

OPEN TEXT CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands of U.S. dollars, except share data)

ASSETS	December 31, 2024 (unaudited)	June 30, 2024
Cash and cash equivalents	\$ 1,122,192	\$ 1,280,662
Accounts receivable trade, net of allowance for credit losses of \$14,641 as of December 31, 2024 and \$12,108 as of June 30, 2024	639,611	626,189
Contract assets	68,487	66,450
Income taxes recoverable	68,004	61,113
Prepaid expenses and other current assets	186,763	242,911
Total current assets	2,085,057	2,277,325
Property and equipment, net of accumulated depreciation of \$779,868 as of December 31, 2024 and \$751,174 as of June 30, 2024	355,877	367,740
Operating lease right of use assets	211,079	219,774
Long-term contract assets	39,208	38,684
Goodwill	7,483,404	7,488,367
Acquired intangible assets	2,229,087	2,486,264
Deferred tax assets	982,567	932,657
Other assets	296,382	298,281
Long-term income taxes recoverable	49,052	96,615
Total assets	\$ 13,731,713	\$ 14,205,707
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 772,641	\$ 931,116
Current portion of long-term debt	35,850	35,850
Operating lease liabilities	74,699	76,446
Deferred revenues	1,452,734	1,521,416
Income taxes payable	65,145	235,666
Total current liabilities	2,401,069	2,800,494
Long-term liabilities:		
Accrued liabilities	38,974	46,483
Pension liability, net	126,909	127,255
Long-term debt	6,348,814	6,356,943
Long-term operating lease liabilities	200,815	218,174
Long-term deferred revenues	159,987	162,401
Long-term income taxes payable	82,310	145,644
Deferred tax liabilities	141,328	148,632
Total long-term liabilities	7,099,137	7,205,532
Shareholders' equity:		
Share capital and additional paid-in capital		
263,727,502 and 267,800,517 Common Shares issued and outstanding at December 31, 2024 and June 30, 2024, respectively; authorized Common Shares: unlimited	2,275,583	2,271,886
Accumulated other comprehensive income (loss)	(75,779)	(69,619)
Retained earnings	2,174,514	2,119,159
Treasury stock, at cost (4,225,850 and 3,135,980 shares at December 31, 2024 and June 30, 2024, respectively)	(144,432)	(123,268)
Total OpenText shareholders' equity	4,229,886	4,198,158
Non-controlling interests	1,621	1,523
Total shareholders' equity	4,231,507	4,199,681
Total liabilities and shareholders' equity	\$ 13,731,713	\$ 14,205,707

OPEN TEXT CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In thousands of U.S. dollars, except share and per share data)
(unaudited)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Revenues:				
Cloud services and subscriptions	\$ 462,306	\$ 450,091	\$ 919,330	\$ 901,105
Customer support	590,595	695,762	1,186,085	1,393,475
License	188,923	289,238	314,736	462,264
Professional service and other	92,676	99,777	183,354	203,453
Total revenues	<u>1,334,500</u>	<u>1,534,868</u>	<u>2,603,505</u>	<u>2,960,297</u>
Cost of revenues:				
Cloud services and subscriptions	172,288	180,148	347,545	351,560
Customer support	62,656	73,374	125,230	148,388
License	6,336	5,983	12,993	9,822
Professional service and other	68,041	75,459	134,956	155,381
Amortization of acquired technology-based intangible assets	47,203	70,784	94,447	147,608
Total cost of revenues	<u>356,524</u>	<u>405,748</u>	<u>715,171</u>	<u>812,759</u>
Gross profit	<u>977,976</u>	<u>1,129,120</u>	<u>1,888,334</u>	<u>2,147,538</u>
Operating expenses:				
Research and development	180,727	212,855	371,420	439,086
Sales and marketing	273,929	287,628	519,811	567,635
General and administrative	99,356	173,264	206,086	304,475
Depreciation	31,879	33,415	64,050	67,506
Amortization of acquired customer-based intangible assets	81,048	113,925	162,552	234,117
Special charges (recoveries)	15,238	54,166	62,374	67,960
Total operating expenses	<u>682,177</u>	<u>875,253</u>	<u>1,386,293</u>	<u>1,680,779</u>
Income from operations	<u>295,799</u>	<u>253,867</u>	<u>502,041</u>	<u>466,759</u>
Other income (expense), net	68,615	(68,784)	32,960	(48,614)
Interest and other related expense, net	(83,615)	(139,292)	(167,897)	(281,056)
Income before income taxes	280,799	45,791	367,104	137,089
Provision for income taxes	50,893	8,054	52,776	18,406
Net income for the period	<u>\$ 229,906</u>	<u>\$ 37,737</u>	<u>\$ 314,328</u>	<u>\$ 118,683</u>
Net (income) attributable to non-controlling interests	(44)	(62)	(98)	(107)
Net income attributable to OpenText	<u>\$ 229,862</u>	<u>\$ 37,675</u>	<u>\$ 314,230</u>	<u>\$ 118,576</u>
Earnings per share—basic attributable to OpenText	<u>\$ 0.87</u>	<u>\$ 0.14</u>	<u>\$ 1.18</u>	<u>\$ 0.44</u>
Earnings per share—diluted attributable to OpenText	<u>\$ 0.87</u>	<u>\$ 0.14</u>	<u>\$ 1.18</u>	<u>\$ 0.44</u>
Weighted average number of Common Shares outstanding— basic (in '000's)	<u>265,099</u>	<u>271,568</u>	<u>266,252</u>	<u>271,373</u>
Weighted average number of Common Shares outstanding— diluted (in '000's)	<u>265,193</u>	<u>272,141</u>	<u>266,505</u>	<u>272,019</u>

