tecsys[MC]

**The modern heartbeat of supply chains**

# Annual Information Form

## For Fiscal Year Ended April 30, 2026

JULY 22, 2026

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# Annual information form of Tecsys inc.

In this Annual Information Form, “Tecsys” or the “Company” represents Tecsys Inc. Unless the context otherwise requires, reference to “Tecsys” or the “Company” includes the subsidiaries of Tecsys Inc.

**Unless otherwise noted, all dollar references in this Annual Information Form (“AIF”) are expressed in Canadian dollars and in accordance with International Financial Reporting Standards (“IFRS”).**

## 1. INCORPORATION AND SUBSIDIARIES

### (A) Incorporation

Tecsys was incorporated under the Canada Business Corporations Act (“**CBCA**”) on April 28, 1983. The Articles of Incorporation of Tecsys were amended on May 30, 1983, to change the name of the Company from 123293 Canada Inc. to Tecsys Inc.; on April 28, 1988, to create a new classes of shares and add “private company” restrictions; on October 3, 1995, to subdivide the outstanding Class “A” shares; on December 12, 1996, to further subdivide the outstanding Class “A” shares; on March 18, 1998, to create a new class of shares; and on June 18, 1998, in connection with the initial public offering of Tecsys’ common shares finalized in July 1998, to subdivide all the issued and outstanding Class “A” shares on a 2 for 1 basis, to create an unlimited number of common shares and Class A preferred shares issuable in series, to change all the issued and outstanding Class “A” shares into common shares on a 1 for 1 basis, to cancel all the authorized and unissued shares other than the common shares, to change the minimum number of directors from 1 to 3, to remove the “private company” restrictions on the transfer and issue of shares and the number of shareholders and to authorize the appointment of directors in compliance with Section 106(8) of the CBCA.

On July 8, 2020, the board of directors of the Company (the “Board”) approved amendments to the by-laws authorizing the Company to hold virtual meetings of shareholders. Such amendments were approved by the Company’s shareholders and ratified at its 2020 annual and special meeting of shareholders held on September 10, 2020. The Company amalgamated as of May 1, 2022 with its wholly-owned subsidiary OrderDynamics Corporation. Under the articles of amalgamation, Tecsys’ articles remain unchanged.

On June 27, 2024, the Board approved an amendment to the by-laws to adopt an advance notice by-law (“By-Law No. 2”). By-Law No. 2 establishes a framework for the nomination of directors by shareholders. Among other things, By-Law No. 2 fixes deadlines by which shareholders must submit a notice of director nominations to the Company prior to any annual or special meeting of shareholders where directors are to be elected, and sets out the information that a shareholder must include in the notice with respect to director nominees. By-Law No. 2 does not interfere with the ability to nominate directors by way of a shareholder proposal or requisition of a meeting in accordance with the Canada Business Corporations Act. On September 5, 2024, the Company’s shareholders voted to approve and ratify By-Law No. 2.

The head and registered office of the Company is located at 1801, McGill College Avenue, Suite 1200, Montréal, Québec, Canada, H3A 2N4.

### (B) Subsidiaries

Tecsys owns:

- all of the issued and outstanding shares of Tecsys U.S. Inc. (“**Tecsys U.S**.”), a corporation incorporated under the laws of the State of Ohio;
- all of the issued and outstanding shares of Tecsys Europe Limited, a corporation incorporated under the laws of England;
- all of the issued and outstanding securities of Logi D Holding Inc. (“**Logi D**”), a corporation incorporated under the CBCA which owns all of the issued and outstanding shares of Logi D Inc., a corporation also incorporated under the CBCA, and Logi D Corp., a corporation incorporated under the laws of Delaware;

- all of the issued and outstanding securities of Tecsys Denmark Holding ApS, a company incorporated under the laws of Denmark which owns all of the issued and outstanding shares of Tecsys A/S ("**Tecsys A/S**"), a company incorporated under the laws of Denmark; and
- all of the issued and outstanding shares of Tecsys Supply Chain Software Private Limited, a company incorporated under the laws of India ("**Tecsys India**"), with the exception of 0.01% of shares held by a local director (as required by Indian law).

## 2. GENERAL DEVELOPMENT OF THE BUSINESS

### (A) Overview

Tecsys is trusted by mission-critical organizations in healthcare and distribution to power resilient, efficient and secure supply chains. A global provider of cloud-based AI-driven software with deep domain expertise, Tecsys delivers real-time operational visibility and execution across critical workflows when performance and reliability matter most.

The Company has established a leading position in North America for supply chain solutions in healthcare and distribution and continues to invest in expanding its global footprint and aligning its platform and solutions across geographies. Tecsys A/S, based in Denmark, supports European operations and enables the delivery of a consistent platform, product portfolio, implementation approach and customer experience across the region.

Tecsys supports organizations as they respond to ongoing structural and regulatory shifts shaping modern supply chain operations. Across healthcare and distribution, customers face evolving government initiatives, trade dynamics and compliance expectations that require greater visibility, control and adaptability without disrupting day-to-day execution. Tecsys' solutions are designed to help organizations navigate these changes by strengthening data integrity, improving traceability and embedding compliance considerations directly into operational workflows. This enables customers to manage risk proactively, maintain continuity and adapt more confidently as regulatory requirements and market conditions evolve.

Customers include leading health systems such as AdventHealth, Intermountain Health, Sanford Health, Texas Children's Hospital and UNC Health; life sciences manufacturers and distributors such as Cardinal Health, Roche, NDC and Rayner; and global enterprises including Nissan, Canon and Kirby Risk, among others across healthcare and complex distribution markets.

The Company delivers an integrated platform, Elite™, that enables organizations to run complex, high-stakes operations with agility, clarity and confidence. Designed for real-world complexity, Elite™ powers end-to-end supply chain management with low-code flexibility and AI-driven intelligence so organizations can improve outcomes, mitigate risk and realize stronger ROI. Core products including Healthcare Supply Chain Management, Warehouse Management System ("WMS"), Pharmacy Inventory Management and Hospital Point of Use ("POU") are delivered within a unified technology environment that enables internal and external data to flow across operations securely. Tecsys' technology enables coordinated decision making, end-to-end visibility and more effective execution as supply and demand conditions change.

The Tecsys Elite™ platform is designed to operate reliably in environments characterized by operational complexity and scale. Customers use the platform to establish greater consistency, control and traceability while maintaining the flexibility to adapt processes, integrate with partners and extend operations across multiple sites and regions as their businesses evolve.

Tecsys' alliance strategy continued to develop and mature during the financial year ended April 30, 2026 ("Fiscal 2026"). Foundational relationships with key technology partners including Amazon Web Services (AWS), Microsoft Corporation, Shopify, Oracle Corporation, and Workday, Inc. continue to support its product offering. Other technology solution partners like Honeywell International Inc., Zebra Technologies Corporation, and Terso Solutions Inc., round out Tecsys' ability to deliver complete supply chain solutions. Tecsys continues to expand service partners such as Avalon Corporate Solutions Corp, TraceLink Inc., Sequoia Group, RiseNow LLC and others where Tecsys and the partners work together on opportunities within the customer base as well as on new client pursuits. Additionally, Tecsys has formed a number of partnerships to address Supply Chain Automation. These partners include SVT Robotics, Autostore, Locus Robotics Corp, HAI Robotics and others.

Tecsys' common shares trade on the Toronto Stock Exchange ("TSX") under the ticker symbol "TCS".

## (B) Development of business during most recent three years

**2023**

**On September 12, 2023**, Tecsys announced its intention to buy back shares under a Normal Course Issuer Bid ("NCIB").

**On September 18, 2023,** Tecsys launched the Tecsys Innovation Lab™, a research-driven group within Tecsys' Product and Technology Team focused on evaluating emerging technologies to address complex supply chain challenges for its global customer base.

**On October 26, 2023,** Tecsys became certified for the Amazon Web Services Supply Chain Competency in the Software Offerings: Move, Enable and Plan categories. Tecsys believes it was the only warehouse management system provider to achieve this status across all three categories at that time.

**On November 3, 2023,** Andrew Kirkwood joined Tecsys' Board of Directors. Mr. Kirkwood previously served as Chief Executive Officer of BluJay Solutions until its acquisition by E2open in 2021 and has also held senior roles at Blue Yonder, RedPrairie and Manhattan Associates.

**On November 27, 2023,** Tecsys announced Elite™ WMS for Healthcare Distribution, a warehouse management system with embedded serialized DSCSA support designed to help healthcare distributors maintain compliance with Drug Supply Chain Security Act requirements.

**2024**

**On April 2, 2024,** Tecsys was named a Major Player in the IDC MarketScape: Worldwide Warehouse Management 2024 Vendor Assessment. This inaugural IDC MarketScape assessment evaluated 10 warehouse management vendors and positioned them based on their strategies and capabilities.[1]

**On September 5, 2024,** Stephany Verstraete and Sripriya Thinagar joined Tecsys' Board of Directors. Ms. Verstraete is a technology and digital healthcare executive with experience at Teladoc Health, Expedia and PepsiCo. Ms. Thinagar brings more than 25 years of experience in technology and operational leadership, including senior roles at Olo, Manhattan Associates and Bank of America.

**On September 18, 2024,** Tecsys announced the renewal of its NCIB and received approval from the TSX to repurchase up to 500,000 common shares, representing 3.4% of the Company's public float of 14,788,706 issued and outstanding common shares as at September 16, 2024, for the 12-month period commencing September 20, 2024 and ending September 19, 2025.

**On October 21, 2024**, Tecsys introduced new capabilities in its Elite™ software platform as part of its 24.2 release. These enhancements included a dynamic picking control tower, AI-assisted item master cleansing for the healthcare industry, a personalized business intelligence dashboard labeled "My Top 5" and electronic shelf labels that expanded the Company's portfolio of in-hospital automation and technology solutions.

**On November 13, 2024,** Tecsys announced that it had been named a Leader in the 2024 Nucleus Research WMS Technology Value Matrix, a recognition that highlighted Tecsys' expertise in distribution, healthcare, pharmacy, industrial and third-party logistics environments. Twenty vendors were assessed based on usability and functionality and categorized as Leaders, Experts, Facilitators or Core Providers.[2]

**2025**

**On May 1, 2025,** Tecsys announced the establishment of a new subsidiary in India, through which Tecsys assumed customer contracts from Pivotree Inc. and engaged employees based in Bangalore, India, to support WMS solutions and service delivery to those customers. The newly acquired team is also supporting ongoing product development and enhancing global 24/7 support coverage.

1 IDC MarketScape: Worldwide Warehouse Management 2024 Vendor Assessment (Doc. #US49948523, Mar. 2024).

2 Nucleus Research, WMS Technology Value Matrix 2024 (2024).

**On May 7, 2025,** Tecsys announced that it was positioned by Gartner as a Challenger in the Magic Quadrant[3] for Warehouse Management Systems for its vision and execution. This marked the 14th time that Tecsys was recognized in this report.

