senior Notes	Debentures	Term Loan	Total
Principal outstanding at June 30, 2026 (and, except for debentures, equal to fair value)	$ -	$ 1,000	$ 348	$ 86	1,434
Deduct: Unamortized transaction costs included in debt balance	-	(6)	-	(0)	(6)
Add: Unamortized debt premium	-	-	43	-	43
Carrying value at June 30, 2026	$ -	994	392	86	1,472
Current portion	-	-	-	-	-
Non-current portion	-	994	392	86	1,472

<u>CSI Facility</u>

On January 31, 2024, the Company completed an amendment and restatement of its existing credit facility agreement (the "CSI Facility"). The facility limit was increased from $840 million to $1,085 million, with a syndicate of existing and new institutions. The agreement has also moved from a secured to an unsecured facility structure, which continues to be available for general corporate purposes including acquisitions and working capital. The CSI Facility is guaranteed by certain subsidiaries of the Company. The CSI Facility bears a variable interest rate with no fixed repayments required over the term to maturity. Interest rates are calculated at standard U.S. and Canadian reference rates plus interest rate spreads based on a leverage table. The CSI Facility contains standard events of default which if not remedied within a cure period would trigger the repayment of any outstanding balance. As at June 30, 2026, nil had been drawn from this credit facility, and letters of credit totaling $13 million were issued, which limits the borrowing capacity on a dollar-for-dollar basis.

<u>Senior Notes</u>

On February 16, 2024, the Company completed a private offering of $500 million aggregate principal amount of 5.158% senior notes due 2029 and $500 million aggregate principal amount of 5.461% senior notes due 2034 (collectively, the "Senior Notes"). The Senior Notes are senior unsecured obligations of the Company and rank equally in right of payment to all of the Company's existing and future senior unsecured indebtedness, including the CSI Facility. The Senior Notes are guaranteed by certain subsidiaries of the Company on the same basis as such subsidiaries have guaranteed the CSI Facility. Transaction costs associated with the Senior Notes are being amortized through profit or loss using the effective interest rate method.

<u>Debentures</u>

On October 1, 2014 and November 19, 2014, the Company issued unsecured subordinated debentures (the "Debentures") with a total principal value of C$96 million for total proceeds of C$91 million. On September 30, 2015, the Company issued an additional tranche of Debentures with a total principal value of C$186 million for total proceeds of C$214 million. On October 6, 2023, a total of C$213 million principal amount of Debentures were issued at a price of C$133.00 per C$100.00 principal amount of Debentures purchased representing proceeds to the Company of C$283 million which was used by the Company to pay down indebtedness under its existing credit facility. The Debentures were issued as an additional tranche of, and formed a single series with, the outstanding C$282 aggregate principal amount of Debentures.

The total principal value of debentures outstanding at June 30, 2026 was $348 million (C$495 million).

Guarantees

One of CSI's subsidiaries has entered into a $86 million (£65 million) term debt facility with a financial institution for which CSI has guaranteed the debt. The facility bears a fixed rate of interest. The term loan contains events of default that, if not remedied, allow the loan note holder to require repayment of the loan principal and interest. The loan is due in 2028.

Liability of CSI under the terms of the IRGA / TSS Membership Agreement

On December 23, 2014, in accordance with the terms of the purchase and sale agreement for the initial acquisition of TSS by CSI, and on the basis of the term sheets attached thereto, Constellation and the Joday Group, among others, entered into a Members Agreement (the "Members Agreement") pursuant to which the Joday Group acquired 33.29% of the voting interests in Constellation Software Netherlands Holding Coöperatief U.A. (which was renamed to Topicus.com Coöperatief U.A.), a subsidiary of Constellation and the indirect owner of 100% of TSS at the time of the acquisition. Total proceeds from this transaction was €39 million ($49 million).

On January 5, 2021, the Members Agreement was terminated in conjunction with the acquisition of Topicus.com B.V., the reorganization of Topicus Coop and the execution of the IRGA. The IRGA was established to create certain contractual obligations of the parties in respect of the governance of Topicus and Topicus Coop. As of June 30, 2026 the Joday Group's interest in Topicus Coop comprised 38,148,221 Topicus Coop Ordinary Units resulting in an interest of 29.38% in Topicus Coop. The IRGA provides for transfer restrictions in respect of the Topicus Coop Units.

Any time after January 5, 2021, any member of the Joday Group has the right, at his or its option, to sell any number of its Topicus Coop Units to CSI at a cash price per Topicus Coop Unit determined in accordance with the IRGA. Upon the exercise of such option by a member of the Joday Group, CSI will be obligated to purchase 33.33% of such Topicus Coop Units within 30 days, and an additional 33.33% on each of the first and the second anniversary of such initial purchase with the exception of certain items which have been classified as a current liability. Notwithstanding the foregoing, CSI can offer Topicus the right to purchase such Topicus Coop Units in lieu of CSI.

In the event of a change of control of CSI, any member of the Joday Group has the right, at his or its option, to sell all of its Topicus Coop Units to CSI at a cash price per Topicus Coop Unit determined in accordance with the IRGA. Upon the exercise of such option by a member of the Joday Group, CSI will be obligated to purchase all such Topicus Coop Units. Notwithstanding the foregoing, CSI can offer Topicus the right to purchase such Topicus Coop Units in lieu of CSI.

If CSI reduces its economic interest in Topicus by a sale or transfer of its economic interest (and not due to any additional issuance of any shares or equity by Topicus) by more than one-third (calculated on a fully converted basis in accordance with the IRGA), any member of the Joday Group has the right, at his or its option, to sell to CSI one-third of its Topicus Coop Units at a cash price per Topicus Coop Unit determined in accordance with the IRGA. Upon the exercise of such put option by a member of the Joday Group, CSI will be obligated to purchase all such put Topicus Coop Units. Notwithstanding the foregoing, CSI can offer Topicus the right to purchase such Topicus Coop Units in lieu of CSI. Any member of the Joday Group has a similar right to sell one-half or all of its remaining Topicus Coop Units, respectively, at its option, if CSI further reduces its remaining fully-diluted economic interest in Topicus by a sale or transfer of its economic interest by one-half and again if CSI sells its entire remaining economic interest in Topicus.

All of the Topicus Coop Ordinary Units and Topicus Coop Preference Units held by the Joday Group and Ijssel B.V. (collectively, the "Topicus Coop Exchangeable Units") are exchangeable, directly or indirectly, for Topicus Subordinate Voting Shares. All of the above rights of members of the Joday Group apply to any Topicus Subordinate Voting Shares issued on an exchange of Topicus Coop Exchangeable Units.

At any time after December 31, 2023, CSI has the right, at its option, to buy all of the Topicus Coop Units and shares of Topicus held by certain members of the Joday Group (excluding Joday) at a cash price per Topicus Coop Unit (or share of Topicus, as applicable) determined in accordance with the IRGA. After December 31, 2043, CSI has the same right to buy all of the Topicus Coop Units and shares of Topicus held by the remaining members of the Joday Group, including Joday.

In addition, if certain individuals affiliated with Joday are terminated from their employment with Topicus Coop or an affiliate thereof for urgent cause (as defined in the Dutch Civil Code), CSI has the right, at its option, to buy all of Topicus Coop Units held by such individuals at a cash price per Topicus Coop Unit determined in accordance with the IRGA.

The Company has continued to classify the above obligations of CSI under the terms of the IRGA as a liability. The main valuation driver in such calculation is the maintenance and other recurring revenue of Topicus. The valuation of CSI's obligations under the IRGA is also impacted by the change in the net tangible assets of Topicus (as defined under the IRGA). As the net tangible assets increase (which is typically the result of net profits in the applicable period), the valuation of CSI's obligations under the IRGA increases. Maintenance and recurring revenue of Topicus for the trailing twelve months on a pro-forma basis determined at the end of the current reporting period was used as the basis for valuing the interests at each redemption date. Any increase or decrease in the value of such liability is recorded as an expense or income in the consolidated statements of income (loss) for the period.

In addition, the liability of CSI under the terms of the IRGA is impacted by changes in the fair value of Topicus' investment in the equity securities of Sygnity and Asseco as determined by their respective share prices at the end of each reporting period.

The liability recorded on the balance sheet at June 30, 2026 was $1,186 million.

Debt without recourse to CSI

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

In conjunction with the acquisition of Optimal Blue, the Company entered into a promissory note agreement ("Promissory Note") with the seller, Intercontinental Exchange, Inc. for $500 million. The Promissory Note accrues interest at a rate of 7% per annum, is compounded annually and is payable in arrears. The first cash interest and principal payment under the Promissory Note is due on the day prior to the fifth anniversary and thereafter interest and principal payments will be due annually on the subsequent anniversaries of that date. The Promissory Note matures in 2063, subject to earlier optional prepayment.

