# AmeriTrust Financial Technologies Inc.

# Condensed Interim Consolidated Financial Statements
# Three and Nine Months Ended September 30, 2026 and 2025
# (Expressed in Canadian Dollars)

**Notice to Reader**

**The accompanying unaudited condensed interim consolidated financial statements of AmeriTrust Financial Technologies Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.**

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# AmeriTrust Financial Technologies Inc.

**Condensed Interim Consolidated Statements of Financial Position**
**(Expressed in Canadian Dollars)**
**(Unaudited)**

| | Note | As at, September 30, 2026 (Unaudited) | As at, December 31, 2025 (Audited) |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 5 | **$ 66,758,506** | $ 36,968,923 |
| Accounts receivable, net | 6 | **180,897** | 85,730 |
| Investment | 10 | **211,190** | 153,011 |
| Inventories | 7 | **375,468** | - |
| Other current assets | 8 | **251,803** | 360,299 |
| **Total current assets** | | **67,777,864** | 37,567,963 |
| **Non-current assets** | | | |
| Leased vehicles and other equipment, net | 9 | **13,047,452** | 349,222 |
| Right-of-use asset | 11 | **9,108,750** | 420,138 |
| Other non-current assets | | **81,787** | 79,008 |
| **Total non-current assets** | | **22,237,989** | 848,368 |
| **Total assets** | | **$ 90,015,853** | $ 38,416,331 |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | | |
| **Current liabilities** | | | |
| Accounts payable and accrued liabilities | 12, 20 | **$ 5,980,230** | $ 6,624,911 |
| Revolving credit facility | 15 | **13,975,180** | - |
| Seller reserve provision | | **34,471** | 32,860 |
| Lease obligation - current portion | 13 | **483,577** | 432,213 |
| Bank loan | 14 | **30,000** | 60,000 |
| Customers' deposits | 18 | **102,327** | - |
| **Total current liabilities** | | **20,605,785** | 7,149,984 |
| **Non-current liabilities** | | | |
| Lease obligation - long term portion | 13 | **8,881,742** | - |
| Convertible debentures | 17 | **18,946,464** | 16,702,568 |
| **Total non-current liabilities** | | **27,828,206** | 16,702,568 |
| **Total liabilities** | | **48,433,991** | 23,852,552 |
| **Shareholders' Equity** | | | |
| Share capital | 19 | **129,032,115** | 88,054,841 |
| Reserves | 17, 19 | **24,169,236** | 27,602,653 |
| Convertible debentures - equity component | 17 | **2,024,351** | 1,821,590 |
| Accumulated other comprehensive income | | **1,570,106** | 642,148 |
| Deficit | | **(115,213,946)** | (103,557,453) |
| **Total shareholders' equity** | | **41,581,862** | 14,563,779 |
| **Total liabilities and shareholders' equity** | | **$ 90,015,853** | $ 38,416,331 |

Nature of operations and going concern (note 1); Subsequent events (note 26)
Approved on behalf of the Board of Directors:

"Jeff Morgan" (signed)
**Director**

"Bryan Hunt" (signed)
**Director**

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# AmeriTrust Financial Technologies Inc.

**Condensed Interim Consolidated Statements of Income (Loss)**
**(Expressed in Canadian Dollars)**
**(Unaudited)**

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|---|---|---|---|
| | **2026** | **2025** | **2026** | **2025** |
| **Revenue** | | | | |
| Lease origination income (note 9) | **588,112** | 22,842 | **1,020,612** | 69,581 |
| Lease servicing income | **419,534** | 388,415 | **1,174,948** | 1,224,285 |
| Direct sales and product income | **97,333** | - | **342,088** | - |
| | **1,104,979** | 411,257 | **2,537,648** | 1,293,866 |
| **Cost of revenue** | | | | |
| Lease origination costs (note 9) | **478,291** | 23,716 | **839,848** | 96,709 |
| Lease servicing costs | **236,825** | 204,661 | **638,303** | 659,785 |
| Cost of direct sales | **666** | - | **131,719** | - |
| | **715,782** | 228,377 | **1,609,870** | 756,494 |
| Gross Profit | **389,197** | 182,880 | **927,778** | 537,372 |
| **Expenses** | | | | |
| Salaries and wages (note 20) | **2,314,077** | 1,533,565 | **6,363,150** | 4,273,715 |
| Professional fees | **410,686** | 293,481 | **1,455,178** | 781,325 |
| Lease data and technology services | **69,052** | 67,706 | **198,500** | 136,652 |
| Share based compensation (note 19(d)) | **565,174** | 849,715 | **1,438,136** | 2,852,669 |
| Regulatory fees | **38,071** | 24,135 | **175,845** | 111,600 |
| Insurance | **64,906** | 61,423 | **167,032** | 185,381 |
| Advertising and promotion | **27,415** | 12,589 | **73,464** | 23,674 |
| Rent and Utilities | **16,804** | 4,736 | **117,393** | 6,980 |
| Office and sundry expenses | **130,670** | 75,376 | **398,125** | 261,598 |
| Travel expense | **82,716** | 43,208 | **221,066** | 100,498 |
| Telephone | **19,839** | 13,537 | **58,911** | 41,372 |
| Interest and bank charges (note 17) | **612,605** | 15,820 | **1,627,166** | 47,108 |
| Depreciation of tangible assets (note 9) | **5,546** | - | **9,383** | - |
| Depreciation of right of use assets (note 11) | **218,227** | 115,169 | **482,174** | 350,823 |
| Accretion (note 13, 17) | **254,417** | 6,891 | **477,660** | 25,341 |
| Provision for expected loss on receivables (note 6) | **32** | - | **6,349** | - |
| Foreign exchange (gain) loss | **(90,758)** | - | **(90,758)** | - |
| | **4,739,479** | 3,117,351 | **13,178,774** | 9,198,736 |
| **Loss from operations** | **(4,350,282)** | (2,934,471) | **(12,250,996)** | (8,661,364) |
| Other income (expense) | | | | |
| Interest income (note 5) | **234,639** | 6,865 | **549,031** | 71,252 |
| Other income (expense) | **(6,072)** | 9,345 | **(6,072)** | 44,436 |
| Unrealized (loss) gain on fair value adjustment (note 10) | **(80,394)** | (70,548) | **51,544** | (247,112) |
| Gain on settlement of debt (note 16) | **-** | (1,060) | **-** | 1,782,260 |
| Impairment of leased vehicles (note 9) | **-** | 1,430 | **-** | (188,681) |
| | **148,173** | (53,968) | **594,503** | 1,462,155 |
| **Income (loss) before taxes** | **(4,202,109)** | (2,988,439) | **(11,656,493)** | (7,199,209) |
| **Income taxes** | **-** | **-** | **-** | **-** |
| **Net Income (loss) for the period** | **$ (4,202,109)** | $ (2,988,439) | **$ (11,656,493)** | $ (7,199,209) |

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# AmeriTrust Financial Technologies Inc.

**Condensed Interim Consolidated Statements of Income (Loss)**
**(Expressed in Canadian Dollars)**
**(Unaudited)**

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|---|---|---|---|
| | **2026** | **2025** | **2026** | **2025** |
| **Net income (loss) for the period** | **(4,202,109)** | (2,988,439) | **(11,656,493)** | (7,199,209) |
| **Net income (loss) attributable to:** | | | | |
| Equity holders of AmeriTrust Financial Technologies Inc. | **(4,202,109)** | (2,988,439) | **$ (11,656,493)** | $ (7,199,209) |
| **Basic and diluted net earnings (loss) per share-Equity holders of AmeriTrust Financial Technologies Inc. From continuing operations** | **(0.004)** | **(0.004)** | **$ (0.011)** | **(0.011)** |
| **Weighted average number of common shares outstanding - basic and diluted** | **1,129,101,505** | 671,676,878 | **1,051,839,678** | 669,522,763 |

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# AmeriTrust Financial Technologies Inc.

**Condensed Interim Consolidated Statements of Comprehensive Income (Loss)**
**(Expressed in Canadian Dollars)**
**(Unaudited)**

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|---|---|---|---|
| | **2026** | **2025** | **2026** | **2025** |
| **Net income (loss)** | **(4,202,109)** | (2,988,439) | **$ (11,656,493)** | $ (7,199,209) |
| **Other comprehensive income (loss)** | | | | |
| Items that may be subsequently reclassified to profit or loss: | | | | |
| Gain (loss) on foreign currency translation | **(58,062)** | 25,511 | **927,958** | (103,467) |
| **Total comprehensive income (loss)** | **$ (4,260,171)** | $ (2,962,928) | **$ (10,728,535)** | $ (7,302,676) |
| **Total comprehensive income (loss) attributable to:** | | | | |
| Equity holders of AmeriTrust Financial Technologies Inc. | **(4,260,171)** | (2,962,928) | **$ (10,728,535)** | $ (7,302,676) |

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# AmeriTrust Financial Technologies Inc.