**On June 2, 2025,** Tecsys announced the launch of TecsysIQ™, a cloud-native intelligence layer that helps healthcare organizations unify fragmented data and deliver AI-powered insights across clinical, operational and financial systems. Built on the Databricks Data Intelligence Platform, TecsysIQ™ delivers a modern analytics foundation that accelerates the development of AI-enabled applications and data-driven decision-making that improve patient care and strengthen health system performance.

**On July 24, 2025,** Tecsys announced that it was certified by Great Place To Work® across every country in which it operates: Canada, the United States, Denmark and India.[4]

**On September 17, 2025,** Tecsys announced the renewal of its NCIB and the approval from the TSX to repurchase up to 500,000 common shares, representing 3.4% of the Company's public float of 14,814,835 issued and outstanding common shares as at September 9, 2025, covering the twelve-month period commencing September 20, 2025 and ending September 19, 2026.

**On November 13, 2025,** Tecsys announced that its flagship Elite™ platform is now available in AWS Marketplace, giving healthcare and complex distribution organizations faster, more direct access to its enterprise-grade technology.

**2026**

**On January 13, 2026,** Tecsys announced that the Company was recognized by Modern Healthcare's Best in Business Awards for its role in helping health systems strengthen supply chain resilience and visibility.[5]

**On March 17, 2026,** Tecsys announced that the TSX approved an amendment to the Company's NCIB to increase the maximum number of common shares that may be purchased for cancellation from 500,000 to 900,000 common shares for the remainder of the current NCIB term. The increased authorization reflects the Company's intention to make additional repurchases as part of its disciplined capital allocation strategy.

**On April 1, 2026,** Tecsys announced that it had received a trio of workforce awards. Tecsys was recognized as one of the 2026 Best Workplaces™ in Canada, a 2026 Best Workplaces for Women™ by Great Place To Work® Canada and, for a second consecutive year, one of Montreal's Top Employers.[6]

### (C) Significant Acquisitions

Tecsys did not complete any significant acquisitions during Fiscal 2026.

## 3. DESCRIPTION OF THE BUSINESS

Tecsys' business is centered primarily on healthcare and distribution, where the Company has developed deep domain expertise and long-standing customer relationships. While healthcare is a strategic growth priority, Tecsys' solutions are designed to support complex operations across industries where control, resilience and execution matter most.

In healthcare, Tecsys serves health systems, hospitals, integrated delivery networks ("IDNs"), pharmaceutical distributors, medical distributors and life sciences manufacturers. The Company helps organizations strengthen resilience, improve operational performance and support better outcomes by bringing greater visibility, traceability and control to inventory, suppliers and workflows across hospitals and care networks. Healthcare supply chains often remain burdened by fragmented systems, manual processes and limited

3 Gartner, Magic Quadrant for Warehouse Management Systems (May 1, 2025).

4 Tecsys press release dated July 24, 2025 announcing Great Place To Work® Certification™ across all countries in which Tecsys operates.

5 Tecsys press release dated January 13, 2026 announcing recognition in Modern Healthcare's Best in Business Awards.

6 Tecsys press release dated April 1, 2026 announcing recognition as one of the 2026 Best Workplaces™ in Canada, a 2026 Best Workplaces for Women™ and one of Montréal's Top Employers.

visibility, which can contribute to waste, stockouts, compliance challenges and unnecessary administrative effort. Tecsys addresses these challenges with solutions designed for regulated environments, helping healthcare organizations reduce risk, control costs and ensure critical products are available where and when they are needed.

In distribution, Tecsys serves manufacturers, third-party logistics providers, heavy equipment parts distributors, industrial distributors and other organizations operating complex, high-volume supply chains. The Company helps organizations connect inventory and operations across increasingly complex networks. These environments are shaped by tighter margins, rising service expectations, more channels and ongoing disruption. Tecsys combines industry expertise with flexible, scalable solutions that help customers improve throughput, coordinate fulfillment, adapt more quickly to change and maintain operational control across warehouses, distribution centers and broader supply chain networks.

The Company maintains a diverse customer base across North America and internationally. For the year ended April 30, 2025 ("Fiscal 2025"), approximately 72% of revenue was generated in the United States, 19% in Canada and 9% in Europe and other international markets. For Fiscal 2026, approximately 74% of revenue was generated in the United States, 16% in Canada and 10% in Europe and other international markets.

Tecsys continues to expand its international presence, with teams and operations across Canada, the United States, Europe and India, supporting customers in multiple geographies and reinforcing its position as a global supply chain technology provider. Tecsys U.S., a wholly-owned subsidiary of Tecsys, acts as a sales, services and marketing agent for Tecsys in the United States, where a significant portion of Tecsys' revenue is generated.

The Company has five principal sources of revenue:

1. Software as a service ("SaaS") subscription; the Company generates revenue from proprietary software under a SaaS model. SaaS subscriptions represent the right to access the Company's software platform in a managed environment for a period of time. The Company enters into SaaS subscription agreements that are typically multi-year performance obligations with original contract terms of three to five years with auto-renewal provisions;
2. Maintenance and support, which derives largely from the Company's legacy perpetual license installed base. Revenue from maintenance and support also results from selling hardware with attached maintenance which is part of the Company's continuing business model. The Company enters into maintenance and support contracts that typically have an original term of one year and are subject to annual renewal;
3. Professional services, including implementation, consulting and training services provided to customers, as well as reimbursable expenses;
4. Licenses, including proprietary software as well as third-party software; and
5. Hardware, including third-party hardware products and proprietary technology products.

Tecsys expects SaaS revenue to continue to grow over time. Revenue from maintenance and support services relate in large part to the Company's prior business model of selling perpetual licenses with attached maintenance and support fees. Revenue from maintenance and support services also results from selling hardware with attached maintenance which is part of the Company's continuing business model. The Company expects maintenance and support services revenue to generally decline over time as new customers acquire SaaS subscriptions and existing customers eventually migrate to SaaS.

In Fiscal 2025 and Fiscal 2026, Tecsys generated $176.5 million and $193.1 million in total revenue, respectively. The revenue mix for Fiscal 2025 was: SaaS 38%; maintenance and support 18%; professional services 33%; licenses 1%; and hardware 10%. The revenue mix for Fiscal 2026 was: SaaS 42%; maintenance and support 16%; professional services 33%; licenses 0%; and hardware 9%.

### (A) Tecsys' Proprietary Products

Tecsys develops and delivers a suite of cloud-based supply chain software solutions built on its core platform, Tecsys Elite™. The platform is designed to help organizations run complex, high-stakes supply chains with visibility, agility and confidence, particularly in industries where operational performance, accuracy and reliability are critical.

Elite™ is built with a secure SaaS infrastructure, advanced flexibility and AI-driven intelligence. Itopia® is the platform's low-code capability, which allows organizations to customize workflows, adapt processes and respond to change quickly without modifying underlying code or disrupting operations. This capability is designed to support ongoing operational change while preserving system stability and upgradeability.

TecsysIQ™ is the platform's intelligence engine, unifying data from multiple sources to provide real-time forecasting, clear and usable insights and autonomous execution at the customers' own pace. With predictive, generative and agentic AI capabilities, TecsysIQ™ transforms supply chain complexity into coordinated, intelligent action.

Built on this platform, Tecsys delivers solutions across several core areas of supply chain execution.

Tecsys' WMS helps organizations manage complex warehouse operations with speed, accuracy and control. The product supports advanced picking, replenishment, labor optimization and real-time visibility, helping teams reduce errors, improve throughput and adapt as demand changes. Tecsys WMS is consistently recognized by leading industry analysts for its ability to support complex, mission critical supply chain operations. Tecsys is positioned as a Challenger in the Gartner® Magic Quadrant™ for Warehouse Management Systems, a Leader in the Nucleus Research WMS Technology Value Matrix, and a Major Player in the IDC MarketScape: Worldwide Warehouse Management.

The Company's healthcare supply chain management product helps healthcare leaders manage inventory, suppliers and workflows across hospitals and care networks. Designed for regulated environments, it gives healthcare teams the visibility and control they need to reduce risk, control costs and help ensure patient care is not disrupted. Tecsys' Hospital POU solution provides real-time track-and-trace visibility into product usage at the bedside and procedural levels. By capturing accurate consumption data, it helps hospitals improve charge capture, manage recalls, reduce waste and support clinical teams without adding administrative burden.

The Company's Pharmacy Inventory Management System ("PIMS") helps healthcare organizations manage medication inventory with precision and confidence. From controlled substances to high-cost drugs, it strengthens traceability and compliance, reduces stockouts and expirations, and improves financial stewardship with real-time visibility and control.

Omni™ WMS helps retailers, distributors, wholesalers and direct-to-consumer companies manage order fulfillment with speed, accuracy and control. It supports receiving, inventory management, and picking and packing across single or multiple distribution centers, including micro-fulfillment, helping teams reduce errors, improve throughput and scale as demand shifts.

In addition to these core solutions, Tecsys offers supporting capabilities such as order management, transportation management and billing capabilities, which may be deployed as part of broader solution implementations depending on customer requirements. The Company also continues to support certain legacy and non-core offerings, reflecting the breadth of its installed customer base while maintaining strategic focus on its core platform and principal solution areas.

Tecsys continues to evolve its platform and solutions to address changing supply chain requirements, with a focus on improving visibility, adaptability and operational control across increasingly complex supply chain networks.

### (B) Tecsys Services

Tecsys complements its software portfolio with services that support implementation, adoption, enhancement and ongoing use of its solutions. These services are an important part of the Company's overall offering and contribute meaningfully to revenue and customer success. Tecsys' service categories include implementation, support, advisory and system enhancement.

#### (i) Implementation

Tecsys provides project management and implementation services to support customer design, deployment, training and go-live activities for its software solutions. Through its team of project managers, software specialists and industry experts, Tecsys uses a structured implementation methodology designed to accelerate time to value while aligning project scope to customer requirements from the outset.

Tecsys also provides customer training and onboarding resources across multiple levels. These services are intended to help customers build the systems knowledge needed to operate, maintain and extend Tecsys solutions within their own environments. Tecsys also offers platform training that enables in-house business and IT teams to adapt the software and manage those adaptations as new releases are introduced.

**(ii) Third-party Implementation**

To support customer deployments, Tecsys works with a network of implementation partners that provide additional skills and delivery capacity. These partners have access to Tecsys training tools and resources and help customers implement supply chain technology in warehouse and broader supply chain environments.

**(iii) Support**

Following implementation, Tecsys provides application, software and hardware support through its customer support organization. Customers have access to support services, customer care programs and related services through Tecsys' omni-channel support portal.

Tecsys' support specialists respond to incidents that have been triaged by the customer's helpdesk, perform diagnostics and provide technical resolution. As needed, support personnel may access customer systems remotely to investigate issues, conduct diagnostics and take corrective action.