Debt without recourse to CSI comprises the following ($ in millions):

	Topicus Revolving Credit Facility		Debt Facilities		Promissory Note	Total
Principal outstanding at June 30, 2026 (and equal to fair value)	$	125	$ 2,120	$	500	2,745
Deduct: Carrying value of transaction costs included in debt balance		(2)	(20)		-	(22)
Carrying value at June 30, 2026	$	124	2,100		500	2,724
Current portion		124	534		-	658
Non-current portion		-	1,566		500	2,066

Other commitments

Commitments include operating leases for office equipment and facilities, letters of credit and performance bonds issued on our behalf by financial institutions in connection with facility leases and contracts with public sector customers. Also, occasionally we structure some of our acquisitions with contingent consideration based on the future performance of the acquired business. The fair value of contingent consideration recorded in our statement of financial position was $227 million at June 30, 2026. Derivative assets and liabilities relate to contractual arrangements of the Company which have uncertain outcomes. If the probability of the outcomes associated with the contractual arrangements increases, the underlying value of the derivative will increase. If the probability of the outcomes decreases, the underlying value of the derivative will decrease. Assuming a probability of 100% and utilizing the observable inputs as of June 30, 2026, the maximum exposure of the Company's derivative liabilities is approximately $56 million as of June 30, 2026. Aside from the aforementioned, we do not have any other business arrangements, derivative financial instruments, or any equity interests in non-consolidated entities that would have a significant effect on our assets and liabilities as at June 30, 2026.

Contractual obligations at June 30, 2026 are summarized below.

(in millions of dollars)	Total	< 1 yr	1-5 yrs	> 5 yrs
Lease obligations	486	157	290	38
Holdbacks	553	310	243	-
Liability of CSI under the terms of the IRGA/TSS Members Agreement	1,186	678	508	-
Debentures	348	-	-	348
Term Loan	86	-	86	-
CSI revolving credit facility	-	-	-	-
Senior Notes	1,000	-	500	500
Topicus revolving credit facility without recourse to Constellation Software Inc.	125	125	-	-
Promissory note	500	-	11	489
Other debt facilities without recourse to Constellation Software Inc.	2,120	534	1,453	133
Total outstanding commitments	6,405	1,804	3,092	1,508

The IRGA liability commitment assumes that the Joday Group has exercised their put option to sell 100% of their interests back to Constellation. This option however has not been exercised as at August 11, 2026. See note 8 to the Unaudited Condensed Consolidated Interim Financial Statements for the three and six month periods ended June 30, 2026 for a discussion on the valuation methodology utilized.

Financial Instruments

The carrying values of cash, accounts receivable, accounts payable, accrued liabilities, dividends payable, the majority of acquisition holdbacks, and the CSI Facility, approximates fair value due to the short-term nature of these instruments. The carrying value of the debt without recourse to CSI approximate their fair values as the debt is subject to market interest rates. The carrying value of the IRGA liability and the term loan with recourse to CSI approximates fair value.

Financial assets and financial liabilities measured at fair value as at June 30, 2026 and December 31, 2025 in the Unaudited Condensed Consolidated Interim Financial Statements for the three and six month periods ended June 30, 2026 are summarized below. The Company has no additional financial liabilities measured at fair value after initial recognition other than those recognized in connection with business combinations and the redeemable preferred securities.

	June 30, 2026				December 31, 2025			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Equity securities	$ 124	$ -	$ -	$ 124	$ 64	$ -	$ -	$ 64
Investments in associates	-	-	65	65	-	-	40	40
Derivatives	-	-	10	10	-	-	9	9
	124	-	**75**	**199**	**64**	-	**50**	**114**
Liabilities:								
Contingent consideration	-	-	227	227	-	-	215	215
Derivatives	-	-	15	15	-	-	8	8
	-	-	**242**	**242**	-	-	**223**	**223**

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 inputs are inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- Level 3 inputs are inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Foreign Currency Exposure

We operate internationally and have foreign currency risks related to our revenue, operating expenses, assets and liabilities denominated in currencies other than the U.S. dollar. Consequently, we believe movements in the foreign currencies in which we transact will impact future revenue and net income. The impact to organic revenue growth for the three and six months ended June 30, 2026 was approximately positive 2% and 3% respectively. We cannot predict the effect of foreign exchange gains or losses in the future; however, if significant foreign exchange losses are experienced, they could have a material adverse effect on our business, revenues, results of operations, and financial condition. The Company enters into forward foreign exchange contracts from time to time with the objective of mitigating volatility in profit or loss in respect of financial liabilities. In entering into these forward exchange contracts, the Company is exposed to the credit risk of the counterparties to such contracts and the possibility that the counterparties will default on their payment obligations under these contracts. However, given that the counterparties are Schedule 1 banks or affiliates thereof, the Company believes these risks are not material. During the six months ended June 30, 2026, the Company did not purchase any contracts of this nature.

The following table provides an approximate breakdown of our revenue and expenses by currency, expressed as a percentage of total revenue and expenses, as applicable, for the three and six months ended June 30, 2026:

	Three Months Ended June 30, 2026		Six Months Ended June 30, 2026	
Currencies	% of Revenue	% of Expenses	% of Revenue	% of Expenses
USD	47%	41%	47%	41%
EUR	21%	21%	21%	21%
GBP	9%	9%	9%	9%
CAD	5%	7%	5%	7%
AUD	5%	5%	5%	5%
BRL	4%	4%	3%	3%
CHF	1%	2%	1%	2%
SEK	1%	1%	1%	1%
Others	9%	11%	9%	11%
Total	100%	100%	100%	100%

Due to rounding, certain totals may not foot.

Off-Balance Sheet Arrangements

As a general practice, we have not entered into off-balance sheet financing arrangements. Except for insignificant and short-term operating leases and letters of credit, all of our liabilities and commitments are reflected as part of our statement of financial position.

Proposed Transactions

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

Share Capital

As at August 11, 2026, there were 21,191,530 common shares outstanding.

Risks and Uncertainties

The Company's business is subject to a number of risk factors which are described in our most recently filed AIF. Additional risks and uncertainties not presently known to us or that we currently consider immaterial also may impair our business and operations and cause the price of the common shares to decline. If any of the noted risks actually occur, our business may be harmed and the financial condition and results of operations may suffer significantly. In that event, the trading price of the common shares could decline, and shareholders may lose all or part of their investment.

Controls and Procedures

Disclosure controls and procedures:

Management is responsible for establishing and maintaining disclosure controls and procedures as defined under National Instrument 52-109. The President and Chief Financial Officer have designed or caused to be designed by those under their supervision, disclosure controls and procedures which provide reasonable assurance that material information regarding the Company is accumulated and communicated to the Company's management, including its President and Chief Financial Officer in a timely manner.

Internal controls over financial reporting:

The President and Chief Financial Officer have designed or caused it to be designed under their supervision internal controls over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. The President and Chief Financial Officer have been advised that the control framework the President and the Chief Financial Officer used to design the Company's ICFR is recognized by the Committee of Sponsoring Organizations of the Treadway Commission.

The President and the Chief Financial Officer have evaluated, or caused to be evaluated by those under their supervision, whether or not there were changes to its ICFR during the period ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect the Company's ICFR. No such changes were identified through their evaluation.

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that its objectives are met. Due to inherent limitations in all such systems, no evaluations of controls can provide absolute assurance that all control issues, if any, within a company have been detected. Accordingly, our disclosure controls and procedures and our internal controls over financial reporting are effective in providing reasonable, not absolute, assurance that the objectives of our control systems have been met.

Subsequent Events

On August 11, 2026 the Company declared a $1.00 per share dividend that is payable on October 9, 2026 to all common shareholders of record at close of business on September 18, 2026.

Subsequent to June 30, 2026, the Company completed or has open commitments to acquire a number of businesses for aggregate cash consideration of $669 million on closing plus total estimated deferred payments of $149 million for total consideration of $818 million. The business acquisitions operate in the security, media, environmental, housing, aviation, hospitality, corporation communications, transit, gaming, insurance, education, healthcare, fleet, retail management and distribution, auctions, manufacturing, financial services, and asset management verticals and are all software companies similar to the existing business of the Company.

Condensed Consolidated Interim Financial Statements
(In U.S. dollars)

CONSTELLATION SOFTWARE INC.

For the three and six months ended June 30, 2026 and 2025
Unaudited

CONSTELLATION SOFTWARE INC.

Condensed Consolidated Interim Statements of Financial Position

(In millions of U.S. dollars, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

		June 30, 2026		December 31, 2025
Assets				
Current assets:				
Cash and cash equivalents	$	2,886	$	3,089
Accounts receivable		1,613		1,465
Unbilled revenue		498		452
Inventories		77		66
Other assets (note 6)		850		727
		5,925		5,798
Non-current assets:				
Property and equipment		242		240
Right of use assets		388		384
Deferred income taxes		438		355
Investments in associates (note 5)		626		655
Other assets (note 6)		473		345
Intangible assets (note 7)		9,522		8,392
		11,690		10,373
Total assets	$	17,615	$	16,171
Liabilities and Shareholders' Equity				
Current liabilities:				
Debt with recourse to Constellation Software Inc. (note 8)	$	-	$	-
Liability of CSI under the IRGA (note 8)		678		775
Debt without recourse to Constellation Software Inc. (note 9)		658		591
Accounts payable and accrued liabilities		1,889		1,941
Dividends payable (note 12)		21		21
Deferred revenue		2,654		2,219
Provisions (note 10)		25		17
Acquisition holdback payables		310		216
Lease obligations		150		143
Income taxes payable		174		150
		6,559		6,073
Non-current liabilities:				
Debt with recourse to Constellation Software Inc. (note 8)		1,472		1,489
Liability of CSI under the IRGA (note 8)		508		458
Debt without recourse to Constellation Software Inc. (note 9)		2,066		2,051
Deferred income taxes		1,024		886
Acquisition holdback payables		243		208
Lease obligations		295		280
Other liabilities (note 6)		573		457
		6,182		5,830
Total liabilities		12,741		11,904
Shareholders' equity (note 12):				
Capital stock		99		99
Accumulated other comprehensive income (loss)		87		130
Retained earnings		3,945		3,347
Non-controlling interests (note 18)		744		692
		4,875		4,267
Subsequent events (note 19)				
Total liabilities and shareholders' equity	$	17,615	$	16,171

See accompanying notes to the condensed consolidated interim financial statements.