**Condensed Interim Consolidated Statements of Cash Flows**
**(Expressed in Canadian dollars)**
**(Unaudited)**

| Nine Months Ended September 30, | 2026 | 2025 |
|---|---|---|
| **Cash flows provided by (used in) operating activities** | | |
| Net income (loss) for the period | **$ (11,656,493)** | $ (7,199,209) |
| Adjustments to reconcile net income (loss) to net cash used in operating activities: | | |
| Accretion on lease liability (note 13) | **121,383** | 25,341 |
| Accretion on convertible debentures (note 17) | **356,277** | - |
| Depreciation of tangible assets (note 9) | **609,979** | 26,762 |
| Depreciation of right of use assets (note 11) | **482,174** | 350,823 |
| Provision for expected loss on receivable (note 6) | **6,349** | - |
| Foreign exchange loss (gain) | **(90,758)** | (128,120) |
| Gain on settlement of debt (note 16) | **-** | (1,782,260) |
| Impairment of leased vehicles (note 9) | **-** | 188,681 |
| Unrealized loss (gain) on fair value adjustment (note 10) | **(51,544)** | 247,112 |
| Loss from leased vehicle insurance settlement (note 9) | **11,636** | - |
| Share based compensation (note 19(d)) | **1,438,136** | 2,852,669 |
| | **(8,772,861)** | (5,418,201) |
| (Increase) Decrease in: | | |
| Accounts receivable | **(96,313)** | (45,236) |
| Inventory | **(366,550)** | - |
| Other current assets | **114,244** | 46,052 |
| Increase (Decrease) in: | | |
| Accounts payable and accrued liabilities | **(835,010)** | (156,717) |
| Customers' deposit | **100,341** | - |
| **Net cash provided by (used in) operating activities** | **(9,856,149)** | (5,574,102) |
| **Cash flows provided by (used in) investing activities** | | |
| Purchase of leased vehicles and other equipment (note 9) | **(13,208,420)** | - |
| Proceeds from disposition of Leased vehicles (note 9) | **202,179** | - |
| **Net cash provided by (used in) investing activities** | **(13,006,241)** | - |
| **Cash flows provided by (used in) financing activities** | | |
| Private placements, net | **752,732** | - |
| Exercise of warrants and options | **35,024,467** | - |
| Proceeds from revolving credit facility | **13,643,235** | - |
| Payment of lease liability (note 13) | **(365,288)** | (363,523) |
| Convertible debenture financing, net (note 17) | **2,418,902** | - |
| Repayment of bank loan (note 14) | **(30,000)** | - |
| **Net cash provided by (used in) financing activities** | **51,444,048** | (363,523) |
| **Net change in cash** | **28,581,658** | (5,937,625) |
| Effect of exchange rate changes on cash held in foreign currencies | **1,207,925** | (152,597) |
| **Cash, beginning of period** | **36,968,923** | 10,231,191 |
| **Cash, end of period** | **$ 66,758,506** | $ 4,140,969 |

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

**AmeriTrust Financial Technologies Inc.**
**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity**
**(Expressed in Canadian dollars)**
**(Unaudited)**

| | Number of issued and outstanding shares<br>#<br>$ | Share Capital<br>$ | Reserves<br>$ | Convertible debentures- equity component<br>$ | Accumulated other comprehensive income<br>$ | Deficit<br>$ | Total Shareholders' equity<br>$ |
|---|---|---|---|---|---|---|---|
| **Balance December 31, 2024** | **667,422,124** | **78,603,740** | **17,589,025** | **-** | **735,449** | **(91,307,282)** | **5,620,932** |
| Restricted share units issued | 6,133,331 | 405,834 | (405,834) | - | - | - | - |
| Share-based compensation | - | - | 2,852,669 | - | - | - | 2,852,669 |
| Foreign currency translation | - | - | - | - | (103,467) | - | (103,467) |
| Loss for the period | - | - | - | - | - | (7,199,209) | (7,199,209) |
| **Balance, September 30, 2025** | 673,555,455 | 79,009,574 | 20,035,860 | - | 631,982 | (98,506,491) | 1,170,925 |
| **Balance December 31, 2025** | **985,949,455** | **88,054,841** | **27,602,653** | **1,821,590** | **642,148** | **(103,557,453)** | **14,563,779** |
| Private placements | 17,300,000 | 609,891 | 255,109 | - | - | - | 865,000 |
| Share issue costs | - | (124,501) | - | - | - | - | (124,501) |
| Warrants issued | - | (23,565) | 23,565 | - | - | - | - |
| Restricted share units issued | 17,641,664 | 1,342,042 | (1,342,042) | - | - | - | - |
| Exercise of warrants | 300,764,642 | 39,002,957 | (3,988,990) | - | - | - | 35,013,967 |
| Exercise of options | 100,000 | 20,450 | (9,950) | | - | - | 10,500 |
| Shares issued for debt conversion | 1,764,704 | 150,000 | - | (14,261) | - | - | 135,739 |
| Convertible debentures | - | - | 190,755 | 217,022 | - | - | 407,777 |
| Share-based compensation | - | - | 1,438,136 | - | - | - | 1,438,136 |
| Foreign currency translation | - | - | - | - | 927,958 | - | 927,958 |
| Loss for the period | - | - | - | - | - | (11,656,493) | (11,656,493) |
| **Balance, September 30, 2026** | 1,323,520,465 | 129,032,115 | 24,169,236 | 2,024,351 | 1,570,106 | (115,213,946) | 41,581,862 |

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

## 1. NATURE OF OPERATIONS AND GOING CONCERN

AmeriTrust Financial Technologies Inc. ("AmeriTrust" or the "Company") was incorporated under the Business Corporations Act (British Columbia) on September 29, 2009. The Company's head office is located at Suite 300, 1100 Burloak Drive, Burlington, Ontario, L7L 6B2. The registered office is located at 745 Thurlow Street, Suite 2400, Vancouver, BC, Canada V6E 0C5.

Through its subsidiaries (note 2(d)), the Company: (i) originates new and used vehicle leases in the United States and holds the vehicles as lessor under operating leases, funded by a revolving credit facility; (ii) services vehicle leases on behalf of financial institutions; (iii) facilitates the purchase and sale of vehicles, sells vehicles from its own inventory and sells related protection products; and (iv) develops and operates the cloud-based platform that supports these activities.

These unaudited condensed interim consolidated financial statements ("financial statements") have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company incurred a loss of $11,656,493 (September 30, 2025 – $7,199,209), during the nine-month period ended September 30, 2026, and as of that date, the Company had a deficit of $115,213,946 (December 31, 2025 - $103,557,453). As at September 30, 2026, the Company has a working capital surplus of $47,172,079 (December 31, 2025 – $30,417,979)

The continuity of the Company's operations is dependent on raising future financing for working capital and obtaining profitable operations. Management anticipates that such financing will be required in the future. While management believes that it will be able to secure the necessary financing through the issuance of new equity or debt instruments, there is no assurance that the Company will be successful in these actions. There can be no assurance that adequate financing will be available or available at terms favorable to the Company. Management acknowledges that these factors indicate the existence of material uncertainties that may cast significant doubt as to the Company's ability to continue as a going concern. Should it be determined that the Company is no longer a going concern, adjustments which could be material could be required to the carrying values of the assets and liabilities. These financial statements do not reflect any adjustments to the carrying values of the assets or liabilities or any impact on the consolidated statements of income (loss) and comprehensive income (loss), and consolidated statement of financial position classifications that would be necessary should the going concern assumption not be appropriate.

These unaudited condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on November 19, 2026.

## 2. BASIS OF PREPARATION

### a) Statement of compliance

These unaudited condensed interim consolidated financial statements, including comparatives have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"), incorporating interpretations issued by the IFRS Interpretations Committee ("IFRICs").

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries. This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual audited consolidated financial statements of the Company for the year ended December 31, 2025. However, this interim financial report provides selected significant disclosures that are required in the annual audited consolidated financial statements under IFRS.

## 2. BASIS OF PREPARATION (continued)

### a) Statement of compliance (continued)

Except as described below, these unaudited condensed interim consolidated financial statements follow the same accounting policies and methods of application as the annual audited consolidated financial statements for the year ended December 31, 2025.

The changes in accounting policies are also expected to be reflected in the Company's consolidated financial statements as at and for the year ending December 31, 2026.

Certain amounts in prior years have been reclassified to conform to the current period presentation.

### b) Basis of measurement

These unaudited condensed interim consolidated financial statements have been prepared on the historical cost basis, except for the investment, which is measured at fair value through profit or loss (note 10).

### c) Functional and presentation currency

These unaudited condensed interim consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company. The functional currency of the Company's United States subsidiaries is the United States dollar. Assets and liabilities of foreign operations are translated into Canadian dollars at the closing rate (September 30, 2026 – US$1 = C$1.4188; December 31, 2025 – US$1 = C$1.3706); income and expenses are translated at average rates for the period. Resulting exchange differences are recognized in other comprehensive income and accumulated in equity.

### d) Basis of consolidation

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company. All intercompany balances and transactions are eliminated on consolidation. The principal subsidiaries are:

| Subsidiary | Jurisdiction | Ownership | Principal activity |
|---|---|---|---|
| AmeriTrust Holdings, LLC | Texas, USA | 100% | Holding company |
| AmeriTrust Auto, LLC (AmeriTrust Financial) | Texas, USA | 100% | Vehicle leasing as lessor |
| AmeriTrust Auto Group, LLC | Texas, USA | 100% | Vehicle facilitation and sales |
| AmeriTrust Serves, LLC | Texas, USA | 100% | Lease servicing |
| MAF Leasing | Delaware, USA | 100% | Holds leased vehicles |

### e) New accounting policies and amendments adopted

During the nine-month period ended September 30, 2026, the Company commenced originating vehicle leases as lessor, holding vehicle inventory, selling vehicles as principal and borrowing under a revolving credit facility. The accounting policies for these activities are described in note 3.

Effective January 1, 2026, the Company adopted the amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments. Their adoption did not have a material impact on these unaudited condensed interim consolidated financial statements.

