# Kinaxis Inc.

## Condensed Consolidated Interim Financial Statements

### for the three and six months ended June 30, 2025 and 2024

(In thousands of USD)

(Unaudited)

## Kinaxis Inc.

### Condensed Consolidated Interim Statements of Financial Position

(Expressed in thousands of USD)

(Unaudited)

| | | June 30, 2025 | | December 31, 2024 |
|---|---|---|---|---|
| **Assets** | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | $ | 123,754 | $ | 172,192 |
| Short-term investments | | 205,635 | | 126,307 |
| Trade and other receivables (note 3) | | 131,205 | | 156,394 |
| Prepaid expenses | | 19,809 | | 18,244 |
| | | 480,403 | | 473,137 |
| Non-current assets: | | | | |
| Unbilled receivables (note 3) | | 1,055 | | 1,448 |
| Other receivables | | 1,091 | | 867 |
| Prepaid expenses | | 2,240 | | 2,072 |
| Deferred tax assets | | 18,944 | | 11,016 |
| Contract acquisition costs (note 4) | | 33,549 | | 32,005 |
| Property and equipment (note 5) | | 31,803 | | 32,486 |
| Right-of-use assets (note 6) | | 46,219 | | 46,705 |
| Intangible assets (note 7) | | 12,489 | | 12,865 |
| Goodwill (note 8) | | 76,541 | | 72,735 |
| | | 223,931 | | 212,199 |
| | $ | 704,334 | $ | 685,336 |
| **Liabilities and Shareholders' Equity** | | | | |
| Current liabilities: | | | | |
| Trade payables and accrued liabilities (note 9) | $ | 62,019 | $ | 94,369 |
| Deferred revenue (note 10) | | 143,490 | | 140,008 |
| Provisions | | 1,389 | | 544 |
| Lease obligations (note 11) | | 5,639 | | 5,587 |
| | | 212,537 | | 240,508 |
| Non-current liabilities: | | | | |
| Lease obligations (note 11) | | 45,310 | | 43,348 |
| Deferred tax liabilities | | 4,972 | | 5,969 |
| | | 50,282 | | 49,317 |
| Shareholders' equity: | | | | |
| Share capital (note 12) | | 325,848 | | 285,422 |
| Contributed surplus | | — | | 12,078 |
| Accumulated other comprehensive income (loss) | | 2,337 | | (3,847) |
| Retained earnings | | 113,330 | | 101,858 |
| | | 441,515 | | 395,511 |
| | $ | 704,334 | $ | 685,336 |

See accompanying notes to condensed consolidated interim financial statements.

On behalf of the Board of Directors:

*(signed) Angel Mendez* Director *(signed) Lynn Loewen* Director

## Kinaxis Inc.

### Condensed Consolidated Interim Statements of Comprehensive Income

(Expressed in thousands of USD, except share and per share data)

(Unaudited)

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Revenue (note 14) | $ 136,415 | $ 118,278 | $ 269,203 | $ 237,648 |
| Cost of revenue | 48,884 | 48,092 | 95,133 | 94,532 |
| Gross profit | 87,531 | 70,186 | 174,070 | 143,116 |
| Operating expenses: | | | | |
| Selling and marketing | 31,738 | 27,341 | 60,427 | 52,268 |
| Research and development | 21,896 | 22,221 | 44,564 | 45,206 |
| General and administrative | 15,541 | 18,263 | 32,407 | 37,512 |
| | 69,175 | 67,825 | 137,398 | 134,986 |
| | 18,356 | 2,361 | 36,672 | 8,130 |
| Other income: | | | | |
| Foreign exchange gain | 1,099 | 40 | 2,013 | 166 |
| Net finance and other income | 2,741 | 3,115 | 5,164 | 6,016 |
| | 3,840 | 3,155 | 7,177 | 6,182 |
| Profit before income taxes | 22,196 | 5,516 | 43,849 | 14,312 |
| Income tax expense | 3,757 | 2,082 | 9,497 | 4,691 |
| Profit | 18,439 | 3,434 | 34,352 | 9,621 |
| Other comprehensive income (loss): | | | | |
| Items that are or may be reclassified subsequently to profit | | | | |
| Foreign currency translation differences - foreign operations | 2,933 | (621) | 4,010 | (1,956) |
| Change in valuation of cash flow hedges | 1,597 | (241) | 2,174 | (718) |
| | 4,530 | (862) | 6,184 | (2,674) |
| Total comprehensive income | $ 22,969 | $ 2,572 | $ 40,536 | $ 6,947 |
| Basic earnings per share | $ 0.65 | $ 0.12 | $ 1.22 | $ 0.34 |
| Weighted average number of basic Common Shares (note 13) | 28,270,720 | 28,187,236 | 28,183,079 | 28,232,707 |
| Diluted earnings per share | $ 0.64 | $ 0.12 | $ 1.19 | $ 0.33 |
| Weighted average number of diluted Common Shares (note 13) | 28,890,916 | 28,787,603 | 28,901,030 | 28,875,785 |

See accompanying notes to condensed consolidated interim financial statements.