CONSTELLATION SOFTWARE INC.

Condensed Consolidated Interim Statements of Income (loss)
(In millions of U.S. dollars, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Revenue				
License	$ 92	$ 87	$ 183	$ 183
Professional services	573	532	1,119	1,019
Hardware and other	116	80	216	155
Maintenance and other recurring	2,554	2,144	4,998	4,141
	3,335	2,844	6,516	5,498
Expenses				
Staff	1,696	1,457	3,383	2,869
Hardware	66	43	123	83
Third party license, maintenance and professional services	331	268	643	522
Travel, telecommunications, supplies, software and equipment	181	144	340	275
Professional fees	69	55	133	102
Other, net	97	73	184	143
Depreciation	56	50	111	96
Amortization of intangible assets (note 7)	348	286	673	558
	2,844	2,375	5,589	4,647
Foreign exchange loss (gain)	(14)	118	(58)	150
IRGA/TSS Membership liability revaluation charge (note 8)	64	126	(13)	220
Finance and other expense (income) (note 13)	(45)	(28)	(61)	(108)
Share in net (income) loss of equity investee (note 5)	(11)	(0)	(22)	(0)
Bargain purchase gain (note 4)	(11)	(5)	(11)	(5)
Impairment of intangible and other non-financial assets (note 7)	9	9	16	11
Finance costs (note 13)	83	71	164	142
	74	290	16	409
Income (loss) before income taxes	417	179	910	441
Current income tax expense (recovery) (note 11)	164	155	335	292
Deferred income tax expense (recovery)	(50)	(60)	(128)	(109)
Income tax expense (recovery)	114	95	207	183
Net income (loss)	303	85	703	258
Net income (loss) attributable to:				
Common shareholders of Constellation Software Inc.	274	56	641	192
Non-controlling interests (note 18)	29	28	62	66
Net income (loss)	303	85	703	258
Earnings per common share of Constellation Software Inc.				
Basic and diluted (note 14)	$ 12.93	$ 2.66	$ 30.25	$ 9.07

See accompanying notes to the condensed consolidated interim financial statements.

CONSTELLATION SOFTWARE INC.

Condensed Consolidated Interim Statements of Comprehensive Income (loss)
(In millions of U.S. dollars, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Net income (loss)	$ 303	$ 85	$ 703	$ 258
Items that are or may be reclassified subsequently to net income (loss):				
Foreign currency translation differences from foreign operations and other, net of tax	(15)	185	(52)	264
Items that will not be reclassified to net income (loss):				
Changes in the fair value of equity investments at FVOCI	-	95	-	215
Other comprehensive income (loss), net of income tax	(15)	280	(52)	479
Total comprehensive income (loss)	$ 288	$ 364	$ 651	$ 737
Total other comprehensive income (loss) attributable to:				
Common shareholders of Constellation Software Inc.	(11)	213	(42)	353
Non-controlling interests (note 18)	(4)	66	(10)	126
Total other comprehensive income (loss)	$ (15)	$ 280	$ (52)	$ 479
Total comprehensive income (loss) attributable to:				
Common shareholders of Constellation Software Inc.	264	270	599	545
Non-controlling interests (note 18)	24	95	52	192
Total comprehensive income (loss)	$ 288	$ 364	$ 651	$ 737

See accompanying notes to the condensed consolidated interim financial statements.

CONSTELLATION SOFTWARE INC.

Condensed Consolidated Interim Statement of Changes in Equity
(In millions of U.S. dollars, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

Six months ended June 30, 2026

	Equity Attributable to Common Shareholders of CSI					
	Capital stock	**Accumulated other comprehensive income (loss)**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Balance at January 1, 2026	**$ 99**	**$ 130**	**$ 3,347**	**$ 3,576**	**$ 692**	**$ 4,267**
Total comprehensive income (loss):						
Net income (loss)	-	-	641	641	62	703
Other comprehensive income (loss)						
Foreign currency translation differences from foreign operations and other, net of tax and changes in the fair value of equity investments at FVOCI	-	(42)	-	(42)	(10)	(52)
Total other comprehensive income (loss)	**-**	**(42)**	**-**	**(42)**	**(10)**	**(52)**
Total comprehensive income (loss)	**-**	**(42)**	**641**	**599**	**52**	**651**
Transactions with owners, recorded directly in equity						
Other movements in non-controlling interests	-	-	(1)	(1)	(0)	(1)
Dividends paid to non-controlling interests	-	-	-	-	-	-
Dividends to shareholders of the Company	-	-	(42)	(42)	-	(42)
Balance at June 30, 2026	**$ 99**	**$ 87**	**$ 3,945**	**$ 4,131**	**$ 744**	**$ 4,875**

See accompanying notes to the condensed consolidated interim financial statements.

CONSTELLATION SOFTWARE INC.

Condensed Consolidated Interim Statement of Changes in Equity
(In millions of U.S. dollars, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited
Six months ended June 30, 2025

	Equity Attributable to Common Shareholders of CSI					
	Capital stock	Accumulated other comprehensive income (loss)	Retained earnings	Total	Non-controlling interests	Total equity
Balance at January 1, 2025	**$ 99**	**$ (224)**	**$ 2,919**	**$ 2,795**	**$ 493**	**$ 3,288**
Total comprehensive income (loss):						
Net income (loss)	-	-	192	192	66	258
Other comprehensive income (loss)						
Foreign currency translation differences from foreign operations and other, net of tax	-	353	-	353	126	479
Total other comprehensive income (loss)	**-**	**353**	**-**	**353**	**126**	**479**
Total comprehensive income (loss)	**-**	**353**	**192**	**545**	**192**	**737**
Transactions with owners, recorded directly in equity						
Other movements in non-controlling interests	-	-	(1)	(1)	1	(0)
Dividends paid to non-controlling interests	-	-	-	-	(0)	(0)
Dividends to shareholders of the Company		-	(42)	(42)	-	(42)
Balance at June 30, 2025	**$ 99**	**$ 129**	**$ 3,068**	**$ 3,296**	**$ 686**	**$ 3,982**

See accompanying notes to the condensed consolidated interim financial statements.

CONSTELLATION SOFTWARE INC.

Condensed Consolidated Interim Statements of Cash Flows

(In millions of U.S. dollars, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Cash flows from (used in) operating activities:				
Net income (loss)	303	85	703	258
Adjustments for:				
Depreciation	56	50	111	96
Amortization of intangible assets (note 7)	348	286	673	558
IRGA/TSS Membership liability revaluation charge (note 8)	64	126	(13)	220
Finance and other expense (income) (note 13)	(45)	(28)	(61)	(108)
Share in net (income) loss of equity investee (note 5)	(11)	(0)	(22)	(0)
Bargain purchase (gain) (note 4)	(11)	(5)	(11)	(5)
Impairment of intangible and other non-financial assets (note 7	9	9	16	11
Finance costs (note 13)	83	71	164	142
Income tax expense (recovery)	114	95	207	183
Foreign exchange loss (gain)	(14)	118	(58)	150
Depreciation of third party costs	4	4	8	9
Change in non-cash operating assets and liabilities exclusive of effects of business combinations (note 17)	(203)	(185)	(18)	46
Transaction costs associated with equity securities classified as FVOC	-	-	-	(2)
Income taxes paid	(218)	(192)	(325)	(299)
Net cash flows from (used in) operating activities	477	433	1,374	1,260
Cash flows from (used in) financing activities:				
Interest paid on lease obligations	(5)	(4)	(9)	(8)
Interest paid on debt	(43)	(32)	(104)	(94)
Increase (decrease) in Topicus revolving credit debt facility without recourse to CSI	24	(135)	(262)	(104)
Proceeds from issuance of debt facilities without recourse to CSI	354	341	598	368
Repayments of debt facilities without recourse to CSI	(156)	(69)	(228)	(99)
Other financing activities	(12)	1	(8)	(0)
Dividends paid to non-controlling interests	-	-	-	(0)
Debt transaction costs	(4)	(4)	(5)	(4)
Payments of lease obligations, net of sublease receipts	(38)	(33)	(76)	(63)
Dividends paid to common shareholders of the Company (note 12)	(21)	(21)	(42)	(42)
Net cash flows from (used in) in financing activities	100	43	(137)	(48)
Cash flows from (used in) investing activities:				
Acquisition of businesses (note 4)	(732)	(380)	(1,429)	(474)
Cash obtained with acquired businesses (note 4	79	45	156	56
Post-acquisition settlement payments, net of receipts	(94)	(114)	(163)	(130)
Purchases of investments and other assets	(15)	(14)	(47)	(189)
Proceeds from sales of other investments and other assets	0	15	0	15
Decrease (increase) in restricted cash	(0)	(3)	1	5
Interest, dividends and other proceeds received	80	20	92	32
Property and equipment purchased	(22)	(16)	(40)	(31)
Net cash flows from (used in) investing activities	(703)	(446)	(1,429)	(717)
Effect of foreign currency on cash and cash equivalents	1	68	(11)	101
Increase (decrease) in cash and cash equivalents	(124)	98	(202)	596
Cash and cash equivalents, beginning of period	$ 3,010	$ 2,477	$ 3,089	$ 1,980
Cash and cash equivalents, end of period	$ 2,886	$ 2,575	$ 2,886	$ 2,575

See accompanying notes to the condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

1. Reporting entity

Constellation Software Inc. is a company domiciled in Canada. The address of Constellation Software Inc.'s registered office is 66 Wellington Street West, Suite 5300, Toronto, Ontario, Canada. The condensed consolidated interim financial statements of Constellation Software Inc. as at and for the three and six month periods ended June 30, 2026 comprise Constellation Software Inc. and its subsidiaries (together referred to as “Constellation”, “CSI”, or the "Company") and the Company's interest in associates. The Company is engaged principally in the development, installation and customization of software as well as in the provisioning of related professional services and support for customers globally across over 100 diverse markets.