Tecsys also offers optional hardware configuration and setup services, along with ongoing hardware integration support on a time-and-materials basis. Hardware repair support is provided in accordance with service level agreements negotiated with reference to manufacturer repair commitments. In addition, Tecsys has historically offered standalone hosting and database administration services and continues to support those legacy accounts.

**(iv) Advisory**

Tecsys' advisory services are intended to help customers assess and improve the use of their systems over time. Tecsys consultants work with customers across the lifecycle to identify underused functionality, address operational and resource constraints and support continuous improvement initiatives.

These services may be functional or technical in nature and are delivered by consultants with experience in logistics, software and analytics across a range of distribution environments. Advisory services are intended to provide customers with continuity, accountability and practical guidance aligned to operational performance goals.

**(v) System Enhancement**

Tecsys' system enhancement services support customer-specific integrations and software adaptations. These services include the installation and configuration of built-in standardized application programming interfaces (APIs) to connect Tecsys solutions with relevant complementary systems, helping maintain data integrity while reducing manual input requirements.

System enhancement services also include software personalization and adaptations that are not part of the standard Tecsys product line.

### (C) Hardware and Third-party Software

In order to provide complete, end-to-end solutions, Tecsys complements its software offerings with selected hardware and third-party software components that support customer deployments and extend solution capabilities where appropriate.

With respect to hardware, Tecsys may acquire mobile and fixed computing technology and other related devices from third-party suppliers for resale to customers as part of broader solution implementations. These hardware offerings may include products from vendors such as Honeywell International Inc., Zebra Technologies Corporation, PDI Digital and Terso Solutions Inc. In healthcare environments, Tecsys also offers technologies such as RFID cabinets and portals that help health systems track high-value products, including medical devices and implants.

Tecsys also offers proprietary hardware technology designed for point-of-use and other healthcare applications, including solutions that help customers track lower-cost, high-turn items in space-constrained environments.

Hardware revenue may vary from period to period, but these offerings remain an important part of Tecsys' overall market offering by supporting solution deployments and complementing the Company's recurring software and services revenue.

Tecsys' software solutions may also be extended through complementary third-party software modules and technologies. These components enable the Company to address specific customer requirements and provide a broader range of capabilities as part of its overall solution offering.

### (D) Pricing

Tecsys' SaaS subscriptions are based on an annual fee, typically prepaid on a yearly basis. The subscription agreements generally have a fixed term of up to five years.

SaaS pricing is typically based on the number of end users of the specific application, the number and type of products (or modules), as well as the number of sites and environments requested by the customer. In healthcare POU deployments, pricing is based on the number of perioperative rooms or serviced locations depending on the application and use. In Order Management System (OMS) deployments, pricing is typically based on the number of transactions or orders processed.

Perpetual license pricing is typically based on the number of users and the modules licensed. Perpetual licenses include related maintenance services.

Consulting services, including implementations, project management, training, advisory services and system enhancements are priced generally on an hourly rate, depending on the type of work that will be performed for the customer and the length of the project.

### (E) Intellectual Property, Other Proprietary Rights and Cyber Security

Tecsys relies primarily on a combination of copyright and trade secret laws and provisions in its services and software agreements to establish and protect Tecsys' proprietary rights on its products and technology. The source codes for Tecsys' products and technology are protected both as trade secrets and as unpublished copyrighted works.

Tecsys also utilizes certain software technologies and other information that it licenses from third parties on a non-exclusive basis, including software that is integrated with internally developed software and used in Tecsys' products to perform key functions. These third-party license agreements generally require the payment of license fees based on sales of the product in which the technology is used.

Because the software development industry is characterized by rapid technological change, Management believes that factors such as the technological and creative skills of its personnel, new product developments, frequent product enhancements, name and brand recognition and reliable product maintenance are more important for establishing and maintaining a technology leadership position than the various legal protective measures for its technology.

With the increasing sophistication and persistence of cyber threats, Tecsys acknowledges the imperative to effectively mitigate the risks associated with data loss, malware, and malicious attacks, whether arising internally or externally. To address these challenges, Tecsys has implemented a comprehensive information security program that undergoes continuous improvement to stay abreast of emerging threats. Independent checks reveal that Tecsys has not experienced material breaches in cyber security. Tecsys remains committed to monitoring these risks attentively, reinforcing its defenses against cyber threats, and enhancing its security governance processes, policies and controls.

### (F) Distribution Methods

Tecsys is headquartered in Montréal, Canada, with members of its sales and marketing organizations located throughout North America and Europe. Tecsys' sales and marketing organizations market and sell its products and services by targeting key vertical markets in geographic regions through direct sales efforts and partner referrals. As at April 30, 2026, Tecsys employed approximately 88 individuals in sales and marketing.

### (G) Direct Sales

The majority of Tecsys' software sales originate from its direct sales channel. Tecsys' direct sales force is located in North America and Europe. Tecsys' sales personnel are focused on the management of existing accounts and sales to new customers. Tecsys' sales representatives tasked with new customer acquisition have expertise in Supply Chain Management (SCM) in healthcare and distribution.

In addition to Tecsys' direct sales channel, the Company utilizes a strong ecosystem of implementation and technology partners to reach into the market and act as an additional source of sales leads for Tecsys' direct sales force

### (H) Production Methods

Tecsys' suite of supply chain software products is continually expanding as new products are developed, and capabilities are added to existing products. Tecsys' research and development ("R&D") team produces new versions at a regular cadence, with new major features released on a fixed schedule every three to six months depending on the products.

Tecsys' R&D team achieves short development cycles and responsiveness to market opportunities and client needs by:

- using software methodologies based on the iterative process known as Agile;
- continually validating and integrating software under development so that it is ready to release; and
- organizing itself in small, self-directed teams that have the skills to define, develop and test their software products.

Tecsys' software architecture has been modernized through a substantial investment in R&D over the past several years. It is now web-based, supporting multiple web browsers and devices (PCs, tablets and phones). The business logic is written in Java, .NET, and other programming languages which Management believes are among the most popular programming languages and runs on the leading commercial databases. The SaaS products are hosted on well-known, industry-leading cloud providers.

With TecsysIQ™ now part of the Tecsys portfolio, the Company incorporates generative AI and agentic AI capabilities that enhance the product's supply chain execution capabilities. Tecsys follows safe AI principles, ensuring compliance with rigorous industry frameworks, data isolation for customers and that AI recommendations are only implemented with the support of a human user.

In line with recent developments in artificial intelligence, Tecsys has equipped its development organization to use modern and leading-edge AI tools to accelerate the development of new product capabilities.

The R&D organization has been supplemented with a team in Bangalore, India which is actively contributing to the development of Tecsys' core products.

### (I) Description of Properties

Tecsys' registered and executive offices are located in leased premises at 1801 McGill College Avenue, 12th floor, Montréal, Québec. The lease commenced in November 2025 and is set to expire on April 30, 2036.

On July 11, 2023, Tecsys signed a twelve-month lease for office premises at 120 East Beaver Creek Road, Office 31E, Richmond Hill, Ontario, effective September 1, 2023. In Fiscal 2026, the lease was renewed for twelve months, expiring on August 31, 2026. In addition, in Fiscal 2024, Tecsys entered into a monthly subscription to access a co-working space at 600 Matheson Boulevard W, Mississauga, Ontario.

On November 6, 2023, Tecsys US signed a twelve-month lease for an office space at 231 South LaSalle Street, suite 2100, Chicago, IL, effective January 1, 2024. The lease has since auto-renewed for successive twelve-month terms each January 1.

On December 3, 2015, Tecsys signed a lease for a facility at 820 Boulevard St-Martin West, Laval, Québec. This lease became effective March 1, 2016 and will expire June 30, 2027.

Tecsys A/S leases a facility located at Stationsparken 25, DK-2600 Glostrup, Denmark. The lease became effective July 1, 2015, can be terminated by Tecsys A/S with 6 months' notice anytime after June 30, 2020 and expires on December 31, 2026.

Tecsys A/S leases a facility located at Bogøvej 15, DK- 8382 Hinnerup, Denmark. The lease became effective June 1, 2015, and can be terminated with 4 months' notice.

On May 2, 2025, Tecsys Supply Chain Software Private Limited entered into an agreement for a managed office unit located at BMTC Complex, Old Madiwala, Kuvempu Nagar, Stage 2, BTM Layout, Bengaluru, Karnataka 560068. The lease became effective June 23, 2025 and expires on September 22, 2027.

## (J) Competitive Conditions

Management believes that Tecsys' technology platform and integrated product suite are well positioned to address the requirements of complex healthcare supply chains and high-volume distribution environments. The Company's offerings are built on its core supply chain platform, Elite, and include purpose-built applications for warehouse management, point-of-use traceability, pharmacy inventory management and analytics, all designed to deliver visibility, agility and control in mission-critical operations.

The Company has also introduced TecsysIQ™, an artificial intelligence engine that unifies data from across the supply chain to provide real-time visibility, actionable insights and AI-driven decision support capabilities enabling organizations to better anticipate, respond to and manage operational complexity.

Our capabilities are particularly relevant in markets characterized by increasing complexity, including the need for end-to-end traceability, evolving regulatory requirements, heightened data security expectations and broader macroeconomic and geopolitical uncertainty, including supply chain disruptions, trade and tariff volatility and ongoing pressure on cost and service levels.

The principal competitive factors affecting the market for Tecsys' products include supplier competency, product functionality, adaptability, performance and reliability of technology, depth of domain experience in healthcare and distribution operations, ease of implementation, speed of deployment and total cost of ownership.

Tecsys operates in a competitive market that includes providers such as Manhattan Associates, Blue Yonder, Körber, Infor, Softeon, Cardinal Health, Par Excellence Systems and Omnicell. In addition, certain enterprise resource planning (ERP) vendors, including Oracle and Workday, and electronic medical record providers such as Epic, offer limited inventory management functionality.

Management believes that Tecsys differentiates its offerings through the breadth and depth of its functionality, its unified platform architecture and its ability to support complex, highly regulated and traceability-driven environments, particularly in healthcare systems and high-volume distribution operations.

## (K) Net Research and Development

Net R&D expenditures of the Company (in thousands of Canadian dollars) for the five most recently completed financial years are set out in the table below:

| | 2026 | 2025 | 2024 | 2023 | 2022 |
|---|---|---|---|---|---|
| | $000'S | $000'S | $000'S | $000'S | $000'S |
| EXPENDITURES | 38,786 | 34,770 | 33,720 | 27,745 | 23,919 |
| LESS: TAX CREDITS | (4,234) | (4,300) | (3,777) | (3,418) | (3,362) |
| LESS: DEFERRED DEVELOPMENT COSTS | (2,209) | (1,924) | (1,012) | (880) | (1,072) |
| AMORTIZATION OF DEFERRED DEVELOPMENT COSTS | 721 | 769 | 583 | 496 | 290 |
| **TOTAL** | **33,064** | **29,315** | **29,514** | **23,943** | **19,775** |

Net R&D expenses amounted to $33.1 million in Fiscal 2026, up $3.7 million from the previous fiscal year. The increase resulted primarily from higher personnel costs and other R&D costs, including costs incurred to support the Company's efforts to achieve Federal Risk and Authorization Management Program ("FedRAMP") certification, partially offset by higher net capitalized development costs.

