

Condensed Consolidated Interim Financial Statements  
(In euros)

## **Topicus.com Inc.**

For the three and nine months ended September 30, 2022 and 2021  
Unaudited

# Topicus.com Inc.

Condensed Consolidated Interim Statements of Financial Position

(In thousands of euros, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

	September 30, 2022	December 31, 2021	September 30, 2021
<b>Assets</b>			
<b>Current assets:</b>			
Cash	135,797	75,326	66,634
Accounts receivable	83,182	70,725	57,091
Unbilled revenue	44,335	32,592	29,688
Inventories	1,336	570	654
Other assets (note 5)	35,413	21,776	25,005
	<u>300,063</u>	<u>200,989</u>	<u>179,071</u>
<b>Non-current assets:</b>			
Property and equipment	19,328	15,326	15,228
Right of use assets	56,854	54,382	52,644
Deferred income taxes	9,135	6,831	4,779
Other assets (note 5)	16,439	6,655	4,810
Intangible assets (note 6)	896,251	744,136	678,777
	<u>998,007</u>	<u>827,330</u>	<u>756,239</u>
<b>Total assets</b>	<u>1,298,070</u>	<u>1,028,319</u>	<u>935,310</u>
<b>Liabilities and Shareholders' Equity</b>			
<b>Current liabilities:</b>			
Topicus Revolving credit facility and current portion of term loans (note 7 and 8)	156,945	46,489	40,092
Loan from CSI (note 18)	33,707	29,116	-
Redeemable preferred securities (note 9)	-	66,614	66,614
Accounts payable and accrued liabilities	139,581	135,993	104,637
Deferred revenue	152,486	82,179	106,082
Provisions (note 10)	1,186	1,893	2,216
Acquisition holdback payables	14,527	8,876	5,811
Lease obligations	19,040	16,234	15,798
Income taxes payable (note 11)	16,826	11,400	11,850
	<u>534,299</u>	<u>398,794</u>	<u>353,100</u>
<b>Non-current liabilities:</b>			
Term and other loans (note 8)	106,201	96,113	95,961
Deferred income taxes	147,642	125,004	125,654
Acquisition holdback payables	2,578	945	485
Lease obligations	38,931	38,955	37,624
Other liabilities (note 5)	23,879	12,877	11,855
	<u>319,231</u>	<u>273,893</u>	<u>271,579</u>
<b>Total liabilities</b>	<u>853,530</u>	<u>672,687</u>	<u>624,679</u>
<b>Shareholders' Equity:</b>			
Preferred shares (note 9)	-	2,047,473	2,047,473
Capital stock (note 12)	39,412	39,412	39,412
Other equity	-	(1,009,996)	(999,460)
Accumulated other comprehensive income (loss)	1,828	(380)	(834)
Retained earnings (deficit)	205,812	(1,782,113)	(1,794,229)
Non-controlling interests (note 19)	197,488	1,061,236	1,018,267
	<u>444,541</u>	<u>355,632</u>	<u>310,631</u>
<b>Total liabilities and shareholders' equity</b>	<u>1,298,070</u>	<u>1,028,319</u>	<u>935,310</u>
Subsequent events (note 20)			
<b>Total liabilities and shareholders' equity</b>	<u>1,298,070</u>	<u>1,028,319</u>	<u>935,310</u>

See accompanying notes to the condensed consolidated interim financial statements

# Topicus.com Inc.

Condensed Consolidated Interim Statements of Income (Loss)

(In thousands of euros, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Revenue				
License	6,409	4,638	18,294	15,777
Professional services	59,576	45,241	166,165	141,446
Hardware and other	2,039	1,143	6,573	3,986
Maintenance and other recurring	160,565	126,105	461,940	373,753
	228,589	177,126	652,972	534,961
Expenses				
Staff	128,687	95,908	364,392	291,452
Hardware	1,575	738	3,809	2,030
Third party license, maintenance and professional services	18,602	17,311	54,701	53,100
Occupancy	2,039	1,260	5,379	4,075
Travel, telecommunications, supplies, software and equipment	8,399	4,717	22,947	13,670
Professional fees	3,960	3,394	11,536	8,361
Other, net	3,722	1,389	12,903	5,032
Depreciation	7,333	6,354	20,536	18,385
Amortization of intangible assets (note 6)	28,905	21,026	77,894	62,054
	203,222	152,095	574,098	458,159
Redeemable preferred securities expense (income) (note 9)	-	-	-	2,302,185
Impairment of intangible and other non-financial assets (note 6)	-	-	-	1,600
Finance and other expenses (income) (note 13)	1,700	2,161	3,380	8,069
	1,700	2,161	3,380	2,311,854
Income (loss) before income taxes	23,666	22,870	75,494	(2,235,051)
Current income tax expense (recovery)	11,934	9,552	34,198	28,464
Deferred income tax expense (recovery)	(6,690)	(4,778)	(17,584)	(14,260)
Income tax expense (recovery)	5,245	4,773	16,614	14,205
Net income (loss)	18,421	18,097	58,880	(2,249,256)
Net income (loss) attributable to:				
Equity holders of Topicus (note 19)	11,834	7,422	35,931	(1,896,100)
Non-controlling interests (note 19)	6,587	10,675	22,949	(353,156)
Net income (loss)	18,421	18,097	58,880	(2,249,256)
Weighted average shares (note 14)				
Basic shares outstanding	80,477,481	79,282,821	80,168,445	57,851,780
Diluted shares outstanding	129,841,819	129,841,819	129,841,819	129,627,794
Earnings (loss) per common share of Topicus (note 14)				
Basic	0.15	0.09	0.45	(32.78)
Diluted	0.15	0.09	0.45	(32.78)

See accompanying notes to the condensed consolidated interim financial statements.

## Topicus.com Inc.

Condensed Consolidated Interim Statements of Comprehensive Income (Loss)

(In thousands of euros, except per share amounts. Due to rounding, numbers presented may not foot.)