2. Basis of presentation

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”) and using the accounting policies disclosed in Note 3 of the Company’s 2025 annual consolidated financial statements, available on the System for Electronic Document Analysis and Retrieval (“SEDAR+”) at www.sedarplus.com, except as disclosed herein.

These condensed consolidated interim financial statements were approved and authorized for issuance by the Board of Directors of the Company on August 11, 2026.

These condensed consolidated interim financial statements should be read in conjunction with the Company’s 2025 annual consolidated financial statements.

(b) Basis of measurement

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain assets and liabilities initially recognized in connection with business combinations, derivative financial instruments, equity securities, and contingent consideration related to business acquisitions, which are measured at their estimated fair value.

(c) Functional and presentation currency

The condensed consolidated interim financial statements are presented in U.S. dollars, which is Constellation's functional currency.

(d) Use of estimates and judgements

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses, consistent with those disclosed in the 2025 annual consolidated financial statements and described in these condensed consolidated interim financial statements. Actual results may differ from these estimates.

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

3. Material accounting policies

Unless otherwise noted in the condensed consolidated interim financial statements, the material accounting policies used in preparing these condensed consolidated interim financial statements are unchanged from those disclosed in the Company's 2025 annual consolidated financial statements and have been applied consistently to all periods presented in these condensed consolidated interim financial statements.

The accounting policies have been applied consistently by Constellation's subsidiaries.

Recent accounting pronouncements not yet adopted:

The IASB has issued IFRS 18, Presentation and Disclosure in Financial Statements (replacing IAS 1, Presentation of Financial Statements), with an aim to improve how information is communicated in the financial statements, with a focus on information in the statement of income that will become effective on January 1, 2027. The Company is assessing the impacts IFRS 18 will have on the consolidated financial statements.

4. Business acquisitions

(a) On February 13, 2026, the Company completed the acquisition of 100% of the shares of Synchronoss Technologies, Inc. ("Synchronoss") for cash proceeds of $309.

Synchronoss is a software company that offers cloud-based software and services that enable communications service providers and other enterprises to manage, monetize, and securely deliver digital content, messaging, and customer engagement solutions. The acquired business operates in the communications and media market. The acquisition has been accounted for using the acquisition method with the results of operations included in the condensed consolidated interim financial statements for the six months ended June 30, 2026 from the date of the acquisition.

The goodwill recognized in connection with this acquisition is primarily attributable to the application of the Company's best practices to improve the operations of the company acquired, synergies with existing businesses of the Company, and other intangible assets that do not qualify for separate recognition including assembled workforce. The goodwill is not expected to be deductible for income tax purposes.

The gross contractual amount of acquired receivables was $15; however, the Company has recorded an allowance of $NIL as part of the acquisition accounting to reflect contractual cash flows that are not expected to be collected.

Due to the complexity and timing of this acquisition, the Company is in the process of determining and finalizing the estimated fair value of the net assets acquired. The amounts determined on a provisional basis generally relate to net asset assessments and measurement of the assumed liabilities. The provisional purchase price allocations may differ from the final purchase price allocations, and these differences may be material. Revisions to the allocations will occur as additional information about the fair value of assets and liabilities becomes available.

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

The impact of acquisition accounting applied on a provisional basis in connection with the acquisition of Synchronoss is as follows:

Assets acquired:		
Cash	$	34
Accounts receivable		15
Other current assets		11
Property and equipment		1
Right of use assets		4
Other non-current assets		4
Technology assets		111
Customer assets		175
		355
Liabilities assumed:		
Current liabilities		31
Deferred revenue		0
Deferred income taxes		29
Long-term lease obligations		8
Other non-current liabilities		7
		75
Goodwill		29
Total consideration	**$**	**309**

The acquisition of Synchronoss contributed revenue of $64 and a net loss of $4 for the six months ended June 30, 2026. If this acquisition had occurred on January 1, 2026, the Company estimates that pro-forma consolidated revenue and pro-forma consolidated net income would have been $6,536 and $705 compared to the actual amounts reported in the condensed consolidated interim statement of income (loss) for six months ended June 30, 2026.

(b) On June 1, 2026, the Company effectively acquired 91.8% of the outstanding shares of DerbySoft Holdings Limited (“DerbySoft”), thereby obtaining control, for cash consideration of $363 plus cash holdbacks of $14 and contingent consideration with an estimated acquisition date fair value of $15. The total consideration was $392. The remaining 8.2% is held by non-controlling interests. The non-controlling interest has been classified as a liability and recorded at fair value as a result of obligations of the Company to purchase this interest in the future.

The contingent consideration is payable on the achievement of certain financial targets in the post-acquisition periods and has been recorded at its estimated fair value. The contingent consideration is subject to a maximum payout of $30.

DerbySoft is a software company that operates in the travel vertical. The acquisition has been accounted for using the acquisition method with the results of operations included in the condensed consolidated interim financial statements for six months ended June 30, 2026 from the date of the acquisition.

The goodwill recognized in connection with this acquisition is primarily attributable to the application of the Company's best practices to improve the operations of the company acquired, synergies with existing businesses of the Company, and other intangible assets that do not qualify for separate recognition including assembled workforce. Goodwill is not expected to be deductible for income tax purposes.

The gross contractual amount of acquired receivables was $89; however, the Company has recorded an allowance of $0 as part of the acquisition accounting to reflect contractual cash flows that are not expected to be collected.

Due to the complexity and timing of this acquisition, the Company is in the process of determining and finalizing the estimated fair value of the net assets acquired. The amounts determined on a provisional basis generally relate to net asset assessments and measurement of the assumed liabilities. The provisional purchase price allocations may differ from the final purchase price allocations, and these differences may be material. Revisions to the allocations will occur as additional information about the fair value of assets and liabilities becomes available.

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

The impact of acquisition accounting applied on a provisional basis in connection with the acquisition of DerbySoft is as follows:

Assets acquired:		
Cash	$	28
Accounts receivable		88
Other current assets		103
Property and equipment		1
Right of use assets		2
Other non-current assets		1
Technology assets		79
Customer assets		236
		539
Liabilities assumed:		
Current liabilities		156
Deferred revenue		2
Deferred income taxes		45
Long-term lease obligations		1
Other non-current liabilities		0
		203
Non-controlling interest with put options classified as a liability		46
Goodwill		102
Total consideration	**$**	**392**

The acquisition of DerbySoft contributed revenue of $11 and a net loss of $1 for the six months ended June 30, 2026. If this acquisition had occurred on January 1, 2026, the Company estimates that pro-forma consolidated revenue and pro-forma consolidated net income would have been $6,568 and $700 compared to the actual amounts reported in the condensed consolidated interim statement of income (loss) for six months ended June 30, 2026.

(c) During the six months ended June 30, 2026, the Company completed a number of additional acquisitions for aggregate cash consideration of $757 plus cash holdbacks of $199 and contingent consideration with an estimated acquisition date fair value of $42. The total consideration resulting from the additional acquisitions in the six months ended June 30, 2026 was $999. The contingent consideration is payable on the achievement of certain financial targets in the post-acquisition periods. The obligation for contingent consideration for acquisitions during the six months ended June 30, 2026 has been recorded at its estimated fair value at the various acquisition dates. The estimated fair value of the applicable contingent consideration is calculated using the estimated financial outcome and resulting expected contingent consideration to be paid and inclusion of a discount rate as appropriate. For these arrangements, which include both maximum, or capped, and unlimited contingent consideration amounts, the estimated increase to the initial consideration is not expected to exceed $89.

Aggregate contingent consideration of $227 (December 31, 2025 - $215) has been reported in the condensed consolidated interim statement of financial position at its estimated fair value relating to applicable acquisitions completed in the current and prior periods. Changes made to the estimated fair value of contingent consideration are included in other, net in the condensed consolidated interim statements of income (loss). An expense of $13 and $17 has been recorded for the three and six months ended June 30, 2026 (an expense of $4 and $11 for the three and six months ended June 30, 2025).

No additional acquisitions were deemed to be individually significant. The majority of the businesses acquired during the period were acquisitions of shares and the remainder were asset acquisitions. The cash holdbacks are generally payable over a two-year period and are adjusted, as necessary, for such items as working capital or net tangible asset assessments, as defined in the agreements, and claims under the respective representations and warranties of the purchase and sale agreements.