The Company recorded $4.2 million of R&D tax credits and e-business tax credits in Fiscal 2026 in comparison to $4.3 million for the previous fiscal year. Additionally, the Company capitalized $2.2 million of development costs in Fiscal 2026 in comparison to $1.9 million in Fiscal 2025. The Company amortized deferred development costs of $0.7 million in Fiscal 2026 in comparison to $0.8 million in Fiscal 2025. In Fiscal 2022, the Company recognized $0.6 million of Federal non-refundable SRED tax credits generated in prior periods that met the criteria for recognition in that fiscal year.

### (L) Number of Employees

As at April 30, 2026, Tecsys had approximately 682 employees, down from 745 employees as at April 30, 2025. As at April 30, 2026, approximately 74 employees worked for Tecsys U.S., down from 80 as at April 30, 2025.

## 4. DESCRIPTION OF CAPITAL STRUCTURE

### Authorized Capital

The authorized share capital of Tecsys consists of an unlimited number of common shares and an unlimited number of Class A preferred shares, issuable in series, of which 14,434,337 common shares were issued and outstanding and no Class A preferred shares were issued and outstanding as at April 30, 2026.

### Common Shares

Each common share entitles the holder thereof to one vote at meetings of shareholders of the Company and to receive dividends if, as and when declared by the Board and to participate upon liquidation or winding-up in the distribution of the assets of the Company, subject to the rights of holders of any class ranking prior to the common shares.

### Class A Preferred Shares

The Class A preferred shares may be issued from time to time in one or more series as may be determined by the Board. The Class A preferred shares rank ahead of the common shares with respect to the payment of dividends and return of capital. The Class A preferred shares do not entitle holders to vote at meetings of shareholders of the Company except as required pursuant to applicable law.

## 5. DIVIDEND POLICY

On February 26, 2008, the Board approved a dividend policy whereby it intended to declare a cash dividend of $0.02 per common share to be distributed following the release of the financial results of the first and the third quarter of each financial year. Since that date, the Board has consistently increased dividends and under the current dividend policy, the Board intends to declare a cash dividend of $0.09 per common share on a quarterly basis.

The decision of whether to declare a dividend is subject to the discretion of the Board and applicable law. In determining whether to declare and the amount of a dividend, the Board, among other criteria, takes into account the Company's financial condition, results of operations, capital requirements and such other factors as the Board deems relevant.

The Company paid $0.35 per common share ($5,155,000 in aggregate) in dividends in Fiscal 2026, $0.33 per common share ($4,880,000 in aggregate) in dividends in Fiscal 2025 and $0.31 per common share ($4,560,000 in aggregate) in dividends in Fiscal 2024.

## 6. NORMAL COURSE ISSUER BID

On September 12, 2023, the Company announced its Notice of Intention to make a NCIB with the TSX. The NCIB covered the twelve-month period commencing September 14, 2023 and ending September 13, 2024. On September 18, 2024, the Company announced that the TSX approved the renewal of the Company's NCIB for the twelve-month period commencing September 20, 2024 and ending September 19, 2025.

On September 17, 2025, the Company announced that the TSX approved the renewal of the Company's NCIB for the twelve-month period commencing September 20, 2025 and ending September 19, 2026. The Company intended to purchase up to 500,000 common shares, which represented 3.4% of its 14,814,835 issued and outstanding common shares as of September 9, 2025. Under the NCIB, other than purchases made under block purchase exemptions, the Company may purchase up to 2,378 common shares during any trading day. On March 17, 2026, the Company announced that the TSX approved an amendment to its NCIB to increase the maximum number of common shares that may be purchased for cancellation from 500,000 to 900,000 for the remainder of the current term ending September 19, 2026. Purchases under the NCIB programs are made at the prevailing market price at the time of acquisition, plus brokerage fees, through the facilities of the TSX and/or alternative Canadian trading systems, in accordance with the TSX's applicable policies. All common shares purchased under the NCIB program are cancelled.

During Fiscal 2026, the Company purchased 423,814 (Fiscal 2025 - 172,200) of its outstanding common shares for cancellation at an average price of $30.88 per share (Fiscal 2025 - $40.27 per share). The total cost related to purchasing these shares, including other related costs, was $13.2 million in Fiscal 2026 (Fiscal 2025 - $6.9 million).

## 7. MARKET FOR SECURITIES

The common shares of Tecsys are listed under the symbol "TCS" on the TSX. The following table sets forth the market price range, in Canadian dollars, and trading volumes of the common shares on the TSX and combined with other alternative exchanges (including Alpha, Aeroquest, Aequitas, Chi-X, CX2, CSE Pure, Instinet, LiquidNet, Lynx and Omega) for each month of the most recently completed financial year:

| | PRICE RANGE | | TRADING VOLUME TSX | TRADING VOLUME TSX + ALTERNATIVE EXCHANGES |
|---|---|---|---|---|
| | HIGH | LOW | | |
| May 2025 | 44.86 | 40.79 | 299,595 | 373,204 |
| June 2025 | 43.22 | 35.60 | 122,031 | 308,921 |
| July 2025 | 40.29 | 36.27 | 169,658 | 356,661 |
| August 2025 | 39.51 | 35.42 | 233,077 | 406,322 |
| September 2025 | 36.39 | 32.98 | 1,263,208 | 1,761,219 |
| October 2025 | 36.24 | 32.85 | 429,602 | 693,720 |
| November 2025 | 36.89 | 32.74 | 687,378 | 1,038,374 |
| December 2025 | 36.58 | 29.84 | 755,014 | 1,060,374 |
| January 2026 | 31.54 | 26.01 | 697,231 | 1,043,619 |
| February 2026 | 27.39 | 22.51 | 789,801 | 1,371,838 |
| March 2026 | 29.96 | 24.71 | 383,246 | 645,310 |
| April 2026 | 36.23 | 27.45 | 446,796 | 630,465 |

### Prior Sales

The Company issued the following unlisted securities during Fiscal 2026.

| DATE OF ISSUANCE | SECURITIES | NUMBER OF SECURITIES | PRICE PER SECURITY |
|---|---|---|---|
| June 26, 2025[1] | Options | 242,245 | $40.47 |

Notes:

1 On June 26, 2025, the Company granted a total of 242,245 options to purchase common shares at an exercise price of $40.47 per option pursuant to the Company's stock option plan.

## 8. OFFICERS & DIRECTORS

The following table sets forth, as of April 30, 2026, the name, province or state and country of residence, office with Tecsys and principal occupation during the past five years of each director and executive officer of Tecsys, as well as the number of common shares of Tecsys beneficially owned or over which control or direction is exercised by him or her. Directors are elected until the next annual meeting of shareholders or, in the case of a vacancy or resignation, until a successor is elected by shareholders or appointed by the Board.

| NAME & PLACE OF RESIDENCE | OFFICE HELD WITH TECSYS | PRINCIPAL OCCUPATIONS DURING THE PAST 5 YEARS | OFFICER/ DIRECTOR SINCE | NUMBER OF COMMON SHARES HELD |
|---|---|---|---|---|
| David Brereton(1)<br>Québec, Canada | Chairman of the Board and Director | Executive Chairman of the Board, Tecsys | September 17, 1997 | 1,567,940 |
| Peter Brereton(2)<br>Québec, Canada | President, Chief Executive Officer and Director | President and Chief Executive Officer, Tecsys | September 17, 1997 | 380,889 |
| Mark J. Bentler<br>Québec, Canada | Chief Financial Officer and Secretary | Chief Financial Officer, Tecsys | September 17, 2018 | 8,708 |
| Vernon Lobo(3)(5)(6)<br>Ontario, Canada | Lead Independent Director | Managing Director, Mosaic Venture Partners Inc. (private venture capital firm) | October 17, 2006 | 154,364 |
| David Booth(4)(5)<br>Florida, USA | Director | Investor, Corporate Director | September 8, 2016 | 48,371 |
| Andrew Kirkwood (3)(5)(7)<br>Wokingham, UK | Director | Chairman of XTM International Ltd., consultant at AEK Ventures Ltd. | November 3, 2023 | 3,820 |
| Kathleen Miller(4)(5)(8)<br>Florida, USA | Director | Corporate Director | September 10, 2020 | 4,000 |
| Stephany Verstraete(3)(4)(9)<br>New York, USA | Director | Chief Marketing Officer, Xometry<br>Chief Marketing Officer, Teladoc Health | September 5, 2024 | 3,435 |
| Sripriya Thinagar(3)(4)(10)<br>Texas, USA | Director | Chief Executive Officer, ManoloAI LLC<br>Co-Founder, My Alamari<br>Executive Vice-President, Olo Inc | September 5, 2024 | 795 |

1 David Brereton transitioned from Executive Chairman of the Board to Chairman of the Board. David Brereton, directly and through his holding company, Dabre Inc., and his spouse, Kathryn Ensign-Brereton, hold respectively 791,538 and 776,402 common shares, which represent respectively 5.48% and 5.38% of the outstanding common shares. David Brereton disclaims beneficial ownership and control or direction over the common shares held by Kathryn Ensign-Brereton.

2 Peter Brereton and his spouse, Sharon House, hold respectively 300,730 and 80,159 common shares. Peter Brereton disclaims beneficial ownership and control or direction over the common shares held by Sharon House.

3 Member of the Compensation Committee. Vernon Lobo is the Chair of the Compensation Committee.

4 Member of the Audit Committee. Kathleen Miller is the Chair of the Audit Committee.

5 Member of the Corporate Governance and Nominating Committee. David Booth is the Chair of the Corporate Governance and Nominating Committee.

6 Vernon Lobo is the Lead Independent Director. Vernon Lobo and his spouse, Ingrid Lobo, hold respectively 72,364 and 82,000 common shares. Vernon Lobo disclaims beneficial ownership and control or direction over the common shares held by Ingrid Lobo.

7 Andrew Kirkwood is currently Principal at AEK Ventures Ltd, providing Strategic Advisory services for private equity, software and supply chain companies. He was the Chairman of XTM International Ltd., a leading provider of translation management software. Mr. Kirkwood was previously Chief Executive Officer at BluJay Solutions from 2019 to 2021.

8 Kathleen Miller is a corporate director. She was Chief Financial Officer at Energy Exemplar from December 2020 to March 2021. Ms. Miller was previously Chief Financial Officer at Nitro Software Inc. from 2019 to 2020 and Chief Financial Officer and Chief Operating Officer at NCourt LLC from 2014 to 2018.