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Net income (loss)	18,421	18,097	58,880	(2,249,256)
Items that are or may be reclassified subsequently to net income (loss):				
Foreign currency translation differences from foreign operations and other	1,742	(731)	6,613	523
Other comprehensive (loss) income for the period, net of income tax	1,742	(731)	6,613	523
<b>Total comprehensive income (loss) for the period</b>	<b>20,164</b>	<b>17,366</b>	<b>65,493</b>	<b>(2,248,733)</b>
Total other comprehensive income (loss) attributable to:				
Equity holders of Topicus	252	(453)	2,208	357
Non-controlling interests	1,490	(278)	4,405	166
<b>Total other comprehensive income (loss)</b>	<b>1,742</b>	<b>(731)</b>	<b>6,613</b>	<b>523</b>
Total comprehensive income (loss) attributable to:				
Equity holders of Topicus	12,086	6,969	38,138	(1,895,743)
Non-controlling interests	8,078	10,398	27,354	(352,990)
<b>Total comprehensive income (loss)</b>	<b>20,164</b>	<b>17,366</b>	<b>65,493</b>	<b>(2,248,733)</b>

See accompanying notes to the condensed consolidated interim financial statements.

## Topicus.com Inc.

Condensed Consolidated Interim Statement of Changes in Shareholders' Equity (Deficiency)  
(In thousands of euros, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

Nine months ended September 30, 2022

	Attributable to equity holders of Topicus					Total	Non-controlling interests	Total equity
	Preferred Shares	Capital Stock	Other equity	Accumulated other comprehensive (loss) income	Retained earnings (Deficit)			
<b>Balance at January 1, 2022</b>	<b>2,047,473</b>	<b>39,412</b>	<b>(1,009,996)</b>	<b>(380)</b>	<b>(1,782,113)</b>	<b>(705,604)</b>	<b>1,061,236</b>	<b>355,632</b>
<i>Total comprehensive income (loss) for the period:</i>								
Net income (loss)	-	-	-	-	35,931	35,931	22,949	58,880
<i>Other comprehensive income (loss)</i>								
Foreign currency translation differences from foreign operations and other, net of income tax	-	-	-	2,208	-	2,208	4,405	6,613
<b>Total other comprehensive income (loss) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,208</b>	<b>-</b>	<b>2,208</b>	<b>4,405</b>	<b>6,613</b>
<b>Total comprehensive income (loss) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,208</b>	<b>35,931</b>	<b>38,138</b>	<b>27,354</b>	<b>65,493</b>
Transactions with owners, recorded directly in equity								
Conversion of preferred shares to subordinate voting shares	(2,047,473)	-	2,047,473	-	-	-	-	-
Conversion of non-controlling interest preferred units to ordinary units and other movements in non-controlling interests	-	-	912,788	-	-	912,788	(912,788)	-
Net acquisition of non-controlling interest associated with business combinations and other movements	-	-	(23)	(0)	(166)	(189)	24,478	24,289
Reductions of non-controlling interest associated with disposals	-	-	-	-	-	-	(873)	(873)
Reclassification of other equity to retained earnings (deficit)	-	-	(1,950,242)	-	1,950,242	-	-	-
Exchange of Topicus Coop ordinary units held by non-controlling interests to subordinate voting shares of Topicus	-	-	-	-	1,919	1,919	(1,919)	-
<b>Balance at September 30, 2022</b>	<b>-</b>	<b>39,412</b>	<b>-</b>	<b>1,828</b>	<b>205,812</b>	<b>247,052</b>	<b>197,488</b>	<b>444,541</b>

See accompanying notes to the condensed consolidated interim financial statements.

## Topicus.com Inc.

Condensed Consolidated Interim Statement of Changes in Shareholders' Equity (Deficiency)  
(In thousands of euros, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

Nine months ended September 30, 2021

	Attributable to equity holders of Topicus					Total	Non-controlling interests	Total equity
	Preferred Shares	Capital Stock	Other equity	Accumulated other comprehensive (loss) income	Retained earnings (deficit)			
<b>Balance at January 1, 2021</b>	-	<b>39,412</b>	-	<b>(1,409)</b>	<b>138,572</b>	<b>176,575</b>	<b>88,106</b>	<b>264,680</b>
<i>Total comprehensive income (loss) for the period:</i>								
Net income (loss)	-	-	-	-	(1,896,100)	(1,896,100)	(353,156)	(2,249,256)
<i>Other comprehensive income (loss)</i>								
Foreign currency translation differences from foreign operations and other	-	-	-	357	-	357	166	523
<b>Total other comprehensive income (loss) for the period</b>	-	-	-	<b>357</b>	-	<b>357</b>	<b>166</b>	<b>523</b>
<b>Total comprehensive income (loss) for the period</b>	-	-	-	<b>357</b>	<b>(1,896,100)</b>	<b>(1,895,743)</b>	<b>(352,990)</b>	<b>(2,248,733)</b>
Transactions with owners, recorded directly in equity								
Issuance of Topicus Coop Ordinary Units to non-controlling interests	-	-	9,770	127	-	9,896	(9,896)	-
Net acquisition of non-controlling interest associated with acquisitions and other movements	-	-	-	92	(276)	(184)	2,508	2,324
Issuance of Redeemable preferred securities	-	-	(1,001,469)	-	-	(1,001,469)	(124,797)	(1,126,267)
Dividends to common shareholders of the Company (note 12)	-	-	-	-	(36,425)	(36,425)	(18,175)	(54,600)
Reclassification of Redeemable preferred securities of Topicus from liabilities to preferred shares	2,073,205	-	-	-	-	2,073,205	-	2,073,205
Reclassification of Redeemable preferred securities of Topicus Coop from liabilities to non-controlling interest	-	-	-	-	-	-	1,442,910	1,442,910
Exchange of Topicus Coop ordinary units held by non-controlling interests to subordinate voting shares of Topicus	-	-	(7,760)	-	-	(7,760)	7,760	-
Accrued dividends to preferred shareholders of Topicus recorded subsequent to the Notification of Conversion	(25,731)	-	-	-	-	(25,731)	-	(25,731)
Accrued dividends to preference unit holders of Topicus Coop recorded subsequent to the Notification of Conversion	-	-	-	-	-	-	(17,157)	(17,157)
<b>Balance at September 30, 2021</b>	<b>2,047,473</b>	<b>39,412</b>	<b>(999,460)</b>	<b>(834)</b>	<b>(1,794,229)</b>	<b>(707,637)</b>	<b>1,018,267</b>	<b>310,631</b>

See accompanying notes to the condensed consolidated interim financial statements.