The additional acquisitions during the six months ended June 30, 2026 include software companies catering to the following markets: accounting, agriculture equipment dealers, asset management, automotive, aviation, chemicals, content management, education, enterprise resource planning, financial services, fitness, gaming, gas monitoring, government, healthcare, hospitality, human capital, insurance, legal, manufacturing, mining, planning, policy and procedure management, procurement, real estate, retail management and distribution, social compliance, marketing, security, dealer, justice, utilities, legal, accounting, printing, defence, library, travel, supply chain management, workspace management, laboratory, and telematics, all of which are software businesses similar to existing businesses operated by the Company. The acquisitions have been accounted for using the acquisition method with the results of operations included in these consolidated financial statements from the date of each acquisition.

The goodwill recognized in connection with these additional acquisitions is primarily attributable to the application of Constellation's best practices to improve the operations of the companies acquired, synergies with existing businesses of Constellation, and other intangible assets that do not qualify for separate recognition including assembled workforce. Goodwill in the amount of $8 is expected to be deductible for income tax purposes.

The gross contractual amount of acquired receivables was $92; however, the Company has recorded an allowance of $6 as part of the acquisition accounting to reflect contractual cash flows that are not expected to be collected.

Due to the complexity and timing of certain additional acquisitions made, the Company is in the process of determining and finalizing the estimated fair value of the net assets acquired as part of the acquisitions closed during the six months ended June 30, 2026 and the last six months of 2025. The amounts determined on a provisional basis generally relate to net asset assessments and measurement of the assumed liabilities, including acquired contract liabilities. The provisional purchase price allocations may differ from the final purchase price allocations, and these differences may be material. Revisions to the allocations will occur as additional information about the fair value of assets and liabilities becomes available. The cash consideration associated with these provisional estimates (including individually significant acquisitions) totals $2,182.

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

The aggregate impact of acquisition accounting applied in connection with the aggregate of business acquisitions that are not individually significant in the period ended June 30, 2026 is as follows:

Assets acquired:		
Cash	$	94
Accounts receivable		87
Other current assets		77
Property and equipment		14
Right of use assets		31
Other non-current assets		13
Deferred income taxes		48
Technology assets		486
Customer assets		497
		1,347
Liabilities assumed:		
Current liabilities		122
Deferred revenue		147
Deferred income taxes		170
Long-term lease obligations		35
Other non-current liabilities		8
		483
Non-controlling interest with put options classified as a liability		17
Goodwill		162
Bargain purchase gain		(10)
Aggregate purchase price	**$**	**999**
Non-cash consideration:		
Fair value of investment in affiliate in which control was acquired		(0)
Total consideration		**999**

The 2026 additional business acquisitions did not have a material impact to either the consolidated revenue or the consolidated net income (loss) for the six months ended June 30, 2026. The materiality threshold is reviewed on a regular basis taking into account the quantitative (contribution to revenue and net income (loss)) and qualitative (size and comparability with other Constellation businesses) factors of current period acquisitions on both an individual and aggregate basis.

(d) The chart below outlines the significant measurement period adjustments and adjustments to estimated holdback payables on prior year acquisitions which have been reflected on the condensed consolidated interim statement of financial position as of December 31, 2025.

	December 31, 2025
Current Assets:	
Accounts receivable	(5)
Unbilled revenue	2
Inventories	(3)
Acquisition holdback receivables	(0)
Other assets	1
	(5)
Non-current Assets:	
Property and equipment	(0)
Right of use assets	1
Intangible assets	4
	4
Total assets	(0)
Current liabilities:	
Accounts payable and accrued liabilities	0
Deferred revenue	5
Acquisition holdback payables	(8)
Lease obligations	2
Income taxes payable	(0)
	(1)
Non-current liabilities:	
Deferred income taxes	(4)
Acquistion holdback payables	0
Lease obligations	(1)
Other liabilities	6
	0
Total liabilities	(0)

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

5. Investments in associates

Investments in associates comprise the following:

	June 30, 2026	December 31, 2025
Investment in Asseco	523	575
Other investments in associates	103	80
	626	655

Investment in Asseco:

The Company owns 19,207,886 shares in Asseco Poland S.A. ("Asseco") representing an ownership interest of approximately 23.14%. Asseco offers comprehensive, proprietary IT solutions for certain sectors of the economy and is listed on the Polish Warsaw Stock Exchange (the "WSE"). The Company applies the equity method of accounting to its investment in Asseco as a result of its ability to exercise significant influence over Asseco. Under the equity method of accounting, the investment is initially recognized at cost and is subsequently adjusted to reflect the Company's share of profit or loss and other comprehensive income (loss) of Asseco. The Company has elected to use "lag reporting" in relation to its investment in Asseco. The Company will record its share of profit or loss and other comprehensive income (loss) on a "three-month lag" because the concurrent financial information is impracticable to obtain from Asseco. Due to the complexity and timing of the investment, the Company is in the process of determining and finalizing the estimated fair value of the net assets acquired. The provisional purchase price allocation may differ from the final purchase price allocation, and these differences may be material. Revisions to the allocation will occur as additional information about the fair value of assets and liabilities becomes available.

The below table presents a reconciliation of the investment in Asseco from the beginning of the period to the end of the period:

At January 1, 2026	575
Share in net income (loss) of equity investee	23
Share in other comprehensive income (loss) of equity investee	14
Dividends received	(69)
Other equity adjustment	(1)
Foreign exchange and other adjustments	(19)
At June 30, 2026	523

The fair value of the Company's investment in Asseco based on the share price of Asseco at June 30, 2026 is $853.

Summarized Financial Information:

The tables below provide summarised financial information for the investment in Asseco as at March 31, 2026, due to the application of lag reporting. The information disclosed reflects the amounts presented in the financial statements of Asseco and not the Company's share of those amounts. The amounts have been amended to reflect adjustments made by the Company when using the equity method, including fair value adjustments and significant events during the lag reporting period.

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

Summarized Statement of Financial Position:

Current assets	3,081
Non-current assets	2,368
Current liabilities	1,970
Non-current liabilities	1,033
Net assets	2,446
Non-controlling interest	(1,619)
Net assets attributable to the shareholders of Asseco	827
CSI's share of net assets	197
Goodwill	326
Investment in Asseco	523

Summarized Statement of Income (loss):

Three months ended March 31, 2026	
Revenue	1,216
Operating profit	118
Net income	109
Net income attributable to the shareholders of Asseco	50
Share in net income (loss) of equity investee	12

Summarized Statement of Other Comprehensive Income (loss):

Three months ended March 31, 2026	
Other comprehensive income	83
Other comprehensive income attributable to the shareholders of Asseco	42
Share in other comprehensive income (loss) of equity investee	10

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

6. Other assets and other non-current liabilities

(a) Other assets

		June 30, 2026		December 31, 2025
Prepaid expenses and other current assets	$	479	$	377
Holdback receivable		1		1
Investment tax credits recoverable		68		53
Sales tax receivable		67		56
Equity securities held for trading		6		52
Income tax and other receivables		230		188
Total other current assets	$	850	$	727
Investment tax credits recoverable	$	19	$	19
Costs to obtain a contract		115		110
Non-current trade and other receivables and other assets		340		217
Total other non-current assets	$	473	$	345

(b) Other non-current liabilities

		June 30, 2026		December 31, 2025
Contingent consideration	$	131	$	122
Deferred revenue		129		125
Other non-current liabilities		313		210
Total other non-current liabilities	$	573	$	457

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

7. Intangible Assets

	Technology Assets	Customer Assets	Backlog	Non-compete agreements	Trademarks	Goodwill	Total
Cost							
Balance at January 1, 2025	$ 5,733	$ 5,485	$ 17	$ 2	$ 28	$ 1,474	$ 12,739
Acquisitions through business combinations	784	749	0	-	-	272	1,805
Effect of movements in foreign exchange and other	282	258	0	(0)	3	74	616
Balance at December 31, 2025	$ 6,799	$ 6,492	$ 17	$ 2	$ 31	$ 1,820	$ 15,161
Balance at January 1, 2026	$ 6,799	$ 6,492	$ 17	$ 2	$ 31	$ 1,820	$ 15,161
Acquisitions through business combinations	676	908	(0)	-	-	294	1,879
Effect of movements in foreign exchange and other	(49)	(54)	(0)	0	(1)	(18)	(122)
Balance at June 30, 2026	$ 7,426	$ 7,346	$ 17	$ 2	$ 30	$ 2,097	$ 16,917
Accumulated amortization and impairment losses							
Balance at January 1, 2025	$ 3,340	$ 1,894	$ 17	$ 2	$ 9	$ 23	$ 5,284
Amortization for the period	677	504	0	(0)	2	-	1,182
Impairment charge	14	13	-	-	-	11	38
Effect of movements in foreign exchange and other	163	101	0	(0)	-	-	264
Balance at December 31, 2025	$ 4,193	$ 2,512	$ 17	$ 2	$ 10	$ 34	$ 6,769
Balance at January 1, 2026	$ 4,193	$ 2,512	$ 17	$ 2	$ 10	$ 34	$ 6,769
Amortization for the period	382	290	(0)	0	1	-	673
Impairment charge	0	7	-	-	-	1	9
Effect of movements in foreign exchange and other	(32)	(23)	(0)	0	-	-	(56)
Balance at June 30, 2026	$ 4,543	$ 2,786	$ 17	$ 2	$ 11	$ 36	$ 7,395
Carrying amounts							
At January 1, 2025	$ 2,393	$ 3,591	$ 0	$ (0)	$ 20	$ 1,451	$ 7,455
At December 31, 2025	$ 2,606	$ 3,980	$ 0	$ -	$ 21	$ 1,786	$ 8,392
At January 1, 2026	$ 2,606	$ 3,980	$ 0	$ -	$ 21	$ 1,786	$ 8,392
At June 30, 2026	$ 2,882	$ 4,559	$ (0)	$ (0)	$ 19	$ 2,061	$ 9,522