9 Stephany Verstraete is currently Global Chief Marketing Officer of Xometry, overseeing marketing and communications functions to build Xometry's brands, enhance customer experiences, and drive profitable growth across their global footprint. Ms. Verstraete was previously Chief Marketing Officer at Teladoc Health from January 2016 to October 2024. Ms. Verstraete has also held senior roles at Match.com, Expedia Group, and PepsiCo.

10 Sripriya Thinagar is the Chief Executive Officer of ManoloAI LLC, where she leads innovation at the intersection of AI and retail transformation. Prior to this role, she co-founded My Alamari (December 2022 – 2025), a luxury marketplace for ethnic designer fashion. From October 2021 to April 2024, she served as Executive Vice President at Olo, driving digital transformation in the restaurant and retail sectors. Additionally, Ms. Thinagar was Vice President of R&D at Manhattan Associates (May 2014 – September 2021), where she led global product development for supply chain optimization solutions.

As of June 29, 2026, the directors and executive officers of Tecsys, as a group, beneficially own, directly or indirectly, or exercise control or direction over, 9.05% of the outstanding common shares.

During the past five years, each of the directors and officers of Tecsys has been engaged in his or her present principal occupations or in other executive capacities with the companies indicated opposite his name or with related or affiliated companies.

### Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Company, no director or executive officer of the Company is, as at the date hereof, or has been within ten years before the date hereof, a director, chief executive officer or chief financial officer of any company that was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (a) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the knowledge of the Company, no director or executive officer of the Company and no shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company (a) is, as at the date hereof, or has been within ten years before the date hereof, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) has, within the ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

Furthermore, to the knowledge of the Company, no director or executive officer of the Company and no shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### Audit Committee

Tecsys has established an Audit Committee (the "**Audit Committee**") comprised of four members: David Booth, Stephany Verstraete, Sripriya Thinagar, and Kathleen Miller each of whom is considered "independent" and "financially literate" within the meaning of Multilateral Instrument 52-110 - Audit Committees. Kathleen Miller is currently the Chair of the Audit Committee.

### Mandate of the Audit Committee

The mandate of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities. As such, it reviews the quality and integrity of Tecsys' financial reporting, the independence, qualifications and performance of Tecsys' external auditor, the adequacy of Tecsys' internal systems of accounting and financial controls, the appropriateness of Tecsys' accounting policies and compliance with applicable legal and regulatory requirements and internal corporate policies. The Charter of the Audit Committee is attached hereto as Appendix A.

### Relevant Education and Experience of the Audit Committee Members

The following is a brief summary of the education and experience of each member of the Audit Committee that is relevant to the performance of his or her responsibilities as a member of the Audit Committee, including any education or experience that has provided the member with an understanding of the accounting principles used by Tecsys to prepare its annual and interim financial statements.

| Name of Audit Committee Member | Relevant Education and Experience |
| --- | --- |
| Kathleen Miller  | Ms. Miller, a corporate director, is a qualified financial expert and retired certified public accountant. She has earned a CERT Certificate in Cybersecurity Oversight and has completed Harvard University's Corporate Director Certificate Program. She earned a Bachelor of Science in Accounting, cum laude from Alfred University and a Master of Legal Studies in Corporate Compliance and Governance, magna cum laude from Fordham University. Ms. Miller has over 30 years' experience in finance and accounting including financial statement preparation and analysis, forecasting, budgeting, M&A and operations. She currently serves as a Non-Executive Director for enterprise software companies including Audit Chair for True Commerce, Board Chair and Audit Chair for Visioneering Technologies, and Non-Executive Director for IxoPay. Prior to her retirement from full-time work in 2021, Ms. Miller held CFO and COO roles in both public and privately held enterprise, SaaS-based, software companies including Nitro Software (ASX:NTO) from 2019 to 2021, nCourt/Government Brands from 2014 to 2018, eSecuritel/Brightstar from 2009 to 2013, Witness/Verint (NASDAQ: VRNT) from 1999 to 2007 and MapInfo (NASDAQ:MAPS) from 1994 to 1999. Ms. Miller began her career in public accounting as an auditor with Coopers & Lybrand. |
| David Booth  | Mr. Booth holds a Bachelor of Commerce degree with a concentration in marketing from Mount Allison University which included three years of accounting courses, and completed the Lessons in Leadership Executive Development Program at Harvard University. Prior to February 2019, Mr. Booth was the President, Chairman and Chief Executive Officer at BackOffice Associates, LLC. Mr. Booth has served in several key positions in his 35+ year career in the industry including President of Global Sales and Marketing at Computer Science Corp. (CSC), Hewlett Packard (HP) Corporation's Senior Vice President and General Manager of the Americas Technology Solutions Group, President of Compaq Canada and Digital Equipment Corporation as Regional Vice President and General Manager. |

Stephany Verstraete

Ms. Verstraete is a distinguished technology and digital healthcare executive with over two decades of experience scaling businesses and leading transformative change in highly competitive environments. She holds an MBA from York University, complementing her deep expertise in go-to-market strategy, performance marketing, and customer experience with strong financial acumen. She served on the Audit Committee of Avalon Healthcare Solutions from 2021 to 2025, where she provided oversight on financial reporting and internal controls. She is currently the Chief Marketing Officer of Xometry, an AI-driven marketplace transforming manufacturing through digital connectivity and advanced technologies. Throughout her career—including senior leadership roles at Teladoc Health, Expedia Group, Match.com, and PepsiCo—she has led enterprise-wide initiatives focused on profitable growth, ROI-driven marketing, and data-driven brand innovation.

Sripriya Thinagar

Ms. Thinagar is a strategic technology executive and data innovator with over two decades of experience leading global teams across financial services, retail, and enterprise AI. She is currently the CEO of ManoloAI, a data intelligence company helping retailers unlock value in procurement and supplier ecosystems using AI-powered tools. She holds an Executive MBA from MIT Sloan School of Management, complementing her deep technical and operational background with global leadership, financial and governance acumen. Ms. Thinagar previously held senior executive roles at Bank of America, where she led regulatory and operational risk transformation across consumer markets operations, and at Manhattan Associates, where she drove digital product innovation and product and technology strategy in the retail tech space. Her experience includes internal controls, risk management frameworks, AI & Data governance and ethical usage, audit readiness, and financial process governance.

## External Auditor Service Fees

The following table shows the fees paid to Tecsys' auditors, KPMG LLP, in Fiscal 2026 and Fiscal 2025, respectively, for services provided:

| | FISCAL 2026 | FISCAL 2025 |
|---|---|---|
| AUDIT FEES | 490,325 | 477,557 |
| AUDIT-RELATED FEES | 137,268 | 110,535 |
| TAX FEES | 186,332 | 166,001 |
| **TOTAL** | **813,925** | **754,093** |

### *Audit Fees*

These fees include professional services rendered by the external auditors for statutory audits of Tecsys' annual financial statements including interim reviews on an as needed basis. The above table excludes fees paid to Inforevision of approximately $47,280 for services related to the 2026 audit of Tecsys A/S and Tecsys Denmark Holding ApS, as well as fees paid to Bharath & Co Chartered Accountants of approximately $4,500 for services related to the 2026 audit of Tecsys Supply Chain Software Private Limited.

### *Audit-Related Fees*

These fees include services related to the translation of the consolidated financial statements and the MD&A and Service Organization Control Reports.

*Tax Fees*

These fees include professional services for tax compliance and advisory services.

### Policies and Procedures for the Engagement of Audit and Non-Audit Services

The Audit Committee Charter outlines policies and procedures for the engagement of audit and non-audit services. Under these policies and procedures, all audit and non-audit services to be provided by Tecsys' external auditor (the "Auditors") must be pre-approved by the Audit Committee.

## 9. LEGAL PROCEEDINGS

Neither the Company nor its properties were, during Fiscal 2026, subject to any legal proceeding that would have a material adverse effect on it. To the Company's knowledge, no material legal proceedings involving the Company, or its property are contemplated.

## 10. TRANSFER AGENT AND REGISTRAR

Tecsys' transfer agent and registrar is Computershare Investor Services Inc. ("Computershare"). The register of transfers of the common shares of Tecsys maintained by Computershare is located at its offices in Montréal, Québec.

## 11. INTEREST OF EXPERTS

The Company's auditors are KPMG LLP. They issued an independent auditors' report dated June 29, 2026, in respect of the Company's consolidated financial statements with accompanying notes for Fiscal 2026 and have advised that they are independent of the Company in accordance with the ethical requirements that are relevant to the audit of the financial statements in Canada.

Inforevision, based in Denmark, is responsible for the audit of Tecsys A/S and Tecsys Denmark Holding ApS. Bharath & Co Chartered Accountants, based in India, is responsible for the audit of Tecsys Supply Chain Software Private Limited.

## 12. RISK FACTORS

### Special note regarding forward-looking statements

Certain statements contained under the captions "General Development of the Business", "Description of the Business" and "Risk-Factors" and elsewhere in this Annual Information Form constitute forward-looking statements. When used in this document, the words "may", "would", "could", "will", "intend", "anticipate", "believe", "expect" and similar expressions, as they relate to Tecsys or Management, are intended to identify forward-looking statements. Such statements reflect Tecsys' current views with respect to future events, are based on information currently available to Tecsys and are subject to certain risks and uncertainties, including those discussed hereafter. Such statements are also based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about: (i) competitive environment; (ii) operating risks; (iii) the Company's management and employees; (iv) capital and operating investment by the Company's customers; (v) customer project implementations; (vi) liquidity; (vii) current global financial and geopolitical conditions; (viii) implementation of the Company's commercial strategic plan; (ix) credit; (x) potential product liabilities and other lawsuits to which the Company may be subject; (xi) additional financing and dilution; (xii) market liquidity of the Company's common shares; (xiii) development of new products; (xiv) intellectual property and other proprietary rights; (xv) acquisition and expansion; (xvi) foreign currency; (xvii) interest rates; (xviii) technology and regulatory changes; (xix) internal information technology infrastructure and applications; (xx) cyber security; (xxi) the impact of ongoing international trade tensions; and (xxii) rapid developments in artificial intelligence (AI).

Many factors could cause Tecsys' actual results, performance or achievements to differ materially from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. These factors should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements. These forward-looking statements are made as of the date of this Annual Information Form and Tecsys does not intend, and does not assume any obligation, to update or revise these forward-looking statements other than as required by applicable legislation.

**In addition to the other information in this Annual Information Form, the following risk factors should be carefully considered when evaluating an investment in Tecsys' common shares:**

**The Company's operations could be adversely affected by events outside of its control, such as natural disasters, wars or health epidemics.**

The Company may be impacted by events that are outside of its control, such as pandemics and public health emergencies, or natural disasters including earthquakes, typhoons, floods and fires. In addition, the Company's global operations are susceptible to global events, including geopolitical crises or other international conflicts, political instability, acts or threats of war and terrorism. Any such events can result in business interruptions and can have an adverse effect on its business results and financial condition.