## Topicus.com Inc.

Condensed Consolidated Interim Statements of Cash Flows

(In thousands of euros, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
<b>Cash flows from (used in) operating activities:</b>				
Net income (loss)	18,421	18,097	58,880	(2,249,256)
Adjustments for:				
Depreciation	7,333	6,354	20,536	18,385
Amortization of intangible assets	28,905	21,026	77,894	62,054
Redeemable preferred securities expense (income)	-	-	-	2,302,185
Impairment of intangible and other non-financial assets (note 6)	-	-	-	1,600
Finance and other expenses (income)	1,700	2,161	3,380	8,069
Income tax expense (recovery)	5,245	4,773	16,614	14,205
Change in non-cash operating assets and liabilities exclusive of effects of business combinations (note 17)	(40,471)	(36,687)	8,517	4,760
Income taxes (paid) received	(10,211)	(7,231)	(30,884)	(28,341)
Net cash flows from (used in) operating activities	10,922	8,493	154,937	133,660
<b>Cash flows from (used in) financing activities:</b>				
Interest paid on lease obligations	(310)	(275)	(866)	(874)
Interest paid on other facilities	(3,430)	(3,319)	(7,417)	(5,861)
Increase (decrease) in Topicus Revolving Credit Facility	5,000	10,000	105,000	20,000
Proceeds from issuance of term and other loans	7,808	-	8,154	65,907
Increase (decrease) in loan from Vela Software Group	(7,904)	-	(1,817)	-
Contribution from Vela Software Group towards the acquisition of Subsurface (note 4 and 18)	7,905	-	7,905	-
Repayments of term and other loans	(2,706)	(411)	(4,375)	(411)
Credit facility transaction costs	(145)	-	(145)	(2,397)
Payments of lease obligations	(5,203)	(4,438)	(14,777)	(12,946)
Other financing activities	(15)	-	(595)	-
Dividends paid to redeemable preferred securities holders	-	-	(66,614)	-
Dividends paid to common shareholders	-	-	-	(54,600)
Net cash flows from (used in) financing activities	1,000	1,557	24,452	8,818
<b>Cash flows from (used in) investing activities:</b>				
Acquisition of businesses (note 4)	(35,660)	(13,261)	(143,319)	(164,999)
Cash obtained with acquired businesses (note 4)	9,872	5,240	37,484	19,486
Post-acquisition settlement payments, net of receipts	(8,869)	(366)	(11,300)	(11,373)
Receipt of additional subscription amount from the sellers of Topicus.com B.V.	-	-	-	27,589
Interest, dividends and other proceeds received	-	1,010	3,028	1,010
Property and equipment purchased	(1,197)	(1,258)	(4,810)	(3,191)
Net cash flows from (used in) investing activities	(35,853)	(8,634)	(118,918)	(131,479)
Effect of foreign currency on cash and cash equivalents	0	(0)	0	(0)
Increase (decrease) in cash	(23,931)	1,415	60,471	10,999
Cash, beginning of period	159,728	65,218	75,326	55,635
Cash, end of period	135,797	66,634	135,797	66,634

See accompanying notes to the condensed consolidated interim financial statements.

# TOPICUS.COM INC.

Notes to Condensed Consolidated Interim Financial Statements

(In thousands of euros, except per share amounts and as otherwise indicated)

(Due to rounding, numbers presented may not foot)

Three and nine months ended September 30, 2022 and 2021

(Unaudited)

## Notes to the condensed consolidated interim financial statements

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# TOPICUS.COM INC.

Notes to Condensed Consolidated Interim Financial Statements

(In thousands of euros, except per share amounts and as otherwise indicated)

(Due to rounding, numbers presented may not foot)

Three and nine months ended September 30, 2022 and 2021

(Unaudited)

## 1. Reporting entity

Topicus.com Inc. ("Topicus" or "the Company") was incorporated pursuant to the Business Corporations Act (Ontario) on September 10, 2020. The address of its registered office is 20 Adelaide Street East, Toronto, Ontario, Canada.

The condensed consolidated interim financial statements of Topicus as at and for the periods ended September 30, 2022 and September 30, 2021 comprise Topicus, Topicus Coop and its subsidiaries (together referred to as the "Company") and the Company's interest in associates. Topicus' principal subsidiary is Topicus Coop and Topicus has a common equity interest of 62.04% (December 31, 2021 – 62.40%) in Topicus Coop with 37.96% (December 31, 2021 – 37.60%) being owned by the non-controlling interests.

The Company is engaged principally in the development, installation and customization of software and the provision of related professional services and support for customers across over 20 diverse markets primarily in Europe.

## 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 Topicus 2021 annual consolidated financial statements, available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at [www.sedar.com](http://www.sedar.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 November 3, 2022.

These condensed consolidated interim financial statements should be read in conjunction with the Company's 2021 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 and contingent consideration related to business acquisitions, which are measured at their estimated fair value.