## 3. MATERIAL ACCOUNTING POLICIES

These unaudited condensed interim consolidated financial statements do not include all note disclosures required by IFRS for annual financial statements and, therefore, should be read in conjunction with the annual financial statements for the year ended December 31, 2025. In the opinion of the management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included. Operating results for the nine months ending September 30, 2026, are not necessarily indicative of the results that may be expected for the year ending December 31, 2026.

The material accounting policies applied in the preparation of these consolidated financial statements are set out below:

**Revenue recognition**

**Lease origination income – Company as lessor**

The Company, through its subsidiary AmeriTrust Financial, leases new and used vehicles to customers. At lease commencement the Company classifies each lease as a finance lease or an operating lease. A lease is a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the vehicle; otherwise it is an operating lease. In making this assessment the Company considers, among other indicators, whether the lease term is for the major part of the vehicle's economic life, whether the present value of the lease payments amounts to at least substantially all of the vehicle's fair value, whether the lessee holds a purchase option that is reasonably certain to be exercised, and whether the lessee guarantees the residual value (note 4).

*Operating leases.* Vehicles subject to operating leases are presented in leased vehicles and other equipment at cost less accumulated depreciation and impairment losses. Cost includes initial direct costs incurred in obtaining the lease, which are recognized as an expense over the lease term on the same basis as the lease income. Vehicles are depreciated on a straight-line basis over the lease term to their estimated residual value. Lease payments, including amounts received from the lessee at commencement, are recognized as lease income on a straight-line basis over the lease term. Variable lease payments that do not depend on an index or a rate, such as excess-mileage and excess-wear charges, are recognized in profit or loss when they arise.

Refundable security deposits received from lessees are financial liabilities measured at amortized cost (note 18).

***Upfront origination fees***

Fees received from originating leases are revenue from contracts with customers under IFRS 15. The Company's performance obligation is to originate and execute the lease, and the fee is recognized at the point in time the lease is executed.

**Revenue from contracts with customers**

The Company recognizes revenue from contracts with customers under IFRS 15 when, or as, it satisfies a performance obligation by transferring the promised good or service to a customer.

**Lease servicing income.**

The Company, through AmeriTrust Serves, collects lease payments and administers leases on behalf of financial institutions. Servicing fees are calculated on the average net book value of the serviced vehicles and recognized over time as the service is provided, using time elapsed as the measure of progress. Recovery income on the sale of vehicles from portfolios serviced for financial institutions is calculated at a contractual rate on the sale price and recognized at the point in time control of the vehicle passes to the buyer. Early termination and late payment fees are recognized when the termination or payment default occurs and the fee becomes receivable.

**Direct sales and product income**. The Company, through AmeriTrust Auto Group, earns revenue from the following:

- *Vehicles sold from inventory.* The Company controls the vehicle before transfer and is the principal. Revenue is recognized at the gross sale price when control passes to the buyer, on delivery and transfer of title. The carrying amount of the vehicle is recognized in cost of direct sales.

## 3. MATERIAL ACCOUNTING POLICIES (continued)

- *Facilitated sales.* The Company arranges for a vehicle to be transferred directly from a supplier to a buyer without obtaining control of it. The Company is an agent and recognizes the net margin as revenue when control passes to the buyer (note 4).
- *Protection products.* The Company sells products provided by third parties. The Company is an agent and recognizes its commission, net of the provider's premium, when the buyer purchases the product.
- *Remarketing.* At the end of a lease, vehicles held for sale are transferred from leased vehicles to inventories at their carrying amount; proceeds from their sale are recognized as revenue and their carrying amount as cost of direct sales. Remarketing services for funding partners are recognized at a contractual rate on the sale price when control of the vehicle passes to the buyer.

**New Accounting Standards and recent pronouncements**

The standards listed below include only those which the Company reasonably expects may be applicable to the Company in the current period and at a future date. The Company does not expect that the adoption of the following standards will have a material impact on the consolidated financial statements in future periods. There was no significant impact of new guidance applicable for the period ended September 30, 2026.

Amendments to the Classification and Measurement of Financial Instruments (IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures)

Disclosures with an effective date for annual reporting periods beginning on or after January 1, 2026. The amendments clarify the date of recognition and derecognition of some financial assets and liabilities and introduce a new exception for some financial liabilities settled through an electronic payment system. Other changes include a clarification of the requirements when assessing whether a financial asset meets the solely payments of principal and interest criteria and new disclosures for certain instruments with contractual terms that can change cash flows (including instruments where cash flow changes are linked to environmental, social or governance targets). The adoption of this standard has no material impact on the consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

This is a new standard which will replace IAS 1, Presentation of Financial Statements, introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investor decisions.

- Three defined categories for income and expenses – operating, investing or financing – to improve the structure of the income statements, and require all companies to provide new defined subtotals, including operating profit.
- Requirement for companies to disclose explanation of management-defined performance measures (MPMs) that are related to the income statement; and
- Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027, with earlier application permitted.

## 4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these unaudited condensed interim consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These unaudited condensed interim consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities:

Going concern evaluation
Significant judgments used in the preparation of these financial statements relate to the assessment of the Company's ability to continue as a going concern. Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its financial statements. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. As a result of the assessment, management concluded that a material uncertainty exists and the going concern basis of accounting is appropriate.

Share-based payments
The Company provides incentives via share-based payment entitlements (note 19). The fair value of entitlements is determined in accordance with the accounting policy. If certain assumptions used in the fair value calculation were to change, there would be an impact on the share-based payment expenses recognized in the current period.

Estimated useful lives
Management estimates the useful lives of property and equipment, based on the period during which the assets are available for use. The amounts and timing of the depreciation for these amounts are affected by the useful lives. The estimates are reviewed annually and are adjusted as new information becomes available.

Leases
*Critical judgments in determining the lease term*
Extension and termination options are included in the property leases held by the Company. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows have not been included in the lease liability if it is not reasonably certain that the leases will be extended. The assessment is reviewed if a significant event or a significant change in circumstances occurs that affects this assessment and that is within the control of the lessee.

Lease classification (judgement)
Management applies judgement in classifying each vehicle lease as an operating or finance lease. IFRS 16 does not set numerical thresholds; management assesses all indicators together, including the ratio of the lease term to the vehicle's estimated economic life, which management estimates at 200,000 miles / 10 years; the present value of the lease payments compared with the vehicle's fair value; the existence and pricing of purchase options; and whether the Company retains significant residual value risk. Because the Company retains the residual value risk on its leases and lease terms of 36 to 54 months cover less than the major part of the vehicles' economic lives, management has concluded that the leases originated to September 30, 2026 are operating leases.

## 4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Residual values (estimate)
At lease inception management estimates each vehicle's residual value at the end of the lease based on its make, model, year, mileage, trim level and used-vehicle market data. Residual values are reviewed quarterly and at least at the end of each financial year. A change in the estimated residual value is accounted for prospectively as a change in estimate by adjusting depreciation over the remaining lease term. A decline in used-vehicle prices that reduces a vehicle's recoverable amount below its carrying amount is an indicator of impairment.

Impairment of leased vehicles (estimate)
At each reporting date management assesses whether there is an indication that leased vehicles may be impaired. If an indication exists, the recoverable amount, being the higher of value in use and fair value less costs of disposal, is estimated. No impairment was recognized for the nine-month period ended September 30, 2026 (2025 – $188,681).

Principal versus agent (judgement)
Management applies judgement in determining whether the Company is a principal or an agent in vehicle sales and protection product sales. For facilitated sales, the vehicle is transferred directly from the supplier to the buyer, the Company does not obtain control of the vehicle before transfer, and it is not primarily responsible for fulfilment; the Company is therefore an agent. For vehicles sold from its own inventory, the Company controls the vehicle before sale and bears inventory risk and is therefore a principal.

Fair value of convertible debentures
The Company makes estimates and assumptions relating to the fair value measurement and disclosure of its convertible debentures. The fair values are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data is not available, management's judgement is required to establish fair values. Management is required to make an estimate of the discount rate used in calculating the present value of the convertible debentures and related interest equal to the market rate that would be given for similar debt, without a conversion feature. Management determines this rate by assessing what rate the Company could borrow funds at from an unrelated party.

## 5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of funds held in Canadian and American financial institutions broken down as follows:

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| | $ | $ |
| Cash at Canadian bank on hand | 35,465,856 | 6,377,150 |
| Cash at American bank on hand* | 31,292,650 | 30,591,773 |
| | 66,758,506 | 36,968,923 |

*This balance consists of
a) Cash collateral of $28,908,976 (December 31, 2025 - $nil) held on a revolving credit facility with US financial institution.
b) Restricted cash of $178,607 (December 31, 2025 - $172,409) based on the terms of the agreement with the financial institutions, and
c) Cash of $49,951 (December 31, 2025 - $nil) held in a money market account with a financial institution earning annual percentage yield of 4%.

The interest income of $549,031 (September 30, 2025 - $71,252) from the cash collateral, restricted cash and money market account with US financial institution is reported as other income in the consolidated statement of loss.