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

8. Debt with recourse to CSI and Liability of CSI under the IRGA

	CSI Facility	Senior Notes	Liability of CSI under the IRGA	Debentures	Term Loan		Total
Principal outstanding (and, except for debentures, equal to fair value)	$ -	$ 1,000	$ 1,186	$ 348	$ 86		$ 2,621
Deduct: Unamortized transaction costs included in debt balance	-	(6)	-	-	(0)		(6)
Add: Unamortized debt premium	-	-	-	43	-		43
Carrying value at June 30, 2026	-	994	1,186	392	86	-	2,659
Current portion	-	-	678	-	-		678
Non-current portion	-	994	508	392	86		1,980

CSI Facility

On January 31, 2024, the Company completed an amendment and restatement of its existing credit facility agreement (the "CSI Facility"). The facility limit was increased from $840 to $1,085, with a syndicate of existing and new institutions. The agreement has also moved from a secured to an unsecured facility structure, which continues to be available for general corporate purposes including acquisitions and working capital. The CSI Facility is guaranteed by certain subsidiaries of the Company. The CSI Facility bears a variable interest rate with no fixed repayments required over the term to maturity. Interest rates are calculated at standard U.S. and Canadian reference rates plus interest rate spreads based on a leverage table. The CSI Facility contains standard events of default which if not remedied within a cure period would trigger the repayment of any outstanding balance. As at June 30, 2026, $nil (December 31, 2025 – $nil) had been drawn from this credit facility, and letters of credit totaling $13 (December 31, 2025 - $13) were issued, which limits the borrowing capacity on a dollar-for-dollar basis.

Senior Notes

On February 16, 2024, the Company completed a private offering of $500 aggregate principal amount of 5.158% senior notes due 2029 and $500 aggregate principal amount of 5.461% senior notes due 2034 (collectively, the "Senior Notes"). The Senior Notes are senior unsecured obligations of the Company and rank equally in right of payment to all of the Company's existing and future senior unsecured indebtedness, including the CSI Facility. The Senior Notes are guaranteed by certain subsidiaries of the Company on the same basis as such subsidiaries have guaranteed the CSI Facility. Transaction costs associated with the Senior Notes are being amortized through profit or loss using the effective interest rate method.

Liability of CSI under the terms of the IRGA/TSS Members Agreement

On December 23, 2014, in accordance with the terms of the purchase and sale agreement for the initial acquisition of Total Specific Solutions ("TSS") by CSI, and on the basis of the term sheets attached thereto, Constellation and the sellers of TSS along with certain members of TSS' executive management team (collectively, the "Joday Group") among others, entered into a Members Agreement (the "TSS Members Agreement") pursuant to which the Joday Group acquired 33.29% of the voting interests in Constellation Software Netherlands Holding Coöperatief U.A. (which was renamed to Topicus.com Coöperatief U.A., ("Topicus Coop")), a subsidiary of Constellation and the indirect owner of 100% of TSS at the time of the acquisition. Total proceeds from this transaction were EUR 39.

On January 5, 2021, the TSS Members Agreement was terminated in conjunction with the acquisition of Topicus.com B.V., the reorganization of Topicus Coop and the execution of the Investors Rights and Governance Agreement (“IRGA”). The IRGA was established to create certain contractual obligations of the parties in respect of the governance of Topicus and Topicus Coop. The IRGA provides for transfer restrictions in respect of the ordinary units of Topicus Coop (“Topicus Coop Ordinary Units” or the “Topicus Coop Units”).

Any time after January 5, 2021, any member of the Joday Group has the right, at their option, to sell any number of its Topicus Coop Units to CSI at a cash price per Topicus Coop Unit determined in accordance with the IRGA. Upon the exercise of such option by a member of the Joday Group, CSI will be obligated to purchase 33.33% of such Topicus Coop Units within 30 days, and an additional 33.33% on each of the first and the second anniversary of such initial purchase with the exception of certain items including the Company’s obligations under the IRGA associated with the investment in Sygnity and Asseco which have been classified as a current liability and are expected to be settled through providing Joday their prorated share of the investments. Notwithstanding the foregoing, CSI can offer Topicus the right to purchase such Topicus Coop Units in lieu of CSI.

In the event of a change of control of CSI, any member of the Joday Group has the right, at their option, to sell all of its Topicus Coop Units to CSI at a cash price per Topicus Coop Unit determined in accordance with the IRGA. Upon the exercise of such option by a member of the Joday Group, CSI will be obligated to purchase all such Topicus Coop Units. Notwithstanding the foregoing, CSI can offer Topicus the right to purchase such Topicus Coop Units in lieu of CSI.

If CSI reduces its economic interest in Topicus by a sale or transfer of its economic interest (and not due to any additional issuance of any shares or equity by Topicus) by more than one-third (calculated on a fully converted basis in accordance with the IRGA), any member of the Joday Group has the right, at their option, to sell to CSI one-third of its Topicus Coop Units at a cash price per Topicus Coop Unit determined in accordance with the IRGA. Upon the exercise of such put option by a member of the Joday Group, CSI will be obligated to purchase all such put Topicus Coop Units. Notwithstanding the foregoing, CSI can offer Topicus the right to purchase such Topicus Coop Units in lieu of CSI. Any member of the Joday Group has a similar right to sell one-half or all of its remaining Topicus Coop Units, respectively, at its option, if CSI further reduces its remaining fully-diluted economic interest in Topicus by a sale or transfer of its economic interest by one-half and again if CSI sells its entire remaining economic interest in Topicus.

All of the Topicus Coop Ordinary Units held by the Joday Group and Ijssel B.V. (collectively, the “Topicus Coop Exchangeable Units”) are exchangeable, directly or indirectly, for Topicus Subordinate Voting Shares. All of the above rights of members of the Joday Group apply to any Topicus Subordinate Voting Shares issued on an exchange of Topicus Coop Exchangeable Units.

At any time after December 31, 2023, CSI has the right, at its option, to buy all of the Topicus Coop Units and shares of Topicus held by certain members of the Joday Group (excluding Joday Investments VI B.V. (“Joday”)) at a cash price per Topicus Coop Unit (or share of Topicus, as applicable) determined in accordance with the IRGA. After December 31, 2043, CSI has the same right to buy all of the Topicus Coop Units and shares of Topicus held by the remaining members of the Joday Group, including Joday.

In addition, if certain individuals affiliated with Joday are terminated from their employment with Topicus Coop or an affiliate thereof for urgent cause (as defined in the Dutch Civil Code), CSI has the right, at its option, to buy all of Topicus Coop Units held by such individuals at a cash price per Topicus Coop Unit determined in accordance with the IRGA.

The Company has continued to classify the above obligations of CSI under the terms of the IRGA as a liability. The main valuation driver in such calculation is the maintenance and other recurring revenue of Topicus. Maintenance and recurring revenue of Topicus for the trailing twelve months on a pro-forma basis determined at the end of the current reporting period was used as the basis for valuing the interests at each redemption date, excluding Sygnity. The valuation of the Company's obligations under the IRGA associated with the Company's investment in Sygnity and Asseco are based on the fair value of these investments as determined by their respective share prices at the end of each reporting period and the aggregate liability under the IRGA associated with these two investments has been classified as a current liability. The valuation of CSI's obligations under the IRGA is also impacted by the change in the net tangible assets of Topicus (as defined under the IRGA). As the net tangible assets increase (which is typically the result of net profits in the applicable period), the valuation of CSI's obligations under the IRGA increases. Any increase or decrease in the value of such liability is recorded as an expense or income in the condensed consolidated interim statements of income (loss) for the period.

Debentures

On October 1, 2014 and November 19, 2014, the Company issued debentures with a total principal value of C$96 for total proceeds of C$91. On September 30, 2015, the Company issued another tranche of debentures (collectively with the 2014 issuances called the "Debentures") with a total principal value of C$186 for total proceeds of C$214.

On October 6, 2023, a total of C$213 principal amount of debentures ("2023 Debentures") were issued at a price of C$133.00 per C$100.00 principal amount of 2023 Debentures purchased representing proceeds to the Company of C$283 which was used by the Company to pay down indebtedness under its existing credit facility. The 2023 Debentures were issued as an additional tranche of, and will form a single series with, the outstanding C$282 aggregate principal amount of Debentures.

The Debentures have a maturity date of March 31, 2040 (the "Maturity Date").