### (c) Functional and presentation of currency

The consolidated financial statements are presented in euro, which is the Company'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

# TOPICUS.COM INC.

Notes to Condensed Consolidated Interim Financial Statements

(In thousands of euros, except per share amounts and as otherwise indicated)

(Due to rounding, numbers presented may not foot)

Three and nine months ended September 30, 2022 and 2021

(Unaudited)

reported amounts of assets, liabilities, income and expenses, consistent with those disclosed in the 2021 annual consolidated financial statements and described in these condensed consolidated interim financial statements. Actual results may differ from these estimates.

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

The Company is closely monitoring the impact of COVID-19 on all aspects of its business. COVID-19 was declared a global pandemic by the World Health Organization on March 11, 2020. The COVID-19 pandemic has adversely impacted many of the Company's business units' operations to date. The future impacts of the pandemic and any resulting economic impact are largely unknown and rapidly evolving. It is possible that the COVID-19 pandemic, the measures taken by the governments of countries affected and the resulting economic impact may continue to adversely affect the Company's results of operations, cash flows and financial position as well as its customers in future periods.

### 3. Significant accounting policies

The significant accounting policies used in preparing these condensed consolidated interim financial statements are unchanged from those disclosed in the 2021 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 the Company's subsidiaries.

### 4. Business acquisitions

During the nine-month period ended September 30, 2022, the Company completed acquisitions for aggregate cash consideration of EUR 143,319 plus cash holdbacks of EUR 19,466 and contingent consideration with an estimated acquisition date fair value of EUR 6,975 resulting in total consideration of EUR 169,760. The obligation for contingent consideration for acquisitions during the nine months ended September 30, 2022 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, the estimated increase to the initial consideration is not expected to exceed EUR 8,204. Aggregate contingent consideration as at September 30, 2022 of EUR 14,095 (December 31, 2021 – EUR 5,392) 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. An expense of EUR 664 and EUR 2,745 has been recorded for the three and nine months ended September 30, 2022, as a result of such changes (recovery of EUR 349 and a recovery of EUR 494 for the three and nine months ended September 30, 2021).

None of the acquisitions completed during the nine-month period ended September 30, 2022 were deemed to be individually significant. All of the businesses acquired during the period were acquisitions of shares. The cash holdbacks are generally payable within a two-year period and are adjusted, as necessary, for such items as working capital or net tangible asset assessments, as defined in the purchase and sale agreements, and claims under the respective representations and warranties of the purchase and sale agreements.

# TOPICUS.COM INC.

Notes to Condensed Consolidated Interim Financial Statements

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Three and nine months ended September 30, 2022 and 2021

(Unaudited)

On May 16, 2022, the Company 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. On the acquisition date, the total current assets of Sygnity were EUR 17,977, the total long-lived assets were EUR 75,920, the total current liabilities were EUR 17,211 and the total long-term liabilities were EUR 19,180. The total revenue recorded since the acquisition date was EUR 17,249 and the net loss since the acquisition date was EUR 944.

On July 1, 2022, the Company acquired Subsurface and its two interactive software solutions ("Subsurface") for the oil and gas vertical from Lloyd's Register. Subsurface is based in Scotland. Sixty per cent (60%) of Subsurface is owned and controlled, by way of voting rights, by the Company, and the remaining 40% is owned by certain subsidiaries of the Vela Software Group ("Vela"), an operating group that is owned and controlled by Constellation Software Inc. On the acquisition date, the total current assets were EUR 9,339, the total long-lived assets were EUR 23,864, the total current liabilities were EUR 9,339 and the total long-term liabilities were EUR 4,107. The total revenue recorded since the acquisition date was EUR 2,845 and the net loss since the acquisition date was EUR 238.

The acquisitions during the nine-month period ended September 30, 2022 include software companies catering to the following markets: speech recognition, automotive, horticulture, real estate brokers and agents, third party logistics warehouse management systems, healthcare, local government, libraries, construction, textiles and apparel, financial services, hospitality, risk management, oil and gas, retail management and distribution, automated explosive tracking, asset management and manufacturing and logistics, 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 acquisitions is primarily attributable to the application of the Company's best practices to improve the operations of the companies acquired, other intangible assets that do not qualify for separate recognition including assembled workforce, and synergies with existing businesses of the Company. The goodwill is not expected to be deductible for income tax purposes.

The gross contractual amount of acquired receivables was EUR 24,130 however, the Company has recorded an allowance of EUR 1,750 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 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 last quarter of 2021 and first three quarters of 2022. 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 totals EUR 219,827.

The aggregate impact of acquisition accounting applied in connection with the business acquisitions in the nine-month period ended September 30, 2022 is as follows:

# TOPICUS.COM INC.

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(In thousands of euros, except per share amounts and as otherwise indicated)

(Due to rounding, numbers presented may not foot)

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Assets acquired:	
Cash	37,484
Accounts receivable	22,379
Other current assets	13,073
Property and equipment	5,452
Right of use assets	8,878
Other non-current assets	1,458
Deferred income taxes	256
Technology assets	70,430
Customer assets	121,770
	<hr/>
	281,180
Liabilities assumed:	
Current liabilities	36,710
Deferred revenue	35,012
Deferred income taxes	38,282
Long-term lease obligations	5,317
Other non-current liabilities	9,680
	<hr/>
	125,000
Non-controlling interest	17,016
Goodwill	30,597
<b>Total consideration</b>	<b>169,760</b>

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The 2022 business acquisitions did not have a material impact to either the consolidated revenue or the consolidated net income (loss) for the nine months ended September 30, 2022. The materiality threshold is reviewed on a regular basis taking into account the quantitative (contribution to revenue and net income) and qualitative (size and comparability with other Topicus businesses) factors of current period acquisitions on both an individual and aggregate basis.