## 6. ACCOUNTS RECEIVABLE

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| | $ | $ |
| Accounts receivable | 187,401 | 85,730 |
| Less: Expected credit losses | (6,504) | - |
| | 180,897 | 85,730 |

For the period ended September 30, 2026, an amount of $6,504 was recorded as provision for expected credit loss on accounts receivable (December 31, 2025 - $nil). The movement in the allowance for expected credit losses is as follows:

| | Nine-month period ended September 30, 2026 |
|---|---|
| Balance, December 31, 2025 | - |
| Provision recognized | 6,349 |
| Foreign exchange | 155 |
| Balance, September 30, 2026 | 6,504 |

## 7. INVENTORIES

Used vehicle inventories are recorded at the lower of cost and net realizable value, with cost determined on a specific item basis. In determining net realizable value of used vehicles, the Company considers recent market data and trends such as loss histories along with current age of the inventory. The inventories at September 30, 2026, are $375,468 (December 31, 2025 - $nil).

## 8. OTHER CURRENT ASSETS

The other current assets include prepaid expenses, and HST receivable as noted in the table.

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| | $ | $ |
| Prepaid expenses | 237,395 | 268,396 |
| HST receivable | 14,408 | 91,903 |
| | 251,803 | 360,299 |

## 9. LEASED VEHICLES AND OTHER EQUIPMENT

Leased vehicles and other equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

## 9. LEASED VEHICLES AND OTHER EQUIPMENT (continued)

Leased vehicles are subject to operating leases under which the Company is lessor. Depreciation of leased vehicles is based on a straight-line depreciation of the difference between the cost and the estimated residual value at the end of the lease over the term of the lease. Leased vehicle residual values are regularly reviewed to determine whether depreciation rates are reasonable. Lease rental payments received from the leased vehicles are recorded on a straight-line basis and included in the lease origination income on the consolidated statements of loss. For the nine months ended September 30, 2026, the Company recorded lease rental income of $833,061 (September 30, 2025 - $69,581). Depreciation of leased vehicles of $600,596 (September 30, 2025 - $26,762) is included in lease origination costs.

| | Computer equipment | Leasehold improvements | Leased vehicles | Total |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| *Cost* | | | | |
| Balance at December 31, 2024 | 83,946 | 8,751 | 841,029 | 933,726 |
| Additions | 15,703 | - | - | 15,703 |
| Impairment | - | - | (242,661) | (242,661) |
| Currency translation adjustment | 22 | - | (24,787) | (24,765) |
| Balance at December 31, 2025 | 99,671 | 8,751 | 573,581 | 682,003 |
| Additions | 45,003 | 65,739 | 13,097,678 | 13,208,420 |
| Disposals / Retirements | - | - | (218,763) | (218,763) |
| Impairment | - | - | - | - |
| Currency translation adjustment | 1,436 | 1,509 | 310,659 | 313,604 |
| Balance at September 30, 2026 | 146,110 | 75,999 | 13,763,155 | 13,985,264 |
| *Accumulated depreciation* | | | | |
| Balance at December 31, 2024 | 83,946 | 8,751 | 205,680 | 298,377 |
| Depreciation | 1,065 | - | 33,339 | 34,404 |
| Balance at December 31, 2025 | 85,011 | 8,751 | 239,019 | 332,781 |
| Depreciation | 7,193 | 2,190 | 600,596 | 609,979 |
| Disposals | - | - | (4,948) | (4,948) |
| Balance at September 30, 2026 | 92,204 | 10,941 | 834,667 | 937,813 |
| *Net book value* | | | | |
| Balance at December 31, 2025 | 14,660 | 0 | 334,562 | 349,222 |
| Balance at September 30, 2026 | 53,906 | 65,058 | 12,928,488 | 13,047,452 |

During the period leased vehicles with a carrying amount of $213,815 was declared a total loss. Insurance proceeds of $202,179 were received and a loss of $11,636 was recognized and is included in other expenses.

Maturity analysis of undiscounted lease payments receivable under operating leases in U.S. dollars.

| | September 30, 2026 |
|---|---|
| Within one year | 1,936,735 |
| One to two years | 1,890,910 |
| Two to three years | 1,633,418 |
| Three to four years | 1,278,969 |
| Four to five years | 782,522 |
| More than five years | - |
| **Total** | **7,522,555** |

## 10. INVESTMENT

On July 18, 2018, the Company signed a Letter of Intent with Zoom Blockchain Solutions Inc. ("Zoom") to establish a disruptive automotive-related blockchain and application technologies solution. Zoom was to develop a blockchain powered mobile application to buy and sell cars. As part of the transaction a deposit of US$200,000 ($254,640) was made by the Company during the year ended December 31, 2020. The discussions between the Company and Zoom did not materialize and there was no further progress. On May 13, 2021, the deposit was exchanged for 10% secured convertible notes receivable from Rego Payment Architectures Inc., a Delaware corporation, parent company of Zoom.

The Letter of Intent was considered void and the investment in Rego Payment Architectures Inc. is a passive investment.

On September 26, 2025, the convertible notes receivable was exchanged for 338,298 common shares in Rego Payment Architectures Inc. The shares are classified and measured at fair value through profit or loss.

At September 30, 2026, the fair value of the investment was US$148,851 ($211,190 CAD) (December 31, 2025 – US$111,638 ($153,011 CAD)), based on the quoted closing price on OTCQB. The measurement is classified as Level 2 because, although quoted, the shares are thinly traded. An unrealized gain of $51,544 (September 30, 2025 – loss of $247,112) was recognized in profit or loss for the nine-month period ended September 30, 2026. The investment is classified as a current asset because the shares can be sold at any time.

## 11. RIGHT OF USE ASSETS

| | **USA** |
|---|---|
| *Cost* | $ |
| Balance as at December 31, 2024 | 3,776,680 |
| Currency translation adjustment | 3,493 |
| Balance as at December 31, 2025 | 3,780,173 |
| Additions | 9,172,298 |
| Deduction from relocation | (925,427) |
| Currency translation adjustment | 229,846 |
| Balance as at September 30, 2026 | 12,256,890 |
| *Accumulated depreciation* | |
| Balance as at December 31, 2024 | (2,854,433) |
| Depreciation | (467,430) |
| Balance as at December 31, 2025 | (3,360,035) |
| Deduction from relocation | 694,069 |
| Depreciation | (482,174) |
| Balance as at September 30, 2026 | (3,148,139) |
| *Net carrying amount* | |
| At December 31, 2025 | 420,138 |
| At September 30, 2026 | 9,108,750 |

The Company has leased property for its offices in the USA, which is capitalized as a right-of-use asset under IFRS 16. In December 2024, the Company entered into a two-year lease arrangement for office space in the USA and this is capitalized as a right-of-use asset. This agreement was amended on February 27, 2026. See Note 13 for associated lease liability.

## 11. RIGHT OF USE ASSETS (continued)

On February 27, 2026, the Company signed an amended office lease agreement for the office space in USA, by expanding the original premises, and the extension of the term for a period of one hundred twenty-seven (127) months commencing on June 1, 2026, and expiring on December 31, 2036, and amending certain other terms and conditions of the lease agreement. The lease was originally scheduled to expire on December 31, 2026.

The right to use the additional space was accounted for as a separate lease commencing June 1, 2026, because it increased the scope of the lease for consideration commensurate with its stand-alone price. At the effective date of the modification, the Company reduced the right-of-use asset by $231,358 (cost $925,427 less accumulated depreciation $694,069) and the lease liability by $240,155 and recognized a gain of $8,797. The new lease was recognized at the present value of the lease payments discounted at 5.5% per annum, resulting in a right-of-use asset and lease liability of $9,172,298.

## 12. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| | $ | $ |
| Trade payable | 1,779,598 | 2,108,268 |
| Accrued liabilities | 4,200,632 | 4,516,643 |
| | 5,980,230 | 6,624,911 |

## 13. LEASES

In December 2024, the Company executed a two-year lease arrangement for its office space in the USA. This agreement was amended on February 27, 2026. The Company recognizes a lease liability and a right-of-use asset at the commencement date of each lease.

Leases are recognized as a right-to-use asset with a corresponding liability at the date at which the leased asset is available for use. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to the consolidated statements of loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Company's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The Company used a discount rate of 5.50% per annum.

The liability pertaining to the lease of the facilities was measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate for the new USA office leases and the associated right-of-use asset was measured at the value of the lease liability.

The maturity analysis of contractual undiscounted cash flows, excluding likely lease term extensions, of the lease liabilities, are disclosed in note 21 in the table under liquidity risk. The company's lease liability for the facilities is as follows:

| | USA |
|---|---|
| | $ |
| Balance as at December 31, 2024 | 920,872 |
| Repayment of lease liability | (484,799) |
| Accretion expense | 31,022 |
| Currency translation adjustment | (34,881) |
| Balance as at December 31, 2025 | 432,213 |
| Additions | 9,172,298 |
| Deduction from relocation | (240,155) |
| Repayment of lease liability | (365,288) |
| Accretion expense | 121,383 |
| Currency translation adjustment | 244,867 |
| Balance as at September 30, 2026 | 9,365,318 |
| *Current portion* | |
| Balance as at December 31, 2025 | 432,213 |
| Balance as at September 30, 2026 | 483,577 |
| *Long-term portion* | |
| Balance as at December 31, 2025 | - |
| Balance as at September 30, 2026 | 8,881,742 |

## 14. BANK LOAN

In 2020 and 2021 the Company received $60,000 under the Canada Emergency Business Account program. On January 18, 2024, the loan was converted to a term loan bearing interest at 5% per annum and repayable by December 31, 2026. During the nine-month period ended September 30, 2026, the Company repaid $30,000, and $30,000 remains outstanding.