OPEN TEXT CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands of U.S. dollars)
(unaudited)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Net income for the period	\$ 229,906	\$ 37,737	\$ 314,328	\$ 118,683
Other comprehensive income (loss)—net of tax:				
Net foreign currency translation adjustments	1,167	(15,796)	(4,023)	(30,379)
Unrealized gain (loss) on cash flow hedges:				
Unrealized gain (loss) - net of tax ⁽¹⁾	(4,188)	1,522	(3,534)	(319)
(Gain) loss reclassified into net income - net of tax ⁽²⁾	1,010	328	1,272	337
Unrealized gain (loss) on available-for-sale financial assets:				
Unrealized gain (loss) - net of tax ⁽³⁾	436	450	684	229
Actuarial gain (loss) relating to defined benefit pension plans:				
Actuarial gain (loss) - net of tax ⁽⁴⁾	—	(91)	(1,045)	(110)
Amortization of actuarial (gain) loss into net income - net of tax ⁽⁵⁾	252	113	486	302
Total other comprehensive loss net, for the period	(1,323)	(13,474)	(6,160)	(29,940)
Total comprehensive income	228,583	24,263	308,168	88,743
Comprehensive income attributable to non-controlling interests	(44)	(62)	(98)	(107)
Total comprehensive income attributable to OpenText	<u>\$ 228,539</u>	<u>\$ 24,201</u>	<u>\$ 308,070</u>	<u>\$ 88,636</u>

- (1) Net of tax expense (recovery) of \$(1,510) and \$549 for the three months ended December 31, 2024 and 2023, respectively; \$(1,274) and \$(115) for the six months ended December 31, 2024 and 2023, respectively.
- (2) Net of tax expense (recovery) of \$364 and \$118 for the three months ended December 31, 2024 and 2023, respectively; \$458 and \$121 for the six months ended December 31, 2024 and 2023, respectively.
- (3) Net of tax expense (recovery) of \$18 and \$119 for the three months ended December 31, 2024 and 2023, respectively; \$225 and \$60 for the six months ended December 31, 2024 and 2023, respectively.
- (4) Net of tax expense (recovery) of \$— and \$91 for the three months ended December 31, 2024 and 2023, respectively; \$(43) and \$110 for the six months ended December 31, 2024 and 2023, respectively.
- (5) Net of tax expense (recovery) of \$92 and \$50 for the three months ended December 31, 2024 and 2023, respectively; \$184 and \$125 for the six months ended December 31, 2024 and 2023, respectively.