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## 5. Other assets and other non-current liabilities

### (a) Other assets

	September 30, 2022	December 31, 2021
Prepaid expenses and other current assets	26,960	19,365
Sales tax receivable	3,019	943
Equity securities held for trading	2	7
Other receivables	5,432	1,461
<b>Total other current assets</b>	<b>35,413</b>	<b>21,776</b>
Costs to obtain a contract	87	157
Non-current trade and other receivables and other assets	14,884	5,500
Equity accounted investees	1,468	998
<b>Total other non-current assets</b>	<b>16,439</b>	<b>6,655</b>

During the nine months ended September 30, 2022, the Company re-classified a group of long-lived assets to "Assets held for sale". The Company re-classified long-lived assets of EUR 5,293 to current assets. The assets consisted of intangible assets of EUR 4,773 and deferred tax assets of EUR 520. There was also EUR 680 of non-current liabilities associated with the assets held for disposal which were classified within "Accounts payable and accrued liabilities". On April 1, 2022, the Company's interest in the net assets of the disposal group were sold for total proceeds of EUR 3,350. The Company recognized a gain on sale of EUR 2,501.

### (b) Other non-current liabilities

	September 30, 2022	December 31, 2021
Contingent consideration	12,158	4,475
Deferred revenue	2,098	1,266
Other non-current liabilities	9,622	7,136
<b>Total other non-current liabilities</b>	<b>23,879</b>	<b>12,877</b>

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## 6. Intangible Assets

	Technology Assets	Customer Assets	Trademarks	Goodwill	Total
<b>Cost</b>					
Balance at January 1, 2021	267,317	310,346	6,300	134,469	718,432
Acquisitions through business combinations	157,183	149,048	19,400	55,894	381,524
Effect of movements in foreign exchange and other	1,505	831	(0)	722	3,059
Balance at December 31, 2021	426,005	460,225	25,700	191,085	1,103,015
Balance at January 1, 2022	426,005	460,225	25,700	191,085	1,103,015
Acquisitions through business combinations	70,281	122,574	-	30,579	223,434
Effect of movements in foreign exchange and other	4,753	1,923	(294)	192	6,575
Balance at September 30, 2022	501,039	584,722	25,406	221,856	1,333,023
<b>Accumulated amortization and impairment losses</b>					
Balance at January 1, 2021	170,004	100,010	2,205	-	272,218
Amortization for the period	45,929	37,847	1,285	-	85,060
Impairment charge	507	1,075	-	18	1,600
Balance at December 31, 2021	216,439	138,931	3,490	18	358,879
Balance at January 1, 2022	216,439	138,931	3,490	18	358,879
Amortization for the period	41,601	35,338	955	-	77,894
Impairment charge	-	-	-	-	-
Balance at September 30, 2022	258,040	174,269	4,445	18	436,772
<b>Carrying amounts</b>					
At January 1, 2021	97,313	210,336	4,095	134,469	446,213
At December 31, 2021	209,566	321,294	22,210	191,067	744,136
At January 1, 2022	209,566	321,294	22,210	191,067	744,136
At September 30, 2022	242,999	410,453	20,961	221,838	896,251

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## 7. Topicus Revolving Credit Facility

On July 7, 2017, Topicus Coop entered into a credit facility (the “Revolving Credit Facility”) with a number of European financial institutions. Under this credit facility, the Company will be able to borrow up to EUR 300,000 under a multicurrency revolving loan facility and up to EUR 50,000 under an additional uncommitted term loan facility. The Revolving Credit Facility has a term until July 7, 2024. The Revolving Credit Facility bears interest at a rate calculated at EURIBOR plus interest rate spreads based on a leverage table. The Revolving Credit Facility is collateralized by substantially all the assets owned by the Company and its subsidiaries, except for the entities securing amounts outstanding under the Term and Other Loans (note 8). The Revolving Credit Facility contains standard events of default which, if not remedied within a cure period, would trigger the repayment of any outstanding balance. As of September 30, 2022, EUR 150,000 (December 31, 2021 – EUR 45,000) had been drawn from this credit facility. Transaction costs associated with the Topicus Revolving Credit Facility have been included as part of the carrying amount of the liability and are being amortized through profit or loss using the effective interest rate method. The carrying value of the debt amounts to EUR 150,000 (December 31, 2021 – EUR 44,819) and has been classified as a short-term liability in the consolidated statement of financial position. The Company’s intent is to repay the outstanding balance of the revolving credit facility within the next 12 months. As at September 30, 2022, the carrying amount of costs relating to this Topicus Revolving Credit Facility totaled EUR nil (December 31, 2021 – EUR 181).

## 8. Term and Other Loans

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

The Term and Other Loans comprise the following:

	<b>Term and Other Debt Facilities</b>
Principal outstanding at September 30, 2022 (and equal to fair value)	116,239
Deduct: Carrying value of transaction costs included in debt balance	(3,093)
Carrying value at September 30, 2022	113,146
Current portion	6,945
Non-current portion	106,201

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

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<b>Year</b>	<b>Term Debt Facilities</b>
2022	6
2023	6,248
2024	5,420
2025	35,443
2026	7,239
2027	1,174
2028	60,709
	<hr/>
	116,239

## 9. Redeemable preferred securities

In 2021, the Company issued 39,412,385 Preferred Shares to Constellation Software Inc. (“CSI”). The Preferred Shares were non-voting, and under certain conditions, prior to the Notification of Conversion, were redeemable at the option of the holder for a redemption price of approximately EUR 19.06 per share. The redemption price could have either been settled in cash or through the issuance of Subordinate Voting Shares of equal value, or any combination thereof. The Preferred Shares were also convertible into Subordinate Voting Shares at a conversion ratio of 1:1. The Preferred Share holders were also entitled to a fixed annual cumulative dividend of 5% per annum on the initial Preferred Share value of approximately EUR 19.06 per share.