## 15. REVOLVING CREDIT FACILITY

The Company's subsidiary, AmeriTrust Auto LLC, has a secured revolving credit facility with a U.S financial institution, to finance the purchase of vehicles leased to customers. The principal terms are: i) Maximum facility of US$20 million, ii) Interest rate of 5.25% per annum, payable monthly. See note 5.

At September 30, 2026, the amount drawn from the revolving credit facility is $13,975,180 (US$9,850,000) (December 31, 2025 - $nil). Interest expense on the facility was $127,070 for the three-month period ended September 30, 2026, and $172,965 for the nine-month period ended September 30, 2026. The facility is classified as current because it matures within twelve months.

## 16. DEBT

On June 2, 2022, the Company and a shareholder (former CEO) entered into loan agreements for total amount of $4,324,013 advanced to the Company. On June 22, 2022, upon closing of the first tranche of the private placement, the Company paid the shareholder $2,000,000 as per the agreement and agreed to pay the remaining principal loan balance of $2,324,013 after a period of 18 months from the closing of the private placement. The loan is measured at fair value on initial recognition. The fair value is determined by using an effective interest rate of 13.80%, considering the rate that the Company would have obtained a similar debt. In December 2022, an amount of $633,150 was adjusted to this loan balance being the consideration for the sale of a business unit.

## 16. DEBT (continued)

On January 29, 2025, the Company and the shareholder signed a mutual full and final release of any claim on the loan balance. A net gain on settlement of debt in the amount of $1,782,260 was reported in the consolidated statement of loss for the nine-month period ended September 30, 2025. The parties also executed an Assignment and License Agreement to assign Source Code assets (as that term is defined in the Assignment and License Agreement) and all of its Intellectual property rights, related to previously developed legacy software that is no longer utilized by the Company. These assets had a carrying value of $nil in the consolidated statement of financial position.

The former CEO is a shareholder of the Company and a related party. Management assessed whether he acted in his capacity as a shareholder when releasing the loan and concluded that he did not act in his capacity as a shareholder, and the gain was recognized in the consolidated statement of loss.

## 17. CONVERTIBLE DEBENTURES

On December 23, 2025, the Company issued unsecured convertible debenture units of 20,850 at a price of $1,000 per debenture unit for gross proceeds of $20,850,000. The cost of issue amounted to $774,000. Each debenture is convertible into units at a price of $0.085 per unit and consists of one senior unsecured principal amount of $1,000 convertible debenture and approximately 11,765 common share purchase warrants. Each warrant entitles the holder to purchase an additional common share of the Company at a price of $0.12 for a period commencing 60 days following the closing date until 60 months, subject to an accelerated expiry date. Each debenture bears interest at a rate of 8% per annum and matures five years from the date of issuance.

On January 15, 2026, the Company closed the second and final tranche of unsecured convertible debenture units of 2,500 at a price of $1,000 per debenture unit for gross proceeds of $2,500,000. The cost of issue amounted to $81,098. Each debenture is convertible into units at a price of $0.085 per unit and consists of one senior unsecured principal amount of $1,000 convertible debenture and approximately 11,765 common share purchase warrants. Each warrant entitles the holder to purchase an additional common share of the Company at a price of $0.12 for a period commencing 60 days following the closing date until 60 months, subject to an accelerated expiry date. Each debenture bears interest at a rate of 8% per annum and matures five years from the date of issuance.

| | | Equity | | |
|---|---|---|---|---|
| | Liability | Convertible debenture-equity component | Reserves | Total |
| | $ | $ | $ | $ |
| **Balance at December 31, 2024** | - | - | - | - |
| Issued during the period | 17,337,846 | 1,821,590 | 1,690,564 | 20,850,000 |
| Financing costs | (643,621) | - | (130,379) | (774,000) |
| Accretion of interest | 8,343 | - | - | 8,343 |
| **Balance at December 31, 2025** | **16,702,568** | **1,821,590** | **1,560,185** | **20,084,343** |
| Issued during the period | 2,092,223 | 217,022 | 190,755 | 2,500,000 |
| Financing costs | (68,865) | - | (12,233) | (81,098) |
| Converted to shares | (135,739) | (14,261) | - | (150,000) |
| Accretion of interest | 356,277 | - | - | 356,277 |
| **Balance at September 30, 2026** | 18,946,464 | 2,024,351 | 1,738,707 | 22,709,522 |

## 17. CONVERTIBLE DEBENTURES (continued)

For accounting purposes, the convertible debentures were separated into their liability and equity components. The value of the liability component and the equity conversion component were determined at the date the instrument was issued. As the conversion feature results in the conversion of a fixed amount of stated principal into a fixed number of shares, it satisfies the "fixed for fixed" criterion and, therefore, it is classified as an equity instrument. The fair value of the liability component, included in non-current liabilities, at inception was calculated using a market interest rate for an equivalent instrument without conversion option. The discount rate applied was 12.40% which was management estimated rate for convertible notes without a conversion feature.

The interest expense on the convertible debenture for the nine months ended September 30, 2026, is $1,383,646 (September 30, 2025 - $nil). This amount is included in Interest and bank charges on the consolidated statements of loss.

## 18. CUSTOMERS' DEPOSITS

Customers' deposits are refundable security deposits received by the Company at lease inception and advance deposits received before the lease agreement are executed. The security deposits are applied to residual balance if buyout option is exercised or will be refunded at the maturity of the lease upon return of the vehicle. Advance deposits are applied against the customer's first lease rental payment or refunded in full if the customer does not execute the agreement. As at September 30, 2026, the Company has customers' deposits of $102,327 (December 31, 2025 - $nil).

## 19. SHARE CAPITAL AND RESERVES

**(a) Authorized:**

The Company is authorized to issue:

- an unlimited number of Common Shares with no stated par value

In April 2018, the Company consolidated the Company's issued share capital on a ratio of four (4) old common shares for each one (1) new post-consolidated common share (the "Share Consolidation"). All current and comparative references to the number of common shares, weighted average number of common shares, loss per share, stock options and warrants have been restated to give effect to this share consolidation, unless otherwise noted.

**(b) Shares issued in Private Placements:**

On December 23, 2025, the Company closed on the first tranche $15,337,200 of a Listed Issuer Financing Exemption ("LIFE") Private Placement financing, representing 306,744,000 units at a price of $0.05 per LIFE unit. The share issuance costs amounted to $1,180,863.

On January 15, 2026, the Company closed on the second and final tranche on $865,000 of a Listed Issuer Financing Exemption ("LIFE") Private Placement financing, representing 17,300,000 units at a price of $0.05 per LIFE unit. The share issuance costs amounted to $124,501.

**(c) Share Purchase Warrants**

On December 23, 2025, the Company closed the first tranche of a LIFE Private Placement financing representing 306,744,000 units. Each LIFE unit consists of one common share and one common share purchase warrant, and each warrant shall entitle the holder thereof to acquire a common share at an exercise price of $0.12 per warrant share for a period commencing 60 days following the closing until five years following the date of issuance, subject to an accelerated expiry in the event that any time after 18 months following the closing date the daily volume weighted average trading price of the common shares, equals or exceeds $0.30 per share for a 30 consecutive trading day period. The warrants were valued at $5,324,429 using the Monte Carlo Simulation methodology with risk free interest rate of 2.88%, volatility of 80.10% and expected life of 5 years.

## 19. SHARE CAPITAL AND RESERVES (continued)

### (c) Share Purchase Warrants (continued)

On December 23, 2025, the Company closed the first tranche of convertible debentures Private Placement financing representing 20,850 units. Each convertible debenture unit consists of one senior unsecured principal amount of $1,000 convertible debenture, 11,765 common share purchase warrants, and each warrant shall entitle the holder thereof to acquire a common share at an exercise price of $0.12 per warrant share for a period commencing 60 days following the closing until five years following the date of issuance, subject to an accelerated expiry in the event that any time after 18 months following the closing date the daily volume weighted average trading price of the common shares, equals or exceeds $0.30 per share for a 30 consecutive trading day period. The warrants were valued at $1,690,564 using the Monte Carlo Simulation methodology with risk free interest rate of 2.88%, volatility of 80.10% and expected life of 5 years.

On December 23, 2025, the agents in connection with the LIFE and convertible debentures issued 14,878,000 common share purchase warrants at an exercise price of $0.05 per warrant share for a period of 24 months from the date of closing. The warrants were valued at $492,891 using the Monte Carlo Simulation methodology with risk free interest rate of 2.88%, volatility of 80.10% and expected life of 2 years.

On January 15, 2026, the Company closed the second and final tranche of a LIFE Private Placement financing representing 17,300,000 units. Each LIFE unit consists of one common share and one common share purchase warrant, and each warrant shall entitle the holder thereof to acquire a common share at an exercise price of $0.12 per warrant share for a period commencing 60 days following the closing until five years following the date of issuance, subject to an accelerated expiry in the event that any time after 18 months following the closing date the daily volume weighted average trading price of the common shares, equals or exceeds $0.30 per share for a 30 consecutive trading day period. The warrants were valued at $255,109 using the Monte Carlo Simulation methodology with risk free interest rate of 2.89%, volatility of 81.06% and expected life of 5 years.

On January 15, 2026, the Company closed the second and final tranche of convertible debentures Private Placement financing representing 2,500 units. Each convertible debenture unit consists of one senior unsecured principal amount of $1,000 convertible debenture, 11,765 common share purchase warrants, and each warrant shall entitle the holder thereof to acquire a common share at an exercise price of $0.12 per warrant share for a period commencing 60 days following the closing until five years following the date of issuance, subject to an accelerated expiry in the event that any time after 18 months following the closing date the daily volume weighted average trading price of the common shares, equals or exceeds $0.30 per share for a 30 consecutive trading day period. The warrants were valued at $190,755 using the Monte Carlo Simulation methodology with risk free interest rate of 2.89%, volatility of 81.06% and expected life of 5 years.