OPEN TEXT CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands of U.S. dollars and shares)
(unaudited)

	Three Months Ended December 31, 2024							
	Common Shares and Additional Paid in Capital		Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income	Non- Controlling Interests	Total
	Shares	Amount	Shares	Amount				
Balance as of September 30, 2024	265,546	\$2,290,191	(3,900)	\$(145,646)	\$2,065,221	\$ (74,456)	\$ 1,577	\$4,136,887
Issuance of Common Shares								
Under employee stock option plans	65	1,739	—	—	—	—	—	1,739
Under employee stock purchase plans	330	9,308	—	—	—	—	—	9,308
Share-based compensation	—	30,355	—	—	—	—	—	30,355
Purchase of treasury stock	—	—	(1,363)	(40,013)	—	—	—	(40,013)
Issuance of treasury stock	—	(39,906)	1,037	41,227	—	—	—	1,321
Repurchase of Common Shares	(2,213)	(16,104)	—	—	(50,990)	—	—	(67,094)
Dividends declared (\$0.2625 per Common Share)	—	—	—	—	(69,579)	—	—	(69,579)
Other comprehensive income (loss) - net	—	—	—	—	—	(1,323)	—	(1,323)
Net income for the period	—	—	—	—	229,862	—	44	229,906
Balance as of December 31, 2024	263,728	\$2,275,583	(4,226)	\$(144,432)	\$2,174,514	\$ (75,779)	\$ 1,621	\$4,231,507

	Three Months Ended December 31, 2023							
	Common Shares and Additional Paid in Capital		Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income	Non- Controlling Interests	Total
	Shares	Amount	Shares	Amount				
Balance as of September 30, 2023	271,228	\$2,216,921	(4,753)	\$(196,119)	\$2,062,107	\$ (70,025)	\$ 1,374	\$4,014,258
Issuance of Common Shares								
Under employee stock option plans	340	11,111	—	—	—	—	—	11,111
Under employee stock purchase plans	287	8,370	—	—	—	—	—	8,370
Share-based compensation	—	39,993	—	—	—	—	—	39,993
Issuance of treasury stock	—	(14,539)	353	17,030	(2,491)	—	—	—
Dividends declared (\$0.25 per Common Share)	—	—	—	—	(67,648)	—	—	(67,648)
Other comprehensive income (loss) - net	—	—	—	—	—	(13,474)	—	(13,474)
Net income for the period	—	—	—	—	37,675	—	62	37,737
Balance as of December 31, 2023	271,855	\$2,261,856	(4,400)	\$(179,089)	\$2,029,643	\$ (83,499)	\$ 1,436	\$4,030,347

OPEN TEXT CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands of U.S. dollars and shares)
(unaudited)

	Six Months Ended December 31, 2024							
	Common Shares and Additional Paid in Capital		Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income	Non- Controlling Interests	Total
	Shares	Amount	Shares	Amount				
Balance as of June 30, 2024	267,801	\$2,271,886	(3,136)	\$ (123,268)	\$2,119,159	\$ (69,619)	\$ 1,523	\$4,199,681
Issuance of Common Shares								
Under employee stock option plans	70	1,880	—	—	—	—	—	1,880
Under employee stock purchase plans	719	19,171	—	—	—	—	—	19,171
Share-based compensation	—	59,801	—	—	—	—	—	59,801
Purchase of treasury stock	—	—	(2,187)	(65,023)	—	—	—	(65,023)
Issuance of treasury stock	—	(41,836)	1,097	43,859	(702)	—	—	1,321
Repurchase of Common Shares	(4,862)	(35,319)	—	—	(118,256)	—	—	(153,575)
Dividends declared (\$0.525 per Common Share)	—	—	—	—	(139,917)	—	—	(139,917)
Other comprehensive income (loss) - net	—	—	—	—	—	(6,160)	—	(6,160)
Net income for the period	—	—	—	—	314,230	—	98	314,328
Balance as of December 31, 2024	263,728	\$2,275,583	(4,226)	\$ (144,432)	\$2,174,514	\$ (75,779)	\$ 1,621	\$4,231,507

	Six Months Ended December 31, 2023							
	Common Shares and Additional Paid in Capital		Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income	Non- Controlling Interests	Total
	Shares	Amount	Shares	Amount				
Balance as of June 30, 2023	270,903	\$2,176,947	(3,536)	\$ (151,597)	\$2,048,984	\$ (53,559)	\$ 1,329	\$4,022,104
Issuance of Common Shares								
Under employee stock option plans	425	14,003	—	—	—	—	—	14,003
Under employee stock purchase plans	527	17,011	—	—	—	—	—	17,011
Share-based compensation	—	76,997	—	—	—	—	—	76,997
Purchase of treasury stock	—	—	(1,400)	(53,085)	—	—	—	(53,085)
Issuance of treasury stock	—	(23,102)	536	25,593	(2,491)	—	—	—
Dividends declared (\$0.50 per Common Share)	—	—	—	—	(135,426)	—	—	(135,426)
Other comprehensive income (loss) - net	—	—	—	—	—	(29,940)	—	(29,940)
Net income for the period	—	—	—	—	118,576	—	107	118,683
Balance as of December 31, 2023	271,855	\$2,261,856	(4,400)	\$ (179,089)	\$2,029,643	\$ (83,499)	\$ 1,436	\$4,030,347