In 2021, Topicus Coop issued 19,665,642 Topicus Coop Preference Units to the Joday Group and also issued 5,842,882 Topicus Coop Preference Units to Ijssel B.V. (“Ijssel”) in conjunction with the acquisition of Topicus.com B.V. The Topicus Coop Preference Units were non-voting and prior to the Notification of Conversion were redeemable at the option of the holder for a redemption price of approximately EUR 19.06 per unit. The redemption price could have either been settled in cash or through the issuance of Topicus Coop Ordinary Units of equal value, or any combination thereof. The Topicus Coop Preference Units were convertible into Topicus Coop Ordinary Units (note 19) at a conversion ratio of 1:1. The Topicus Coop Preference Unit holders were also entitled to a fixed annual cumulative dividend of 5% per annum on the initial Topicus Coop Preference Unit value of approximately EUR 19.06 per unit.

On January 31, 2022, a dividend was paid in cash on the Topicus Preferred Shares and Topicus Coop Preference Units in the aggregate amount of EUR 66,614. EUR 40,449 was paid to CSI, EUR 20,183 was paid to the Joday Group and EUR 5,981 was paid to Ijssel.

On February 1, 2022, all of the issued and outstanding Topicus Preferred Shares and Topicus Coop Preference Units were converted to Topicus Subordinate Voting Shares and Topicus Coop Ordinary Units respectively.

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## 10. Provisions

At January 1, 2022	1,893
Reversal	(118)
Provisions recorded during the period	1,222
Provisions used during the period	(1,814)
Effect of movements in foreign exchange and other	2
At September 30, 2022	1,186
Provisions classified as current liabilities	1,186
Provisions classified as other non-current liabilities	-

The provisions balance is comprised of various individual provisions for severance costs 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 nine months ended September 30, 2022 was 22% and 22% (21% and -1% for the three and nine months ended September 30, 2021). The prior period year to date effective tax rate is impacted by the redeemable preferred securities expense, which is not deductible for tax purposes.

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

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## 12. Shareholders' Equity

	Common Stock	
	Number	Amount
September 30, 2022	80,549,764	39,412
December 31, 2021	40,512,379	39,412

The Company's authorized share capital consists of an unlimited number of Subordinate Voting Shares and 1 Super Voting Share. As at September 30, 2022, there are 80,549,763 Subordinate Voting Shares and 1 Super Voting Share outstanding. The Super Voting Share is held by CSI. The 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 Super Voting Shares and Subordinate Voting Shares.

## 13. Finance and other expense (income)

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Interest expense on debt	2,735	2,292	6,869	6,426
Interest expense on lease obligations	310	283	866	881
Amortization of debt related transaction costs	192	162	700	482
Share in net (income) loss of equity investee	0	(912)	(175)	(1,076)
Foreign exchange loss (gain)	81	17	544	325
Other finance costs (income)	(1,618)	319	(5,424)	1,030
Finance costs and other	1,700	2,161	3,380	8,069

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## 14. Earnings (loss) per share

### *Basic and diluted earnings (loss) per share*

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
<b>Basic earnings (loss) per share:</b>				
<b>Numerator:</b>				
Net income (loss) attributable to equity holders of Topicus	11,834	7,422	35,931	(1,896,100)
<b>Denominator:</b>				
Weighted average basic shares outstanding	80,477,481	79,282,821	80,168,445	57,851,780
<b>Earnings (loss) per share</b>				
Basic	0.15	0.09	0.45	(32.78)
<b>Diluted earnings (loss) per share:</b>				
<b>Numerator:</b>				
Net income (loss) attributable to the ordinary equity holders of Topicus	11,834	7,422	35,931	(1,896,100)
Add: Expense (income) associated with the redeemable preferred securities	-	-	-	2,302,185
Add: Net income (loss) attributable to the non-controlling interest holders of Topicus Coop	7,242	10,715	24,287	(353,375)
Net income (loss) to be used for diluted earnings per share	19,076	18,137	60,217	52,710
<b>Denominator:</b>				
Weighted average basic shares outstanding	80,477,481	79,282,821	80,168,445	57,851,780
Add: Effect of dilutive shares	49,364,338	50,558,998	49,673,374	71,776,014
Weighted average diluted shares outstanding	129,841,819	129,841,819	129,841,819	129,627,794
<b>Earnings (loss) per share</b>				
Diluted	0.15	0.09	0.45	(32.78)

For the three and nine months ended September 30, 2022 and the three and nine months ended September 30, 2021 the diluted earnings (loss) per share is equivalent to basic earnings (loss) per share because the impact of the potential dilution is anti-dilutive.

## 15. Financial instruments

### *Fair values versus carrying amounts*

The carrying values of cash, accounts receivable, accounts payable and accrued liabilities, income taxes payable, the majority of acquisition holdbacks, and the Topicus Revolving Credit Facility, approximate their fair values due to the short-term nature of these instruments. The carrying value of the Term and Other Loans approximate their fair value as the bank debt is subject to market interest rates.

### *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

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- 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 of September 30, 2022 and December 31, 2021 in the condensed consolidated interim financial statements 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.

	September 30, 2022				December 31, 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets:</b>								
Equity securities held for trading	2	-	-	2	7	-	-	7
	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>7</b>
<b>Liabilities:</b>								
Redeemable preferred securities	-	-	-	-	-	-	66,614	66,614
Contingent consideration	-	-	14,095	14,095	-	-	5,392	5,392
	<b>-</b>	<b>-</b>	<b>14,095</b>	<b>14,095</b>	<b>-</b>	<b>-</b>	<b>72,007</b>	<b>72,007</b>

There were no transfers of fair value measurement between level 1, 2 and 3 of the fair value hierarchy in the periods ended September 30, 2022 and December 31, 2021.

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

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## *Contingent Consideration*

Balance at January 1, 2022	5,392
Increase from business acquisitions	6,975
Cash recoveries (payments)	(964)
Charges (recoveries) through profit or loss	2,745
Foreign exchange and other movements	(54)
<b>Balance at September 30, 2022</b>	<b>14,095</b>
Contingent consideration classified as current liabilities	1,937
Contingent consideration classified as other non-current liabilities	12,158

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 (8% to 11%). The estimated fair value increases as the annual revenue/profitability growth rate increases and as the discount rate decreases and vice versa.