On January 15, 2026, the agents in connection with the LIFE and convertible debentures were issued 865,000 common share purchase warrants at an exercise price of $0.05 per warrant share for a period of 24 months from the date of closing. The warrants were valued at $23,565 using the Monte Carlo Simulation methodology with risk free interest rate of 2.89%, volatility of 81.06% and expected life of 2 years.

Share purchase warrant transactions are summarized as follows:

| | **September 30, 2026** | | **December 31, 2025** | |
|---|---|---|---|---|
| | Number of share purchase warrants | Weighted average exercise price ($) | Number of share purchase warrants | Weighted average exercise price ($) |
| Balance, beginning of period | 661,384,107 | 0.16 | 94,468,001 | 0.40 |
| Warrants granted | 47,576,763 | 0.12 | 566,916,106 | 0.12 |
| Warrants exercised | (300,764,642) | (0.12) | - | - |
| **Balance, end of period** | **408,196,228** | **0.18** | **661,384,107** | **0.16** |

## 19. SHARE CAPITAL AND RESERVES (continued)

### (c) Share Purchase Warrants (continued)

A summary of the Company's share purchase warrants outstanding as at September 30, 2026, is presented below:

| Number of share purchase warrants (#) | Exercise Price ($) | Expiry Date |
|---|---|---|
| 77,151,200 | 0.40 | June 22, 2027 |
| 17,316,801 | 0.40 | July 15, 2027 |
| 268,570,464 | 0.12 | December 23, 2030 |
| 346,000 | 0.05 | January 15, 2028 |
| 44,811,763 | 0.12 | January 15, 2031 |

The weighted average remaining contractual life of the share purchase warrants is 3.43 years.

### (d) Share-based compensation

#### (i) Stock option plan

The Company has adopted a stock option plan (the "Option Plan") for directors, officers, employees, and consultants of the Company. At the Company's Annual General Meeting held on June 24, 2026, the shareholders approved the 2026 Incentive Stock Option Plan (20% Fixed Plan), reserving for issuance up to 203,433,224 common shares of the Company.

On December 19, 2024, the Company granted 21,000,000 stock options to directors, consultants, and employees. The stock options will vest in four tranches of 5,250,000 each on June 19, 2025, December 19, 2025, June 19, 2026, and December 19, 2026, respectively. The stock options were issued with an exercise price of $0.105 and an expiry date five years from the date of issuance. The fair value of share-based compensation in connection with this stock option grant was $2,088,984. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $60,137 (2025 - $278,496) and $341,511 (2025 - $1,327,582), respectively related to the vested portion of these options.

The total share-based compensation (for both stock options and Restricted share units) for the three and nine-month period ended September 30, 2026, is $565,174 (2025 - $849,715) and $1,438,136 (2025 - $2,852,669), respectively related to the vested portion of the stock options.

In determining the amount of share-based compensation, the Company used the Black-Scholes option pricing model to establish the fair value of options granted by applying the following:

| | 2024 | 2024 | 2022 |
|---|---|---|---|
| Grant date share price | $0.105 | $0.055 | $0.71 - $0.76 |
| Risk-free interest rate | 3.06% | 3.71% | 1.24% – 1.28% |
| Expected life of options | 3.75 years | 1.5 years | 3 years |
| Expected annualized volatility | 197.58% | 230.52% | 117% |
| Expected dividend yield | - | - | - |
| Black-Scholes value of each option | $0.0995 | $0.0419 | $0.5369 - $0.6242 |

## 19. SHARE CAPITAL AND RESERVES (continued)

### (d) Share-based compensation (continued)

#### (i) Stock option plan (continued)

Information with respect to the Company's stock options is presented below:

| | September 30, 2026 | | December 31, 2025 | |
|---|---|---|---|---|
| | Number of stock options | Weighted average exercise price ($) | Number of stock options | Weighted average exercise price ($) |
| Balance, beginning of period | 27,532,000 | 0.1400 | 29,552,000 | 0.1490 |
| Options expired | (132,000) | (0.2900) | (1,100,000) | (0.1900) |
| Options exercised | (100,000) | (0.105) | - | - |
| Options cancelled/forfeited | (1,312,500) | (0.11) | (920,000) | (0.3200) |
| Balance, end of period | 25,987,500 | 0.1400 | 27,532,000 | 0.1400 |

A summary of the Company's stock options outstanding and exercisable as at September 30, 2026, is presented below:

| | Options Outstanding | | | Options Exercisable | |
|---|---|---|---|---|---|
| **Expiry date** | **Number of options** | **Weighted average remaining contractual life** | **Weighted average exercise price** | **Number of options** | **Weighted average exercise price** |
| | | years | $ | | $ |
| October 26, 2026 | 900,000 | 0.07 | 0.89 | 900,000 | 0.89 |
| June 13, 2027 | 6,000,000 | 0.70 | 0.14 | 6,000,000 | 0.14 |
| December 19, 2029 | 19,087,500 | 3.22 | 0.105 | 14,315,625 | 0.105 |
| | **25,987,500** | **2.53** | **0.14** | **21,215,625** | **0.15** |

A summary of the Company's stock options outstanding and exercisable as at December 31, 2025, is presented below:

| | Options Outstanding | | | Options Exercisable | |
|---|---|---|---|---|---|
| **Expiry date** | **Number of options** | **Weighted average remaining contractual life** | **Weighted average exercise price** | **Number of options** | **Weighted average exercise price** |
| | | years | $ | | $ |
| January 4, 2026 | 132,000 | 0.01 | 0.29 | 132,000 | 0.29 |
| October 26, 2026 | 900,000 | 0.82 | 0.89 | 900,000 | 0.89 |
| June 13, 2027 | 6,000,000 | 1.45 | 0.14 | 6,000,000 | 0.14 |
| December 19, 2029 | 20,500,000 | 3.97 | 0.105 | 10,250,000 | 0.105 |
| | **27,532,000** | **3.30** | **0.14** | **17,282,000** | **0.16** |

## 19. SHARE CAPITAL AND RESERVES (continued)

### (d) Share-based compensation (continued)

#### (ii) Restricted share unit plan

At the Company's Annual General Meeting held on June 24, 2026, the shareholders approved the 2026 Restricted Share Unit Plan, reserving for issuance a maximum of 120,000,000 common shares of the Company. The 120,000,000 Restricted Share Units are included in the 203,433,224 common shares of the Incentive Stock Option Plan (20% Fixed Plan). As at September 30, 2026, 21,100,004 RSUs have been granted and outstanding.

RSUs are measured at the fair value of the Company's common shares on the grant date. Awards that vest in installments are expensed over the vesting period of each instalment.

RSUs outstanding as at September 30, 2026:

| | Number of RSUs |
|---|---|
| **Balance as at December 31, 2024** | **17,540,166** |
| Granted | 20,900,000 |
| Vested | (11,783,331) |
| Cancelled / forfeited | (790,167) |
| **Balance as at December 31, 2025** | **25,866,668** |
| Granted | 12,875,000 |
| Vested | (17,641,664) |
| **Balance as at September 30, 2026** | **21,100,004** |

On March 6, 2023, the Company issued 516,667 restricted share units to employees at a price of $0.045 per common share, 166,667 restricted share units vested immediately with the balance to vest over a period of three years. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $nil (2025 - $nil) and $nil (2025 - $573), respectively related to the vested portion of these units.

On March 8, 2023, the Company issued 3,600,000 restricted share units to directors and employees at a price of $0.06 per common share, that vest over a period of three years. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $nil (2025 - $1,009) and $713 (2025 - $4,064), respectively related to the vested portion of these units.

On May 1, 2024, the Company issued 500,000 restricted share units to an employee at a price of $0.04 per common share, that vest over a period of three years. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $560 (2025 - $1,400) and $2,767 (2025 - $6,365), respectively related to the vested portion of these units.

On May 29, 2024, the Company issued 300,000 restricted share units to an employee at a price of $0.055 per common share, 100,000 restricted share units vested immediately with the balance to vest over a period of two years. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $nil (2025 - $693) and $1,123 (2025 - $4,302), respectively related to the vested portion of these units.

On June 13, 2024, the Company issued 6,000,000 restricted share units to consultants at a price of $0.055 per common share, 3,500,000 restricted share units vested immediately with the balance to vest on the one-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $nil (2025 - $nil) and $nil (2025 - $61,781), respectively related to the vested portion of these units.

## 19. SHARE CAPITAL AND RESERVES (continued)

### (d) Share-based compensation (continued)

#### (ii) Restricted share unit plan (continued)

On September 18, 2024, the Company issued 6,500,000 restricted share units to a consultant at a price of $0.085 per common share, that vest over a period of thirty months. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $18,599 (2025 - $89,996) and $81,162 (2025 - $278,964), respectively related to the vested portion of these units.

On October 8, 2024, the Company issued 400,000 restricted share units to an employee at a price of $0.125 per common share, that vests on the one-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $nil (2025 - $12,603) and $nil (2025 - $37,397), respectively related to the vested portion of these units.

On November 21, 2024, the Company issued 5,250,000 restricted share units to a consultant at a price of $0.125 per common share, that vest on the one-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $nil (2025 - $165,411) and $nil (2025 - $490,839), respectively related to the vested portion of these units.