The interest rate from and including:

- March 31, 2024 but excluding March 31, 2025 is 10.4%
- March 31, 2025 but excluding March 31, 2026 is 8.9%
- March 31, 2026 but excluding March 31, 2027 is 8.6%

Subsequent from and including March 31, 2027 to but excluding the Maturity Date, the interest rate applicable to the Debentures will be reset on an annual basis on March 31 of each year, at a rate equal to the annual average percentage change in the All-items Consumer Price Index during the 12-month period ending on December 31 in the prior year (which amount may be positive or negative) plus 6.5%. Notwithstanding the foregoing, the interest rate applicable to the debentures will not be less than 0%. The Company may, subject to certain approvals, elect the Payment in Kind election ("PIK Election"), in lieu of paying interest in cash, to satisfy all or any portion of its interest obligation payable on an interest payment date by issuing to each Debenture holder PIK Debentures equal to the amount of the interest obligation to be satisfied. The PIK Debentures will have the same terms and conditions as the Debentures and will form part of the principal amount of the Debentures. If, on any interest payment date, the Company fails to pay the amount of interest owing on the Debentures in full in cash, the Company will not (A) declare or pay dividends of any kind on the Common Shares, nor (B) participate in any share buyback or redemption involving the Common Shares, until the date on which the Company pays such interest (or the unpaid portion thereof) in cash to holders of the Debentures; however, where the Company has issued PIK Debentures in respect of all or a portion of the amount of interest owing on the Debentures on an interest payment date, the Company may resume declaring or paying dividends of any kind on the Common Shares and participating in any share buyback or redemption involving the Common Shares beginning on the next earlier of (i) the interest payment date of which the Company pays the amount of interest owing on the Debentures in full in cash and (ii) the date on which the Company repays all amounts owing under the PIK Debenture. All payments in respect of the Debentures will be subordinated in right of payment to the prior payment in full of all senior indebtedness of the Company.

The Debentures will be redeemable in certain circumstances at the option of the Company or the holder. During the period beginning on March 16 and ending on March 31 of each year, the Company will have the right, at its option, to give notice to holders of Debentures of its intention to redeem the Debentures, in whole or in part, on March 31 in the year that is five years following the year in which notice is given, at a price equal to the principal amount thereof plus accrued and unpaid interest up to but excluding the date fixed for redemption. During the period beginning on March 1 and ending on March 15 of each year, holders of Debentures will also have the right, at their option, to give notice to the Company of their intention to require the Company to repurchase (or to “put”) the Debentures, in whole or in part, on March 31 in the year that is five years following the year in which notice is given, at a price equal to the principal amount thereof plus accrued and unpaid interest up to but excluding the date fixed for repurchase.

The fair value of the debentures as at June 30, 2026 was $430 (December 31, 2025 - $426).

Term Loan

One of CSI’s subsidiaries has entered into a GBP 65 term debt facility with a financial institution for which CSI has guaranteed the debt. The facility bears a fixed rate of interest. The term loan contains events of default that, if not remedied, allow the loan note holder to require repayment of the loan principal and interest. The loan is due in 2028.

9. Debt without recourse to CSI

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

In conjunction with the acquisition of Optimal Blue, the Company had entered into a promissory note agreement (“Promissory Note”). The Promissory Note accrues interest at a rate of 7% per annum, is compounded annually and is payable in arrears. The first cash interest and principal payment under the Promissory Note is due on the day prior to the fifth anniversary and thereafter interest and principal payments will be due annually on the subsequent anniversaries of that date. The Promissory Note matures in 2063, subject to earlier optional prepayment.

Debt without recourse to CSI comprises the following:

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

	Topicus Revolving Credit Facility	Debt Facilities	Promissory Note	Total
Principal outstanding (and equal to fair value)	$ 125	$ 2,120	$ 500	$ 2,745
Deduct: Carrying value of transaction costs included in debt balance	(2)	(20)	-	(22)
Carrying value at June 30, 2026	124	2,100	500	2,724
Current portion	124	534	-	658
Non-current portion	-	1,566	500	2,066

The annual minimum repayment requirements for the debt facilities without recourse to CSI (excluding the Topicus Revolving Credit Facility and the Promissory Note) are as follows:

Year	Debt Facilities
2026	114
2027	698
2028	424
2029	167
2030	506
2031	83
2032	127
2033 and subsequent years	-
	2,120

The annual minimum repayment requirements for the Promissory Note are as follows:

Year		June 30, 2026
2026 - 2029	$	7
2030- 2063		493
Total	$	500

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

10. Provisions

At January 1, 2026	$	30
Reversal		(3)
Provisions recorded during the period		25
Provisions used during the period		(19)
Effect of movements in foreign exchange and other		2
At June 30, 2026	$	36
Provisions classified as current liabilities		25
Provisions classified as other non-current liabilities		11

The provisions balance is comprised of various individual provisions for onerous contracts and other estimated liabilities of the Company of uncertain timing or amount.

11. Income taxes

Income tax expense is recognized based on management's best estimate of the actual income tax rate for the interim period applied to the pre-tax income of the interim period for each entity in the consolidated group. As a result of foreign exchange fluctuations, acquisitions and ongoing changes due to intercompany transactions amongst entities operating in different jurisdictions, the Company has determined that a reasonable estimate of a weighted average annual tax rate cannot be determined on a consolidated basis. The Company's consolidated effective tax rate in respect of continuing operations for the three and six months ended June 30, 2026 was 27% and 23% (53% and 42% for the three and six months ended June 30, 2025).

Constellation is subject to tax audits in the countries in which the Company does business globally. These tax audits could result in additional tax expense in future periods relating to historical filings. Reviews by tax authorities generally focus on, but are not limited to, the validity of the Company's intercompany transactions, including financing and transfer pricing policies which generally involve subjective areas of taxation and a significant degree of judgment. If any of these tax authorities are successful with their challenges, the Company's income tax expense may be adversely affected and Constellation could also be subject to interest and penalty charges.

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

12. Capital and other components of equity

	Common Shares	
	Number	Amount
June 30, 2026	21,191,530	$ 99
December 31, 2025	21,191,530	$ 99

Dividends and other distributions to shareholders

During the three months ended June 30, 2026, the Company declared a $1.00 per share dividend to all common shareholders of record at close of business on June 19, 2026. The dividend declared in the quarter ended June 30, 2026 representing $21 was paid and settled on July 10, 2026.

During the three months ended March 31, 2026, the Company declared a $1.00 per share dividend to all common shareholders of record at close of business on March 27, 2026. The dividend declared in the quarter ended March 31, 2026 representing $21 was paid and settled on April 15, 2026.

The dividend declared in the quarter ended December 31, 2025 representing $21 was paid and settled on January 12, 2026.

13. Finance and other expense (income) and finance costs

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Interest income on cash and cash equivalents	$ (11)	$ (12)	$ (23)	$ (23)
(Increase) decrease in the fair value of equity securities	(31)	(4)	(37)	(36)
(Increase) decrease in the fair value of derivatives	(1)	1	4	(5)
Finance and other income	(2)	(12)	(5)	(45)
Finance and other expense (income)	$ (45)	$ (28)	$ (61)	$ (108)
Interest expense on debt and debentures	$ 65	$ 58	$ 129	$ 116
Interest expense on lease obligations	5	4	9	8
Amortization of debt related transaction costs	2	2	5	3
Amortization of debenture discount (premium)	(1)	(1)	(2)	(2)
Other finance costs	12	9	23	16
Finance costs	$ 83	$ 71	$ 164	$ 142

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

14. Earnings per share

Basic and diluted earnings per share

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Numerator:				
Net income (loss) attributable to common shareholders of CSI	$ 274	$ 56	$ 641	$ 192
Denominator:				
Basic and diluted shares outstanding	21,191,530	21,191,530	21,191,530	21,191,530
Earnings per share				
Basic and diluted	$ 12.93	$ 2.66	$ 30.25	$ 9.07

15. Financial instruments

Fair values versus carrying amounts

The carrying values of cash, accounts receivable, accounts payable, accrued liabilities, dividends payable, the majority of the acquisition holdbacks, and the CSI Facility, approximate their fair values due to the short-term nature of these instruments. The carrying value of the debt without recourse to CSI approximate their fair values as the debt is subject to market interest rates. The carrying value of the Senior Notes, IRGA liability and the Term Loan with recourse to CSI approximates fair value.

Fair value hierarchy

The table below analyzes financial instruments carried at fair value, by valuation method.

- level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- level 2 inputs are inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- level 3 inputs are inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

In the table below, the Company has segregated all financial assets and liabilities that are measured at fair value into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date.

Financial assets and financial liabilities measured at fair value as at June 30, 2026 and December 31, 2025 in the condensed consolidated interim financial statements are summarized below.

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

	June 30, 2026				December 31, 2025			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Equity securities	$ 124	$ -	$ -	$ 124	$ 64	$ -	$ -	$ 64
Investments in associates	-	-	65	65	-	-	40	40
Derivatives	-	-	10	10	-	-	9	9
	124	**-**	**75**	**199**	**64**	**-**	**50**	**114**
Liabilities:								
Contingent consideration	-	-	227	227	-	-	215	215
Derivatives	-	-	15	15	-	-	8	8
	-	**-**	**242**	**242**	**-**	**-**	**223**	**223**

There were no transfers of fair value measurement between level 1, 2 and 3 of the fair value hierarchy in the periods ended June 30, 2026 and December 31, 2025.

The following table shows a reconciliation from the beginning balances to the ending balances for fair value certain measurements in level 3 of the fair value hierarchy.

Contingent Consideration

Balance at January 1, 2026	$ 215
Increase from business acquisitions	57
Cash payments	(66)
Charges (recoveries) through profit or loss	22
Foreign exchange and other movements	(2)
Balance at June 30, 2026	227
Contingent consideration classified as current liabilities	96
Contingent consideration classified as other non-current liabilities	131

Estimates of the fair value of contingent consideration are performed by the Company on a quarterly basis. Key unobservable inputs include revenue/profitability growth rates and the discount rates applied (7% to 11%). The estimated fair value increases as the annual revenue/profitability growth rate increases and as the discount rate decreases and vice versa.