## *Redeemable Preferred Securities:*

Balance at January 1, 2022	66,614
Payments	(66,614)
<b>Balance at September 30, 2022</b>	<b>-</b>

## **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.

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## 17. Changes in non-cash operating assets and liabilities

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Decrease (increase) in current accounts receivable	15,778	5,022	7,220	(525)
Decrease (increase) in current unbilled revenue	(305)	(4,197)	(5,628)	(9,974)
Decrease (increase) in other current assets	3,086	1,589	(6,126)	(5,646)
Decrease (increase) in inventories	344	(372)	23	(429)
Decrease (increase) in other non-current assets	(2,419)	(246)	(3,689)	(34)
Increase (decrease) in other non-current liabilities	274	357	760	510
Increase (decrease) in current accounts payable and accrued liabilities, excluding holdbacks from acquisitions	(2,108)	4,449	(20,263)	(16,346)
Increase (decrease) in current deferred revenue	(55,227)	(43,638)	37,046	36,210
Increase (decrease) in current provisions	107	349	(824)	994
<b>Change in non-cash operating working capital</b>	<b>(40,471)</b>	<b>(36,687)</b>	<b>8,517</b>	<b>4,760</b>

## 18. Related parties

### *Transactions with CSI*

The Company pays management fees to CSI (included within “Other, net” expenses) and reimburses CSI for certain expenses paid on behalf of the Company. The aggregate payments made by the Company to CSI for management fees and reimbursements of expenses during the three and nine months ended September 30, 2022 was EUR 723 and EUR 8,760 (September 30, 2021 - EUR 484 and EUR 6,486 for the three and nine months ended). During the three and nine months ended September 30, 2022, the Company expensed management fees of EUR 497 and EUR 1,492 (September 30, 2021 – EUR 316 and EUR 944 for the three and nine months ended).

The ending payable balance to CSI (included within “Accounts payable and accrued liabilities”) as at September 30, 2022 was EUR 600 (December 31, 2021 – EUR 1,148).

### *Transactions with entities under the control of CSI*

The Company also provides professional services to other entities under the control of CSI. The total amount of revenue recognized during the three and nine months ended September 30, 2022 (included within “Professional services revenue”) relating to such arrangements was EUR 1,797 and EUR 4,797 (September 30, 2021 – EUR 1,141 and EUR 3,044 for the three and nine months ended). The ending receivable balance (included within “Accounts receivable”) as at September 30, 2022 relating to these arrangements was EUR 966 (December 31, 2021 – EUR 561).

### *Transactions with Vela Software Group in conjunction with the acquisition of Subsurface:*

On July 1, 2022, the Company acquired Subsurface and its two interactive software solutions (“Subsurface”) for the oil and gas vertical from Lloyd’s Register (note 4). In conjunction with the acquisition of Subsurface, Vela contributed EUR 7,905 to acquire a 40% interest in Subsurface, the remaining 60% is owned by the Company.

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## *Transactions with Vela Software Group and CSI in conjunction with the acquisition of Geosoftware:*

On October 1, 2021, the Company acquired the assets of Geosoftware and at that time, CSI provided a non-interest-bearing loan to the Company in the amount of USD \$33,023. The loan was provided in USD (the functional currency of Geosoftware) and is temporary financing until permanent financing is arranged. The loan was originally due on December 31, 2022 and could be repaid by the Company at anytime. During the period ended September 30, 2022, the loan agreement was amended. The loan is now due on July 1, 2023, with the loan becoming interest-bearing at an annual rate of 2% starting July 1, 2022. The loan can be repaid by the Company at any time. During the three and nine months ended September 30, 2022, the Company recognized interest expense of EUR 164 relating to this loan. The interest payable as at September 30, 2022 is EUR 170 and has been included within "Accounts payable and accrued liabilities".

During the nine months ended September 30, 2022, the Company repaid, net of advancements, EUR 1,817 of the working capital loan which had previously been provided by the Vela Software Group. The ending balance at September 30, 2022 was EUR 390 (included within "Accounts payable and accrued liabilities") (December 31, 2021 - EUR 2,207). The amount is non-interest bearing and is due on demand.

During the nine months ended September 30, 2022, Geosoftware reimbursed Vela for certain expenses incurred by Vela on behalf of Geosoftware. The amount payable as at September 30, 2022 relating to these amounts was EUR 1,666 (included within "Accounts payable and accrued liabilities") (December 31, 2021 – EUR 894).

## **19. Non-controlling interests**

The Company's non-controlling interest at September 30, 2022 is associated with Topicus Coop, an entity domiciled in the Netherlands and certain subsidiaries of Topicus Coop. Topicus Coop's common equity consists of Topicus Coop Ordinary Units. As at September 30, 2022, there were 129,841,818 Topicus Coop Ordinary Units outstanding, which are held by Topicus Coop's unitholders, as follows:

- Topicus: 80,549,763 Topicus Coop Ordinary Units, representing 62.04% equity ownership.
- Joday Group: 39,331,284 Topicus Coop Ordinary Units, representing 30.29% equity ownership.
- Ijssel Group: 9,960,771 Topicus Coop Ordinary Units, representing 7.67% equity ownership.

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

Topicus Coop also has certain subsidiaries that are not owned 100% by Topicus Coop and have a non-controlling interest. In 2021, the Company acquired a 60% interest in Geosoftware, the remaining 40% is owned by the Vela Software Group. Geosoftware is domiciled primarily in Europe and North America. On May 16, 2022, the Company also acquired a controlling interest of 72.68% in Sygnity S.A. ("Sygnity"), a Company based in Poland. The remaining 27.32% represents non-controlling interest. On July 1, 2022, the Company acquired a controlling interest of 60% in Subsurface, the remaining 40% is owned by the Vela Software Group. Subsurface is domiciled in Scotland. The acquisitions of Sygnity and Subsurface are outlined in note 4.