## Kinaxis Inc.

### Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(Expressed in thousands of USD)

(Unaudited)

| | | | Accumulated other comprehensive income (loss) | | | | |
|---|---|---|---|---|---|---|---|
| | Share capital | Contributed surplus | Cash flow hedges | Currency translation adjustments | Total | Retained earnings | Total equity |
| Balance, December 31, 2023 | $ 307,327 | $ 44,339 | $ 441 | $ 919 | $ 1,360 | $ 101,802 | $ 454,828 |
| Profit | — | — | — | — | — | 56 | 56 |
| Other comprehensive loss | — | — | (1,644) | (3,563) | (5,207) | — | (5,207) |
| Total comprehensive income (loss) | — | — | (1,644) | (3,563) | (5,207) | 56 | (5,151) |
| Share options exercised | 28,065 | (6,512) | — | — | — | — | 21,553 |
| Restricted share units vested | 14,992 | (14,992) | — | — | — | — | — |
| Deferred share units vested | 1,396 | (1,396) | — | — | — | — | — |
| Performance share units vested | 5,533 | (5,533) | — | — | — | — | — |
| Share-based payments | — | 40,723 | — | — | — | — | 40,723 |
| Shares repurchased | (53,727) | (44,551) | — | — | — | — | (98,278) |
| Obligations related to share repurchases | (18,164) | — | — | — | — | — | (18,164) |
| Total shareholder transactions | (21,905) | (32,261) | — | — | — | — | (54,166) |
| Balance, December 31, 2024 | $ 285,422 | $ 12,078 | $ (1,203) | $ (2,644) | $ (3,847) | $ 101,858 | $ 395,511 |
| Profit | — | — | — | — | — | 34,352 | 34,352 |
| Other comprehensive income | — | — | 2,174 | 4,010 | 6,184 | — | 6,184 |
| Total comprehensive income | — | — | 2,174 | 4,010 | 6,184 | 34,352 | 40,536 |
| Share options exercised | 24,709 | (5,893) | — | — | — | — | 18,816 |
| Restricted share units vested | 16,310 | (16,310) | — | — | — | — | — |
| Performance share units vested | 3,553 | (3,553) | — | — | — | — | — |
| Share-based payments | — | 23,230 | — | — | — | — | 23,230 |
| Shares repurchased (note 12) | (3,222) | (9,552) | — | — | — | (22,880) | (35,654) |
| Change in obligation for share repurchases (note 12) | (924) | — | — | — | — | — | (924) |
| Total shareholder transactions | 40,426 | (12,078) | — | — | — | (22,880) | 5,468 |
| Balance, June 30, 2025 | $ 325,848 | $ — | $ 971 | $ 1,366 | $ 2,337 | $ 113,330 | $ 441,515 |

See accompanying notes to condensed consolidated interim financial statements.

## Kinaxis Inc.
### Condensed Consolidated Interim Statements of Cash Flows

(Expressed in thousands of USD)

(Unaudited)

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Cash flows from operating activities | | | | |
| Profit | $ 18,439 | $ 3,434 | $ 34,352 | $ 9,621 |
| Items not affecting cash: | | | | |
| Depreciation of property and equipment and right-of-use assets (note 15) | 4,149 | 4,942 | 8,768 | 10,018 |
| Amortization of intangible assets (note 7, 15) | 833 | 1,326 | 1,637 | 2,655 |
| Share-based payments (note 12) | 10,374 | 7,702 | 19,721 | 16,424 |
| Net finance income | (2,723) | (3,062) | (5,089) | (5,931) |
| Income tax expense | 3,757 | 2,082 | 9,497 | 4,691 |
| Investment tax credits recoverable | — | (1,109) | — | (2,009) |
| Change in operating assets and liabilities (note 16) | (5,578) | (2,904) | 7,177 | 6,203 |
| Interest received | 3,068 | 3,778 | 5,971 | 8,188 |
| Interest paid | (481) | (459) | (930) | (841) |
| Income taxes paid | (9,272) | (2,590) | (26,891) | (3,868) |
| | 22,566 | 13,140 | 54,213 | 45,151 |
| Cash flows used in investing activities | | | | |
| Purchase of property and equipment (note 5) | (2,686) | (1,893) | (4,268) | (2,084) |
| Purchase of short-term investments | (167,444) | (157,512) | (289,889) | (216,869) |
| Redemption of short-term investments | 133,045 | 105,832 | 210,609 | 198,395 |
| | (37,085) | (53,573) | (83,548) | (20,558) |
| Cash flows used in financing activities | | | | |
| Payment of lease obligations (note 11) | (1,382) | (1,786) | (2,943) | (3,526) |
| Repurchase of shares (note 12) | (18,266) | (36,125) | (35,654) | (57,407) |
| Proceeds from exercise of stock options | 12,996 | 7,126 | 18,816 | 11,308 |
| | (6,652) | (30,785) | (19,781) | (49,625) |
| Decrease in cash and cash equivalents | (21,171) | (71,218) | (49,116) | (25,032) |
| Cash and cash equivalents, beginning of period | 143,489 | 219,374 | 172,192 | 174,844 |
| Effects of exchange rates on cash and cash equivalents | 1,436 | (1,001) | 678 | (2,657) |
| Cash and cash equivalents, end of period | $ 123,754 | $ 147,155 | $ 123,754 | $ 147,155 |