Derivative assets and derivative liabilities

Derivative assets and liabilities relate to contractual arrangements of the Company which have uncertain outcomes. If the probability of the outcomes associated with the contractual arrangements increases, the underlying value of the derivative will increase. If the probability of the outcomes decreases, the underlying value of the derivative will decrease. Assuming a probability of 100% and utilizing the observable inputs as of June 30, 2026, the maximum exposure of the Company's derivative liabilities is approximately $56 as of June 30, 2026 (December 31, 2025 - $79).

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

16. Contingencies

In the normal course of operations, the Company is subject to litigation and claims from time to time. The Company may also be subject to lawsuits, investigations and other claims, including environmental, labour, income and sales tax, product, customer disputes and other matters. Management believes that adequate provisions have been recorded in the accounts where required. Although it is not always possible to estimate the extent of potential costs, if any, management believes that the ultimate resolution of such contingencies will not have a material adverse impact on the results of operations, financial position or liquidity of the Company.

17. Changes in non-cash operating assets and liabilities

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Decrease (increase) in current accounts receivable	$ 136	$ 175	$ 21	$ 142
Decrease (increase) in current unbilled revenue	(2)	(32)	(22)	(60)
Decrease (increase) in other current assets	33	(6)	(26)	(54)
Decrease (increase) in inventories	5	1	6	1
Decrease (increase) in other non-current assets	4	(2)	(10)	(2)
Increase (decrease) in other non-current liabilities	(35)	(42)	(26)	(19)
Increase (decrease) in current accounts payable and accrued liabilities, excluding holdbacks from acquisitions	(36)	(51)	(278)	(223)
Increase (decrease) in current deferred revenue	(312)	(227)	316	261
Increase (decrease) in current provisions	5	(1)	2	(0)
Change in non-cash operating working capital	$ (203)	$ (185)	$ (18)	$ 46

18. Non-controlling interests

Topicus:

Constellation's equity interest in Topicus, a company based in the Netherlands, is 60.65% (39.35% being non-controlling interest). On May 16, 2022, Topicus also acquired a controlling interest of 72.68% in Sygnity S.A. ("Sygnity"), a company based in Poland. The remaining 27.32% represents non-controlling interest.

Adapt IT:

On January 3, 2022, the Company acquired a controlling interest in Adapt IT Holdings Limited ("Adapt IT"), a company based in South Africa. The Company has an interest of 73.93% in Adapt IT (the remaining 26.07% represents non-controlling interest).

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

Lumine:

The Company reflects an equity interest of 61.40% in Lumine, a company based in Canada, and a non-controlling interest in Lumine of 38.60%.

The following tables summarize the information relating to the Company's non-controlling interests in Topicus, Adapt-IT and Lumine as at June 30, 2026 and December 31, 2025:

	As at June 30, 2026		
	Topicus Coop	Adapt-IT	Lumine
Non-controlling interest	39.35%	26.07%	38.60%
Current assets	760	53	721
Non-current assets	2,112	61	1,019
Total assets	2,872	114	1,739
Current liabilities	1,031	40	270
Non-current liabilities	829	20	621
Total liabilities	1,860	60	891
Less: Non-controlling interest of subsidiaries, including interests held by CSI	45	-	-
Net assets after allocation of non-controlling interests (including interests held by CSI)	967	54	848
Inter-group eliminations	(29)	-	10
Total	938	54	858
Net assets allocated to the non-controlling interests of subsidiary	369	14	331
Add: Non-controlling interest of subsidiaries not owned by CSI	29	-	-
Total non-controlling interest	398	14	331

	As at December 31, 2025		
	Topicus Coop	Adapt-IT	Lumine
Non-controlling interest	39.35%	26.07%	38.60%
Current assets	741	36	616
Non-current assets	2,209	68	772
Total assets	2,950	104	1,387
Current liabilities	1,192	34	240
Non-current liabilities	841	23	328
Total liabilities	2,033	57	568
Less: Non-controlling interest of subsidaries, including interests held by CSI	48	-	-
Net assets after allocation of non-controlling interests (including interests held by CSI)	869	47	819
Inter-group eliminations	(25)	-	9
Total	844	47	828
Net assets allocated to the non-controlling interests of subsidiary	332	12	320
Add: Non-controlling interest of subsidaries not owned by CSI	27	-	-
Total non-controlling interest	359	12	320

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

The following tables summarizes the information on the condensed consolidated interim statement of income (loss) relating to Topicus, Adapt-IT and Lumine for the three and six months ended June 30, 2026, and 2025.

	Three months ended June 30, 2026		
	Topicus Coop	**Adapt-IT**	**Lumine**
Revenue	508	33	235
Expenses	439	30	207
Income (loss) before income taxes	70	4	28
Income tax expense	15	1	12
Net income (loss) prior to non-controlling interest allocation	55	2	15
Less: Non-controlling interest of subsidiaries, including interests held by CSI	1	-	-
Net income (loss) after allocation of non-controlling interest	54	2	15
Inter-group eliminations	(2)	-	1
Total	52	2	16
Net income (loss) attributable to non-controlling interests	20	1	6
Add: Non-controlling interest of subsidiaries not owned by CSI	2	-	-
Total non-controlling interest	22	1	6

	Six months ended June 30, 2026		
	Topicus Coop	**Adapt-IT**	**Lumine**
Revenue	1,018	67	443
Expenses	873	57	393
Income (loss) before income taxes	145	10	51
Income tax expense	26	4	16
Net income (loss) prior to non-controlling interest allocation	119	6	34
Less: Non-controlling interest of subsidiaries, including interests held by CSI	3	-	-
Net income (loss) after allocation of non-controlling interest	116	6	34
Inter-group eliminations	(5)	-	1
Total	112	6	36
Net income (loss) attributable to non-controlling interests	44	2	14
Add: Non-controlling interest of subsidiaries not owned by CSI	3	-	-
Total non-controlling interest	47	2	14

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

	Three months ended June 30, 2025		
	Topicus Coop	Adapt-IT	Lumine
Revenue	422	26	184
Expenses	363	23	153
Income (loss) before income taxes	59	3	31
Income tax expense	12	1	8
Net income (loss) prior to non-controlling interest allocation	47	2	24
Less: Non-controlling interest of subsidaries, including interests held by CSI	1	-	-
Net income (loss) after allocation of non-controlling interest	46	2	24
Inter-group eliminations	(2)	-	1
Total	44	2	24
Net income (loss) attributable to non-controlling interests	17	1	9
Add: Non-controlling interest of subsidaries not owned by CSI	1	-	-
Total non-controlling interest	18	1	9

	Six months ended June 30, 2025		
	Topicus Coop	Adapt-IT	Lumine
Revenue	796	52	363
Expenses	652	46	303
Income (loss) before income taxes	144	7	60
Income tax expense	22	2	15
Net income (loss) prior to non-controlling interest allocation	122	4	44
Less: Non-controlling interest of subsidaries, including interests held by CSI	1	-	-
Net income (loss) after allocation of non-controlling interest	121	4	44
Inter-group eliminations	(4)	-	1
Total	117	4	46
Net income (loss) attributable to non-controlling interests	46	1	18
Add: Non-controlling interest of subsidaries not owned by CSI	1	-	-
Total non-controlling interest	47	1	18

Financial information on the statement of cash flows for Topicus, Adapt-IT and Lumine for the three and six months ended June 30, 2026 and 2025:

	Three months ended June 30, 2026		
	Topicus Coop	Adapt-IT	Lumine
Cash flows from (used in) operating activities	(15)	7	68
Cash flows from (used in) financing activities	(15)	(1)	105
Cash flows from (used in) investing activities	23	(0)	0

(In millions of U.S. dollars, except per share amounts and as otherwise indicated)

	Six months ended June 30, 2026		
	Topicus Coop	Adapt-IT	Lumine
Cash flows from (used in) operating activities	313	19	88
Cash flows from (used in) financing activities	(314)	(2)	260
Cash flows from (used in) investing activities	(3)	(0)	(277)

	Three months ended June 30, 2025		
	Topicus Coop	Adapt-IT	Lumine
Cash flows from (used in) operating activities	(19)	4	78
Cash flows from (used in) financing activities	182	-	(42)
Cash flows from (used in) investing activities	(216)	(3)	(5)

	Six months ended June 30, 2025		
	Topicus Coop	Adapt-IT	Lumine
Cash flows from (used in) operating activities	266	17	119
Cash flows from (used in) financing activities	207	(4)	(47)
Cash flows from (used in) investing activities	(433)	(4)	(1)

19. Subsequent events

On August 11, 2026, the Company declared a $1.00 per share dividend that is payable on October 9, 2026 to all common shareholders of record at close of business on September 18, 2026.

Subsequent to June 30, 2026, the Company completed or has open commitments to acquire a number of businesses for aggregate cash consideration of $669 on closing plus total estimated deferred payments of $149 for total consideration of $818. The business acquisitions operate in the security, media, environmental, housing, aviation, hospitality, corporation communications, transit, gaming, insurance, education, healthcare, fleet, retail management and distribution, auctions, manufacturing, financial services, and asset management verticals and are all software companies similar to the existing business of the Company.