**Economic and geopolitical conditions can adversely affect the Company's business, results of operations, cash flow and financial condition, including its revenue growth and profitability, which in turn could adversely affect its stock price.**

The Company's business is influenced by general economic and business conditions that are beyond its control and that we have no comparative advantage in forecasting. Global macroeconomic developments could negatively affect its business, operating results, financial condition and outlook, which, in turn, could adversely affect its stock price. Geopolitical uncertainties and potential tariffs or non-tariff trade actions present a risk of recession and may contribute to supply chain disruption, cost inflation, foreign exchange volatility and customer uncertainty in the jurisdictions in which the Company operates. Any general weakening of, and related declining corporate confidence in the global economy could cause current or potential customers to reduce or eliminate their information technology budgets and spending, which could cause customers to delay, decrease or cancel purchases of its products and services; or cause customers not to pay the Company; or to delay paying the Company for previously purchased products and services. These conditions may also lengthen sales cycles, delay implementation decisions, reduce expansion activity by existing customers and increase pressure on pricing and contract terms.

**If the Company is unable to attract new customers or sell additional products to its existing customers, its revenue growth and profitability will be adversely affected.**

To increase its revenue and achieve and maintain profitability, the Company must regularly add new customers or sell additional solutions to its existing customers, which it plans to do. Numerous factors, however, may impede its ability to add new customers and sell additional solutions to its existing customers, including its inability to convert companies that have been referred to the Company by its existing network into paying customers, failure to attract and effectively train new sales and marketing personnel, failure to retain and motivate its current sales and marketing personnel, failure to develop relationships with partners or resellers and/or failure to ensure the effectiveness of its marketing programs. In addition, if prospective customers do not perceive its solutions to be of sufficiently high value and quality, it will not be able to attract the number and types of new customers that it is seeking.

**The Company relies significantly on recurring revenue, and if recurring revenue declines or contracts are not renewed, its future results of operations could be harmed.**

The Company relies significantly on recurring revenue, and if recurring revenue declines or contracts are not renewed, its future results of operations could be harmed. In order to improve its operating results, it is important that the Company's customers renew their agreements when their subscription terms expire. The Company's customers have no obligation to renew their SaaS subscriptions after a subscription term and there is no assurance that its customers will renew their subscriptions at the same or higher levels of service, or at all. Sales of new or recurring subscriptions and software-related support service contracts and renewals after the contractual term expires may decline or fluctuate as a result of a number of factors including the following:

- The end customers' level of satisfaction with the Company's software solutions;
- The price, performance and functionality of its software solutions;

- The availability, price, performance and functionality of products and services offered by its competitors; or
- Changes in customers' operations including reductions in their overall spending levels.

**Lengthy sales and implementation cycle could have an adverse effect on the amount, timing and predictability of the Company's revenue.**

The sale and implementation of the Company's products generally involves a significant commitment of resources by prospective customers. As a result, the Company's sales process is often subject to delays associated with lengthy approval processes attendant to significant expenditures. For these and other reasons, the sales cycle associated with the signing of new sales agreements for the Company's products varies substantially from customer to customer and typically lasts between six to twelve months (or longer). During this time, the Company may devote significant resources to a prospective customer, including costs associated with multiple site visits, product demonstrations and feasibility studies, and experience a number of significant delays over which it has no control. In addition, following a new sales agreement, the implementation period may involve six to twenty-four months (or longer) for consulting services, customer training and integration with the customer's other existing systems. Delays in implementation, acceptance, deployment or expansion may postpone revenue recognition, reduce customer satisfaction, delay renewals or anticipated follow-on sales, and adversely affect the Company's operating results.

**Defects, delays or interruptions in providing SaaS will have an impact on the operating results of the Company.**

If the Company encounters defects, delays or interruptions in its SaaS, the demand for these services could diminish, and the Company could incur significant liability. The Company currently utilizes data center hosting facilities and cloud compute service providers, which are managed by third-parties, to provide cloud-based solutions and hosting services to its customers. If the data center facilities or cloud service providers fail or encounter any damage, it could result in interruptions in services to the Company's customers. This could result in unanticipated downtime for the Company's customers, and in turn, its reputation and business could be adversely affected. The Company may also be affected by changes in the pricing, service terms, data handling practices, geographic availability or technical interoperability of third-party infrastructure or platform providers. In addition, if the Company's customers use SaaS arrangements in unanticipated ways, this could cause an interruption in service for other customers attempting to access their data. Moreover, since SaaS customers access the services via the internet, any interruptions in the internet availability will affect the customers' operations.

If any defects, delays or interruptions in the Company's SaaS solutions occur, customers could elect to cancel their service, delay or withhold payment to the Company, not purchase from the Company in the future or make claims against it, which could adversely affect its business reputation, results of operations, cash flow, and financial condition. Any sustained interruption, degradation or adverse change involving third-party service providers could also increase the Company's costs, require migration efforts, impair margins or adversely affect the Company's ability to meet contractual service commitments.

**Security breaches could delay or interrupt service to its customers, harm its reputation or subject the Company to significant liability and adversely affect its business and financial results. Its ability to retain customers and attract new customers could be adversely affected by an actual or perceived breach of security relating to customer information.**

The Company's operations involve the storage and transmission of the confidential information of many of its customers and security breaches could expose it to a risk of loss of this information, litigation, indemnity obligations and other liability. If its security measures are breached as a result of third-party action, employee error, malfeasance or otherwise, and, as a result, someone obtains unauthorized access to its customers' data, including personally identifiable information regarding users, damage to its reputation is likely, its business may suffer and it could incur significant liability. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until launched against a target, it may be unable to prevent these techniques or to implement adequate preventative measures. The Company has implemented technical, organizational and physical security measures, including employee training, backup systems, monitoring and testing and maintenance of protective systems and contingency plans, to protect and to prevent unauthorized access to confidential information of its customers and to reduce the likelihood of disruptions to its systems.

Despite these measures, all its information systems, including back-up systems and any third party service provider systems that it employs, are vulnerable to damage, interruption, disability or failure due to a variety of reasons, including physical theft, electronic theft, fire, power loss, computer and telecommunication failures or other catastrophic events, as well as from internal and external security breaches, denial of service attacks, viruses, worms and other known or unknown disruptive events. The Company or its third-party service providers may be unable to anticipate, timely identify or appropriately respond to one or more of the rapidly evolving and increasingly sophisticated means by which computer hackers, cyber-terrorists and others may attempt to breach its security measures or those of its third-party service providers' information systems.

If a breach of its security measures occurs, the market perception of their effectiveness could be harmed and the Company could lose potential sales and existing customers. Further, a security breach affecting one of its competitors or any other company that provides hosting services or delivers applications under a SaaS model, even if no confidential information of its customers is compromised, may adversely affect the market perception of its security measures and it could lose potential sales and existing customers.

**Despite the Company's security measures, its information technology and infrastructure may be vulnerable to cyber-threats, security and privacy breaches by hackers or breaches due to employee error, malfeasance or other disruptions.**

With the increasing sophistication and persistence of cyber-threats, Tecsys is well aware of the need to manage the risks of data loss, malware and malicious attacks, whether originating internally or externally. Tecsys has implemented a continuously evolving security program to keep pace with these threats. Independent checks reveal that Tecsys has not experienced material breaches in cyber security. Tecsys continues to monitor these risks and continues to fortify its defenses against intrusion and refine its security governance. Despite the Company's security measures, its information technology and infrastructure may be vulnerable to attacks by hackers or breaches due to employee error, malfeasance or other disruptions. Any such breach could compromise Tecsys' networks and the information stored there could be accessed, publicly disclosed, lost or stolen.

**The Company's ability to develop new products and services in order to sell its solutions into new markets or further penetrate its existing markets will impact its revenue growth.**

The software industry is characterized by rapid technological change and frequent new product introductions. Accordingly, the Company believes that its future success depends upon its ability to enhance current products or develop and introduce new products that enhance performance and functionality at competitive prices, as well as its ability to anticipate industry standards. The Company's inability, for technological or other reasons, to develop and introduce products in a timely manner in response to changing market conditions or customer requirements could have a material adverse effect on its business, results of operations and financial condition.

The ability of the Company to compete successfully will depend in large measure on its ability to maintain a technically competent R&D staff and adapt to technological changes and advances in the industry, including providing for the continued compatibility of its software products with evolving computer hardware and software platforms and operating environments. There can be no assurance that the Company will be successful in these efforts.

**The market in which the Company participates is highly competitive, its failure to compete successfully would make it difficult to add and retain customers and would reduce and impede its growth.**

The Company competes in many cases against companies with more established and larger sales and marketing organizations, larger technical staff and significantly greater financial resources. As the market for the Company's products continues to develop, additional competitors may enter the market and competition may intensify. The increased competition could result in pricing pressure and a reduction of margins, which could then lead to a reduction of the Company's market share. Additionally, there can be no assurance that competitors will not develop products superior to the Company's products or achieve greater market acceptance due to pricing, sales channels or other factors.

### If the Company fails to retain its key employees, its business would be negatively impacted.

The Company's dependence on key personnel to operate its business represents risk of loss of expertise if key personnel were to leave.

The Company depends on the experience and expertise of its executive management team. Competition for executives, as well as for skilled product development and technical personnel, in the software industry is intense and the Company may not be able to retain, or recruit needed personnel. If the Company is not able to retain and attract existing and additional highly qualified management, sales and technical personnel, it may not be able to successfully execute its business strategy.

The Company's ability to support the growth of its business will be substantially dependent upon having in place highly trained internal and third-party resources to conduct pre-sales activity, product implementation, training and other customer support services.

### The Company's strategy includes pursuing acquisitions and its potential inability to successfully integrate newly acquired companies or businesses may adversely affect its financial results.

The Company may continue to expand its operations or product line through the acquisition of additional businesses, products or technologies which may include different geographic locations. Acquisitions may involve a number of special risks, including diversion of management's attention, failure to retain key acquired personnel, risk associated with specific vertical markets, business model, integration, geographic locations, unanticipated events or circumstances and legal liabilities, some or all of which could have a material adverse effect on the Company's business, results of operations and financial condition.

### Risk of software defects could adversely affect the Company's business.

Software products as complex as those offered by the Company frequently contain errors or defects, especially when first introduced or when new versions or enhancements are released. Despite product testing, the Company has in the past released products with defects, discovered software errors in certain of its new versions after introduction and experienced delays or lost revenue during the period required to correct these errors. The Company regularly introduces new releases and periodically introduces new versions of its software. There can be no assurance that, despite testing by the Company and its customers, defects and errors will not be found in existing products or in new products, releases, versions or enhancements after commencement of commercial shipments.