See accompanying notes to condensed consolidated interim financial statements.

## 1. Corporate information:

Kinaxis Inc. (“Kinaxis” or the "Company") is incorporated under the Canada Business Corporations Act and domiciled in Ontario, Canada. The address of the Company’s registered office is 3199 Palladium Drive, Ottawa, Ontario. The condensed consolidated interim financial statements of the Company as at June 30, 2025 and for the three and six months ended June 30, 2025 and 2024 comprise the Company and its subsidiaries.

Kinaxis is a leading provider of cloud-based subscription software that enables its customers to improve and accelerate analysis and decision-making across their supply chain operations. Kinaxis is a global enterprise with registered offices in the United States, Japan, Hong Kong, the Netherlands, South Korea, United Kingdom, Romania, Mexico, Taiwan, Singapore, France, Ireland, Germany, India, and Canada.

## 2. Basis of preparation:

### (a) Statement of compliance:

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards and should be read in conjunction with the annual consolidated financial statements of the Company for the year ended December 31, 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company’s financial position and performance since the last annual consolidated financial statements as at and for the year ended December 31, 2024.

These unaudited condensed consolidated financial statements were authorized for issue by the Board of Directors on August 6, 2025.

### (b) Material accounting policies:

The accounting policies applied in these unaudited condensed consolidated interim financial statements are the same as those applied in the Company’s consolidated financial statements as at and for the year ended December 31, 2024. The accounting policies have been applied consistently to all periods presented.

### (c) Use of estimates and judgments:

In preparing these unaudited condensed consolidated interim financial statements, Management makes judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2024.

## 3. Trade and other receivables:

| | | June 30, 2025 | | December 31, 2024 |
|---|---|---|---|---|
| Trade accounts receivable | $ | 91,944 | $ | 118,461 |
| Unbilled receivables | | 34,086 | | 34,212 |
| Taxes receivable | | 1,420 | | 508 |
| Other | | 4,375 | | 3,478 |
| | | 131,825 | | 156,659 |
| Loss allowance | | (620) | | (265) |
| | $ | 131,205 | $ | 156,394 |

There were no trade accounts receivable written off as uncollectible in the three and six months ended June 30, 2025 (year ended December 31, 2024 – $915).

The following table presents changes in total unbilled receivables:

| | | Six months ended June 30, 2025 | | 2024 |
|---|---|---|---|---|
| Balance, beginning of period | $ | 35,660 | $ | 38,050 |
| Amounts transferred to trade accounts receivable | | (31,069) | | (28,073) |
| Revenue in excess of billings | | 30,550 | | 28,480 |
| Balance, end of period | $ | 35,141 | $ | 38,457 |

The following table presents current and non-current unbilled receivables:

| | | June 30, 2025 | | December 31, 2024 |
|---|---|---|---|---|
| Current | $ | 34,086 | $ | 34,212 |
| Non-current | | 1,055 | | 1,448 |

## 4. Contract acquisition costs:

| | Six months ended June 30, | |
|---|---|---|
| | 2025 | 2024 |
| Balance, beginning of period | $ 32,005 | $ 27,438 |
| Additions | 6,730 | 7,536 |
| Amortization | (6,084) | (4,960) |
| Effects of movements in exchange rates | 898 | (230) |
| Balance, end of period | $ 33,549 | $ 29,784 |

Amortization of contract acquisition costs is recorded in selling and marketing expense.