The following tables summarize the information relating to the Company's non-controlling interests in Topicus Coop before and after intercompany eliminations:

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	As at September 30, 2022			Inter-company eliminations	Total
	Topicus Coop (excluding Geosoftware)	Geosoftware	Topicus Coop		
Current assets	281,346	18,709	300,055		
Non-current assets	905,431	92,576	998,007		
Total assets	1,186,777	111,285	1,298,062		
Current liabilities	477,907	56,273	534,180		
Non-current liabilities	318,360	871	319,231		
Total liabilities	796,267	57,144	853,411		
Less: Non-controlling interest of Topicus Coop subsidiaries	24,661	21,651	46,312		
Net assets	365,848	32,490	398,338	(0)	398,338
Net assets allocated to the Ordinary Units of Topicus Coop classified as non-controlling interest					151,176
Add: Non-controlling interest of Topicus Coop subsidiaries					46,312
Total non-controlling interest					197,488

The following tables summarize the information on the condensed consolidated interim statement of income (loss) relating to the Company's non-controlling interests in Topicus Coop before and after intercompany eliminations:

	Three months ended September 30, 2022			Inter-company eliminations	Total
	Topicus Coop (excluding Geosoftware)	Geosoftware	Topicus Coop		
Revenue	220,800	7,789	228,589		
Expenses	196,441	8,482	204,923		
Income (loss) before income taxes	24,359	(693)	23,666		
Income tax expense	4,961	284	5,245		
Net income (loss) prior to non-controlling interest allocation	19,398	(977)	18,421		
Less: Non-controlling interest of Topicus Coop subsidiaries	(264)	(390)	(654)		
Less: Income allocated to Preference Units of Topicus Coop	-	-	-		
Net income (loss) after allocation of non-controlling interest of Topicus Coop subsidiaries and Preference Units	19,662	(587)	19,076	-	19,076
Net income (loss) allocated to Ordinary Units of Topicus Coop classified as non-controlling interest					7,242
Add: Non-controlling interest of Topicus Coop subsidiaries					(654)
Add: Income allocated to Preference Units of Topicus Coop					-
Total non-controlling interest					6,587

# TOPICUS.COM INC.

Notes to Condensed Consolidated Interim Financial Statements

(In thousands of euros, except per share amounts and as otherwise indicated)

(Due to rounding, numbers presented may not foot)

Three and nine months ended September 30, 2022 and 2021

(Unaudited)

	Nine months ended September 30, 2022			Inter-company eliminations	Total
	Topicus Coop (excluding Geosoftware)	Geosoftware	Topicus Coop		
Revenue	629,885	23,087	652,972		
Expenses	552,161	25,317	577,478		
Income (loss) before income taxes	<u>77,724</u>	<u>(2,230)</u>	<u>75,494</u>		
Income tax expense	16,297	317	16,614		
Net income (loss) prior to non-controlling interest allocation	<u>61,427</u>	<u>(2,547)</u>	<u>58,880</u>		
Less: Non-controlling interest of Topicus Coop subsidiaries	(320)	(1,018)	(1,337)		
Less: Income allocated to Preference Units of Topicus Coop	2,065	-	2,065		
Net income (loss) after allocation of non-controlling interest of Topicus Coop subsidiaries and Preference Units	<u>59,681</u>	<u>(1,529)</u>	<u>58,152</u>	-	58,152
Net income (loss) allocated to Ordinary Units of Topicus Coop classified as non-controlling interest					22,221
Add: Non-controlling interest of Topicus Coop subsidiaries					(1,337)
Add: Income allocated to Preference Units of Topicus Coop					2,065
Total non-controlling interest					<u>22,949</u>

Financial information on the statement of cash flows for Topicus Coop is as follows for the three and nine months ended September 30, 2022:

## Three months ended September 30, 2022

	Topicus Coop (excluding Geosoftware)			Topicus Coop
	Geosoftware	Geosoftware	Topicus Coop	
Cash flows from (used in) operating activities	6,043	4,879	10,922	
Cash flows from (used in) in financing activities	1,068	(68)	1,000	
Cash flows from (used in) investing activities	(32,565)	(3,288)	(35,853)	

# TOPICUS.COM INC.

Notes to Condensed Consolidated Interim Financial Statements

(In thousands of euros, except per share amounts and as otherwise indicated)

(Due to rounding, numbers presented may not foot)

Three and nine months ended September 30, 2022 and 2021

(Unaudited)

## Nine months ended September 30, 2022

	Topicus Coop (excluding Geosoftware)	Geosoftware	Topicus Coop
Cash flows from (used in) operating activities	145,315	9,622	154,937
Cash flows from (used in) in financing activities	26,538	(2,086)	24,452
Cash flows from (used in) investing activities	(115,197)	(3,721)	(118,918)

## 20. Subsequent events

On October 28, 2022, Topicus Coop amended the existing revolving credit facility (the "Topicus Revolving Credit Facility") with a number of European financial institutions. Under the amended credit facility, the Company will be able to borrow up to EUR 550,000 under a multicurrency revolving loan facility and up to EUR 150,000 under an additional uncommitted incremental facility. The Topicus Revolving Credit Facility has an initial term of five years until October 28, 2027 with an extension option for two additional one year periods. The Topicus Revolving Credit Facility bears interest at a rate calculated at EURIBOR plus interest rate spreads based on a leverage table. The Topicus Revolving Credit Facility is collateralized by some of the more material assets owned by the Company and its subsidiaries, except for the entities securing amounts outstanding under the Term and Other Loans (note 8). The Topicus Revolving Credit Facility contains standard events of default which, if not remedied within a cure period, would trigger the repayment of any outstanding balance.