### Risk related to protection of intellectual property.

The Company considers certain aspects of its internal operations, software and documentation to be proprietary, and relies on a combination of copyright, patents, trademark and trade secret laws; confidentiality agreements with employees and third parties; protective contractual provisions (such as those contained in its license agreements with consultants, vendors, partners and customers) and other measures to maintain its intellectual property rights. Any of the Company's intellectual property rights could be challenged, invalidated, circumvented or copied, causing a competitive disadvantage, lost opportunities or market share, and potential costly litigation to enforce or re-establish the Company's rights. This could materially and adversely affect the Company's business, operating results and financial condition.

### Risk related to artificial intelligence.

The Company, and many of its partners, have and will continue to incorporate artificial intelligence, or AI, solutions into the Company's products, business and operations from time to time. As with many innovations, AI presents risks and challenges that could affect its further development, adoption, and utilization, and therefore affect the Company's business. If the content, recommendations or analyses that AI applications assist in producing are or are alleged to be deficient or inaccurate, the Company could be subject to competitive risks, potential legal or financial liability, and reputational harm. Furthermore, the integration of third-party AI models within the Company's products and services may rely, in part, on certain safeguards implemented by the third-party developers of the underlying AI models, including those related to the accuracy, bias, and other variables of the data, and these safeguards may be insufficient. The terms and conditions under which the Company engages with partners of AI solutions may be inadequate to protect information the Company shares in the context of interactions with AI technology, which may result in confidential and/or propriety information improperly being used to train third-party AI models.

Using AI and other machine learning technologies while the technology is still developing may expose the Company to liability, reputational harm, and threats of litigation, particularly if such technology produces errors, AI bias, AI hallucinations, harmful content, discriminatory content, intellectual property infringement or misappropriation, data privacy or cybersecurity issues, or otherwise if such technology does not function as intended. The use of AI applications may also result in cybersecurity or privacy incidents. Any such incidents related to the Company's use of AI applications could adversely affect our business. In addition, AI may present emerging ethical issues. If the Company's use of AI becomes controversial, the Company may experience reputational harm or other liabilities. The regulatory environment applicable to AI and automated decision-making is developing rapidly and may impose new or evolving requirements relating to transparency, accountability, human oversight, data use, privacy, security, intellectual property, testing, certification or recordkeeping. Compliance with such requirements in the jurisdictions in which the Company operates may increase our costs, limit our ability to develop or deploy certain features, or expose us to investigations, enforcement actions or claims.

Conversely, if the Company fails to adopt, integrate or develop AI capabilities effectively or on a timely basis, or if its competitors do so more successfully, the Company's products and services may become less competitive or be perceived as less innovative, which could adversely affect customer demand, the Company's ability to win or retain business, and its results of operations. The development and deployment of AI also requires significant investment, and there is no assurance that the Company will realize the anticipated benefits or return on such investment.

### Risk of third-party claims for infringement.

The Company is not aware that any of its products infringe the proprietary rights of third parties. There can be no assurance, however, that third parties will not claim such infringement by the Company or its licensees with respect to current or future products. The Company expects that software developers will increasingly be subject to such claims as the number of products and competitors in the Company's industry segment grows and as functionality of products in different industry segments overlaps.

### Reliance on third-party software.

The Company relies on certain software that it sub-licenses from third parties. There can be no assurance that these third-party software companies will continue to permit the Company to sub-license on commercially reasonable terms.

### Currency risk.

A significant part of the Company's revenues is realized in U.S. dollars. Fluctuations in the exchange rate between the U.S. dollar and other currencies may have a material adverse effect on the margin the Company may realize from its products and services and may directly impact results of operations. From time to time, the Company may take steps to manage such risk by engaging in exchange rate hedging activities; however, there can be no assurance that the Company will be successful in such hedging activities. The Company also has an operating subsidiary in Denmark. Significant fluctuations between the Danish krone and the Canadian dollar may have an impact on the Company's operating results.

### Taxation risks.

The Company operates both locally and outside of Canada. As such, it is subject to the tax laws and regulations of Canadian federal, provincial and local governments, the U.S. and certain other jurisdictions.

The Company relies on certain tax incentives, including the federal SR&ED program and provincial e-Business tax credits, to support its ongoing innovation and technology development and other activities. These programs are subject to complex and evolving eligibility criteria, interpretation by tax authorities, and legislative changes that may impact the availability or amount of such incentives. Changes in government policy, funding priorities, or administrative practices could materially reduce or eliminate these incentives in future periods. The Company monitors developments in applicable legislation and evaluates the impact of any proposed or enacted changes on its operations and financial results. However, there can be no assurance that such tax credits will continue to be available at current levels or at all.

**The Company has incurred net losses in the past and may incur losses in the future.**

The Company recognized net profits from Fiscal 2008 to Fiscal 2018, incurred a net loss in Fiscal 2019 and then recognized profit in Fiscal 2020 to Fiscal 2026. The Company continuously adjusts its operating model for long term profitability. However, there can be no assurance that the Company will achieve or sustain profitability in the future. The Company's dependence on a market characterized by rapid technological change makes the prediction of future results of operations difficult or impossible. There can be no assurance that the Company can generate substantial revenue growth on a quarterly or annual basis, or that any revenue growth that is achieved can be sustained. Revenue growth that the Company has achieved or may achieve may not be indicative of future operating results. In addition, the Company may increase its operating expenses in order to fund higher levels of R&D, increase its sales and marketing efforts, develop new distribution channels, broaden its customer support capabilities and expand its administrative resources in anticipation of future growth. To the extent that increases in such expenses precede or are not subsequently followed by increased revenues, the Company's business, results of operations and financial condition would be materially adversely affected.

**Fluctuations in quarterly results may fail to meet the expectations of investors or security analysts which could cause the Company's share price to decline.**

The Company's quarterly operating results have in the past, and will in the future, fluctuate significantly, depending on factors such as the demand for the Company's products, the size and timing of orders, the number, timing and significance of new product announcements by the Company and its competitors, the ability of the Company to develop, introduce and market new and enhanced versions of its products on a timely basis, the level of product and price competition, changes in operating expenses, changes in average selling prices and product mix, sales personnel changes, the mix of direct and indirect sales, product returns and general economic factors, among others.

In particular, the Company's operating expenses are based on anticipated revenue levels in the short term and are relatively fixed and incurred throughout the quarter. As a result, if the revenues are not realized in the expected quarter, the Company's operating results could be materially adversely affected.

**The Company may need to raise additional funds to pursue its growth strategy or continue its operations, and it may be unable to raise capital when needed or on acceptable terms.**

From time to time, the Company may seek additional equity or debt financing to fund its growth, enhance its products and services, respond to competitive pressures or make acquisitions or other investments. Its business plans may change, general economic, financial or political conditions in its markets may deteriorate or other circumstances may arise, in each case that have a material adverse effect on its cash flows and the anticipated cash needs of its business. Any of these events or circumstances could result in significant additional funding needs, requiring the Company to raise additional capital. It cannot predict the timing or amount of any such capital requirements at this time. If financing is not available on satisfactory terms, or at all, it may be unable to expand its business at the rate desired and its results of operations may suffer. Financing through issuances of equity securities would be dilutive to holders of its shares.

## 13. OTHER INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of Tecsys' securities and securities authorized for issuance under equity compensation plans is contained in Tecsys' management proxy circular for Fiscal 2026.

Additional financial information is provided in Tecsys' comparative financial statements and management's discussion and analysis for Fiscal 2026 contained in Tecsys' 2026 Annual Report.

Additional information relating to Tecsys may also be found on SEDAR+ at www.sedarplus.ca.

For further information, please contact:

Tecsys Inc.

Investor Relations

1801 McGill College Avenue, Suite 1200

Montréal, Québec, Canada H3A 2N4

| | |
|---|---|
| Tel : | (514) 866-0001 |
| E-mail: | investors@tecsys.com |
| Website: | www.tecsys.com |

# Appendix A - Charter for the audit committee of the board of directors

## 1. PURPOSE

a) The primary functions of the Audit Committee are to oversee the accounting and financial reporting practices of the Company and the audits of the Company's financial statements and to exercise the responsibilities and duties set forth below, including, but not limited to, assisting the Board in fulfilling its responsibilities in its oversight of the following: the integrity of the Company's financial statements and related information; internal controls over financial reporting and risk management; the system of internal control; the Company's compliance with Applicable Requirements (as defined below); selecting the auditors for shareholder approval; reviewing the qualifications, independence and performance of the auditors; and reviewing the qualifications and performance of the Company's financial management.

## 2. MEMBERSHIP AND ORGANIZATION

a) ***Composition*** - The Audit Committee shall consist of not less than three independent members of the Board. At the invitation of the Audit Committee, members of the Company's management and others may attend Audit Committee meetings as the Audit Committee considers necessary or desirable.

b) ***Appointment and Removal of Audit Committee Members*** - Each member of the Audit Committee shall be appointed by the Board on an annual basis and shall serve at the pleasure of the Board, or until the earlier of (a) the close of the next annual meeting of the Company's shareholders at which the member's term of office expires, (b) the death of the member, or (c) the resignation, disqualification or removal of the member from the Audit Committee or from the Board. The Board may fill a vacancy in the membership of the Audit Committee.

c) ***Chair*** - At the time of the annual appointment of the members of the Audit Committee, the Board shall appoint a Chair of the Audit Committee. The Chair shall: be a member of the Audit Committee, preside over all Audit Committee meetings, coordinate the Audit Committee's compliance with this mandate, work with management to develop the Audit Committee's annual work plan and meeting agendas to ensure that all business requiring the Audit Committee's approval is appropriately tabled and provide reports of the Audit Committee to the Board. Additionally, the Chair shall ensure that a new director is informed of his or her obligations under the Canada Business Corporations Act pursuant to which he or she may not vote or participate in a discussion on a matter in respect of which such director has a material interest.

d) ***Independence*** - Each member of the Audit Committee shall meet the requirements promulgated by any exchange upon which securities of the Company are traded, or any governmental or regulatory body exercising authority over the Company, as are in effect from time to time (collectively, the "Applicable Requirements") related to independence and audit committee composition.

e) ***Financial Literacy*** - At the time of his or her appointment to the Audit Committee, each member of the Audit Committee shall be able to read and understand fundamental financial statements, including a balance sheet, cash flow statement and income statement and not have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the preceding three years. At least one member of the Audit Committee shall have past employment experience in financing or accounting, requisite professional certificate in accounting, or other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

## 3. MEETINGS

a) ***Meetings*** - The members of the Audit Committee shall hold meetings as are required to carry out this mandate, and in any case no less than four meetings annually. The external auditors are entitled to attend and be heard at each Audit Committee meeting. The Chair, in consultation with the Chairman, Chief Executive Officer, Chief Financial Officer and Corporate Secretary, determine the frequency, dates and locations of meetings of the Audit Committee. The Chair shall chair all Audit Committee meetings that he or she attends, and in the absence of the Chair, the members of the Audit Committee present may appoint a chair from their number for a meeting.

b) ***Corporate Secretary and Minutes*** - The Corporate Secretary, his or her designate or any other person the Audit Committee requests, shall act as secretary at Audit Committee meetings. Minutes of Audit Committee meetings shall be recorded and maintained by the Corporate Secretary and subsequently presented to the Audit Committee for approval.

c) ***Quorum*** - A majority of the members of the Audit Committee shall constitute a quorum.

d) ***Access to Management and Outside Advisors*** - The Audit Committee shall have unrestricted access to the Company's management and employees and the books and records of the Company, and, from time to time may hold unscheduled or regularly scheduled meetings or portions of regularly scheduled meetings with the auditor, the Chief Financial Officer, the Chief Executive Officer or the Chairman. The Audit Committee shall have the authority to retain external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective compensation for these advisors. This is in line with regulations issued by the CSA. The Company shall provide appropriate funding, as determined by the Audit Committee, for the services of these advisors.

e) ***Meetings Without Management*** - The Audit Committee shall hold unscheduled or regularly scheduled meetings, or portions of regularly scheduled meetings, at which management is not present. The Audit Committee shall meet at least annually with the external auditor without management present.