## 5. Property and equipment:

| Cost | December 31, 2024 | Additions | Dispositions | Effects of exchange rates | June 30, 2025 |
|---|---|---|---|---|---|
| Computer equipment | $ 68,354 | $ 3,210 | $ (270) | $ 1,491 | $ 72,785 |
| Computer software | 3,923 | 25 | — | 19 | 3,967 |
| Office furniture and equipment | 4,246 | 19 | (48) | 26 | 4,243 |
| Leasehold improvements | 23,683 | 1,014 | (170) | 78 | 24,605 |
| Total cost | $ 100,206 | $ 4,268 | $ (488) | $ 1,614 | $ 105,600 |

| Accumulated depreciation | December 31, 2024 | Depreciation | Dispositions | Effects of exchange rates | June 30, 2025 |
|---|---|---|---|---|---|
| Computer equipment | $ 53,318 | $ 3,929 | $ (270) | $ 1,207 | $ 58,184 |
| Computer software | 3,772 | 93 | — | 19 | 3,884 |
| Office furniture and equipment | 3,883 | 200 | (48) | 15 | 4,050 |
| Leasehold improvements | 6,747 | 1,053 | (170) | 49 | 7,679 |
| Total accumulated depreciation | $ 67,720 | $ 5,275 | $ (488) | $ 1,290 | $ 73,797 |

## 5. Property and equipment (continued):

| Carrying value | June 30, 2025 | December 31, 2024 |
|---|---|---|
| Computer equipment | $ 14,601 | $ 15,036 |
| Computer software | 83 | 151 |
| Office furniture and equipment | 193 | 363 |
| Leasehold improvements | 16,926 | 16,936 |
| Total property and equipment | $ 31,803 | $ 32,486 |

There were proceeds of $nil associated with asset dispositions in the three and six months ended June 30, 2025 (year ended December 31, 2024 – $35).

## 6. Right-of-use assets:

| | December 31, 2024 | Additions | Depreciation | Effects of exchange rates | June 30, 2025 |
|---|---|---|---|---|---|
| Offices | $ 40,177 | $ 2,734 | $ (1,634) | $ 124 | $ 41,401 |
| Data centres | 6,528 | 113 | (1,859) | 36 | 4,818 |
| Total right-of-use assets | $ 46,705 | $ 2,847 | $ (3,493) | $ 160 | $ 46,219 |

## 7. Intangible assets:

The estimated useful life of customer relationships is three to nine years, the estimated useful life of technology is four to six years and the estimated life of internally developed software is five years.

| | December 31, 2024 | Amortization | Effect of exchange rates | June 30, 2025 |
|---|---|---|---|---|
| Customer relationships | $ 5,596 | $ (477) | $ 668 | $ 5,787 |
| Technology | 5,292 | (810) | 593 | 5,075 |
| Internally developed software | 1,977 | (350) | — | 1,627 |
| Total intangible assets | $ 12,865 | $ (1,637) | $ 1,261 | $ 12,489 |

## 8. Goodwill:

| | Six months ended June 30, | |
|---|---|---|
| | 2025 | 2024 |
| Balance, beginning of period | $ 72,735 | $ 74,556 |
| Effect of foreign exchange | 3,806 | (943) |
| Balance, end of period | $ 76,541 | $ 73,613 |

## 9. Trade payables and accrued liabilities:

| | June 30, 2025 | December 31, 2024 |
|---|---|---|
| Trade accounts payable | $ 17,977 | $ 15,624 |
| Accrued liabilities | 40,195 | 59,891 |
| Taxes payable | 3,847 | 18,854 |
| | $ 62,019 | $ 94,369 |

## 10. Deferred revenue:

| | Six months ended June 30, | |
|---|---|---|
| | 2025 | 2024 |
| Balance, beginning of period | $ 140,008 | $ 137,598 |
| Recognition of deferred revenue | (116,802) | (93,051) |
| Amounts invoiced and revenue deferred | 120,284 | 89,362 |
| Balance, end of period | $ 143,490 | $ 133,909 |

## 11. Lease obligations:

The Company's leases are for office space and data centres with lease terms ranging from one to twenty years. These leases contain no renewal options or a renewal option for one, three or five years. The Company has included renewal options in the lease term when it is reasonably certain to exercise the renewal option.

| | June 30, 2025 | December 31, 2024 |
|---|---|---|
| Current | $ 5,639 | $ 5,587 |
| Non-current | 45,310 | 43,348 |
| Total lease obligations | $ 50,949 | $ 48,935 |

The following table presents the contractual undiscounted cash flows for lease obligations as at June 30, 2025:

| | |
|---|---|
| Less than one year | $ 8,859 |
| One to five years | 17,708 |
| More than five years | 33,750 |
| Total undiscounted lease obligations | $ 60,317 |

The following table presents payments for lease obligations:

| | Six months ended June 30, 2025 | 2024 |
|---|---|---|
| Principal payments | $ 2,943 | $ 3,526 |
| Interest payments | 930 | 841 |
| Variable lease payments | 1,037 | 898 |
| Short-term lease payments | 354 | 209 |
| Total cash outflow for leases | $ 5,264 | $ 5,474 |

## 12. Share capital:

**Authorized**

The Company is authorized to issue an unlimited number of Common Shares.