OPEN TEXT CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands of U.S. dollars)
(unaudited)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Cash flows from operating activities:				
Net income for the period	\$ 229,906	\$ 37,737	\$ 314,328	\$ 118,683
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization of intangible assets	160,130	218,124	321,049	449,231
Share-based compensation expense	30,361	40,175	59,919	77,270
Pension expense	3,350	3,212	6,813	6,383
Amortization of debt discount and issuance costs	5,499	7,325	10,795	12,821
Write-off of right of use assets	1,385	6,248	1,385	10,963
Adjustment to gain on AMC Divestiture	4,175	—	4,175	—
Loss on sale and write down of property and equipment, net	437	1,419	439	1,877
Deferred taxes	(10,827)	(88,400)	(52,977)	(177,030)
Share in net (income) loss of equity investees	(1,538)	8,482	(1,993)	18,178
Changes in financial instruments	(45,549)	38,117	(20,614)	20,222
Changes in operating assets and liabilities:				
Accounts receivable	(15,728)	(91,589)	41,879	(60,285)
Contract assets	(26,097)	(24,061)	(59,946)	(46,627)
Prepaid expenses and other current assets	32,427	(15,337)	54,578	3,989
Income taxes	(3,218)	29,136	(196,727)	58,733
Accounts payable and accrued liabilities	(20,590)	76,058	(128,110)	(48,156)
Deferred revenue	5,124	107,974	(71,407)	(42,502)
Other assets	3,306	1,114	(1,436)	5,218
Operating lease assets and liabilities, net	(4,561)	(5,081)	(11,964)	(11,194)
Net cash provided by operating activities	347,992	350,653	270,186	397,774
Cash flows from investing activities:				
Additions of property and equipment	(41,269)	(45,240)	(80,585)	(82,779)
Purchase of Micro Focus, net of cash acquired	—	—	—	(9,272)
Adjustment to proceeds from AMC Divestiture	(11,686)	—	(11,686)	—
Proceeds from net investment hedge derivative contracts	—	—	2,519	1,966
Other investing activities	5,535	(1,229)	5,892	(6,783)
Net cash used in investing activities	(47,420)	(46,469)	(83,860)	(96,868)
Cash flows from financing activities:				
Proceeds from issuance of Common Shares from exercise of stock options and ESPP	8,291	17,804	17,740	29,257
Repayment of long-term debt and Revolver	(8,963)	(186,463)	(17,926)	(372,926)
Net change in transition services agreement obligation	26,233	—	21,938	—
Debt issuance costs	(1,066)	(831)	(1,066)	(2,792)
Repurchase of Common Shares	(66,003)	—	(153,406)	—
Purchase of treasury stock	(40,023)	—	(65,023)	(53,085)
Payments of dividends to shareholders	(68,313)	(66,414)	(137,374)	(133,379)
Net cash used in financing activities	(149,844)	(235,904)	(335,117)	(532,925)
Foreign exchange gain (loss) on cash held in foreign currencies	(28,930)	15,042	(9,794)	3,539
Increase (decrease) in cash, cash equivalents and restricted cash during the period	121,798	83,322	(158,585)	(228,480)
Cash, cash equivalents and restricted cash at beginning of the period	1,002,410	922,150	1,282,793	1,233,952
Cash, cash equivalents and restricted cash at end of the period	\$ 1,124,208	\$ 1,005,472	\$ 1,124,208	\$ 1,005,472

OPEN TEXT CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands of U.S. dollars)
(unaudited)

Reconciliation of cash, cash equivalents and restricted cash:	December 31, 2024	December 31, 2023
Cash and cash equivalents	\$ 1,122,192	\$ 1,003,134
Restricted cash ⁽¹⁾	2,016	2,338
Total cash, cash equivalents and restricted cash	\$ 1,124,208	\$ 1,005,472

⁽¹⁾ Restricted cash is classified under the Prepaid expenses and other current assets and Other assets line items on the Consolidated Balance Sheets.