On January 1, 2025, the Company issued 3,125,000 restricted share units to an employee at a price of $0.125 per common share, that vest on the one-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $nil (2025 - $98,459) and $1,070 (2025 - $291,096), respectively related to the vested portion of these units.

On January 8, 2025, the Company issued 400,000 restricted share units to an employee at a price of $0.11 per common share, that vest on the one-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $nil (2025 - $11,090) and $964 (2025 - $31,945), respectively related to the vested portion of these units.

On March 18, 2025, the Company issued 6,500,000 restricted share units to a consultant at a price of $0.055 per common share, that vest over a period of two years. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $15,018 (2025 - $75,091) and $94,844 (2025 - $159,977), respectively related to the vested portion of these units.

On April 14, 2025, the Company issued 3,525,000 restricted share units to employees at a price of $0.055 per common share, that vest on the one-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $nil (2025 - $50,560) and $50,439 (2025 - $92,877), respectively related to the vested portion of these units.

On July 1, 2025, the Company issued 3,125,000 restricted share units to an employee at a price of $0.075 per common share, that vest on the one-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $642 (2025 - $58,433) and $116,866 (2025 - $58,433), respectively related to the vested portion of these units.

On July 8, 2025, the Company issued 400,000 restricted share units to an employee at a price of $0.065 per common share, that vest on the one-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $570 (2025 - $5,984) and $13,463 (2025 - $5,984), respectively related to the vested portion of these units.

On September 15, 2025, the Company issued 300,000 restricted share units to an employee at a price of $0.065 per common share, that vest on the one-year anniversary. During the three nine-month period ended September 30, 2026, included in the share-based compensation is $2,736 (2025 - $490) and $8,644 (2025 - $490), respectively related to the vested portion of these units.

## 19. SHARE CAPITAL AND RESERVES (continued)

**(d) Share-based compensation (continued)**

**(ii) Restricted share unit plan (continued)**

On October 1, 2025, the Company issued 3,125,000 restricted share units to an employee at a price of $0.06 per common share, that vest on the one-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $47,260 (2025 - $nil) and $140,240 (2025 - $nil), respectively related to the vested portion of these units.

On October 8, 2025, the Company issued 400,000 restricted share units to an employee at a price of $0.06 per common share, that vest on the one-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $6,049 (2025 - $nil) and $17,951 (2025 - $nil), respectively related to the vested portion of these units.

On January 3, 2026, the Company issued 3,125,000 restricted share units to an employee at a price of $0.065 per common share, that vest on the one-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $51,199 (2025 - $nil) and $151,370 (2025 - $nil), respectively related to the vested portion of these units.

On March 27, 2026, the Company issued 1,000,000 restricted share units to consultants at a price of $0.055 per common share, that vest on the one-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $13,863 (2025 - $nil) and $31,795 (2025 - $nil), respectively related to the vested portion of these units.

On April 1, 2026, the Company issued 3,125,000 restricted share units to an employee at a price of $0.045 per common share, that vest on the one-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $35,445 (2025 - $nil) and $70,120 (2025 - $nil), respectively related to the vested portion of these units.

On June 30, 2026, the Company issued 2,500,000 restricted share units to an employee at a price of $0.255 per common share, that vest 50% on the one-year anniversary and the remaining 50% on the second-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $120,459 (2025 - $nil) and $120,459 (2025 - $nil), respectively related to the vested portion of these units.

On July 1, 2026, the Company issued 3,125,000 restricted share units to an employee at a price of $0.25 per common share, that vest on the one-year anniversary. During the three and nine-month period ended September 30, 2026, included in the share-based compensation is $192,637 (2025 - $nil) and $192,637 (2025 - $nil), respectively related to the vested portion of these units.

## 20. RELATED PARTY TRANSACTIONS

On December 23, 2025, the Company closed on $15,337,200 of LIFE Private Placement financing, representing 306,744,000 LIFE units at a price of $0.05 per LIFE unit. Certain key management personnel of the Company subscribed to 8,600,000 LIFE units for gross proceeds of $430,000.

**Compensation of key management personnel of the Company**

Key management personnel include those people who have authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of the Board of Directors, corporate officers, including the Chief Executive Officer, the Chief Financial Officer, Chief Operating Officer and the Chief Technology Officer.

## 20. RELATED PARTY TRANSACTIONS (continued)

Key management personnel compensation for the nine-month period ended September 30, 2026, and 2025 was as follows:

| | September 30, 2026 | September 30, 2025 |
|---|---|---|
| | $ | $ |
| Salaries and wages | 1,618,767 | 1,114,096 |
| Share based compensation | 1,002,709 | 1,086,154 |
| Rent | 90,032 | - |
| | 2,711,508 | 2,200,250 |

At September 30, 2026, the total amount payable to key management personnel and an entity controlled by a shareholder amounted to $390,170 (December 31, 2025 - $1,083,295) and is recorded in the Accounts payable and accrued liabilities. These amounts are unsecured, non-interest bearing and due on demand.

## 21. FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The main types of risks are credit risk, liquidity risk and market risk. These risks arise from the normal course of operations, and all transactions are undertaken as a going concern. The type of risk exposure and the way in which such exposure is managed is provided as follows:

**Credit risk**

The Company is exposed to credit risk on cash and cash equivalents, restricted cash, accounts receivable and amounts due from lessees. Cash and restricted cash are held with Canadian Schedule I banks and a US financial institution. Credit risk from lessees is managed through credit underwriting, security deposits and the Company's right to repossess and sell the leased vehicle. The maximum exposure to credit risk is the carrying amount of these assets.

The aging of the accounts receivable are as follows:

| | September 30, 2026 | | December 31, 2025 |
|---|---|---|---|
| | $ | | $ |
| Current to 30 days past due | 155,482 | | 81,413 |
| Past due (31-60 days) | 17,587 | | - |
| Past due (> 61 days) | 7,828 | | 4,317 |
| | 180,897 | | 85,730 |

## 21. FINANCIAL INSTRUMENTS (continued)

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company manages liquidity risk by maintaining sufficient unrestricted cash, monitoring forecast and actual cash flows, and managing availability under the revolving credit facility. At September 30, 2026, the Company had unrestricted cash and cash equivalents of $37,670,923.

At September 30, 2026, all the Company's accounts payable and accrued liabilities had contractual terms of less than one year.

| | Contractual cash flows | Less than 1 year | 1-3 years | 3-5 years | After 5 years |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| Accounts payable and accrued liabilities | 5,980,230 | 5,980,230 | - | - | - |
| Revolving credit facility | 13,975,180 | 13,975,180 | - | - | - |
| Convertible debentures - principal | 23,200,000 | - | - | 23,200,000 | - |
| Lease payments (undiscounted) | 12,347,710 | 977,491 | 2,291,803 | 2,380,643 | 6,697,773 |
| Customer deposits | 102,327 | 102,327 | - | - | - |
| Bank loan | 30,000 | 30,000 | - | - | - |
| | 55,635,447 | 21,065,228 | 2,291,803 | 25,580,643 | 6,697,773 |

**Market risk**

The market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The Company has limited exposure to any market risk.

**Interest rate risk**

The Company's convertible debentures bear interest at a fixed rate of 8% per annum and are not exposed to changes in market interest rates. The revolving credit facility, which had a balance of $13,975,180 at September 30, 2026, bears interest at a variable rate of 5.25%. The leases the Company originates carry fixed payments over their term. As a result, an increase in interest rates would increase the cost of funding the lease portfolio without a corresponding increase in lease revenue on existing leases.

The Company also earns interest income on its cash, restricted cash and money market balances, including cash held as collateral for the revolving credit facility. A decrease in interest rates would reduce this income.

**Currency risk**

The currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company is exposed to the currency risk because of components of revenue and costs being denominated in currencies other than Canadian dollar, primarily the United States dollar. The Company holds cash and accounts receivable, accounts payable and accrued liabilities in currencies other than the Canadian dollar, primarily the United States dollar.

## 21. FINANCIAL INSTRUMENTS (continued)

For the period ended September 30, 2026, if the Canadian dollar had strengthened 5% against the United States dollar, with all other variables held constant, net loss for the period would have been $365,041 lower (September 30, 2025 - $222,821). Conversely, if the Canadian dollar had weakened 5% against the United States dollar with all other variables held constant, there would be an equal, and opposite impact, on net income.

**Fair value**

The Company classifies its fair value measurements within a fair value hierarchy, which reflects the significance of the inputs used in making the measurements as defined in IFRS 13 - *Financial Instruments: Fair Value Measurement* ("IFRS 13").

Level 1 – Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets.

Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Unobservable inputs which are supported by little or no market activity. As required by IFRS 13, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The carrying amounts of cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued liabilities, the revolving credit facility and the bank loan approximate their fair values because of their short-term maturities or market interest rates. The fair value of the convertible debentures is disclosed in note 17 (Level 3). The investment is measured at fair value using Level 2 inputs. There were no transfers between levels during the period.

## 22. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and continue to develop and market its software applications. The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital and deficit. The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, issuing new debt, and controlling the capital expenditures program. The Company is not subject to externally imposed capital requirements. The Company is dependent on financing from shareholders to develop its technology and fund its activities. There were no changes in the Company's approach to capital management during the period ended September 30, 2026, and 2025.