**Issued Common Shares**

| | Six months ended June 30, 2025 | | Six months ended June 30, 2024 | |
|---|---|---|---|---|
| | Shares | Amount | Shares | Amount |
| Shares outstanding, beginning of period | 28,055,214 | $ 285,422 | 28,428,799 | $ 307,327 |
| Shares issued from exercised options | 320,695 | 24,709 | 201,275 | 14,824 |
| Shares issued from vested restricted share units | 143,482 | 16,310 | 60,501 | 7,387 |
| Shares issued from vested deferred share units | — | — | 21,760 | 1,396 |
| Shares issued from vested performance share units | 22,102 | 3,553 | 36,010 | 5,533 |
| Shares repurchase | (283,297) | (3,222) | (529,056) | (25,412) |
| Change in obligation related to share repurchases | — | (924) | — | (16,177) |
| Shares outstanding, end of period | 28,258,196 | $ 325,848 | 28,219,289 | $ 294,878 |

**Stock option plans**

The Company has outstanding stock options issued under its 2012 Stock Option Plan. No further options may be granted under the 2012 plan. In June 2017, the Company adopted a new Canadian Resident Stock Option Plan and a new Non-Canadian Resident Stock Option Plan (“the Plans”). Stock options granted under the Plans have an exercise price equal to the stock’s TSX price at the date of grant and the maximum term of these options is five years. Options are granted periodically and typically vest over four years.

At June 30, 2025, there were 931,874 stock options available for grant under the Plans.

## 12. Share capital (continued):

The following table presents changes in stock options outstanding:

| | Six months ended June 30, 2025 | | Year ended December 31, 2024 | |
|---|---|---|---|---|
| | Shares | Weighted average exercise price | Shares | Weighted average exercise price |
| Options outstanding, beginning of period | 747,212 | $ 74.48 | 1,193,430 | $ 83.08 |
| Granted | 8,962 | 109.29 | 11,489 | 106.71 |
| Exercised | (320,695) | 58.67 | (326,533) | 66.03 |
| Forfeited | (11,475) | 108.24 | (131,174) | 130.04 |
| Options outstanding, end of period | 424,004 | $ 91.79 | 747,212 | $ 74.48 |
| Options exercisable, end of period | 360,882 | $ 87.27 | 634,588 | $ 69.36 |

The following table presents information about stock options outstanding at June 30, 2025:

| | Options outstanding | | | Options exercisable | |
|---|---|---|---|---|---|
| Range of exercise prices | Number outstanding | Weighted average remaining contractual life | Weighted average exercise price | Number exercisable | Weighted average exercise price |
| $1 to $30 | 11,150 | 0.59 | $ 28.71 | 11,150 | $ 28.71 |
| $30 to $60 | 124,100 | 1.48 | 50.04 | 124,100 | 50.04 |
| $60 to $90 | — | 0.00 | 0.00 | — | 0.00 |
| $90 to $120 | 180,183 | 1.22 | 100.39 | 155,983 | 98.87 |
| $120 to $150 | 71,571 | 2.08 | 120.69 | 34,774 | 120.89 |
| $150 to $180 | 37,000 | 0.40 | 153.08 | 34,875 | 153.05 |
| | 424,004 | 1.35 | $ 91.79 | 360,882 | $ 87.27 |

The per share weighted-average fair value of stock options granted during the six months ended June 30, 2025 was $30.91 (year ended December 31, 2024 – $34.30) on the date of grant using the Black Scholes option-pricing model with the following weighted-average assumptions:

| | Six months ended June 30, 2025 | Year ended December 31, 2024 |
|---|---|---|
| Expected dividend yield | 0% | 0% |
| Risk-free interest rate | 2.57% | 3.28% |
| Expected life | three to five years | three to five years |
| Estimated volatility | 32% | 36% |

## 12. Share capital (continued):

**Share Unit Plan**

At June 30, 2025, there were 662,661 share units available for grant under the Share Unit Plan.