## 4. FUNCTIONS AND RESPONSIBILITIES

The Audit Committee shall have the functions and responsibilities set out below as well as any other functions that are specifically delegated to the Audit Committee by the Board and that the Board is authorized to delegate by applicable laws and regulations. In addition to these functions and responsibilities, the Audit Committee shall perform the duties required of an audit committee by the Applicable Requirements.

a) **Financial Reports**

i. ***General*** - The Audit Committee is responsible for overseeing the integrity of Company's financial statements and financial disclosures. Management is responsible for the preparation, presentation and integrity of the Company's financial statements and financial disclosures and for the appropriateness of the accounting principles and the reporting policies used by the Company. The auditors are responsible for auditing the Company's annual consolidated financial statements and for reading the Company's unaudited interim financial statements.

ii. ***Review of Annual Financial Reports*** - The Audit Committee shall review the annual consolidated audited financial statements of the Company, the auditors' report thereon and the related management's discussion and analysis of the Company's financial condition and results of operation ("MD&A"). After completing its review, if advisable, the Audit Committee shall approve and recommend for Board approval the annual financial statements and the related MD&A.

iii. ***Review of Interim Financial Reports*** - The Audit Committee shall review the interim consolidated financial statements of the Company and the related MD&A. After completing its review, if advisable, the Audit Committee shall approve and recommend for Board approval the interim financial statements and the related MD&A.

iv. ***Review Considerations*** - In conducting its review of the annual financial statements, the Audit Committee shall:

- meet with management and the auditors to discuss the financial statements and MD&A;
- review the disclosures in the financial statements;
- review the audit report or other input prepared by the auditors;
- discuss with management, the auditors and legal counsel, as required, any litigation claim or other contingency that could have a material effect on the financial statements;
- review critical accounting and other significant estimates and judgments underlying the financial statements as presented by management;
- review any material effects of regulatory accounting initiatives or off-balance sheet structures on the financial statements as presented by management;
- review any material changes in accounting policies and any significant changes in accounting practices and their impact on the financial statements as presented by management;
- review management's report on the effectiveness of internal controls over financial reporting;
- review the factors identified by management as factors that may affect future financial results;
- review results of the Company's audit committee Procedure for Treatment of Complaints ("Whistle Blower") Policy; and
- review any other matters, related to the financial statements, that are brought forward by the auditors, management or which are required to be communicated to the Audit Committee under accounting policies, auditing standards or Applicable Requirements.

v. ***Approval of Other Financial Disclosures*** - The Audit Committee shall review and, if advisable, approve and recommend for Board approval financial disclosure in a prospectus or other securities offering document of the Company, press releases disclosing financial results of the Company and any other material financial disclosure, including financial guidance provided to analysts rating agencies or otherwise publicly disseminated.

b) **Auditors**

i. ***General*** - The Audit Committee shall be responsible for oversight of the work of the auditors, including the auditors' work in preparing or issuing an audit report, performing other audit, review or attest services or any other related work.

ii. ***Appointment and Compensation*** - The Audit Committee shall review, select and recommend for shareholder approval the appointment of, the auditors. The Audit Committee shall have ultimate authority to approve all audit engagement terms and fees, including the auditor's audit plan.

iii. ***Resolution of Disagreements*** - The Audit Committee shall resolve any disagreements between management and the auditors as to financial reporting matters brought to its attention.

iv. ***Discussions with Auditors*** - At least annually, the Audit Committee shall discuss with the auditors such matters as are required by applicable auditing standards to be discussed by the auditors with the Audit Committee, including the matters required to be discussed by Statement on Auditing Standards 61, as it may be modified or supplemented.

v. ***Audit Plan*** - At least annually, the Audit Committee shall review a summary of the auditors' annual audit plan. The Audit Committee shall consider and review with the auditors any material changes to the scope of the plan.

vi. ***Interim Reporting*** - The Audit Committee shall review any comments or input provided by the auditors following the auditors' reading of the Company's interim unaudited financial statements.

vii. ***Independence of Auditors*** - At least annually, and before the auditors issue their report on the annual financial statements, the Audit Committee shall: obtain from the auditors a formal written statement describing all relationships between the auditors and the Company; discuss with the auditors any disclosed relationships or services that may affect the objectivity and independence of the auditors; and obtain written confirmation from the auditors that they are objective and independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. The Audit Committee shall take appropriate action to oversee the independence of the auditors.

viii. ***Evaluation and Rotation of Lead Partner*** - At least annually, the Audit Committee shall review the qualifications and performance of the lead partner(s) of the auditors. The Audit Committee shall obtain a report from the auditors annually verifying that the lead partner of the auditors has served in that capacity for no more than seven fiscal years of the Company and that the engagement team collectively possesses the experience and competence to perform an appropriate audit. Obtain and review a report describing the auditor's internal quality control reporting and any material issues raised by most recent internal quality control review at least annually.

ix. ***Requirement for Pre-Approval of Non-Audit Services*** - The Audit Committee shall approve in advance any retainer of the auditors to perform any non-audit service to the Company that it deems advisable in accordance with Applicable Requirements, and Board approved policies and procedures. The Audit Committee may delegate pre-approval authority to a member of the Audit Committee. The decisions of any member of the Audit Committee to whom this authority has been delegated must be presented to the full Audit Committee at its next scheduled Audit Committee meeting.

x. ***Approval of Hiring Policies*** - The Audit Committee shall review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.

c) **Internal Controls & Risk Management**

i. ***General*** - The Audit Committee shall review the Company's internal controls and risk management systems.

ii. ***Establishment, Review and Approval*** - The Audit Committee shall require management to implement and maintain appropriate systems of internal controls in accordance with Applicable Requirements and guidance, including internal control over financial reporting and disclosure and to review, evaluate and approve these procedures. At least annually, the Audit Committee shall consider and review with management and the auditors:

- the effectiveness of, or weaknesses or deficiencies in: the design or operation of the Company's internal controls (including computerized information system controls and security); the overall control environment for managing business risks, including major financial risk exposures, major security risks and business continuity risks; accounting, financial and disclosure controls (including, without limitation, controls over financial reporting), non-financial controls, and legal and regulatory controls and the impact of any identified weaknesses in internal controls on management's conclusions;

- any significant changes in internal control over financial reporting that are disclosed, or considered for disclosure, including those in the Company's periodic regulatory filings;
- any material issues raised by any inquiry or investigation by the Company's regulators;
- the Company's fraud prevention and detection program, including deficiencies in internal controls that may impact the integrity of financial information, or may expose the Company to other significant internal or external fraud losses and the extent of those losses and any disciplinary action in respect of fraud taken against management or other employees who have a significant role in financial reporting; and
- related significant issues and recommendations of the auditors together with management's responses thereto, including the timetable for implementation of recommendations to correct weaknesses in internal controls over financial reporting and disclosure controls.

iii. ***Compliance with Legal and Regulatory Requirements*** - The Audit Committee shall review reports from the Company's Corporate Secretary and other management members on: legal or compliance matters including any pending or threatened litigation that may have a material impact on the Company; the effectiveness of the Company's compliance policies; and any material communications received from regulators. The Audit Committee shall review management's evaluation of and representations relating to compliance with specific Applicable Requirements, and management's plans to remediate any deficiencies identified.

iv. ***Audit Committee Treatment of Complaints*** - The Audit Committee shall establish procedures for (a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. Any such complaints or concerns that are received shall be reviewed by the Audit Committee and, if the Audit Committee determines that the matter requires further investigation, it will direct the Chair of the Audit Committee to engage outside advisors, as necessary or appropriate, to investigate the matter and will work with management and the general counsel to reach a satisfactory conclusion.

v. ***Audit Committee Disclosure*** - The Audit Committee shall prepare, review and approve any audit committee disclosures required by Applicable Requirements in the Company's disclosure documents.

vi. ***Delegation*** - The Audit Committee may, to the extent permissible by Applicable Requirements, designate a sub-committee to review any matter within this mandate as the Audit Committee deems appropriate.

d) **Artificial Intelligence (AI) Policy and Risk Governance**

- ***General*** — The Audit Committee shall oversee the Company's governance framework for Artificial Intelligence and related technologies. This includes:
- **Policy Review and Approval** - Approve and periodically review the Company's AI policy to ensure alignment with applicable laws, ethical standards, and industry best practices.

- **Risk Oversight** - Assess management's evaluation of AI-related risks, including data privacy, cybersecurity, regulatory compliance, and operational impacts.
- **Monitoring and Reporting** - Require regular reporting from management on AI implementation, risk mitigation measures, and adherence to the approved AI policy.
- **Integration with Internal Controls** - Confirm that AI systems are subject to appropriate internal controls and audit mechanisms to safeguard financial integrity and operational resilience.
- **External Guidance** - Where necessary, engage external advisors with expertise in AI governance to assist in fulfilling these responsibilities.

## 5. REPORTING TO THE BOARD

The Chair shall report to the Board, as required by Applicable Requirements or as deemed necessary by the Audit Committee or as requested by the Board, on matters arising at Audit Committee meetings and, where applicable, shall present the Audit Committee's recommendation to the Board for its approval.

## 6. GENERAL

The Audit Committee shall, to the extent permissible by Applicable Requirements, have such additional authority as may be reasonably necessary or desirable, in the Audit Committee's discretion, to exercise its powers and fulfil the duties under this mandate.

## 7. CURRENCY OF THE AUDIT COMMITTEE CHARTER

This charter was last reviewed and approved by the Board on June 29, 2026.

**Tecsys Inc.**
**1801 McGill College Avenue**
**Suite 1200**
**Montreal, Quebec H3A 2N4**
**Canada**
**Tel: (800) 922-8649**
**(514) 866-0001**
**Fax: (450) 688-3288**

**www.tecsys.com**