## 23. LEGAL CLAIMS

In August 2018, the Company was served a Notice of Civil Claim in the Superior Court of British Columbia by Advanced Media Solutions Limited ("AMSL"), a Company incorporated pursuant to the laws of the British Virgin Islands. AMSL was seeking payment of USD$450,000. The Company disputed the facts set out in the Civil Claim and filed a Response to Civil Claim, as well as a Counterclaim to the Plaintiff and other individuals and entities involved for damages. The Company believed the claim was without merit. On October 29, 2026, a Notice of Discontinuance was filed in the Supreme Court of British Columbia by AMSL withdrawing its civil claim. See subsequent events note 26.

## 23. LEGAL CLAIMS (continued)

Frunzi v. MUSA Auto Holdings, LLC, Texas District Court, Dallas County, Case # DC-18-14445:
Mr. Frunzi's employment was terminated for cause on September 5, 2018. Mr. Frunzi subsequently asserted a claim for breach of his employment agreement. He seeks money damages in the amount of the severance payment specified in his employment agreement, which is an amount comprised of 18 months' base salary, his prior year's bonus, and health insurance premiums for 18 months. He also seeks the value of the profit interest units that vested under his grant agreement before his employment was terminated. In addition to money damages, Mr. Frunzi seeks a declaratory judgment that MUSA breached his employment agreement and an accounting that can be used to determine the value of the profit interest units that vested before the termination. The amount in controversy is about $427,500, not including the value of any profit interest units claimed by Frunzi. The case was submitted to non-binding arbitration and the arbitrator found that Frunzi's conduct was grounds to terminate him under common law but that there was not "cause" to terminate Frunzi under the employment agreement. The arbitrator found that Frunzi is entitled to USD $427,500 in back compensation and $102,539 in attorneys' fees. The arbitrator declined to award Frunzi any amount under the now terminated profits interest plan. An amount of $900,247 (USD $634,513) is included in the accounts payable and accrued liabilities for the period ended September 30, 2026 (December 31, 2025 – $869,663 (USD $634,513)).

On February 16, 2023, the Company's former Chief Compliance Officer, filed a charge of discrimination with the Dallas office of the Equal Employment Opportunity Commission ("EEOC"), alleging discrimination on the basis of sex and age and is claiming severance, compensation, benefits and equity to which she believes she is contractually entitled. The Chief Compliance Officer was terminated for cause in April 2022. The EEOC rejected the charge of discrimination. Subsequently the Chief Compliance Officer filed for arbitration, seeking severance benefits allegedly due under the employment agreement. The arbitration process has since concluded, and a final award has been issued by the arbitrator. Based on the citation received on September 18, 2025, from the District Court of Dallas, County Texas, an amount of $1,115,262 (USD $786,060) is included in the accounts payable and accrued liabilities for the period ended September 30, 2026 (December 31, 2025 - $1,077,374 (USD $786,060)).

In November 2020, the Company was served a Notice of Civil Claim in the Superior Court of British Columbia by Miller Thomson LLP. seeking payment for outstanding legal fees. The Company disputed the facts set out in the Civil Claim. On April 28, 2025, the Civil Claim they filed against the Company was released in full and an amount of $62,579 previously reported as accounts payable is transferred to the gain on settlement of debt on the consolidated statement of loss.

In June 2023, PowerBand Solutions (now known as AmeriTrust) and a third party were served with a Statement of Claim in the amount of $495,392 from Denton's Canada LLP., relating to outstanding professional fees for the period of approximately 2012 through 2015. PowerBand Solutions Inc. (now known as AmeriTrust) did not retain the claimant during this period and denied that it was obligated to pay these fees. On January 29, 2025, the parties settled the claim, and the Company paid Denton's Canada LLP a sum of $150,000, in full satisfaction of the claim. This amount was adjusted against the gain on settlement of debt on the consolidated statement of loss.

On November 18, 2024, the Company was served with a Statement of claim from a former employee relating to damages for wrongful dismissal of employment. The Company denied each of the allegations set out in the Statement of claim. On April 28, 2025, the parties reached a settlement and executed a confidential settlement, release and dismissal of actions and all outstanding payments have been fully settled.

A wholly owned subsidiary of the Company that was deemed to be forfeited by the State of Texas business registry on July 28, 2023, was named in an arbitration proceeding initiated by a creditor regarding an outstanding claim for unpaid amounts including interest totaling approximately USD $302,948 plus reasonable attorney fees. However, no formal service agreement exists between the creditor and the subsidiary. Given the lack of formal agreement and the forfeited status, the potential financial impact of the arbitration proceeding remains uncertain. On December 17, 2025, the Company filed a motion to dismiss in the United States District Court for the Northern District of Texas, Dallas division. An amount of $264,305 (US$186,288) is included in the Company's accounts payable and accrued liabilities for the period ended September 30, 2026 (December 31, 2025 - $259,438 (USD $186,288)). On November 3, 2026, a mutual release agreement was signed between the parties in connection with the disputes and claims between them, and to settle, compromise, and resolve all such disputes and claims. A stipulation of voluntary dismissal was filed in the United States District Court for the Northern District of Texas, Dallas division for dismissing the case in its entirety. See subsequent events note 26.

## 24. SEGMENTED REPORTING

Operating segments are components of an entity that engages in business activities from which they earned revenues and incur expenses related to the operations for which can be clearly distinguished and for which the operating results are regularly reviewed by a chief operating decision maker to make resource allocation decisions and to assess performance. During the periods ended September 30, 2026, and 2025, the Chief Financial Officer served in the function of the Chief Operating Decision Maker (CODM). The Chief Financial Officer is responsible for allocating resources and assessing the performance of the following segments: Canadian operations and US operations.

Transactions between reportable segments are accounted for in accordance with the accounting policies described in the summary of significant accounting policies.

The Company's CODM measures the performance of each operating segment based on operating profit (loss). The segmented information is set out in the following tables:

| | Nine months ended September 30, 2026 | | | Nine months ended September 30, 2025 | | |
|---|---|---|---|---|---|---|
| | **Canada** | **USA** | **Total** | **Canada** | **USA** | **Total** |
| | $ | $ | $ | $ | $ | $ |
| Revenue | | | | | | |
| Lease origination income | - | 1,020,612 | 1,020,612 | - | 69,581 | 69,581 |
| Lease servicing income | - | 1,174,948 | 1,174,948 | - | 1,224,285 | 1,224,285 |
| Direct sales and product income | - | 342,088 | 342,088 | - | - | - |
| | - | 2,537,648 | 2,537,648 | - | 1,293,866 | 1,293,866 |

| | Nine months ended September 30, 2026 | | | Nine months ended September 30, 2025 | | |
|---|---|---|---|---|---|---|
| | **Canada** | **USA** | **Total** | **Canada** | **USA** | **Total** |
| | $ | $ | $ | $ | $ | $ |
| Net loss | | | | | | |
| Operating loss before other income | 4,358,289 | 7,892,707 | 12,250,996 | 4,121,730 | 4,539,634 | 8,661,364 |
| Other (income) expense | (2,610) | (591,893) | (594,503) | (1,378,943) | (83,212) | (1,462,155) |
| | 4,355,679 | 7,300,814 | 11,656,493 | 2,742,787 | 4,456,422 | 7,199,209 |

| | As At September 30, 2026 | | | As At December 31, 2025 | | |
|---|---|---|---|---|---|---|
| | **Canada** | **USA** | **Total** | **Canada** | **USA** | **Total** |
| | $ | $ | $ | $ | $ | $ |
| Segment assets | 35,554,786 | 54,461,067 | 90,015,853 | 6,559,748 | 31,856,583 | 38,416,331 |
| Segment liabilities | 19,452,892 | 28,981,099 | 48,433,991 | 17,753,724 | 6,098,828 | 23,852,552 |

## 25. CONTINGENT LIABILITIES AND PROVISION

Management has evaluated its obligations in accordance with *IAS 37 - Provisions, Contingent Liabilities and Contingent Assets*, as at September 30, 2026. Based on this assessment:

- No provision has been recognized in the consolidated financial statements, for the periods ended September 30, 2026, and September 30, 2025, as there are no present legal or constructive obligations requiring settlement that would result in a probable outflow of economic resources and for which a reliable estimate can be made.

- No contingent liabilities exist that require disclosure. Management has considered all relevant factors, including legal claims and other potential obligations, and concluded that there are no material uncertainties or exposure that require disclosure.

Management will continue to monitor legal, operational and financial risks on an ongoing basis and will recognize provisions or disclose contingent liabilities if and when conditions warrant.

## 26. SUBSEQUENT EVENTS

Subsequent to the period ending September 30, 2026, the following corporate activities occurred:

1. After the period end September 30, 2026, the Company issued 3,125,000 restricted share units at a price of $0.21 per common share, to employees, that vest on the one-year anniversary.

2. On October 29, 2026, a Notice of Discontinuance was filed in the Supreme Court of British Columbia by Advanced Media Solutions Limited withdrawing the civil claim seeking payment of USD$450,000 that it filed in August 2018, against the Company. The Company had previously filed a motion to dismiss the civil claim prior to the filing of the Notice of Discontinuance.

3. A wholly owned subsidiary of the Company that was deemed to be forfeited by the State of Texas business registry on July 28, 2023, was named in an arbitration proceeding initiated by a creditor regarding an outstanding claim for unpaid amounts totaling approximately USD$302,948 plus reasonable attorney fees. On November 3, 2026, a mutual release agreement was signed between the parties in connection with the disputes and claims between them, and to settle, compromise, and resolve all such disputes and claims. A stipulation of voluntary dismissal was filed in the United States District Court for the Northern District of Texas, Dallas division for dismissing the case in its entirety.