The following table presents changes in share units outstanding:

| | Six months ended June 30, 2025 | | | Year ended December 31, 2024 | | |
|---|---|---|---|---|---|---|
| | RSU | PSU | DSU | RSU | PSU | DSU |
| Units outstanding, beginning of period | 478,882 | 172,339 | 73,795 | 273,542 | 148,311 | 84,866 |
| Granted | 214,159 | 81,170 | 10,507 | 399,649 | 93,133 | 10,689 |
| Exercised | (143,482) | (22,102) | — | (123,566) | (33,815) | (21,760) |
| Forfeited | (15,914) | (20,499) | — | (70,743) | (35,290) | — |
| Units outstanding, end of period | 533,645 | 210,908 | 84,302 | 478,882 | 172,339 | 73,795 |

Each restricted share unit ("RSU") entitles the participant to receive one Common Share. The RSUs generally vest over time in equal annual tranches over two to three years. The weighted-average grant date fair value of the RSUs granted during the six months ended June 30, 2025 was $110.91 per unit (year ended December 31, 2024 – $108.86) using the fair value of a Common Share at time of grant.

Performance share units ("PSU") generally entitle participants to receive up to two Common Shares based on the Company's total shareholder return relative to the total shareholder return of the constituents of the S&P Software & Services Select Industry Index over three-year vesting periods. The weighted-average grant date fair value of these PSUs granted in the six months ended June 30, 2025 was $146.52 per unit (year ended December 31, 2024 – $134.91). Valuation of these PSUs was completed using a Monte Carlo pricing model based on the fair value of a Common Share at time of grant and the following assumptions:

| | Six months ended June 30, 2025 | Year ended December 31, 2024 |
|---|---|---|
| Expected dividend yield | 0% | 0% |
| Risk-free interest rate | 2.61% | 3.84% |
| Performance measurement period | three years | three years |
| Estimated volatility | 36% | 36% |
| Correlation coefficient to Industry Index | 0.35 | 0.35 |

Each deferred share unit ("DSU") entitles the participant to receive one Common Share. The DSUs vest immediately as the participants are entitled to the shares upon termination of their service. The fair value of the DSUs granted during the six months ended June 30, 2025 was $109.90 per unit (year ended December 31, 2024 – $108.02) using the fair value of a Common Share at time of grant.

## 12. Share capital (continued):

**Share-based payments expense**

The Company estimates a forfeiture rate, based on an analysis of actual forfeitures, to determine share-based payments expense. The following table presents share-based payments expense:

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Stock options | $ 147 | $ 178 | $ 418 | $ 1,121 |
| Restricted share units | 8,024 | 5,191 | 15,815 | 10,187 |
| Performance share units | 2,203 | 2,333 | 2,333 | 3,961 |
| Deferred share units | — | — | 1,155 | 1,155 |
| | $ 10,374 | $ 7,702 | $ 19,721 | $ 16,424 |

The following table presents share-based payments expense by function:

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Cost of revenue | $ 1,761 | $ 1,536 | $ 3,363 | $ 2,922 |
| Selling and marketing | 2,607 | 1,310 | 5,356 | 2,388 |
| Research and development | 2,255 | 1,274 | 2,804 | 3,202 |
| General and administrative | 3,751 | 3,582 | 8,198 | 7,912 |
| | $ 10,374 | $ 7,702 | $ 19,721 | $ 16,424 |

**Share repurchase**

On October 31, 2024, the Toronto Stock Exchange (“TSX”) accepted the Company’s notice of intention to commence a Normal Course Issuer Bid (“NCIB”) allowing the Company to repurchase for cancellation, at its discretion, up to 5% of the “public float” (calculated in accordance with the rules of the TSX) during the twelve-month period commencing November 6, 2024 and ending no later than November 5, 2025. Kinaxis has entered into an automatic share purchase plan (“ASPP”) to provide the option to instruct its broker to make purchases under the NCIB during any applicable blackout periods. Under this bid during the six months ended June 30, 2025, 283,297 Common Shares were repurchased for cancellation at an average price of $125.85 per share. As at June 30, 2025, an obligation for the repurchase of shares of $18,275 (December 31, 2024 – $17,390) was recognized as an accrued liability, as instructions were provided to the Company’s broker to continue making purchases during the current blackout period in accordance with the ASPP.

## 13. Earnings per share:

The following table summarizes the calculation of the weighted average number of basic and diluted common shares:

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Issued Common Shares at beginning of period | 28,140,925 | 28,262,318 | 28,055,214 | 28,321,874 |
| Effect of shares issued from exercise of options | 136,874 | 54,530 | 144,025 | 64,833 |
| Effect of shares issued from vesting of restricted share units | 16,457 | 1,170 | 81,116 | 37,068 |
| Effect of shares issued from vesting of deferred share units | — | 4,782 | — | 2,391 |
| Effect of shares issued from vesting of performance share units | 403 | — | 11,812 | 20,379 |
| Effect of shares cancelled from repurchase of shares | (23,939) | (135,564) | (109,088) | (213,838) |
| Weighted average number of basic Common Shares | 28,270,720 | 28,187,236 | 28,183,079 | 28,232,707 |
| Effect of share options on issue | 143,412 | 322,241 | 206,093 | 341,275 |
| Effect of share units on issue | 476,784 | 278,126 | 511,858 | 301,803 |
| Weighted average number of diluted Common Shares | 28,890,916 | 28,787,603 | 28,901,030 | 28,875,785 |

For three and six months ended June 30, 2025, 57,583 options and no share units (three and six months ended June 30, 2024 – 261,546 options and 140,417 share units) were excluded from the weighted average number of diluted common shares as their effect would have been anti-dilutive.

## 14. Revenue:

The following table presents revenue of the Company:

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| SaaS | $ 88,437 | $ 75,395 | $ 173,319 | $ 148,766 |
| Subscription term license | 5,057 | 1,368 | 14,084 | 8,109 |
| Professional services | 37,394 | 36,495 | 70,734 | 70,938 |
| Maintenance and support | 5,527 | 5,020 | 11,066 | 9,835 |
| | $ 136,415 | $ 118,278 | $ 269,203 | $ 237,648 |

The following table presents revenue expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at June 30, 2025:

## 14. Revenue (continued):

| | Remainder of 2025 | 2026 | 2027 and thereafter | Total |
|---|---|---|---|---|
| SaaS | $ 172,878 | $ 280,522 | $ 339,915 | $ 793,315 |
| Maintenance and support | 10,761 | 14,436 | 15,306 | 40,503 |
| Subscription term license | 35 | 76 | — | 111 |
| | $ 183,674 | $ 295,034 | $ 355,221 | $ 833,929 |

## 15. Depreciation and amortization:

The following table presents depreciation expense of property and equipment and right-of-use assets by function:

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Cost of revenue | $ 2,142 | $ 2,422 | $ 4,508 | $ 4,994 |
| Selling and marketing | 4 | 4 | 8 | 7 |
| Research and development | 450 | 460 | 922 | 902 |
| General and administrative | 1,553 | 2,056 | 3,330 | 4,115 |
| | $ 4,149 | $ 4,942 | $ 8,768 | $ 10,018 |

The following table presents amortization expense of intangible assets by function:

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Cost of revenue | $ 596 | $ 957 | $ 1,162 | $ 1,916 |
| General and administrative | 237 | 369 | 475 | 739 |
| | $ 833 | $ 1,326 | $ 1,637 | $ 2,655 |

## 16. Statement of cash flows:

The following table presents changes in operating assets and liabilities:

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Trade and other receivables | $ 2,704 | $ (9,842) | $ 30,553 | $ 11,439 |
| Prepaid expenses | 6,323 | 1,627 | (1,610) | (4,129) |
| Contract acquisition costs | 501 | (396) | (519) | (2,478) |
| Trade payables and accrued liabilities | (1,424) | 5,235 | (20,610) | 2,363 |
| Deferred revenue | (14,527) | (403) | (1,482) | (1,867) |
| Provisions | 845 | 875 | 845 | 875 |
| | $ (5,578) | $ (2,904) | $ 7,177 | $ 6,203 |

## 17. Financial instruments:

**(a) Fair value of financial instruments:**

The Company measures the fair value of its financial assets and financial liabilities using a fair value hierarchy. A financial instrument's classification within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Three levels of inputs may be used to measure fair value. The different levels of the fair value hierarchy are defined as follows:

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

Level 2: Other techniques for which inputs are based on quoted prices for identical or similar instruments in markets that are not active, quoted prices for similar instruments in active markets, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the asset or liability;

Level 3: Techniques which use inputs that have a significant effect on the recognized fair value that require the Company to use its own assumptions about market participant assumptions.

The carrying amounts of short-term investments, trade and other receivables, unbilled receivables, and trade payables and accrued liabilities are recorded at amortized cost and approximate fair value due to the short-term maturity of these instruments.

The fair value of foreign currency forward contracts was determined based on Level 2 inputs, which included period-end mid-market quotations for each underlying contract as calculated by the financial institution with which the Company has transacted. The quotations are based on bid/ask quotations and represent the discounted future settlement amounts based on current market rates.

As at June 30, 2025 and December 31, 2024, financial instruments measured at fair value in the consolidated statements of financial position were as follows:

## 17. Financial instruments (continued):

**(a) Fair value of financial instruments (continued):**

| | June 30, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | Fair value hierarchy | Fair value | Fair value hierarchy | Fair value |
| **Assets:** | | | | |
| Foreign currency forward contracts | Level 2 | $ 1,321 | Level 2 | $ — |
| **Liabilities:** | | | | |
| Foreign currency forward contracts | Level 2 | $ — | Level 2 | $ 1,637 |

The Company designates foreign currency forward contracts as cash flow hedges when all the requirements in IFRS 9, Financial Instruments are met. The Company's currency pair used for cash flow hedges is US dollar / Canadian dollar. The notional principal of the foreign exchange contracts was $57,600 CAD as at June 30, 2025 (December 31, 2024 - $48,000 CAD).

**(b) Credit risk:**

The following table presents maximum exposure to credit risk for trade accounts receivable, net of loss allowances, by geographic region:

| | | June 30, 2025 | | December 31, 2024 |
|---|---|---|---|---|
| United States | $ | 52,856 | $ | 73,141 |
| Europe | | 29,053 | | 36,218 |
| Asia | | 8,366 | | 6,941 |
| Canada | | 1,049 | | 1,896 |
| | $ | 91,324 | $ | 118,196 |

The following table presents aging of trade accounts receivable, net of loss allowances:

| | | June 30, 2025 | | December 31, 2024 |
|---|---|---|---|---|
| Current | $ | 78,436 | $ | 95,754 |
| Past due: | | | | |
| 0 – 30 days | | 7,099 | | 12,268 |
| 31 – 60 days | | 2,990 | | 5,409 |
| Greater than 60 days | | 2,799 | | 4,765 |
| | $ | 91,324 | $ | 118,196 |

## 17. Financial instruments (continued):

**(b) Credit risk (continued):**

At June 30, 2025, no customers individually accounted for greater than 10% of total trade accounts receivable (December 31, 2024 – no customers). For the six months ended June 30, 2025, no customers individually accounted for greater than 10% of revenue (six months ended, 2024 – no customers).

## 18. Segmented information:

The Company's Interim Chief Executive Officer ("CEO") has been identified as the chief operating decision maker. The Interim CEO evaluates the performance of the Company and allocates resources based on the information provided by the Company's internal management system at a consolidated level. The Company has determined that it has only one operating segment: the design, development, marketing and sale of supply chain management software and solutions.

**Geographic information**

The following table presents external revenue on a geographic basis:

| | Three months ended June 30, | | Six months ended June 30, | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| United States | $ 77,877 | $ 68,985 | $ 158,189 | $ 138,530 |
| Europe | 44,352 | 37,670 | 84,169 | 76,790 |
| Asia | 12,598 | 9,890 | 23,678 | 18,523 |
| Canada | 1,588 | 1,733 | 3,167 | 3,805 |
| | $ 136,415 | $ 118,278 | $ 269,203 | $ 237,648 |

The following table presents property and equipment on a geographic basis:

| | June 30, 2025 | December 31, 2024 |
|---|---|---|
| Canada | $ 20,614 | $ 21,241 |
| United States | 5,854 | 6,711 |
| Asia | 2,898 | 2,334 |
| Europe | 2,437 | 2,200 |
| | $ 31,803 | $ 32,486 |

## 18. Segmented information (continued):

The following table presents right-of-use assets on a geographic basis:

| | June 30, 2025 | December 31, 2024 |
|---|---|---|
| Canada | $ 37,291 | $ 38,383 |
| Asia | 2,156 | 3,066 |
| United States | 5,364 | 3,705 |
| Europe | 1,408 | 1,551 |
| | $ 46,219 | $ 46,705 |

The following table presents intangible assets on a geographic basis:

| | June 30, 2025 | December 31, 2024 |
|---|---|---|
| Europe | $ 10,769 | $ 10,709 |
| Canada | 1,720 | 2,156 |
| | $ 12,489 | $ 12,865 |

## 19. Contingencies and commitments:

**(a) Litigation and contingencies:**

During the six months ended June 30, 2025 the Company executed a settlement agreement with Blue Yonder Group, Inc. The settlement agreement fully resolved all pending litigation matters between the companies. Amounts due in respect of this settlement were paid during the six months ended June 30, 2025. The terms of the settlement agreement are confidential.

The Company, from time to time, is subject to other claims and suits relating to matters in the ordinary course of business. The Company believes that any ultimate liability resulting from any such litigation will not have a material adverse effect on the Company's results from operations, cash flows or financial position.

**(b) Commitments:**

During the prior periods, the Company signed partnership agreements that enhance the Company's go-to-market capabilities, professional services capacity, and cloud data services. These agreements include minimum purchase commitments ranging from three to five years.

The future aggregate operating expenses that the Company has committed to incur at June 30, 2025 are as follows:

| | |
|---|---|
| Less than one year | $ 32,782 |
| One to five years | 104,256 |
| | $ 137,038 |